



# National Health Service Corps Scholarship Program

## School Year 2018-2019 Application & Program Guidance

March 2018

Application Submission Deadline: May 10, 2018, 7:30 p.m. ET

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Health Resources and Services Administration  
Bureau of Health Workforce  
5600 Fishers Lane  
Rockville, Maryland 20857

**For questions**, please call 1-800-221-9393 (TTY: 1-877-897-9910) Monday through Friday (except federal holidays) 8:00 a.m. to 8:00 p.m. ET.

*Authority: Section 331(i) of the Public Health Service Act (42 USC 254d), as amended  
Section 338A of the Public Health Service Act (42 USC 254l), as amended  
Sections 338C-H of the Public Health Service Act (42 USC 254m-q), as amended  
Future changes in the governing statute, implementing regulations and Program Guidance may also be applicable to National Health Service Corps Scholarship Program scholars.*

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## **Privacy Act Notification Statement**

### **General**

This information is provided pursuant to the Privacy Act of 1974 (Public Law 93-579), as amended, for individuals supplying information for inclusion in a system of records.

### **Statutory Authority**

*Section 331(i) of the Public Health Service Act (42 USC 254d), as amended;*  
*Section 338A of the Public Health Service Act (42 USC 254l), as amended; and*  
*Sections 338C-H of the Public Health Service Act (42 USC 254m-q), as amended*

### **Purposes and Uses**

The purpose of the National Health Service Corps (NHSC) Scholarship Program (SP) is to provide scholarships to students pursuing primary care health professions training in return for a commitment to provide primary health services in a Health Professional Shortage Area (HPSA). The information that applicants supply will be used to evaluate their eligibility, qualifications, and suitability for participating in the NHSC SP. In addition, information from other sources will be considered (e.g., credit bureau reports).

An individual's contract, application, required supplemental forms, supporting documentation, related correspondence and data are maintained in a system of records to be used within the U.S. Department of Health and Human Services to monitor NHSC SP-related activities.

The information may also be disclosed outside the Department, as permitted by the Privacy Act and Freedom of Information Act, to the Congress, the National Archives, the General Accounting Office, and pursuant to court order and various routine uses (see [System of Record Notice 09-15-0037](#)).

### **Effects of Nondisclosure**

Disclosure of the information sought is voluntary; however, if the information is not submitted, except for the replies to questions related to Race/Ethnicity, an application may be considered incomplete and therefore may not be considered for funding under this announcement.

## **Paperwork Reduction Act Public Burden Statement**

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current OMB control number. The current OMB control number for information collected through this application process is 0915-0146 and the expiration date is 07/31/2020.

Public reporting burden for this collection is estimated to average 0.6 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 this burden, to HRSA Reports Clearance Office, 5600 Fishers Lane, Room 14N39, Rockville, Maryland 20857.

**Non-Discrimination Policy Statement**

In accordance with applicable federal laws and U.S. Department of Health and Human Services policy, the Department does not discriminate on the basis of any non-merit factor, including race, color, national origin, religion, sex, sexual orientation, gender identity, disability (physical or mental), age, status as a parent, or genetic information.

## Program Overview

***Please read the Application and Program Guidance (Guidance) in its entirety before proceeding with an application.***

**The Guidance explains in detail the rights and obligations of individuals selected to participate in the National Health Service Corps (NHSC) Scholarship Program (SP). A complete understanding of the commitment to serve at an NHSC site and the financial, legal, and other consequences of failing to perform that commitment is critical to successful completion of the mandatory service obligation associated with any NHSC SP Award.**

### INTRODUCTION

The NHSC SP is administered by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS). The NHSC SP is a competitive federal program that awards scholarships to students pursuing eligible primary care health professions training leading to:

- A degree in medicine (allopathic or osteopathic) (please see “Program Requirements While In Postgraduate Training” for information on eligible/required and optional postgraduate training)
- A degree in dentistry (please see “Program Requirements While In Postgraduate Training” for information on eligible/optional postgraduate training)
- A postgraduate degree or postgraduate certificate from a school or program in nurse-midwifery education, physician assistant (PA) education, or nurse practitioner (NP) education specializing in adult medicine, family medicine, geriatrics, pediatrics, psychiatric-mental health, or women’s health (please see “Program Requirements While In Postgraduate Training” for information on eligible/optional postgraduate training)

In return, scholars commit to providing primary care health services in underserved communities. The program provides support to students who seek financial assistance to complete primary care health professions education.

The NHSC SP pays for tuition and various other reasonable education-related expenses and also provides a monthly stipend to assist with living expenses in exchange for a minimum of two (2) years of full-time service.

The service obligation must be completed at an NHSC-approved site in a [Health Professional Shortage Area \(HPSA\)](#). The total number of years of full-time service a scholar is obligated to serve will depend on the number of school years of NHSC SP support received by the scholar, not to exceed 4 school years.

NHSC scholars are required to fulfill their NHSC service obligation at NHSC-approved sites located in HPSAs.

A HPSA is a geographic area, population group, public or nonprofit private medical facility or other public facility for the delivery of health services (including a federal or state correctional institution) that is determined by the Secretary of HHS to have a shortage of health professionals. Information considered when designating a HPSA includes health provider-to-population ratios, rates of poverty, and access to available health care services.

Get more information on HPSAs and [Shortage Designation](#).

A commitment to participate in the NHSC SP is significant, as is the need for primary care in the underserved communities across the United States and the U.S. territories.

Applicants will be evaluated with respect to their demonstrated interest in primary care, their qualifications to participate in the NHSC SP, and their commitment to serving the underserved. The NHSC SP is seeking well-prepared applicants who demonstrate geographic flexibility and a strong interest in providing primary health services to underserved populations nationally.

**Only those students who are committed to practicing primary care and are able to relocate based on the needs of NHSC in underserved communities should consider becoming a NHSC scholar.**

The benefits of the NHSC SP are:

- (1) **Service.** Scholars will join the thousands of current and former NHSC clinicians who provide primary health care services to communities in need.
- (2) **Payment of Educational Expenses.** NHSC SP provides the following financial support for full-time enrollment in an eligible primary care health professions degree training program for up to four (4) school years:
  - a. Payment of tuition and eligible fees;
  - b. An annual payment for other reasonable educational costs; and
  - c. Monthly stipends to assist with living expenses while pursuing the health professions degree educational training program.

## ELIGIBILITY REQUIREMENTS AND AWARD PROCESS

### **Eligibility Requirements**

To be eligible for a scholarship, all applicants must:

- (1) **Be a U.S. citizen (either U.S. born or naturalized) or U.S. national.** To be eligible for an NHSC scholarship, applicants must present proof of U.S. citizenship or status as a U.S. national. This may include a copy of a birth certificate issued by a city, county, or state

agency in the United States, the identification page of a valid U.S. passport, or a certificate of citizenship or naturalization. A permanent resident card, driver's license, marriage certificate, or social security card is **not** acceptable proof of U.S. citizenship or status as a U.S. national.

- (2) **Be enrolled or accepted for enrollment as a full-time student.** To be considered for a scholarship award for the 2018-2019 school year, classes **must begin** on or before September 30, 2018.

Applicants planning to be on a leave of absence from school that will preclude full-time class attendance on or before September 30, 2018, should not submit an application this year, but may apply for the 2019-2020 academic year.

**Full-time Student.** A full-time student is defined as a student enrolled for a sufficient number of credit hours in any academic term to complete the course of study within the number of academic terms normally required at the school. Any courses that are not required to complete the qualifying degree program will not count towards the hours required for full-time status and will not be supported by NHSC SP.

