

California State Loan Repayment Program (SLRP) Frequently Asked Questions

1. Do I have to be a U.S. citizen to apply for the California SLRP?

Yes. You must be a U.S. citizen in order to apply for the California SLRP.

2. What is a “service obligation?”

A “service obligation” means the contractual obligation agreed to by the recipient of a loan repayment where the recipient agrees to practice their profession for a specified period of time in or through a designated facility.

3. Can I still apply for the California SLRP if I currently owe an existing service obligation?

No. If you owe an existing service obligation to another entity, you are ineligible to apply with the California SLRP until you have completed your existing obligation. This includes, but is not limited to, the NHSC Federal Loan Repayment Program, NHSC Scholarship Program, and the Health Professions Education Foundation programs.

4. Can I apply for more than one scholarship or loan repayment program at a time?

Yes. You are encouraged to apply for as many scholarship or loan repayment programs as you qualify for. However, you may not accept more than one award or sign a contract for more than one service obligation simultaneously. You must complete one service obligation at a time.

5. Is the California SLRP a scholarship or loan repayment program?

The California SLRP is a loan repayment program. Funds are available only to fully licensed or certified health professions in specific disciplines (see Frequently Asked Question #12 for details).

6. Do all applicants of the California SLRP receive a loan repayment award?

During the 2011 calendar year, awards for the California SLRP will be made on a first-come, first-served basis for complete applications until the \$4 million in available funding is expended. However, all applicants are not guaranteed to receive a loan repayment award.

7. What is the maximum award amount for the California SLRP and am I guaranteed to receive this full amount?

During the normal annual application cycle, the maximum award amount for an initial award with the California SLRP is \$60,000 in exchange for a two-year service obligation or \$100,000 for a three-year service obligation. The award can be renewed for a third, fourth, or fifth year in exchange for additional years of service. The maximum award

amount for the third and fourth year service obligation is \$40,000 for each year, and the maximum award amount for the fifth year is \$30,000.

During all five years, the California SLRP grant will pay for half of the award and the site is required to match this award by paying the other half. Therefore, the total award must be split between the California SLRP grant and the applicant's facility. Award recipients may not receive the full amount, as selection is based on the availability of funds for both the State and the site. Under no circumstance shall a program participant be awarded more funding than the total amount of their outstanding educational debt.

8. What types of loans are eligible for the California SLRP?

Government and commercial loans incurred for the purpose of obtaining a health profession education will qualify for the program. Qualifying commercial lending institutions are those that are subject to examination and supervision, in their capacity as lenders, by an agency of the United States or of the State in which the institutions have their place of business. The California SLRP does include interest accrued on an educational loan as an eligible source for loan repayment.

9. How many applicants are awarded each cycle for the California SLRP?

The number of applicants awarded each cycle depends on the number of complete California SLRP program applications received as well as the availability of funding. Each cycle is unique and the Program Administrator cannot predict the number of award recipients. During the current cycle, the California SLRP will review applications on a first-come, first-served basis to award \$4 million in both ARRA and non-ARRA funds for loan repayment awards.

10. Do I have to be licensed in order to apply for the California SLRP?

Yes. You must have a valid, unrestricted California license or certificate in order to apply for this program. However, please see the California SLRP application or Frequently Asked Question #11 in order to obtain a complete list of qualified professionals.

11. Do Residents, Interns, and Associates qualify?

No. Residents must complete residency before applying. Interns and Associates must be fully licensed before applying.

12. How do I know if my health profession will qualify for the California SLRP?

Qualified professions for the California SLRP include the following:

- Allopathic or Osteopathic Physicians specializing in:
 - a. *Family Medicine*
 - b. *General Pediatrics*
 - c. *General Internal Medicine*
 - d. *Gerontology*
 - e. *General Psychiatry, or*

- f. *Obstetrics/Gynecology*
- Primary Care Certified Nurse Practitioners
- Primary Care Physician Assistants
- Certified Nurse-Midwives
- Dentists (DMD/DDS), including *General and Pediatric Dentists*
- Registered Clinical Dental Hygienists
- Licensed Mental Health or Behavioral Health Professionals:
 - a. *Health Service Psychologists*, formerly Clinical or Counseling Psychologists, (Ph.D. or equivalent);
 - b. *Clinical Social Workers* (master's or doctoral degree in social work);
 - c. *Mental Health Counselors*;
 - d. *Licensed Professional Counselors* (master's or doctoral degree with a major study in counseling);
 - e. *Marriage and Family Therapists* (master's or doctoral degree with a major study in marriage and family therapy); or,
 - f. *Psychiatric Nurse Specialists*.

