



**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH RESOURCES AND SERVICES ADMINISTRATION
BUREAU OF HEALTH WORKFORCE**

**NATIONAL HEALTH SERVICE CORPS
STUDENTS TO SERVICE LOAN REPAYMENT PROGRAM
FY 2017 CONTRACT**

Section 338B of the Public Health Service Act ("Act") authorizes the Secretary of Health and Human Services ("Secretary") to repay the graduate and/or undergraduate educational loans of applicants selected to be participants in the National Health Service Corps ("NHSC") Students to Service Loan Repayment Program ("Loan Repayment Program"). In return for these loan repayments, applicants must agree to provide primary health services in a manner determined by the Secretary for a period of three years through full-time clinical practice in a Health Professional Shortage Area ("HPSA") designated by the Secretary in accordance with Section 332 of the Act. An applicant becomes a participant in the Loan Repayment Program only if this Contract is signed by the applicant and by the Secretary or his or her designee.

The terms and conditions of participating in the Loan Repayment Program are set forth below.

Section A| Obligations of the Secretary

Subject to the availability of funds appropriated by the Congress of the United States for the Loan Repayment Program and the NHSC, the Secretary agrees to:

1. Pay, in the manner and amount specified in Paragraph 2 or 3 of this Section, the undersigned applicant's qualifying graduate and/or undergraduate educational loans for actual costs paid for:
 - a. tuition expenses;
 - b. all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the applicant; or
 - c. reasonable living expenses as determined by the Secretary.

Qualifying graduate and/or undergraduate educational loans consist of the principal, interest, and related expenses of the government and commercial loans received by the applicant for the above-listed expenses, for such loans incurred prior to the applicant's submission of the application leading to this Loan Repayment Program Contract.

2. Physicians - Pay the applicant who is pursuing an M.D. or a D.O. degree, \$120,000 for 3 years of full-time clinical practice in four (4) annual loan repayment installments as follows:

- a. \$30,000 in 2017 upon the Secretary's receipt of documentation, by May 1, 2017, substantiating the applicant's:
 - (i) expected graduation from medical or osteopathic school before July 1, 2017;
 - (ii) passage of Step 2 of the U.S. Medical Licensure Examination (USMLE) or Level 2 of the Comprehensive Osteopathic Medical Licensing Exam (COMLEX); and
 - (iii) acceptance into a postgraduate training program in a specialty that has been determined by the Secretary to be consistent with the needs of the NHSC ("approved postgraduate training program");
- b. \$30,000 in 2018 upon the Secretary's receipt of documentation, by June 15, 2018, substantiating the applicant's:
 - (i) continued participation in an approved postgraduate training program; and
 - (ii) application of the prior year's loan repayment installment to his or her qualifying educational loans;
- c. \$30,000 in 2019 upon the Secretary's receipt of documentation, by June 15, 2019, substantiating the applicant's:
 - (i) continued participation in an approved post graduate training program;
 - (ii) application of the prior year's loan repayment installment to his or her qualifying educational loans; and
 - (iii) passage of Step 3 of the USMLE or Level 3 of the COMLEX; and
- d. \$30,000 in 2020 upon the Secretary's receipt of documentation, by June 15, 2020, substantiating the applicant's:
 - (i) continued participation in an approved post graduate training program; and
 - (ii) application of the prior year's loan repayment installment to his or her qualifying educational loans.