- (3) **Be attending or accepted to attend one of the following accredited schools or programs located in a state, the District of Columbia, or a U.S. territory:**

a. Physician

- i. A school of allopathic or osteopathic medicine, pursuing an M.D. or D.O. degree; and
- ii. Accredited by the Liaison Committee on Medical Education (sponsored by the American Medical Association and the Association of American Medical Colleges) or the American Osteopathic Association, Commission on Osteopathic College Accreditation.

b. Dentist

- i. A school of dentistry, pursuing a D.D.S. or D.M.D. degree; and
- ii. Accredited by the American Dental Association, Commission on Dental Accreditation.

c. Nurse Practitioner

- i. A school or program of nurse practitioner education, pursuing a postgraduate degree or postgraduate certificate;
- ii. Accredited by the Accreditation Commission for Education in Nursing or the Commission on Collegiate Nursing Education; and
- iii. Leading to national certification as a nurse practitioner specializing in adult medicine, family medicine, geriatrics, primary care pediatrics, psychiatric-mental health, or women's health by the American Nurses Credentialing Center, the American Academy of Nurse Practitioners, or the Pediatric Nursing Certification Board.

- d. Nurse-Midwife
  - i. A school or program of nurse-midwifery education, pursuing a postgraduate degree or postgraduate certificate;
  - ii. Accredited by the American College of Nurse-Midwives, Division of Accreditation; and
  - iii. Leading to national certification by the American Midwifery Certification Board.
  
- e. Physician Assistant
  - i. A school or program of primary care physician assistant education, pursuing a postgraduate degree or postgraduate certificate;
  - ii. Accredited by the Accreditation Review Commission on Education for the Physician Assistant AND the affiliated school must be accredited by a U.S. Department of Education nationally recognized regional or state institutional accrediting agency; and
  - iii. Leading to national certification by the National Commission on Certification of Physician Assistants.

(4) **Located in a state, the District of Columbia, or a U.S. territory.** Eligible schools and educational programs for which scholarship support is provided must be in a state (includes the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, the U.S. Virgin Islands, Guam, American Samoa, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia). **Students attending schools outside of these geographic areas are not eligible for NHSC scholarships, even though they may be citizens or nationals of the United States.**

(5) **Be eligible for federal employment.** Most NHSC scholars should expect to serve their obligations as a salaried, non-federal employee of public or private entities approved by the NHSC SP. However, there may be vacancies that require federal employment, including a security clearance.

In light of the potential for federal employment, an applicant must be eligible to hold an appointment as a [Commissioned Officer of the Public Health Service](#) or [be eligible for a federal civil service](#) appointment.

(6) **Not have an existing service obligation.** Applicants who are already obligated to a federal, state, or other entity for professional practice or service after academic training are not eligible for NHSC scholarship awards unless the entity to which the obligation is owed provides a written statement satisfactory to the Secretary of HHS that (i) there is no potential conflict in fulfilling the NHSC SP obligation and the entity's obligation, and (ii) the NHSC SP obligation will be served first.

Scholars who subsequently incur other service obligations and are not immediately available after completion of their training to fulfill their NHSC SP service obligation will be subject to the breach-of-contract provisions described in “Breaching the NHSC SP Contract” section. (See below for an exception for individuals of a Reserve component of the Armed Forces including the National Guard.)

EXCEPTION: Individuals in a Reserve component of the Armed Forces including the National Guard are **eligible** to participate in the NHSC SP. Reservists should understand the following:

- Military training or service performed by reservists will not satisfy the NHSC SP service obligation. If a scholar’s military training and/or service, in combination with the scholar’s other absences from the service site, will exceed seven (7) weeks per service year (see “Worksite Absences”), the scholar should request a suspension (see “Suspensions and Waivers”). The NHSC SP service obligation end date will be extended to compensate for the break in service.
- If the approved NHSC site where the reservist is serving at the time of his/her deployment is unable to reemploy that reservist, the NHSC SP will assist the reservist in finding another NHSC-approved site to complete his/her remaining service obligation.

(7) **Submit a complete application.** Each applicant must complete an online application and submit a resume, two letters of recommendation, a report verifying acceptance or enrollment in good standing in an eligible health professions school, and school transcripts. Each applicant is also required to respond to three essay questions.

These documents will be used to evaluate an applicant’s qualifications to participate in the NHSC SP. If selected, individuals will be required to review and submit a signed contract indicating they agree to provide primary care in a HPSA in exchange for a scholarship. Please refer to “Completing an Application” for further details regarding application requirements.

Applicants are **ineligible** if they are:

- (1) Pursuing a non-primary care specialty. (For example, enrolled or accepted for enrollment in a program with a surgical or emergency medicine focus.)
- (2) In the pre-professional phase of their health professions education. (For example, taking undergraduate pre-requisites for admission to a health professions training program.)

Among eligible applicants, the NHSC SP determines scholarship awardees using various selection factors and funding priorities.

### Selection Factors

- (1) **History of honoring prior legal obligations.** NHSC SP applicants who have a history of not honoring prior legal obligations, as evidenced by one or more of the following factors, *may not* be selected:
- Default on any federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, Federal Housing Administration loans, federal income tax liabilities, federally-guaranteed/insured loans (e.g., such as student or home mortgage loans)) or any non-federal payment obligations (e.g., court-ordered child support payments) even if the applicant is currently considered to be in good standing by that creditor;
  - Default on a prior service obligation to the Federal Government, a state or local government, or other entity, even if the applicant subsequently satisfied that obligation through service, monetary payment or other means; OR
  - Charge-off/Write-off of any federal or non-federal debt as uncollectible or had any federal service or payment obligation waived.

Please be advised that a credit check will be performed as part of the application review process.

- (2) **Academic performance.** Demonstrates the ability to excel and maintain good academic standing while in school.
- (3) **Commitment to a Career in Primary Care & Working in Underserved Communities.** Demonstrates a strong commitment to the field of primary care; interest/motivation to provide care to underserved communities; and relevant work experience and/or activities (i.e., community service, research, and internships) that have prepared the applicant to work with underserved populations. This factor is reviewed through the following:
- Essay Questions.** An applicant's responses to the essay questions aid in the review process and help gauge an applicant's interest in primary care and commitment to working in underserved communities.
  - Recommendation Letters.** Provide a detailed description of the applicant's performance in school; education/work achievements; community/civic or other non-academic achievements; ability to work and communicate constructively with others from diverse backgrounds; and interest and motivation to serve underserved populations through work experience, course work, special projects, research, etc.
- (4) **Not have any judgment liens arising from a federal debt.**
- (5) **Not be currently excluded, debarred, suspended, or disqualified by a federal agency.** Before entering into a scholarship contract, an applicant must report if he or she is currently excluded, debarred, suspended or disqualified by a federal agency. (Please see the "Certification Regarding Debarment, Suspension, Disqualification and Related

Matters” located in the online application.) The applicant should sign the Certification that is applicable to his/her situation. As a condition of participating in the NHSC SP, a scholar must agree to provide immediate written notice to the NHSC SP if the scholar learns that he/she failed to make a required disclosure or that a disclosure is now required due to changed circumstances.

### *Funding Priorities*

The NHSC SP will apply the following statutory priorities for funding to applicants who are determined to be eligible and qualified:

#### (1) First Priority

- a. **Current (or former) NHSC SP scholars** who are seeking, and are eligible for, additional support for the 2018-2019 school year or through their date of graduation;
- b. **Recipients of Federal Scholarship for Students of Exceptional Financial Need** (see “Definitions”). Applicants who have received a scholarship for students of Exceptional Financial Need (EFN) under former Section 758 of the Public Health Service Act (formerly 42 U.S.C. 294z) qualify for a funding priority (*medical and dental students only*).

