
Wisconsin's Health Professions Loan Assistance Programs

Physicians, Nurse Practitioners,
Physician Assistants & Certified Nurse Midwives

OVERVIEW

The Wisconsin Health Professions Loan Assistance Program (HPLAP) was established to assist rural and underserved communities in recruiting and retaining primary care health and dental professionals. Health care providers who agree to work in federally designated shortage area are eligible for up to \$50,000 in education loan repayment assistance through this competitive program.

The HPLAP has two funding sources, with slightly different criteria. One portion of the program is funded solely by State funds and another portion uses federal funds. Most of the specifications for the awards provided under these two funding sources are the same. However, those awards that are partially funded by federal matching dollars have some additional requirements, which are noted below.

Wisconsin Office of Rural Health
310 N. Midvale Blvd., Suite 301
Madison, Wisconsin 53705



Terms and Eligibility

Physicians

PAs, NPs, CNMs

General Terms

<i>Maximum Award</i>	\$50,000 Cannot exceed 75% of loan balance.	\$25,000 Cannot exceed 75% of loan balance.
<i>Service Obligation</i>	3 years in a federally designated Health Professional Shortage Area (from the date award contract is signed)	3 years in a federally designated Health Professional Shortage Area (from the date award contract is signed)
<i>Annual Repayment</i>	<u>Year 1</u> - 40% of the award <u>Year 2</u> - 40% of the award <u>Year 3</u> - 20% of the award	<u>Year 1</u> - 40% of the award <u>Year 2</u> - 40% of the award <u>Year 3</u> - 20% of the award

Eligibility

<i>Applicants</i>	<p><u>Primary care physicians</u></p> <ul style="list-style-type: none"> • Family Practice • General Internal Medicine • General Pediatrics <p><u>Obstetricians</u></p> <p><u>Psychiatrists</u></p> <ul style="list-style-type: none"> • Must have a contract with a 51.42 board for 8 or more hours a week <p>All physicians must also:</p> <ul style="list-style-type: none"> • Meet the definition of a physician as "an individual possessing the degree of doctor of medicine or doctor of osteopathy or an equivalent degree as determined by the board, and holding a license granted by the board", as defined by Wisconsin Statutes • Show evidence of board certification or board eligibility in an eligible specialty above <p><u>Note:</u> Being a Wisconsin resident or a graduate of a Wisconsin school is not required.</p>	<p><u>Physician assistant</u></p> <ul style="list-style-type: none"> • Graduate of an accredited PA program (see <u>Note</u>) • Licensure by the State of Wisconsin (see <u>Note</u>) <p><u>Certified nurse midwife</u></p> <ul style="list-style-type: none"> • Licensure by the State of Wisconsin (see <u>Note</u>) <p><u>Nurse practitioner</u> - meet (a) <u>or</u> (b) below:</p> <p>(a) Meet the requirements of S. 632.895(a), Stats.</p> <p>(b) Be licensed as a registered nurse in Wisconsin under Ch. 441 or the laws of another state and satisfy <u>any</u> of the following:</p> <ul style="list-style-type: none"> • Certification as a primary care nurse practitioner or clinical nurse specialist by the Amer. Nurses' Credentialing Ctr., the Nat'l Certification Corp., the Nat'l Certification Board of Pediatric Nurse Practitioners and Nurses, the Amer. Acad. of Nurse Practitioners, or by a certifying body approved by the Amer. Board of Nursing Specialties (see <u>Note</u>) • Completion of an educational program approved by one of the certifying bodies listed above and be eligible, or will be upon completion of the minimum time-in-practice requirement, to take the professional certification examination as an advanced practice nurse (see <u>Note</u>) <p><u>Note:</u> Includes proximate or anticipated graduation, licensure or certification. Being a Wisconsin resident or a graduate of a Wisconsin school is not required.</p>
<i>Shortage Areas</i>	<p><u>Primary care:</u></p> <ul style="list-style-type: none"> • Federally-designated primary care health professional shortage areas (HPSAs) <ul style="list-style-type: none"> • American Indian reservations or trust lands of an American Indian tribe <p><u>Psychiatry:</u></p> <ul style="list-style-type: none"> • Federally-designated mental health professional shortage areas (HPSAs), excluding facility designations for state or county mental hospitals and state or federal prisons <p>(A map and list of eligible shortage areas is available from the Wisconsin Office of Rural Health and from the Health Resources and Services Administration website: http://hpsafind.hrsa.gov/)</p>	
<i>Practice Sites</i>	<ul style="list-style-type: none"> • All practice sites must be primary care sites. • For awards partially funded by federal dollars (see <u>OVERVIEW</u>), sites must also: (1) be public or non-profit; and (2) provide a sliding fee scale for persons with incomes up to 200% of the federal poverty level. 	