3. Dentists - Pay the applicant who is pursuing a D.D.S. or D.M.D. degree, \$120,000 for 3 years of full-time clinical practice in four (4) annual loan repayment installments as follows:

- a. \$30,000 in 2017 upon the Secretary's receipt of documentation, by May 1, 2017, substantiating the applicant's:
 - (i) expected graduation from dental school before July 1, 2017;
 - (ii) passage of Part II of the National Board Dental Examination; and
 - (iii) acceptance into a postgraduate training program in a specialty that has been determined by the Secretary to be consistent with the needs of the NHSC ("approved postgraduate training program") if applicable;
- b. \$30,000 in 2018 upon the Secretary's receipt of documentation, by June 15, 2018, substantiating the applicant's:
 - (i) continued participation in an approved postgraduate training program, if applicable, OR commencement of service at an NHSC-approved service site and possession of a full, permanent, unencumbered, unrestricted license to practice dentistry; and
 - (ii) application of the prior year's loan repayment installment to his or her qualifying educational loans;
- c. \$30,000 in 2019 upon the Secretary's receipt of documentation, by June 15, 2019, substantiating the applicant's:
 - (i) continued participation in an approved postgraduate training program, if applicable, OR commencement of service at an NHSC-approved service site and possession of a full, permanent, unencumbered, unrestricted license to practice dentistry, OR continued service at an NHSC-approved service site; and
 - (ii) application of the prior year's loan repayment installment to his or her qualifying educational loans; and
- d. \$30,000 in 2020 upon the Secretary's receipt of documentation, by June 15, 2020, substantiating the applicant's:
 - (i) acceptance into an approved fellowship program OR commencement of service at an NHSC-approved service site and possession of a full, permanent, unencumbered, unrestricted license to practice dentistry OR continued service at an NHSC-approved service site; and
 - (ii) application of the prior year's loan repayment installment to his or her qualifying educational loans.

Except as otherwise provided in Section C of this Contract, the applicant's failure to meet the above-specified conditions for an installment payment will result in the Secretary's suspension of such payment (and any future payments) until the conditions are met by the applicant. If the applicant's total outstanding balance of qualifying educational loans is less than \$120,000, the Secretary will pay the applicant's outstanding

qualifying loans balance in four equal installments.

4. Defer the applicant's period of obligated service to complete an approved postgraduate training program, if applicable.
5. Utilize the applicant to provide primary health services in accordance with Paragraph 5 of Section B of this Contract.
6. Release the applicant from all or part of his or her obligation to serve as a member of the NHSC to enter into a full-time private clinical practice as a provider of primary health services, where the provisions of Section 338D of the Act and applicable NHSC policies are met.
7. Make loan repayments for a year of obligated service no later than the end of the fiscal year in which the applicant completes such year of service.

Section B| Obligations of the Applicant

The applicant agrees to:

1. Accept loan repayments from the Secretary and apply those loan repayments as described in Paragraph 2 of Section A of this Contract to reduce the applicant's qualifying graduate and/or undergraduate educational loans (with the fourth loan repayment installment to be applied prior to completion of the period of obligated service).
2. Maintain enrollment as a full-time student, at an acceptable level of academic standing, until completion of his or her final year of a course of study in medicine, osteopathy or dentistry.
3. Notify the Loan Repayment Program promptly in writing of any delay in the applicant's graduation date (e.g., due to a leave of absence approved by the school, a decrease in credit hours in an academic term, withdrawal or dismissal from school) or any delay in the applicant's completion of an approved post-graduate training program.
4. Complete an approved post-graduate training program (i.e., residency), if the applicant is pursuing an M.D. or a D.O. degree.
5. Serve for three years by providing primary health services, as determined by the Secretary:
 - a. In the full-time clinical practice of his/her profession in a HPSA of greatest shortage to which he or she is assigned by the Secretary as a Corps member of the NHSC, either as commissioned officer in the U.S. Public Health Service, a civilian employee of the United States, or an individual who is not an employee of the United States;
 - b. In the full-time private clinical practice of his or her health profession under a Private Practice Option Agreement (Section 338D of the Act) in a HPSA of greatest shortage selected by the Secretary.
 - c. In a unit of the Department of Health and Human Services determined by the Secretary as a full-time health professional, if the Secretary determines there is no need in a HPSA for a Corps member of the profession in which the applicant is obligated to provide health services under the Contract and if such individual is a commissioned officer in the U.S. Public Health Service or a civilian employee of the United States.A HPSA of greatest shortage, for purposes of this Loan Repayment Program Contract, is currently defined as a HPSA with a score of 14 or higher, but is subject to change at the discretion of the Secretary.
6. Undertake service in accord with the placement policies and procedures that are in effect at the time of the participant's NHSC site assignment, as set forth in the written guidance that is provided to the applicant prior to commencing service.
7. Comply with the NHSC Loan Repayment Program regulations at Title 42, Code of Federal Regulations, Part 62, Subpart B.
8. Comply with the debarment and suspension regulations found at Title 2, Code of Federal Regulations, Part 180, Subpart C (2006), as supplemented by Subpart C of Title 2, Code of Federal Regulations, Part 376 (2007).

