APPLICATION

PRIMARY CARE LOANS (PCL) PROGRAM

ACADEMIC YEAR _______

IF THIS APPLICATION IS TO BE PREPARED BY SOMEONE IN AN OFFICE OTHER THAN THE ADDRESSEE, PLEASE BE SURE THIS PACKET IS KEPT INTACT FOR THAT INDIVIDUAL'S INFORMATION AND USE.

PUBLIC REPORTING BURDEN STATEMENT

Public reporting burden for this collection of information is estimated to average 5 hours per response, including the time for reviewing instructions, searching existing data sources; gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing burden to: PHS Reports Clearance Officer, Attention: PRA. Hubert H. Humphrey Building, Room 721 -B, 200 Independence Avenue, S.W., Washington, D.C. 20201, and to the Office of Management and Budget; Paperwork Reduction Project (0915- XXXX); Washington, D.C. 20503.
U.S. Department of Health and Human Services
Health Resources and Services Administration
Bureau of Health Workforce

Application to Participate in the

PRIMARY CARE LOAN (PCL) Program

Section I: INDICATIVE DATA

Institution: ______________________________________________________

Address: ______________________________________________________

Address: ______________________________________________________

Mail Stop: _____________________ County:________________________

City:  ______________________________________________________

State:  ______________________________________________________

Zip Code: _________________   Zip 4 Code: __________________

Telephone: _____________________ Fax: ________________________

USSid: (If Exist) ______________________ UEI: ______________________

Congressional District: __________________________________________

Central Registry Entity Identification Number: ______________________

Institution Code: ______________________________________________
A. PROGRAM DISCIPLINE:

Check the appropriate line

________ Allopathic Degree

________ Osteopathic Degree

(A separate application must be filled out for each discipline)

B. ACCREDITATION INFORMATION:

a. Name of Accrediting Association: ______________________________________________

b. Status of Accreditation (check the appropriate line)

    _____ Full Accreditation

    _____ Provisional or Conditional Accreditation

c. Date (Month and Year) when current accreditation will expire ______________________

Section II: APPLICATION DATA

A. ENROLLMENT: Please provide the year and numbers of the current academic year.

    Full-time discipline student enrollment as of October 15, ___ ____________________

B. FUNDS REQUESTED: Please provide the year and amounts for the academic year you need funding.

    a. Total Projected Need for the period 07/01/____ - 06/30/____ $_________________
       (NOTE: requested amount may not be the full amount received.)
    b. Institutional Contribution (1/9th of line a) $________________

3 |PCL Application
c. Total Funds Requested for the period 07/01/____ - 06/30/____
   (a minus b)        $_________________

INSTITUTION: _________________________________________________________________

PROGRAM: ___________________________________ EIN#: ________________________

OPSID (leave blank):___________

TERMS AND CONDITIONS OF AGREEMENT

The terms and conditions set forth represent the agreement between the applicant school and the Secretary of Health and Human Services for the establishment and maintenance of a Primary Care Loan (PCL) fund, and are binding on all parties and personnel participating in the program supported.

A. ASSURANCES AND PUBLIC POLICY REQUIREMENTS

Title VI of the Civil Rights Act of 1964 and 45CFR Part 80 states: No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving financial assistance from the Department of Health and Human Services (DHHS), must be operated in compliance with this law.

Attention is called to the requirements of Title IX of the Education Amendments of 1972 and in particular to Section 901 of such Act and 45 CFR 86, which provide that no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance.

Attention is called to Section 710 of the Public Health Service (PHS) Act which provides that
no contract, grant, cooperative agreement, loan guarantee, or interest subsidy payment may be awarded under Titles VII and VIII to, or for the benefit of, any school program or training center if the tuition level or educational fees at the school, program or training center are higher for certain students solely on the basis those such students are the recipients of traineeships, loans, loan guarantees, service scholarships, or interest subsidies from the Federal Government.

