



# KANSAS STATE LOAN REPAYMENT PROGRAM

## Overview and Guidance

Information may be found at <http://www.kdheks.gov/olrh/FundLoan.html>

Questions regarding the SLRP should be directed to [primarycare@ks.gov](mailto:primarycare@ks.gov)

The Kansas State Loan Repayment Program (SLRP) offers eligible health care providers an opportunity to receive assistance with the repayment of qualifying educational loans in exchange for a minimum two-year commitment to provide health care services at an eligible practice site in a federally designated Health Professional Shortage Area (HPSA). The SLRP is jointly funded by the State of Kansas and the National Health Service Corps. Program eligibility requirements and benefits are established by federal law authorizing the State Loan Repayment Program (Section 388I of the Public Health Service Act, as amended).

The SLRP awards are made on a competitive basis and are limited to available funds. Financial support is provided in the form of loan repayment for an initial two-year service obligation. Public Law 108-357, enacted October 22, 2004 makes all funds disbursed on or after January 1, 2004, for the National Health Service Corps Loan Repayment Program (NHSC LRP) and federally-funded State Loan Repayment Programs (SLRP) exempt from gross income and employment taxes. This law also excludes these funds from being taken into account as wages in determining benefits under the Social Security Act.

The health care professional may receive up to \$25,000 per year of the initial two-year Agreement for the repayment of outstanding educational debt according to the health care provider's profession shown below. After the initial two-year Agreement has been fulfilled, the health care provider may extend their Agreement, in one year increments, for up to three additional years of service.

HEALTH CARE PROFESSION	INITIAL SERVICE		CONTINUATION		
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Doctor of Allopathic Medicine (MD) Doctor Osteopathic Medicine (DO) Doctor of Dental Surgery (DDS) Doctor of Dental Medicine (DMD)	\$25,000	\$25,000	\$20,000	\$15,000	\$10,000
Certified Nurse Practitioner or Nurse Midwife Physician Assistant Clinical Dental Hygienist Clinical or Counseling Psychologists Clinical Social Worker Psychiatric Nurse Specialist Clinical Professional Counselor Clinical Marriage and Family Therapist Mental Health Counselor	\$20,000	\$20,000	\$15,000	\$10,000	\$5,000

### ELIGIBILITY REQUIREMENTS

#### Health Care Practice Site

The health care practice site must be in a Kansas federally designated Health Professional Shortage Area (HPSA) in the appropriate discipline of the health care provider's licensure (medical, dental or mental health).

- The practice site must be a public or non-profit entity and provide services to individuals regardless of their insurance type or ability to pay.

- The practice site and the health care provider must charge for services at the usual and customary rates prevailing in the area in which such services are provided, except that if a person is unable to pay such charge, such person shall be charged at a reduced rate (discounted sliding fee scale) or not charged any fee.
- The practice site and the health care provider must accept assignment under Medicare (section 842(b) (3) (B) (ii) of the Social Security Act) for all services for which payment may be made under Part B of Title XVIII.
- The practice site and/or health care provider must enter into an appropriate agreement for Medicaid under Title XIX and Title XXI to provide services to individuals entitled to medical assistance under Medicaid.
- The practice site must have a written nondiscrimination policy and provide services in a culturally and linguistically appropriate fashion responsive to the needs of the area's general population.

The practice site may not use SLRP funding as a salary offset. Salaries for health care providers participating in the program should be based on prevailing rates in the practice site's area.

Health care providers must work 32 hours per week providing direct patient care at the approved practice site for the duration of the two-year SLRP Agreement unless a change in practice site is approved in writing by the Office of Primary Care and Rural Health (the Office). Physicians with specialty in obstetrics/gynecology or geriatrics, and dentists with specialty in pediatrics must spend at least 21 hours per week providing direct patient care in an ambulatory care setting at the approved practice site during normally scheduled clinic hours.

The practice site must agree to cooperate with the Office and respond in a timely manner to any request for information by email, mail or phone or through site visits for the purpose of monitoring compliance with the SLRP.

**Health Care Provider**

The health care provider must be a U.S. citizen or national, have completed the appropriate level of education, and have a current permanent Kansas license or certification to practice in his/her designated profession/field. General practitioners who have not completed residency training programs are not eligible to participate in the SLRP. Behavioral/mental health providers must be licensed at the level that allows them to practice their specific discipline independently and unsupervised.