Applicants claiming EFN status must upload the EFN form available for download in the online application. The NHSC EFN form must be completed by the school’s financial aid official to affirm former participation in the EFN program.

#### (2) Second Priority

**Characteristics Likely to Remain in HPSAs.** Applicants who have characteristics that increase the probability that the individual will continue to serve in a HPSA once the NHSC SP service obligation is completed.

#### (3) Third Priority

**Disadvantaged Background** (see “Definitions”). Applicants who are from a “disadvantaged background” and who have characteristics that increase the probability that the individual will continue to serve in a HPSA once the NHSC SP service obligation is completed.

Applicants who wish to claim a “disadvantaged background” must upload the Disadvantaged Background form available for download in the online application. The Disadvantaged Background form must be completed by the school’s financial aid official certifying their participation or their eligibility for participation in a qualifying federal program as outlined below:

- a. *For Medical and Dental Students:* Applicant’s school must certify that the applicant participated in, or would have been eligible for participation in, federal programs

such as “Scholarships for Disadvantaged Students” or “Loans to Disadvantaged Students.”

- b. *For Nurse Practitioner, Nurse-Midwifery, and Physician Assistant Students:* Applicant’s school must certify that the applicant participated in, or would have been eligible for participation in, federal programs such as “Scholarships for Disadvantaged Students” or the benefits of the “Nursing Workforce Diversity Grant Program.”

The number of years of scholarship support requested is not taken into consideration when determining which applicants will receive a scholarship award.

**Anticipated Awards**

The NHSC SP expects the fiscal year (FY) 2018 application cycle to be very competitive. The program anticipates more applicants for scholarship awards than there are funds available. Approximately 139 awards will be made this application cycle. Listed below is a table that shows the NHSC SP’s recent award history.

NHSC SP Recent Award History FY 2012 - FY 2017

Fiscal Year	# of Applications Received	# of Initial Awards Made	# of Continuations
FY 2017	2,068	181	7
FY 2016	2,275	205	8
FY 2015	2,111	196	11
FY 2014	1,844	190	7
FY 2013	1,739	180	16
FY 2012	1,373	212	10

Once an applicant has been selected for an award, the applicant will be provided with information to access the [BHW Customer Service Portal](#). This web-based system will allow NHSC SP scholars to communicate with the NHSC SP and to manage several customer service inquiries, such as contact information changes.

UNDERSTANDING THE CONTRACT AND SERVICE OBLIGATION

**Contract Period**

The NHSC SP award and contract is for the 2018-2019 school year and any additional school years (Optional Contracts) requested by the applicant and agreed to by the Secretary of HHS or designee as indicated on the executed contracts. Support will be provided during the school

years agreed to in the executed contracts (not to exceed a total of four (4) school years of support, including any partial school year of funding received).

NHSC defines the school year as all, or part, of the 12-month period - from July 1 through June 30 - during which a scholar is enrolled in a school as a full-time student. **The NHSC SP 2018-2019 school year begins July 1, 2018 and ends June 30, 2019.** If an applicant signs a contract for only one school year of support, in the 2018-2019 school year, the scholar's support will end on June 30, 2019. If an applicant is in a 24-month program that begins on August 3, 2018 and ends on August 2, 2020, and the applicant signs contracts for two school years, the scholar will receive scholarship support from July 2018 through June 30, 2020.

Funding for the extra months of the program beyond June 30, 2020 would require a request for a third school year of scholarship funding for 2020-2021. If granted, the third school year of support obligates the recipient to perform three years of full-time service.

*The school year 2018-2019 NHSC SP contract —if countersigned by the Secretary of HHS or designee — obligates the applicant to the minimum two-year full-time service obligation.* Therefore, applicants are strongly encouraged to sign the 2018-2019 school year contract, as well as an optional contract for the 2019-2020 school year, if they need additional support for all or part of the 2019-2020 school year.

EXAMPLE: Applicants scheduled to graduate in May 2020 are strongly encouraged to sign the 2018-2019 contract AND the optional 2019-2020 contract to guarantee scholarship support through May 2020.

In order for a scholar to receive support up to the date of graduation, the applicable school year contract(s) must be signed by the scholar and the Secretary of HHS that cover the period up to the scholar's date of graduation.

#### **Additional Support After Receipt of Awards**

To request additional scholarship support for the 2019-2020 school year or any subsequent school years, the scholar must submit an Enrollment Verification Form (EVF), verifying that he/she is still in good academic standing, and a signed contract for that school year. The scholar may request contracts for subsequent school years through graduation for a maximum of four school years of support.

The NHSC SP will notify the scholar when this submission is due.

The granting of continuation awards depends upon the availability of appropriated funds for the NHSC SP and is contingent upon the following. The scholar must:

- (1) Be enrolled **full time** in academic courses leading to the degree for which he/she was funded;
- (2) Have an existing NHSC SP contract covering the school year in which the scholar is enrolled in a full-time course of study;

(3) Be in academic good standing; AND

(4) Be in compliance with policies and procedures established by the NHSC SP for requesting continued support.

**Please note:** New NHSC SP contract and continuation awards depend on the availability of appropriated funds. Participation in the NHSC SP becomes effective when an NHSC SP contract has been signed by both the applicant **AND** the Secretary of HHS or designee. You cannot request a continuation award after your existing contract has expired.

### Service Obligation

The initial minimum service obligation is two years of full-time service in exchange for a full or partial year of scholarship support. For each full or partial school year of support thereafter, scholars agree to provide full-time primary health care services for one year at an NHSC-approved site in a HPSA.

At the scholar's request and with written concurrence of the NHSC-approved service site, the Secretary of HHS may subsequently allow the scholar to convert to half-time service for double the period of the full-time service obligation, by entering into an addendum to his/her contract (see "Serving Half-Time Instead of Full-Time" for more details).

Full or Partial Years of Scholarship Support	Years of Service Obligation
1 School Year (2018-2019)	2 Years Full-Time 4 Years Half-Time
2 School Years (2018-2020)	2 Years Full-Time 4 Years Half-Time
3 School Years (2018-2021)	3 Years Full-Time 6 Years Half-Time
4 School Years (2018-2022)	4 Years Full-Time 8 Years Half-Time

### Contract Terminations

- (1) The Secretary of HHS or designee may terminate an NHSC SP contract for a school year if, on or before June 1 of the school year to which the contract pertains, the scholar does the following:
- a. Submits a written request to the NHSC SP through the BHW Customer Service Portal to terminate the contract for that school year; AND
  - b. Repays all amounts paid to, or on behalf of, the scholar for that school year.

If a scholar meets these requirements and the Secretary terminates the contract, no service obligation will be incurred under the contract that was successfully terminated.

If a scholar does not meet these requirements, he/she will still have a service obligation for the full or partial year of support received under the contract. The requirements above apply to requests for terminating the initial/first contract as well as any optional contract(s).

School Year Contract	Deadline to Terminate NHSC SP School Year Contract
School Year 2018-2019	June 1, 2019
School Year 2019-2020	June 1, 2020
School Year 2020-2021	June 1, 2021
School Year 2021-2022	June 1, 2022

- (2) The Secretary of HHS or designee may terminate an optional contract for a subsequent school year (or years) if the scholar does the following by June 1 of the subsequent school year to which the contract pertains:
- a. Submits a written request to the NHSC SP through the BHW Customer Service Portal to terminate the optional contract for the subsequent school year (or years) ; AND
  - b. Repays all amounts paid to the scholar, or on behalf of, the scholar for that school year.