In accordance with 45 CFR, Part 83 of the DHHS Regulations issued under Section 704 and 855 of the PHS Act, no grant, loan guarantee, or interest subsidy payment under Titles VII or VIII of the PHS Act shall be made to or for the benefit of any entity, and no contract under Titles VII or VIII of the PHS Act shall be made with any entity, unless the entity will not discriminate on the basis of sex in the admission of individuals to its training programs.

In accordance with 45 CFR Part 91, attention is called to the general rule that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving financial assistance.

Attention is called to the requirements of OMB circular M-87-32 which provide that an applicant institution receiving a loan must not be delinquent on any Federal debt.

The applicant institution must comply with the requirements of 45 CFR, Part 76, Subpart F, which requires certification that grantees will provide and maintain a drug-free workplace.

The Drug-Free Schools and Communities Act Amendments of 1989, P.L. 101-226, require that any public or private institution of higher education (including independent hospitals conducting training programs for health care personnel), State educational agency, or local educational agency receiving Federal financial assistance must certify to the Secretary of Education, as a condition for funding, that it has adopted and implemented a drug prevention program as described in 34CFR, Part 86, (55FR 33580), August 16, 1990. The provisions of the regulations also apply to subgrantees which receive Federal funds from any Federal grantee regardless of whether or not the primary grantee is an institution of higher education, State educational agency, or local educational agency.

The applicant organization must certify, among other things, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency. Subawardees, (i.e, other corporations, partnerships, or other legal entities called alternate tier participants), must make the same certification to the applicant organization concerning their covered transactions. The pertinent DHHS regulations are found in 45 CFR Part 76.
B. ELIGIBILITY CRITERIA

The health professions school must be located in the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa or the Trust Territory of the Pacific.

Any public or other nonprofit institution that offers degrees in doctor of allopathic medicine and/or doctor of osteopathic medicine to full-time students may apply to participate in the PCL program. A health professions school that is interested in participating in the PCL program must be accredited by an appropriate accrediting body that is recognized by the Secretary of Education. If a new school has not been operating for a sufficient time to be accredited, the Department of Health and Human Services will consider the school accredited if the Secretary of Education finds, after consultation with the appropriate accrediting bodies, that there is reasonable assurance that the school will meet the specified accreditation standards prior to the beginning of the academic year following the normal graduation date of the first entering class in such school or program.

For a one-year period ending on June 30 of each fiscal year, the school must meet at least one of the following conditions and keep records with respect to graduates of the school whose date of graduation from the school occurred approximately four years before the end of the one-year period:

- Not less than 50 percent of the school’s designated graduates meet the criterion of either being in a primary health care residency training program, or being engaged in the practice of primary health care; or

- Not less than 25 percent of the school’s designated graduates meet the above criterion, and this percentage is not less than 5 percentage points above the percentage of such graduates meeting such criterion for the preceding one-year period; or

- The school is in the top 25th percentile of participating PCL schools relative to the proportion of designated graduates who meet the above criterion.

Schools that do not meet one of the criteria are subject to penalties. The penalties require schools to return 30 percent portion of their PCL fund income received during the same period. Schools must pay the sums required within 90 days of receiving notification of the noncompliance from Health and Human Services.

In accordance with 42 CFR Part 57, Subpart D, each Federal capital contribution and Federal capital loan is subject to the condition that the school must maintain those records of the applicant school which relate to the Federal capital contribution or Federal capital loan. In addition, on June 30 each
year a school must have a default rate of not more than five percent. The default rate is the ratio (stated as a percentage) that the defaulted principal amount outstanding of the school bears to the matured loans of the school.

C. FEDERAL CAPITAL CONTRIBUTION (FCC)

1. Monies paid to the institution, pursuant to this application in the form of FCC shall be maintained by the institution in a separate account, hereafter referred to as the FCC Fund. In addition to Federal Capital Contributions, the institution shall maintain in the FCC Fund:

   a) an amount equal to not less than one-ninth of such FCC, contributed by the institution;

   b) collections of principal and interest on loans made to students from the FCC Fund;

   c) collections of charges pursuant to 42 CFR Part 57 Section 205;

   d) any other earnings of the FCC Fund.