Loan Repayment

Qualifying Loans

Health education assistance, Plus, national direct student, Stafford, health professions student, supplemental for students, state educational financial aid office guaranteed student, university-sponsored student, trust fund, scholastic, foundation, and any other loans determined to be exclusively for educational purposes, obtained by the applicant from a public or private lending institution for education related to obtaining a medical, PA, NP, or CNM degree. Home equity loans and personal loans from individuals, such as friends or family members, are not considered qualifying loans.

Principal Balance

- May include capitalized interest that has been appropriately made for the allowable student loans
- Award based on balance as of the application date

Payments

- Made once per year in the first full month of each of the three years of the service obligation period
- Two-party checks are made out to the lender(s), signed by the recipient, and forwarded to the lender(s)
- Recipients must document within 60 days of issuance that the check(s) have been applied to the loans
- Payments can be made for principal and interest or principal only
- Payments cannot be applied to back interest or penalties

Tax Liability

- Awards are **not** taxable at either the federal or state levels

Application

Annual Deadline

November 1 (Single applicant pool of physicians, NPs, PAs, CNMs, dentists and dental hygienists evaluated annually.)

Establishing Priorities Among Competing Applicants

Practicing in an eligible area does not guarantee an award. Should there be more applicants than available funds, the following criteria are used to rank applications:

Factors Related to the Practice Area

- Extremely high need for medical care - Eligible areas with higher needs are given greater priority. Need is determined from the area's HPSA score; a higher score indicates a greater need.
- Per capita income - Areas with lower values are given greater priority.
- Financial and other support for applicant recruitment & retention – Applicants providing evidence of greater employer and community support are given greater priority.
- Geographic distribution - Applications are evaluated against previous awards and other current applicants to assure a relatively wide geographic distribution of awards.

Factors Related to the Applicant

- Educational loan balance - Applicants with higher loan balances are given greater priority.
- Applicant retention - Applicants with a greater likelihood to remain in the area for the loan repayment obligation period and after are given greater priority, illustrated in their personal essay.

Agreement

General Provisions

- Contract between recipient and the University of Wisconsin
- Recipients must practice primary care (excluding psychiatrists) exclusively in the service area and site chosen and specified. Primary care generally does not include urgent or emergent care settings.
- Recipients must work full-time (32 clinic hours/week; adjustments made for obstetricians and CNMs)
- Recipients must work at least 45 weeks per year
- Recipients must treat Medicare and Medicaid patients
- Payments to recipients must be applied to the appropriate loans
- Recipients must document that the terms of the agreement are being met. This will be assured by the Wisconsin Office of Rural Health through phone, mail, and on-site contacts.

Federal Matching Funds - Additional Provisions

For awards partially funded by federal dollars (see OVERVIEW), additional provisions apply:

- Recipients must work in public or non-profit sites
- Recipients must accept Medicare assignment and must utilize the site's sliding fee scale for those persons with incomes up to 200% of the federal poverty level
- Recipients must be U.S. citizens and have no judgment liens against their property for a debt to the U.S.

Penalties for Breach of Agreement

Breach during first year or second year, repayment due of:

- The greater of either \$31,000 **or**
- All award funds previously received **plus** \$7,500 for each month not served in the entire three year contract

Breach during third year, repayment due of:

- \$7,500 for each month not served

Waiver of Penalties

- Recipient is unable to perform professional duties due to permanent physical or mental impairment
- Verified by appropriate board-certified specialist(s)

Suspension of Agreement

- Under certain conditions, agreement can be suspended without penalty, for a limited period of time
- Extended leave required which exceeds the maximum seven weeks off allotted each year
- Examples: Extended illness or family leave, termination of employment requiring job search in and relocation to another eligible practice site

Additional Considerations

While not a stipulation of the contract with the State of Wisconsin program, the federal National Health Service Corps (NHSC) Loan Repayment Program prohibits concurrent obligations to another entity. Therefore, recipients cannot participate in both the NHSC and Wisconsin programs simultaneously.

Contact Information

For additional information, please contact:

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Further information and the online application is available at: http://www.worh.org/hplap_info