If a scholar meets these requirements and the Secretary terminates the optional contract, no service obligation will be incurred for the terminated contract for that school year. **If a scholar does not meet these requirements, he/she will still have a service obligation for the full or partial year of support received under the optional contract.**

EXAMPLE: A medical student signs contracts for four school years of scholarship support through her date of graduation. During the third school year, she goes on a leave of absence from October 1 through June 30.

If by June 1 of the third school year, the scholar submits a written request to terminate her contract for that school year AND repays all amounts paid to her or on her behalf under the contract for that school year, the NHSC SP will terminate her contract for that school year, eliminating any service obligation for the third school year of support and retaining the option to receive scholarship support for two more school years subject to the availability of funds.

If, however, she elects to retain the scholarship support received from July 1 through September 30, she would owe a year of service for the partial third year of support received and would be eligible to receive only one additional school year of scholarship support.

When an NHSC SP contract covering a particular school year is terminated, the service obligation incurred by the scholar under a prior contract (or contracts) remains binding.

(3) Prior school year contracts may *not* be terminated after June 1 of the school year to which the contract pertains.

#### TAX IMPLICATIONS OF THE NHSC SCHOLARSHIP AWARD

The stipend payment portion of NHSC scholarship awards are subject to federal income tax and the Federal Insurance Contributions Act (FICA) tax. Applicants chosen for an award must submit an IRS Form W-4.

The information provided on the W-4 form will be used to determine withholding of federal income tax. Scholars who want additional funds deducted should indicate the additional amount on the appropriate line on the W-4 form.

The tuition, eligible fees, and other reasonable costs portions of the scholarship award are NOT subject to federal taxes.

The NHSC SP will NOT withhold state and local income taxes. Scholars should consult their local tax authority regarding applicable state or local taxes for which they may be liable. **It is the responsibility of the scholar to arrange for the payment of any additional federal, state, and local taxes that may be owed.**

Each January, scholars will receive a W-2 Wage and Tax Statement form for the taxable income received under the NHSC SP during the prior tax year. Scholars have two options for receipt of the W-2 form:

- (1) NHSC will mail your W-2 to the address you provide in the BHW Customer Service Portal.
- (2) You may sign up to have the W-2 form posted in your BHW Customer Service Portal account.

If you choose mailing, please ensure your address and contact information is up to date by November 30 of each year to avoid a delay. W-2s are generally mailed by January 30 of each year.

#### PROGRAM REQUIREMENTS WHILE IN SCHOOL

The requirements for Scholars in school are:

- (1) **Maintain enrollment.** Scholars must maintain **full-time** enrollment in the health professions training program for which they were awarded a scholarship until that program is completed.

Please be advised that any courses that are not required or are unrelated to the health professions degree **will not** count toward the required credit hours in determining full-time enrollment status for the NHSC SP.

- (2) **Maintain good academic standing.** All scholars must remain as a **full-time** student in good academic standing, as defined by the institution’s academic policies, while enrolled in the scholarship-supported health professions training program.
- (3) **Notify the NHSC SP of changes in personal or financial information.** Scholars are required to maintain a current mailing address, e-mail address, name, and financial institution (bank) information in their BHW Customer Portal account to ensure an uninterrupted flow of scholarship payments. In the case of a name change, please upload legal documentation for the change, such as a copy of a marriage certificate.
- (4) **Notify the NHSC SP of any changes in enrollment status.** Scholars are required to notify the NHSC SP immediately through the BHW Customer Service Portal as soon as one of the following events is anticipated or has occurred:
  - a. A repeat in any course work;
  - b. A change in graduation date;
  - c. A leave of absence approved by the school;
  - d. Withdrawal or dismissal from the school;
  - e. A change from full-time student status to a less than full-time student status;
  - f. Voluntary withdrawal from any courses during a school year; or
  - g. A transfer to another school or program.

The NHSC SP needs to know ***in advance*** when a change in enrollment status is anticipated so that timely action can be taken to determine if the scholar is still eligible to receive scholarship support and to avoid overpayments (see “Changes in Scholarship Payment”). The scholar must also submit a letter from the school verifying that one of the events listed above has occurred.

Please be advised that if the NHSC SP has any questions concerning a scholar’s eligibility for support, the payment of all benefits may be delayed pending clarification of the scholar’s eligibility status.

## The Scholarship Award

The tuition, eligible fees and other reasonable cost (ORC) portion of each scholar's award is based on the information provided by the school in which the scholar is enrolled. The entire award amount (tuition, eligible fees, ORC, and stipend) is then calculated based on the years of scholarship support requested by the scholar.

Scholarship awards are based on the cost of **full-time attendance** at the **initial school of record** (i.e., the school attended/enrolled in at the time the NHSC SP application is submitted as indicated on the Acceptance Report/Verification of Good Standing Form). The NHSC SP requests information on in-state and out-of-state tuition, eligible fees, and ORC from each school annually before an award is made.

The NHSC scholarship award covers the following costs:

### (1) Tuition and Eligible Fees

a. **NHSC SP will pay tuition and eligible fees directly to the educational institution.**

The educational institution must submit an invoice to NHSC SP for payment of tuition and eligible fees for each term.

Any eligible fees on the invoice that are included in ORC (discussed below) will not be approved for payment to the educational institution and will be paid directly to the scholar.

Please see examples of eligible and ineligible fees below.

<b>Eligible Fees Include But Are Not Limited To:</b>	<b>Ineligible Fees Include But Are Not Limited To:</b>
Academic Support Services Fee	Accident Insurance
Administrative Fee	Attorney Fee
Computer Fee	Educational Associations
Disability and/or Health Insurance (For scholar only; Must be required by the school for all students)	Late Charges/Penalty Fee
Malpractice Insurance (If it is mandatory that it be purchased through the school by all students)	Life Insurance
Laboratory Fees	Parking Fee

- b. **Repeated course work.** If the NHSC SP has already paid for a course and that course is subsequently repeated, the NHSC SP will not pay for the course a second time. Courses taken prior to the receipt of an NHSC SP award that are taken again during a school year that is covered by the scholar's contract are eligible for payment.

If a scholar repeats a course that is taken in addition to a standard full-time course load and the repeated course work does not delay the scholar's graduation date, then payment of the scholarship benefits unrelated to the repeated course work will continue.

- c. **Increases in tuition or eligible fees.** The NHSC SP does not guarantee payment for any increases in tuition or eligible fees that are reported by the school after the award has been made. Payment for any increases will be subject to the availability of funds.
- d. **Attending more than one school.** For scholars taking classes at more than one school, please be advised that the NHSC SP can only make payments to **one** school—the initial school of record.
- e. **Summer school sessions.** The NHSC SP will pay tuition and eligible fees for summer school sessions when: (1) summer school is an academic term normally required by the school for all students in the same program, and (2) the summer session is in progress during a school year that is covered by the scholar's contract.
- f. **NHSC SP will ONLY pay for the courses that are required for graduation.** The NHSC SP will not pay for additional courses beyond those required for graduation from the degree program for which the scholarship was awarded.

Also, the NHSC SP will not pay for tuition costs unrelated to the degree/program, penalty or any additional fees for exceeding the maximum time allowed by the school to complete a distance learning course or program, membership dues for student societies/associations, loan processing fees, or other similar expenses.

- g. **Transfers to other academic institutions are strongly discouraged.** Scholarship awards are based on the cost of attendance at the initial school of record for all school year contracts executed during this FY 2018 application cycle.