13. If I am an eligible healthcare provider, are there other requirements I must meet in order to apply for the California SLRP?

A healthcare provider must meet the following criteria in order to qualify for the California SLRP:

- Be a US citizen, with a valid, unrestricted health care license or certificate for California
- Have no other existing service commitment
- Be free of judgments arising from federal debt
- Be current on all child support payments
- Be currently employed or have accepted employment at a Certified Eligible Site
- Commit to providing full-time direct patient care in a designated Health Professional Shortage Area.

14. What does full-time practice mean?

"Full-time clinical practice" is defined as a minimum of 40 hours per week in a clinical practice, for a minimum of 45 weeks per service year. Time spent in an "on call" status does not count toward the 40-hour requirement. Participants do not get service credit for hours worked over the required 40 hours/week.

- ***For all health professionals except noted below:*** At least 32 of the minimum 40 hours per week must be spent providing direct patient care in the outpatient ambulatory care setting(s) at the approved service site(s), during normally scheduled office hours. The remaining 8 hours per week must be spent providing clinical services for patients in the approved service site, or providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved service site, or performing practice-related administrative activities. Administrative or other non-clinical activities (e.g., teaching, research, attending staff meetings) must not exceed 8 hours per week.

- ***For OB/GYN physicians, family medicine physicians who practice obstetrics on a regular basis, providers of geriatric services, pediatric dentists, certified nurse midwives, and behavioral and mental health providers:*** At least 21 of the minimum 40 hours per week must be spent providing direct patient care (direct patient counseling for behavioral/mental health providers) in the outpatient ambulatory care setting(s) at the approved practice site(s), during normally scheduled office hours.. The remaining 19 hours of the minimum 40 hours per week must be spent providing clinical services to patients in the approved practice site(s), or providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved practice site(s), or performing practice-related administrative activities. Administrative or other non-clinical activities (e.g., teaching, research, attending staff meetings) must not exceed 8 hours per week.

15. How do I know if my facility will qualify for the California SLRP?

A facility must meet the following criteria in order to qualify for the California SLRP:

- Be either publicly-funded or a private non-profit
- Be located in a designated Health Professional Shortage Area or Automatic Facility Health Professional Shortage Area
- Be willing to match the state award
- Commit to a minimum of two years of employment for each provider
- Pay prevailing wages
- Enter into a Memorandum of Understanding with the State of California
- Be on the California SLRP Certified Eligible Site list or NHSC federal placement list (see Frequently Asked Question #16 for details).

16. How can my facility get on the Certified Eligible Site list and does my facility need to submit an application?

A facility will need to submit a Certified Eligible Site application every four years in order to participate in the California SLRP. Each clinic must submit a separate application if they would like to employ California SLRP providers, even if the clinic is part of a larger parent organization with an Automatic Facility Health Professional Shortage Area. A list of the current eligible sites may also be found on the California SLRP website and is sorted in three categories: primary care, mental, and dental.

A current **Certified Eligible Site application** can be found on the program web site at: http://www.oshpd.ca.gov/HWDD/2011/SLRP/pdfs/2011_0203_SLRP_Site_Application_2011.pdf. When submitting an application, please be sure to include a sliding fee scale (except for Federally Qualified Health Centers). Additionally, if the site is a private, non-profit facility, please attach a copy of the Federal Tax Exempt form (501(c)3 letter).

In addition, here is a link to a list of sites that have been approved for NHSC federal placement:
<http://datawarehouse.hrsa.gov/HGDWReports/OneClickRptFilter.aspx?rptName=NHSCAppSiteList&rptFormat=HTML3.2> Go to the drop down arrow in the "Make a Selection" box, and click "California" in Region IX. Then, hit the "Generate Report" button. Any

public-funded or private, non-profit facility on this list is considered to be qualified for the California SLRP.

17. Can you help me find a job at a Certified Eligible Site?

The California SLRP does not provide job placement assistance. However, you can obtain a list of Certified Eligible Sites on the program website. You may contact the sites located in areas you wish to work.