Section C| Breach of Written Loan Repayment Contract

1. If the applicant:
 - a. fails to maintain an acceptable level of academic standing in the final year of a course of study in medicine, osteopathy or dentistry;
 - b. voluntarily terminates academic training before the completion of such training;
 - c. is dismissed from the educational institution for disciplinary reasons; or
 - d. enrolls in, but fails to complete, an approved postgraduate training program (i.e., residency) if the applicant is pursuing an M.D. or a D.O. degree; then the applicant shall, instead of performing the service obligation, repay to the United States all loan repayment funds received under this Contract.
2. If the applicant fails to enroll in a required postgraduate training program, or fails to begin or complete the period of obligated service incurred under this Contract for any reason not specified in Paragraph 1 of this Section, the applicant shall be liable to the United States for an amount equal to the sum of:
 - a. the total of the amounts paid by the United States to, or on behalf of, the applicant under Paragraph 2 of Section A of this Contract for any period of obligated service not served;
 - b. an amount equal to the product of the number of months of full-time obligated service not completed by the applicant, multiplied by \$7,500; and
 - c. interest on the amounts described in Subparagraphs a and b of this Paragraph at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of the breach;except that the total amount the United States is entitled to recover under this Paragraph shall not be less than \$31,000.
3. Any amount the United States is entitled to recover under this Section shall be paid within 1 year of the date the Secretary determines that the applicant is in breach of this written Contract.

Section D| Cancellation, Suspension, and Waiver of Obligation

1. Any service or payment obligation incurred by the applicant under this Contract will be canceled upon the applicant's death.
2. The Secretary may waive or suspend the applicant's service or payment obligation incurred under this Contract if the applicant's compliance with the terms and conditions of this Contract is:
 - a. impossible or
 - b. would involve extreme hardship and enforcement would be unconscionable.

Section E| Contract Continuation

1. The applicant may, in accordance with procedures established by the Secretary, request a continuation of this Contract.
2. Subject to the availability of funds appropriated by the Congress of the United States for the Loan Repayment Program and the NHSC, the Secretary may approve a request for contract continuation in accordance with the Secretary's established policies in effect at the time of the continuation.
3. A request for a continuation of this Contract will not be approved if prior loan repayments received under this Contract were not applied, as set forth above, to reduce the applicant's qualifying graduate and/or undergraduate educational loans.

Section F Contract Termination

1. The Secretary may terminate this Contract if, on or before August 17, 2017, the applicant:
- a. submits a written request to terminate this Contract and
 - b. repays all amounts paid to, or on behalf of, the applicant under Paragraph 2 or Paragraph 3 of Section A of this Contract.

The Secretary or his or her authorized representative must sign this Contract before it becomes effective.

Applicant Name (please print):	
Applicant's Signature:	Date:
Secretary of Health and Human Services or Designee:	Date:
HRS-860 (Revised 6/2016 - BHW, HRSA, DHHS)	

This electronic signature page applies only to the preceding Contract, ID number 3568652. Each signature below applies to the appropriate location on the document, identified by role.

Signature: Electronically signed by Joseph Zaino

Role: Applicant

Date: Jan 18, 2017 7:56:49 PM

Signature: Electronically signed by Jamie King

Role: OFAM Approver, HRSA

Date: Feb 9, 2017 3:37:33 PM