Transfer to another academic institution is strongly discouraged once the applicant has been accepted into the NHSC SP. If tuition at the new school is higher than at the initial school of record, payment for the difference in tuition is not guaranteed and will be subject to the availability of funds.

Transfers must be approved by the NHSC SP in advance to ensure continued eligibility for funding and will be considered only for exceptional circumstances.

- h. **Changes in disciplines are not permitted.** Scholars must complete the degree program for which the scholarship was awarded (e.g., a scholar who receives an NHSC scholarship to become a nurse practitioner may not change disciplines to become a physician).

(2) **Other Reasonable Costs (ORC)**

ORC is an annual payment provided to each NHSC scholar and is dependent on the scholar's discipline, year in school, and the school's costs that each school provides annually to the NHSC. ORC is paid directly to the scholar and is provided to assist in the payment of the following education-related expenses not covered under tuition and eligible fees, including:

- a. **Books**
- b. **Instruments or clinical supplies**
- c. **Uniforms**
- d. **Computer rental or purchase (only if required of all students)**
- e. **Travel expenses for one clinical rotation during school**
- f. **Insurance (disability or health for the scholar if not required by the school)**

For new scholars, ORC will be paid with the first three months of stipend payment through direct deposit no later than the first week of November. There is no guarantee that all education-related ORC will be fully paid by the NHSC SP.

Scholars who opt out of their school's insurance plan will be required to provide additional supporting documents to receive a health insurance payment through the ORC.

(3) **Stipend**

During the 2018-2019 school year, NHSC scholars will receive a monthly stipend amount of \$1,363 (before federal taxes) to assist with living expenses. New scholars will receive stipend payments for July through October in their bank account in a lump-sum payment no later than the first week of November. (This lump-sum payment will also include the ORC payment.) After the lump-sum payment, stipend payments are issued at the end of each month directly to the scholar's bank account.

**Please note** that receipt of the stipend payment **does not** mean that the scholar is employed by the Federal Government or is eligible for any of the benefits available to federal employees.

The end of the scholarship support will be the date the scholar completes the required classes for graduation or June 30 of the last school year for which the scholar has an executed contract, whichever comes first. The NHSC SP **CANNOT** make payments to scholars when they are not enrolled, are not attending classes on a **full-time** basis, or do not have a current contract in effect.

**Additional Funding Provided by an Alternative Source**

(1) Financial Aid Received Before Notice of Award

- a. *Grants and Scholarships.* If tuition and fees for the school year have been paid for by another source of financial aid (e.g., Pell Grant, Post-9/11 GI Bill, state grants or other scholarship) before the scholar received notice of the NHSC SP

award, then the school may return payments to the funding source and submit an invoice to the NHSC SP for payment.

- b. *Loans.* If a new NHSC scholar has taken out a student loan to cover the cost of tuition and fees for his or her summer and/or fall semester(s) while waiting for notice of an NHSC SP award, the scholar should supply an itemized invoice from the academic institution to the NHSC SP showing the amount of tuition and fees paid for with the student loan.

The NHSC SP will pay that amount to the academic institution to cover the tuition costs covered by the loan. After the fall 2018 semester, the NHSC SP will not pay tuition costs covered by any student loans.

- (2) *Financial Aid Received After Notice of Award.* If sources of financial aid other than the NHSC SP have been used to pay for tuition and fees after a scholar has received notice of an NHSC SP award, the school will be instructed not to submit an invoice to the NHSC SP for costs that have already been covered.

If the tuition was paid in full, the school should submit documentation stating that it will not be seeking payment for the term. However, if a balance remains, then the school may submit an invoice for the remaining balance.

## **Changes in Scholarship Payment**

### Discontinuation of Scholarship Benefits

The NHSC SP will discontinue the payment of all benefits (i.e., tuition and eligible fees, ORC, and stipend) under the following circumstances:

- (1) **Leave of absence (LOA).** If you are considering or required to take a leave of absence for medical or personal reasons, please contact the NHSC SP **immediately**. A leave of absence, usually granted for no more than one year, will impact your award in the following ways:
  - a. Discontinuation of award for the duration of the LOA. This includes:
    - i. Monthly stipend
    - ii. Tuition and fee payment
    - iii. Other Reasonable Costs Payment – If you have received your ORC for the year, a pro-rated share for the duration of the LOA must be returned to the NHSC.
  - b. A scholar is only eligible for a total of four years of support. If you are on a LOA for any part of a contract year, and have received any financial support from the NHSC during that contract year, that support obligates you to provide service as set forth in the contract covering that school year.

You may consider contract termination for the contract year in which you take a leave of absence (Please see “Contract Terminations”). Therefore, it is strongly recommended that you contact the NHSC SP in advance of seeking approval from your school to take a LOA.

- (2) **Part-time student status.** Scholars enrolled in less than full-time status **will not** receive any support from the NHSC SP. In order to receive support a scholar **must be** enrolled in school as a **full-time** student.
- (3) **School withdrawal or dismissal.** A scholar’s withdrawal or dismissal from school is a breach of the scholarship contract. The scholar will be liable to repay the amount described in “Failure to Complete Academic Training” under “Breaching the NHSC SP Contract” section.
- (4) **Failure to maintain good academic standing.** Scholars must maintain good academic standing to remain eligible for support (i.e., not be on academic probation).
- (5) **Repeating course work.** The NHSC will only pay for a course once.

#### Resumption of Scholarship Benefits

To resume benefits under an existing scholarship contract, the scholar must submit documentation from a school official confirming that the scholar is:

- (1) Enrolled as a **full-time** student in courses leading to the degree for which the scholarship was awarded;
- (2) In good academic standing; and
- (3) Not repeating course work.

Requests for the resumption of scholarship benefits will be considered on a case-by-case basis by NHSC SP to determine the scholar’s eligibility to receive continuing funds.

For scholars who have not repaid overpayments received, the resumption of scholarship benefits will be subject to the administrative offset described below in the “Collection of Scholarship Benefit Overpayments.”

For scholars whose benefits were discontinued due to their withdrawal or dismissal from school, benefits will not be resumed and scholars are liable for repayment of all NHSC SP funds paid to them or on their behalf (see “Failure to Complete Academic Training” under “Breaching the NHSC SP Contract” section).

Benefits will not be resumed under scholarship contracts that have been terminated (see “Contract Terminations” section).

#### Collection of Scholarship Benefit Overpayments

Overpayments are scholarship payment(s) to a scholar or to a school on the scholar’s behalf, to

which the scholar was not entitled to because he/she was on an approved leave of absence, was enrolled as a less than full-time student, or is no longer enrolled in the NHSC SP-approved course of study.

Overpayments may also occur due to administrative error. A scholar receiving an overpayment must immediately contact the NHSC SP, follow up in writing, and make arrangements to promptly return the overpayment(s) to avoid interest accrual and debt collection procedures.

- (1) **Administrative offset.** For scholars who receive subsequent funding under the NHSC SP, the overpayments may be collected through administrative offset. The NHSC SP may withhold scholarship funds payable to, or on behalf of, the scholar (including stipends, ORC, and if necessary, tuition/fees payments) until the overpayment is paid in full.
- (2) **Debt collection procedures.** Debt collection procedures include sending delinquent overpayments to a debt collection agency, reporting the overpayments to credit reporting agencies, offsetting federal and/or state payments due to the delinquent scholar (e.g., an federal income tax refund) and referral of the overpayments to the Department of Justice for enforced collection.