	<b>ELIGIBLE HEALTH CARE PROFESSIONS</b>
Primary Care	Doctor of Allopathic Medicine (MD) Doctor Osteopathic Medicine (DO) Certified Nurse Practitioner Certified Nurse Midwife Physician Assistant  Provider must provide direct patient care services in an approved primary care specialty - family medicine (and osteopathic general practice), internal medicine (including geriatric), pediatric, obstetrics/gynecology, and general psychiatry.
Dental Health	Doctor of Dental Surgery (DDS) Doctor of Dental Medicine (DMD) Clinical Dental Hygienist Registered Clinical Dental Hygienists
Mental Health	Clinician or Counseling Psychologist (PhD or equivalent, includes Clinical Psychotherapist) Licensed Clinical Professional Counselor (master's or doctoral degree with major study in counseling) Licensed Clinical Marriage and Family Therapist (master's or doctoral degree with major study in marriage and family therapy) Licensed Clinical Social Worker (master's or doctoral degree in social work) Mental Health Counselor Psychiatric Nurse Specialist

At the time of the SLRP Agreement, the health care provider must be employed by a public or non-profit entity, with at minimum a two-year Agreement to provide direct patient care at a Kansas SLRP-approved ambulatory, clinical practice site physically located in a Health Professional Shortage Area (HPSA).

The health care provider must not discriminate in providing health care services to Medicare and Medicaid beneficiaries and those unable to pay for health care services. The health care provider must accept assignment under Medicare for all services for which payment may be made under Part B of Title XVIII. The health care provider must also enter into an appropriate agreement for Medicaid under Title XIX and Title XXI to provide services to individuals entitled to medical assistance under Medicaid.

All health care providers must serve in the clinical practice of his/her profession full time, a minimum of 40 hours per week for at least 45 weeks per service year at the approved practice site. The 40 hour work week may be compressed into no less than four days per week with no more than 12 hours in any 24-hour period. The remaining eight hours per week may include practice-related administrative activities or other non-clinical activities such as research or teaching. Time spent on-call does not count toward the 40 hour week. Hours worked over the required 40 hours per week will not be applied to any other work week.

Physicians with specialty in obstetrics/gynecology or geriatrics, and dentists with specialty in pediatrics must spend at least 21 hours per week providing direct patient care in an ambulatory care setting at the approved practice site during normally scheduled clinic hours. The remaining 19 hours per week must be spent providing clinical services to patients in the practice site, or providing clinical services in alternative settings as directed by the practice site, or performing practice-related administrative activities.

No more than a total of 35 work days (or 280 work hours) per SLRP Agreement year can be spent away from the practice site for vacation, holidays, continuing professional education, illness or any other reason. Absences greater than 35 days in a SLRP Agreement service year must be approved in advance by the Office to receive an amended SLRP Agreement to extend the end date of the Agreement. Failure to obtain prior approval for an extended absence may cause the health care provider to be in default of the SLRP Agreement. In the health care provider is determined to be in default of the Agreement by the Kansas Department of Health and Environment (KDHE), the health care provider must repay the amount specified in the SLRP Agreement default provision.

Individuals in the Reserve Component of the U.S. Armed Forces or National Guard are eligible to participate in the SLRP. If the health care provider's military training and/or service, in combination with other absences from the practice site, exceed 35 workdays per service year, the SLRP service obligation will be extended to compensate for this break in full-time service. If the participant is a reservist and is called to active duty, the amount of time spent on active duty will be added to the terms of the original Agreement.

### **Disqualifying Situations**

The following are reasons why a health care provider will be disqualified for consideration for the SLRP.

The health care provider may:

- not have any other outstanding contractual obligation for health care provider service to the federal government (e.g., an active military obligation, NHSC LRP, NHSC Scholarship Program, Nurse Education Loan Repayment Program) or to any state or other entity.
- not have incurred a breach of obligation for service to the federal government, a state government or other entity.
- not have a judgment lien against their property for any debt to the United States.
- not have had any judgment liens or any federal debt written off as uncollectible (pursuant to 31 U.S.C. 3711(a) (3)) or had any federal service or payment obligation waived.
- not have a history of defaulting on any federal payment obligations (e.g. Health Education Assistance Loans, Nursing Student Loans, federal income tax liabilities, FHA Loans, etc.) even if the creditor now considers them in good standing.
- not be currently delinquent in child support payments.

## Qualifying Educational Loans

Qualifying educational loans are government and commercial loans for actual costs paid for tuition and reasonable educational and living expenses related to the undergraduate or graduate education of the participant leading to a degree in the health profession in which the participant will satisfy the SLRP service commitment. The educational loans must be obtained prior to health care provider applying for the SLRP.