18. Do I have to be working at a Certified Eligible Site in order to apply for the California SLRP?

Yes. You must be working at or have accepted a job offer at a Certified Eligible Site in order to apply to the California SLRP. In fact, a portion of the provider application must be completed by the Certified Eligible Site.

19. If my facility is not currently located in a Health Professional Shortage Area (HPSA), how does my facility get a HPSA designation?

Contact the Shortage Designation Program at (916) 326-3700 and program staff will assist you with the application process.

20. Where do I find the California SLRP provider application and instructions?

The most current version of the application can be found at the California SLRP web site: <http://www.oshpd.ca.gov/HWDD/SLRP.html>.

21. When is the annual application cycle?

The normal application cycle for the California SLRP is annually from August 1-October 1. However, due to the influx of ARRA funding, for the 2011 calendar year, the application cycle is continuous. During this time, awards will be given on a first-come, first-served basis until the \$4 million in funding is expended. To ensure that the application you are using reflects the most current application cycle, please visit the web site prior to filling out your application.

22. If I am a current California SLRP awardee, when do I apply for a third, fourth, or fifth year extension?

Existing awardees can apply for an extension toward the end of their current contract year. All extension applications must be received during the current application cycle. For example, if the current contract ends in April 2013, the awardee would submit an extension application during the August 1 – October 1, 2012 application cycle.

23. Can I submit my provider application prior to the current application cycle?

During a normal application cycle, which is August 1 through October 1 annually, you may not submit an application prior to August 1. It is pertinent that all materials submitted be current. However, applications are being accepted and reviewed

continuously on a first-come, first-served basis through calendar year 2011. During the normal, non-ARRA annual application cycle, any documents submitted beyond the postmark deadline will not be accepted.

24. When will I be notified whether or not I have been selected to receive a loan repayment award?

The California SLRP Program Administrator will notify applicants in writing of their application results within six to eight weeks of receipt of their application. If an applicant is awarded, they will receive a contract in the mail at the address provided in their application. If you do not hear the status of your application within six to eight weeks, please contact the California SLRP Program Administrator via e-mail at slrp@oshpd.ca.gov or by telephone at (916) 326-3745.

25. Which documents must be submitted in order to make my California SLRP provider application complete?

Required documents for the California SLRP include the following:

- Application: Make sure you sign and date the application and have enclosed all required documentation.
- Educational Debt Reporting Form: Refer to your lender statements when filling out this form.
- Lender Statements: These must be current and dated within 30 days of application submission. They must also include your name, the name and payment address of the lender, your account number, and the current outstanding balance.
- Personal Statement: Please refer to the application for these predetermined questions. Personal statements should be typed in a question and answer format and should be approximately one page in length for each question.
- Letter of Recommendation: This should come from your supervisor and explain why he or she feels that you are a good candidate for the program. The letter should be on letterhead and include an original signature.
- Certification of Practice Site Form: This form verifies your employer's agreement to participate in the program.

If any of the required documents listed above are either incomplete or missing, your application packet will not be reviewed. The Program Administrator will contact you only if you are missing a required document, unless you request notification of a complete packet.

26. Can my letter of recommendation be sent directly to the California SLRP office or do I need to include it with my California SLRP application?

You can either have your letter of recommendation sent directly to the California SLRP office or you can submit it along with your application packet. However, it is the applicant's responsibility to ensure that all documents include the required information and are postmarked by the application deadline.

27. What do I do if my loans are consolidated?

If your loans are consolidated, you may list only the consolidated loans on the Educational Debt Reporting Form and also include the corresponding lender statements.

28. What if my loans are in forbearance?

If your loans are in forbearance, you are still required to fill out the Educational Debt Reporting Form and include a recent copy of the corresponding lender statements.

29. What if my loans are in default?

Loans which are currently in default are not considered to be eligible for the program.

30. What criteria are used to select award recipients for the California SLRP?

Selection of awards is based solely on the information and documents contained in the California SLRP application packet. Selection for awards, during a normal application cycle, is based on the following criteria: work experience with medically underserved communities or populations, cultural and linguistic competence, and career goals. The Program Administrator also attempts to distribute available funding between the three regions of California (Northern, Central and Southern) as well as provide an even distribution between rural and urban settings. During the 2011 calendar year, all complete applications will be awarded on a first-come, first-served basis through December 31, 2011 or until all of the ARRA and non-ARRA funds are expended, whichever comes first.