#### Situations that Could Impact the NHSC SP Payment of Tuition, ORC and/or Stipend

##### (1) Distance Learning Programs

Scholars who are participating in distance learning programs are advised that they may not receive full funding for each year of their program to the extent that their course work does not coincide with the NHSC SP's definition of a school year, running from July 1 through June 30. Also, the NHSC SP **will not** pay for any penalty or additional distance learning fees that are incurred for not completing the course load or program in the required time-frame.

##### (2) Collection of Delinquent Debt

Under the Treasury Offset Program, the U.S. Department of the Treasury (Treasury) is authorized to offset a scholar's NHSC scholarship payments if the scholar is delinquent on a federal debt. In addition, the Treasury is authorized to offset scholarship payments for application to the scholar's state debts and court-ordered child support payments. In keeping with Presidential Executive Orders concerning compliance with child support orders, the NHSC SP stresses the importance of honoring any child support obligations the scholar may have.

##### (3) Participation in Other Scholarship Programs

Receipt of an NHSC scholarship award does not automatically preclude a scholar from receiving funds from other programs *as long as no service obligation is involved*. However, many student assistance programs are based on the student's financial need or may be limited to the payment of expenses already paid by the NHSC SP.

Applicants should contact their financial aid officers to determine how the receipt of an NHSC scholarship may affect them. Tuition and fees already paid by another program should not be submitted to the NHSC SP for payment unless payment from the other

source occurred before the scholar received notice of his/her NHSC SP award and reimbursement will be made to the funding source.

**Please note: The NHSC does not provide financial support to scholars after graduation from their eligible degree programs. For example, if a scholar is required to take a board examination after their graduation, the NHSC will not pay for the fees associated with the board examination.**

#### PROGRAM REQUIREMENTS WHILE IN POSTGRADUATE TRAINING

Physicians are required to complete postgraduate training in an accredited primary care training program in an NHSC-approved specialty and must begin performance of their NHSC service obligation no later than 6 months after completion of their postgraduate training program. However, physicians may request to defer (i.e., postpone) their period of obligated service to complete advanced training (e.g., chief residency or fellowship) if it is consistent with the needs of NHSC.

Dentists, Advanced Practice Registered Nurses, and Physician Assistants are not required but may request to defer (i.e., postpone) their period of obligated service to complete NHSC-approved postgraduate training. Scholars in these disciplines who choose not to complete postgraduate training must begin performance of their NHSC service obligation no later than 6 months after graduation from the health professions training program.

#### **Scholar Requirements While in Postgraduate Training**

During the final year of health professions education scholars will be sent information on NHSC-approved postgraduate training programs and how they should obtain approval from the NHSC SP for their postgraduate training plans. Scholars may defer (i.e., postpone) their period of obligated service while they complete postgraduate training (including residency, chief residency, or fellowship) **if the NHSC SP determines that the training is consistent with the needs of NHSC to deliver primary health care services in HPSAs.**

The NHSC SP expects eligible scholars to start their postgraduate training after graduation on or around July 1. Scholars may pursue only the postgraduate training that the NHSC SP has officially approved and **may not** make any changes to the type or length of postgraduate training without prior approval from the NHSC SP.

Note: When selecting a postgraduate training program, it is the responsibility of the scholar to research the program. The program must provide adequate training to enable the scholar to sit for the appropriate boards, if applicable.

Scholars who enter training that is not approved by the NHSC SP will be in breach of their contract and subject to the damages provision described in “Breaching the NHSC SP Contract” section.

Approved Postgraduate Training Programs

(1) **Postgraduate Training for Physicians**

For allopathic and osteopathic medical scholars entering postgraduate training in 2018-2019, the approved residencies are accredited programs in:

<b>Post Graduate Training</b>	<b>Years</b>
Family Medicine	3 years
General Internal Medicine	3 years
General Pediatrics	3 years
Obstetrics-Gynecology	4 years
General Psychiatry	4 years
Internal Medicine/Family Medicine	4 years
Internal Medicine/Pediatrics	4 years
Family Medicine/Psychiatry	5 years
Internal Medicine/Psychiatry	5 years
Rotating internship with a request to complete a residency in one of the above specialties (DO only)	1 year

The NHSC SP may approve, on a case-by-case basis, and consistent with the needs of the NHSC, additional postgraduate training not listed above.

Allopathic and osteopathic medical scholars **MUST** complete a primary care NHSC-approved residency prior to beginning service or be subject to the damages provision described in the “Breaching the NHSC SP Contract” section.

Physicians are required to use their best efforts to enter an approvable residency program by July 1 of their graduation year either through the residency match process or outside the match process.

Allopathic and osteopathic medical students who are unable to commit themselves to primary care postgraduate training in any of the above-listed approved residencies are advised **NOT** to apply for participation in the NHSC SP.

**Fellowships (Optional).** The NHSC SP may approve, on a case-by-case basis, consistent with the needs of the NHSC, requests submitted by scholars in their last year of residency training to complete one of the following fellowships:

- a. A two-year Child Psychiatry Fellowship that follows the completion of residency training in General Psychiatry;

- b. A one-year Obstetrics/Gynecology Fellowship that follows the completion of residency training in Family Medicine; OR
- c. A one-year Geriatrics Fellowship that follows the completion of residency training in Family Medicine or General Internal Medicine.

**(2) Postgraduate Training for Dentists**

For dental scholars entering postgraduate training in 2018-2019, the approved postgraduate training programs are accredited programs in:

<b>Post Graduate Training</b>	<b>Years</b>
General Practice Dentistry	1 year
Advanced Education in General Dentistry	1 year
Pediatric Dentistry	2 years
Public Health Dentistry	2 years

Dental scholars are encouraged but not required to complete *one* of the above-listed postgraduate clinical training programs approved by NHSC SP prior to commencing service. Dental students who wish to pursue training other than the programs listed above are advised *not* to apply for participation in the NHSC SP.

**Fellowship (Optional).** The NHSC SP may approve, on a case-by-case basis, consistent with the needs of the NHSC, requests submitted by scholars in their last year of postgraduate training to complete a one-year Geriatric Dentistry fellowship.

**(3) Postgraduate Training for Physician Assistants**

For physician assistant scholars entering postgraduate training in 2018-2019, the NHSC SP approves a one-year residency in a primary care specialty.

**(4) Postgraduate Training for Advanced Practice Registered Nurses**

For advanced practice registered nurse scholars entering postgraduate training in 2018-2019, the NHSC SP approves a one-year residency in a primary care specialty.

**Ineligible Postgraduate Training Programs**

Postgraduate training programs that are **not approved** include the following:

- (1) Non-primary health care programs (e.g., emergency medicine, surgery, radiology, neurology, anesthesiology, ophthalmology, pathology, oral surgery, endodontics, sports medicine, etc.) or other programs that NHSC SP determines are not consistent with the needs of the NHSC to provide primary health services in HPSAs;

- (2) Postgraduate health professions education conducted by a branch of the Armed Forces of the United States. Participants in such programs incur military service obligations that conflict with the service obligation required under the NHSC SP; and
- (3) Transitional residency training (except as specified above for Doctors of Osteopathic Medicine).

Scholars **do not** receive NHSC SP financial support while participating in postgraduate training. For example, the NHSC will not pay for Step 3 of the United States Medical Licensing Examination (USMLE) or Level 3 of the Comprehensive Osteopathic Medical Licensing Examination (COMLEX) examinations taken in the first year of postgraduate training.

Additionally, scholars do not incur additional period of obligated service for participating in any type of postgraduate training. Moreover, periods of postgraduate training **are not** credited toward satisfying the scholarship service obligation, even though the training may occur in a facility located in a HPSA.