Consolidated or refinanced loans may be considered for repayment if they are from a government (federal, state, or local) or private student loan lender and include only qualifying educational loans of the applicant. If an eligible educational loan is consolidated or refinanced with any debt other than another educational loan of the applicant, no portion of the consolidated or refinanced loan will be eligible for loan repayment. If an otherwise eligible educational loan is consolidated/refinanced with other ineligible (non-qualifying) debt of the applicant, no portion of the consolidated/refinanced loan will be eligible for loan repayment. For loans to remain eligible, SLRP recipients must keep eligible educational loans segregated from all other debts. Eligible educational loans consolidated with loans owed by any other person, such as a spouse or child, are ineligible for repayment.

## Qualifying Loan Types

### Federal Loans

- Promissory note/master promissory note or disclosure statement
- Disbursement report indicating the original disbursement dates, type of loan, and loan amounts. If this information is not available, submit an Aid Summary report downloaded from The National Student Loan Data System (NSLDS) website (<http://www.nsls.ed.gov>) which indicates a complete list of the federal loans.
- Most recent account statement which reflects the current loan balance

### Private Loans

- Promissory note/master promissory note, disclosure statement, or loan application
- Disbursement report indicating the original disbursement dates, type of loan, and loan amounts
- Most recent account statement which reflects the current loan balance

### Grouped Loans

A grouped loan allows you to make one payment and still have several loans. If you have a grouped loan you must provide a Health Care Provider Loan Information and Verification form for each loan contained in the group.

### Consolidated Loans

A consolidated loan pays off multiple loans resulting in one loan and one payment. If education loans have been consolidated, attach a copy of the loan documents for health profession education costs that were consolidated into the consolidated loan. Submit one *Health Care Professional Loan Information and Verification* form for the consolidation, but list on a separate sheet of paper the original date and amount of each educational loan, including the original disbursement date, type of loan, and loan amount, add health care provider name and practice site at top of each additional page.

### Federal Consolidated Loans

- Consolidation promissory note or consolidation disclosure statement.
- Disbursement report **for each loan in the consolidation** indicating the original disbursement dates, type of loan, and loan amount. If this information is not available, submit an Aid Summary report downloaded from The National Student Loan Data System (NSLDS) website <http://www.nsls.ed.gov> which indicates a complete list of the federal loans.
- The most recent account statement which reflects the current loan balance.

### Private Consolidated Loans

- Private consolidation promissory note or private consolidation disclosure statement.
- Original promissory notes or disclosure statements for each loan included in the consolidation
- Disbursement report for each loan in the consolidation indicating the original disbursement date, type of loan, and loan amount.
- The most recent account statement which reflects the current loan balance.

## Program Default Clause

Participants who fail to begin or complete their SLRP Agreement service obligation or otherwise breach the terms and conditions of the obligation are in default of their Agreement and are subject to the financial consequences

outlined in the Agreement. By statute, 42 U.S.C. 254q-1(c)(3)(A)(ii), the SLRP Agreement must contain a default provision which is at least as stringent as, but not more favorable than, the default provision for the National Health Service Corps Loan Repayment Program (NHSC LRP) which is found at 42 U.S.C. 254(o)(c)(1). The financial consequences for breach of the NHSC LRP service obligation are as follows:

- The total of the amounts paid by the United States to, or on behalf of, the participant for loan repayments for any period of obligated service not served;
- An amount equal to the number of months of obligated services not completed multiplied by \$7,500; and
- Interest on the above amounts at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of breach, except that the amount the United States is entitled to recover shall not be less than \$31,000.

**APPLICATION EVALUATION & REVIEW PROCESS**

Applications for new awards for the SLRP are accepted annually during the open application period June 1 through July 31. Information about the SLRP program and forms can be found at <http://www.kdheks.gov/olrh/FundLoan.html>.

Applications must be legible and complete with all required documentation and mailed to the Office, postmarked on or before the application deadline. Applications are assessed by Office staff to ensure all eligibility requirements are met prior to the beginning the scoring process. Each application will be scored through a structured review process across the following domains:

Section/Area	Weighted Score
Community Need	25%
Practice Site Information	25%
Provider Personal Statement	50%
	<b>100%</b>

Community level data will be pulled from U.S. Census Bureau and other state and federal data sources to determine community need. Applicants’ personal statements will be scored through a blinded review process by 3 to 5 person committee representing KDHE Division of Public Health and/or external partners.

**Applicants will be notified if they are tentatively approved for the SLRP. If the applicant is approved, the applicant must complete the SLRP Health Care Loan Information and Verification form for each qualifying loan and provide supporting documentation for each qualifying loan prior to receiving the official SLRP Agreement. If the form and supporting documentation are not submitted within the timeframe given by the Office then the application will be deemed no longer approved for the SLRP.**