31. Do I have to be bilingual in order to apply for the California SLRP?

No, you do not have to be bilingual in order to apply for and be selected to participate in the California SLRP.

32. If I am selected to be a loan repayment recipient for the California SLRP, does the money come directly to me or will it be sent to my lender(s)?

All payments made for the California SLRP are sent directly to your lender(s). You will receive a letter and a copy of the payment invoice for each payment that is made to your lender(s) by the state on your behalf.

33. If I am selected to be a loan repayment recipient for the California SLRP, does the program staff verify my employment?

Yes. The California SLRP staff is required to receive verification from a participant's employer prior to each payment that the participant has worked full-time and provided the appropriate number of direct patient care hours for the current term.

34. If I am selected to be a loan repayment recipient of the California SLRP, when can I expect to receive my first payment?

Loan repayment checks are issued to lenders on a quarterly basis. . For example, if a contract starts in May 2011, the first payment will be due in August 2011. All payments are made after employment verification has been received.

35. Are the California SLRP loan repayment awards considered to be taxable income?

No. Loan repayment awards are not considered to be taxable income.

36. If I am selected to be a loan repayment recipient for the California SLRP, do I still have to make payments to my lender?

Yes. Award recipients are responsible for making continued loan payments to their lender throughout their participation in the California SLRP.

37. If I am selected to be a loan repayment recipient of the California SLRP, what are the terms of my contractual obligation?

All California SLRP award recipients are required to complete a minimum two-year service obligation in a Certified Eligible Site working full-time (see Frequently Asked Question #14 for definition of full-time practice). If you choose to apply for a third, fourth, and/or fifth year extension, you must continue to meet the same program requirements for the duration of the contract.

38. If I am selected to be a loan repayment recipient of the California SLRP, am I required to sign a contract?

Yes. Each program participant is required to sign a contract with the Office of Statewide Health Planning and Development (OSHPD) in order to receive funding from the State.

39. What happens if I am unable to fulfill the terms of my contractual obligation and complete my service obligation?

A participant who breaches the California SLRP obligation will be responsible for repaying an amount equal to the sum of the following:

- All loan repayments received
- \$7,500 for each month of service not completed according to the contract
- Interest on the above amounts

40. If I am selected to be a loan repayment recipient of the California SLRP, will my employer be required to sign a contract with me or with OSHPD?

The Certified Eligible Site is required to sign a Memorandum of Understanding with OSHPD in order to participate in the program. This document will specify the duration of the service obligation and describe the site's responsibilities, including the amount and frequency of payments they must make to the lender(s) on behalf of the awardee.

41. If I have been working in a qualified facility for several years already, can I backdate my contract to include time that I have already served?

No. You cannot use prior employment in order to complete the terms of your service obligation for the California SLRP. The start date of your initial service obligation will begin after you are awarded and will be identified in the contract.

42. What happens if I need to change jobs during my service obligation?

You have the option to change jobs during the term of your service obligation. However, in order to comply with the terms of your contract, you must remain employed with a Certified Eligible Site who also meets all of the program criteria.

43. If I am selected to be a loan repayment recipient for the California SLRP, do I still get paid my salary?

Yes. Participation in the California SLRP does not affect your salary and your employer cannot deduct your wages in exchange for participation in the program.

44. If I am selected to be a loan repayment recipient for the California SLRP, how many times can I reapply?

California SLRP loan repayment recipients may apply to participate in the program for a maximum of five years.

45. If I am not selected to be a loan repayment recipient of the California SLRP and I am applying again, do I need to resubmit my entire application or can you reuse the materials I have already submitted?

California SLRP program applicants must resubmit a complete application packet each time they apply. The Program Administrator will not reuse or send back any documentation previously submitted.

46. How is the California SLRP funded?

The California SLRP is funded by a grant received from the U.S. Health Resources and Services Administration's National Health Service Corps. These funds support the loan repayment awards distributed by the program. Historically, the California SLRP applies for a grant of approximately \$1 million annually. During fiscal years 2009-10 and 2010-11, the California SLRP received an additional \$2 million in funding from the American Recovery and Reinvestment Act (ARRA).

47. What is the best way to contact the California SLRP Program Administrator for more information?

You can contact the program staff either via e-mail at slrp@oshpd.ca.gov or by telephone at (916) 326-3785.