#### TRANSITIONING FROM TRAINING TO SERVICE

##### **Licensure/Certification Requirements**

Scholars must be permanently licensed in their scholarship-supported profession prior to commencing service. Credit towards fulfillment of the service obligation will not be given in the absence of a current, full, permanent, unencumbered, unrestricted health professional license.

Scholars who intend to practice as (i) federal employees, (ii) federal contractors, or (iii) employees of a tribal health program (see “Definitions” section) in a state in which the tribal health program provides services described in its contract/compact must have a current, full, permanent, unencumbered, unrestricted health professional license, certificate or registration (whichever is applicable) in a state.

All other applicants must have a current, full, permanent, unencumbered, unrestricted health professional license in the state where their NHSC-approved service site is located.

Responsibility for obtaining the required state license prior to the service start date rests with the scholar. Because scholars serve in HPSAs throughout the country, each scholar is responsible for ensuring that his or her professional training program will provide broad eligibility to obtain a license in multiple states. In addition, each scholar is responsible for meeting the applicable board and licensure/certification requirements outlined below.

##### **(1) Physicians**

To ensure that physician scholars are able to fulfill their service obligation upon completion of their primary care postgraduate training, all physicians must successfully complete Steps 1, 2 (clinical skills and clinical knowledge components), and 3 of the USMLE or Levels 1, 2 (cognitive evaluation and performance evaluation components), and 3 of the COMLEX by the time they complete their primary care residency training program. Specifically, NHSC SP expects **all** MD/DO scholars to **take and pass**:

- a. Step 1 of the USMLE or Level 1 of the COMLEX by the end of the 2<sup>nd</sup> year of their MD/DO program.
- b. Step 2 (both components) of the USMLE or Level 2 (both components) of the COMLEX by the end of the 4<sup>th</sup> year of their MD/DO program.
- c. Step 3 of the USMLE or Level 3 of the COMLEX by the end of the 1<sup>st</sup> year of their postgraduate (residency) training program.

MD/DO scholars unable to pass all parts of the licensing examination and obtain a license to practice medicine by the time their service is scheduled to begin should immediately contact the NHSC SP in writing to request a suspension. Please see “Suspensions and Waivers” section.

## **(2) Dentists**

All dentists must successfully complete the National Board Dental Examination Part 1 and 2 prior to beginning their NHSC SP service obligation. To assure that dentists will be able obtain a license to practice in states with the greatest dental needs, NHSC SP reserves the right to determine which regional or state clinical licensing exam the dental scholar should take and pass. Dental scholars are expected to take the appropriate exams at the earliest possible date.

If the scholar is unsuccessful in passing the exams and obtaining a license, the scholar should immediately contact the NHSC SP in writing to request a suspension. Please see “Suspensions and Waivers” section.

## **(3) Advanced Practice Registered Nurses and Physician Assistants**

All nurse-midwives, nurse practitioners, and physician assistants must successfully pass a discipline-specific and, if applicable, a specialty-specific, national certification exam prior to beginning their service obligation and are expected to take the appropriate certification exam at the earliest possible date.

If the scholar is unsuccessful in passing the national certification exam and obtaining a license, the scholar should immediately contact the NHSC SP in writing to request a suspension. Please see “Suspensions and Waivers” section.

## **Finding an Eligible NHSC-approved Service Site**

All scholars will be contacted and assigned to an NHSC Regional Advisor at the beginning of their last year of school or prior to the completion of their approved postgraduate training (as applicable).

Scholars will be given information about the NHSC employment and site search process, which includes referral to the [Health Workforce Connector](#) website containing job vacancies for which scholars in each discipline and specialty can compete to fulfill their service obligation. The NHSC provides dedicated staff to assist scholars in successfully finding a practice site.

Scholars are contractually obligated to practice at an NHSC-approved site located in a HPSA. The minimum HPSA score threshold is published each year for scholars who are in their final year of health professions training. **The NHSC reserves the right to make final decisions on all sites** to comply with statutory requirements.

There is no guarantee that HPSAs or sites that are currently approved for NHSC scholars will still be available/approved at the time scholars are available to serve. If a scholar does not begin the service commitment at an approved service site by the deadline, the scholar will be assigned to a service site identified by the NHSC SP.

**Students uncertain of a commitment to primary health care practice in HPSAs throughout the United States or who are unable to relocate based on the NHSC program requirements are advised not to apply for the NHSC Scholarship Program.**

NHSC SP scholars must fulfill their service obligations at NHSC-approved service sites (see “Definitions” section) in federally-designated HPSAs. Each year, the NHSC utilizes HPSA scores to determine which HPSAs are of greatest shortage for priority assignment of NHSC scholars. For example, from October 1, 2017 through September 30, 2018, NHSC scholars must work at NHSC-approved service sites with a HPSA score of 17 or above for their discipline. Scholars will be subject to the HPSA score threshold in effect at the time they begin their service commitment.

NHSC-approved service sites are healthcare facilities that provide outpatient primary health services to populations residing in urban or rural HPSAs. Examples include Federally Qualified Health Centers (FQHCs), Rural Health Clinics, Federal Indian Health Service (IHS), Tribal, or Urban Indian Health Clinics, Public Health Departments, Hospital-affiliated outpatient primary care practices, and Critical Access Hospitals (CAHs).

The following are **not** eligible NHSC service sites, even if they are located in a HPSA: county/local prisons, inpatient hospitals (except for CAHs and IHS hospitals), and other inpatient facilities. Clinics that limit care to veterans, members of the Armed Forces, and active duty military personnel (e.g. The Veterans Health Administration and TRICARE) are not eligible.

The [Health Workforce Connector](#) contains a searchable database of vacant positions at NHSC-approved service sites. Scholars are eligible to compete for all scholarship vacancies in their discipline/specialty. If interested in a position on the Health Workforce Connector, scholars must contact the site directly to apply. NHSC also provides dedicated staff to assist scholars in successfully finding a practice site.

### **NHSC Practice Types**

Generally, NHSC scholars will serve in NHSC as either federal employees (Public Health Service Commissioned Officers or Civil Servants) or as Private Practice Assignees, who are employees of a public or private entity who receive an income at least equal to what they would have

received as a civilian employee of the U.S. Government, including malpractice insurance with tail coverage (either commercial or through the Federal Tort Claims Act).

In some circumstances, an NHSC scholar is not subject to the personnel system of the site to which he or she is assigned (i.e., independent contractor), does not receive a salary equivalent to a civilian employee of the Federal Government, and/or is not provided malpractice insurance (including tail coverage) by the site. In these cases, the scholar can request to fulfill his or her service obligation through the Private Practice Option (PPO).

Under the PPO, an NHSC scholar may be (a) an independent contractor or (b) a salaried employee of an eligible NHSC-approved service site who is not receiving a salary and malpractice insurance (including tail coverage) at least equal to what he/she would receive as a federal Civil Servant. In order to serve under the PPO, the scholar’s NHSC-approved site Point of Contact must complete the electronic Employment Verification Form confirming the aforementioned information.

In addition, if the NHSC approves such a request, the scholar must enter into a PPO Agreement that stipulates the special provisions that apply to those serving under the PPO. *The PPO is only available to scholars serving full-time.*

**NOTE:** Federal assignments and private practice assignments require the NHSC-approved service site to accept Medicare assignment, enter into the appropriate agreements under Medicaid and the Children’s Health Insurance Program (CHIP), and utilize a schedule of discounts (including, as appropriate, waivers) of fees based on a patient’s ability to pay. See the definition for “NHSC-approved service site,” which describes additional requirements, in “Definitions” section. The Private Practice Option requires the individual to comply with the same billing requirements.