2. The FCC Fund shall be used by the institution only for:

   a) loans to eligible students pursuing a full-time course of study;

   b) costs of litigation arising in connection with the collection of any obligations to the FCC Fund, and interest thereon; and

   c) other collection costs that are in excess of the usual expenses incurred in the collection of student loans to the extent specifically approved by the Secretary.

3. The FCC Fund must be maintained by the institution in an insured, interest bearing account at all times, unless it is not cost effective, and all earnings must become a part of the FCC Fund. If the account is not federally insured, the institution will be liable for any loss that may occur.

4. Capital distributions shall be made as provided under Section 728 of the PHS Act.

5. Institutions must submit an Annual Operating Report as required by the Secretary of Health and Human Services by August 15, of each year. The report accounts for the money in the FCC account and its use and the student’s outcome.

7 |PCL Application
D. PRIMARY HEALTH CARE SERVICE OBLIGATION

In addition to the PCL requirements above, PCL borrowers also must:

• enter and complete a residency training program in primary health care not later than four years after the date on which the borrower graduates from the institution; and

• practice primary health care through the date on which the loan is repaid in full, and to certify to the school on an annual basis that he or she is practicing primary health care.

• for PCL loans made on or after March 23, 2010, the service requirements are borrowers are to enter and complete residency training in primary health care and practice in primary health care for either 10 years (including the years spent in residency training) or through the date on which the loan is repaid in full, whichever occurs first. Certification on an annual basis that he or she is practicing primary health care is still required.

[Section 5201(a)(1)(B) of the Affordable Care Act]

Primary health care is defined as family medicine, general internal medicine, general pediatrics, preventative medicine, or osteopathic general practice.

SELF-CERTIFICATION OF COMPLIANCE WITH THE SERVICE OBLIGATION

The recipient is required to submit self-certification of compliance with the service obligation on an annual basis in a format determined by the school. Each school has discretion in determining how it can most easily obtain the primary care practice certification for its PCL recipients. At a minimum, the certification must state that the recipient is practicing primary care in accordance with the terms of the PCL promissory note and must be signed and dated by the recipient. The Department has modified the deferment form to include a section for PCL recipients to complete to certify that they are in an eligible residency program. This form is sufficient for documenting compliance with the agreement to enter primary care during residency training. Upon completing residency and entering primary care practice, the recipient can begin using the form described above or the school can develop its own form or documentation procedures for its recipients to use. It is the school’s responsibility to track their PCL borrowers throughout their residency and practice for at least ten years for compliance to the service obligation.
PROGRAM DIRECTOR: Please indicate the person responsible for the day-to-day administration of this program.

INSTITUTION: _________________________________________________________________

PROGRAM: ___________________________ EIN#: ___________________________

OPSID (leave blank): ____________

Program Director: ____________________________

NAME (print)

Title: ____________________________

Address: ____________________________

Address2: ____________________________

City/State: ____________________________ Zip Code: __________________________

Telephone: ____________________________ Fax: __________________________

E-mail address: ____________________________

Financial Aid Official: ____________________________

Title: ____________________________

Address: ____________________________

Address2: ____________________________

City/State: ____________________________ Zip Code: __________________________

Telephone: ____________________________ Fax: __________________________
E-Mail Address: __________________________________________________________

SIGNATURE OF AUTHORIZING OFFICIAL: This agreement must be signed by the Authorizing Official. The person designated as the Authorizing Official is legally responsible and accountable for the use and disposition of any funds awarded on the basis of this agreement.

CERTIFICATION AND ACCEPTANCE: The undersigned official of the applicant institution accepts, as to any Federal funds allocated and paid as a result of this application, the obligation to comply with the applicable provisions of the PHS Act as amended, regulations, and with the PHS policies in effect at the time of such allocation and payment.

Signature of Authorizing Official:

_________________________________________  Title _______________________

Name (print)

Signature: _________________________________  Date: _______________ ________

E-mail address: _______________________  Telephone Number: __________________

ANY PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT OR MISREPRESENTATION IN OBTAINING THESE FUNDS IS SUBJECT TO PENALTIES WHICH MAY INCLUDE FINES AND IMPRISONMENT UNDER FEDERAL STATUTE.