If you are...	and your salary and malpractice/tail coverage are...	you will serve under a:
A federal Civil Service employee or an active member of the U.S. Public Health Service Commissioned Corps	provided by a Federal Government entity	Federal Assignment (FA)
NOT a federal employee but you are an employee of an eligible HPSA site	<i>at least equal to</i> what you would earn as a civilian employee of the U.S. Government	Private Practice Assignment (PPA)
NOT a federal employee but you are an employee of an eligible HPSA site	LESS THAN what you would earn as a civilian employee of the U.S. Government	Private Practice Option (PPO)

If you are...	and your salary and malpractice/tail coverage are...	you will serve under a:
An independent contractor assigned to an eligible HPSA site	whatever income you earn or generate; whatever malpractice coverage you purchase or receive	PPO

SERVICE REQUIREMENTS

Every scholar is required to engage in the clinical practice of the profession for which he or she applied and was awarded an NHSC SP contract at one or more NHSC-approved service site(s). All NHSC scholars must provide clinical primary health care services **at an approved site in a federally-designated HPSA at the time of service assignment**, as determined by the Secretary of HHS or designee.

**Service Obligation Life Cycle**

Scholars are required to begin service as soon as possible upon graduation from school or, if applicable, upon completion of an NHSC SP-approved postgraduate training program, but no later than six months after completion of their training.

(1) **Physicians**

Physicians **must complete** a primary care residency and are expected to begin service within six months of the completion of residency (generally within six months of June 30).

(2) **Dentists**

Dentists who elect to pursue a residency approved by the NHSC SP are expected to begin service within six months of the completion of their approved residency (generally within six months of June 30). Dentists who do not complete postgraduate training must secure the necessary licensure and begin service at an NHSC-approved site within six months of graduation from school.

(3) **Nurse-Midwives, Nurse Practitioners, and Physician Assistants**

Nurse-midwives, nurse practitioners specializing in adult medicine, family medicine, geriatrics, primary care pediatrics, psychiatrics-mental health, or women’s health, and physician assistants must secure the necessary licensure and certification, and begin service at an NHSC-approved site within six months of graduation from school. Nurse practitioners and physician assistants who elect to pursue a residency approved by the NHSC SP are expected to begin service within six months of the completion of their approved residency.

Scholars who, for any reason, fail to begin or complete service at their assigned service site(s) are in breach of the NHSC SP contract and incur the damages described in “Breaching the NHSC SP Contract” section.

Credit toward satisfying the period of obligated service under the NHSC SP contract does not begin until the scholar does the following:

- (1) Passes required licensing and national certification exams;
- (2) Obtains a full, permanent, unencumbered, unrestricted health professional license to practice in the state where the NHSC service site is located (unless he/she has a license in another state and will work for a federal entity); AND
- (3) Begins to provide primary health services in a clinical practice at the NHSC-approved service site(s).

#### *Delaying the Start of Service*

Only scholars with documented extreme circumstances that delay the start of service may make a request to suspend their service obligation. HRSA may grant a suspension for up to one year. Requests must be submitted through the [BHW Customer Service Portal](#) and include a detailed written explanation and appropriate supporting documentation (see “Suspensions and Waivers” section).

The last day of the service obligation is determined in whole years from the start date. For example, the last day of service for a scholar with a 3-year service obligation who began service on July 15, 2017 would be July 14, 2020. Adjustments in the end date may be made by the NHSC SP if the scholar is away from the site for more than seven (7) weeks per service year (see “Worksite Absences” section).

NHSC scholars may be eligible for the NHSC Loan Repayment Program (LRP) after they have completed their scholarship service obligation. Currently, the NHSC LRP considers applications from scholars serving at a site with a HPSA score of 14 or above on a non-competitive basis. **Please Note:** Any remaining loan balance under the Primary Care Loan

#### **Serving Half-Time Instead of Full-Time**

When scholars sign the NHSC SP contract, they agree to serve full time. However, the Secretary of HHS may allow a scholar to complete the service obligation through half-time service, under the following conditions:

- (1) Your NHSC-approved service site agrees in writing that you may serve in a half-time clinical practice (as defined by the NHSC SP);
- (2) You are a federal employee or a Private Practice Assignee (see “NHSC Practice Types” section). **The half-time service option is not authorized for PPO practitioners;** and

- (3) You agree in writing (by signing an addendum to amend your NHSC SP full-time contract) to complete your remaining service obligation through half-time clinical practice for twice as long as your full-time obligation.

If you are approved to serve half time, your service obligation end date and your allowable leave will be adjusted accordingly. **Scholars who are allowed waivers to serve half-time will receive half-time service credit for the rest of their service obligation and will not be allowed to receive full-time service credit during such period of obligated service even if the scholar resumes or begins a full-time work schedule.**

#### **Requirements for Full-Time and Half-Time Clinical Practice**

Upon graduation (or, if applicable, completion of approved postgraduate training), scholars must engage in one year of full-time clinical practice at one or more NHSC-approved service sites for each full or partial school year of support received. The minimum service obligation for full-time scholars is two years, and the maximum service obligation for full-time scholars is four years.

The Secretary of HHS may grant a waiver of the full-time service obligation to authorize half-time service. Scholars who are authorized to serve half-time must agree to fulfill all of the remainder of the service obligation under the NHSC SP contract through half-time clinical practice (defined below) at one or more NHSC-approved service sites for double the period of obligated full-time service not completed under the NHSC SP contract as of the waiver effective date. The minimum service period for half-time scholars is four (4) years, and the maximum service period for half-time scholars is eight (8) years, if they commence half-time service directly upon completion of training.

It is important to remember that your service contract with the NHSC SP is separate and independent from any employment contract you sign with an approved service site. Please note that NHSC scholars are required to work a specified minimum number of hours (defined below). If your **employment** contract stipulates fewer hours (and your salary is based on those hours), you are still required to meet the NHSC SP service obligation requirements, and the service site administrator must verify your compliance with the applicable clinical practice requirements every six months during your period of obligated service.

- (1) **Full-Time Clinical Practice.** Full-time clinical practice is defined, for the purposes of the NHSC, as a minimum of 40 hours per week, for a minimum of 45 weeks each service year. The 40 hours per week may be compressed into no less than 4 days per week, with no more than 12 hours of work to be performed in any 24-hour period. Of the 40 hours per week, a minimum of 32 hours must be spent providing patient care.

Scholars do not receive service credit for hours worked over the required 40 hours per week and excess hours cannot be applied to any other work week. *Also, time spent “on*

*call” will not be counted towards the service commitment, except to the extent the provider is providing patient care during that period.*

Additional rules apply based on discipline and practice location. For these rules, please see “Full-Time Clinical Practice Requirements, by Discipline” section.

- (2) **Half-Time Clinical Practice.** Half-time clinical practice is defined, for the purposes of the NHSC, as 20 - 39 hours per week, for a minimum of 45 weeks each service year. The minimum 20 hours per week may be compressed into no less than 2 days per week, with no more than 12 hours of work to be performed in any 24-hour period. Of the minimum 20 hours per week, a minimum of 16 hours must be spent providing patient care.

Scholars do not receive service credit for hours worked over the required 20 hours per week and excess hours cannot be applied to any other work week. *Also time spent “on call” will not be counted towards the service commitment, except to the extent the provider is providing patient care during that period.*

Additional rules apply based on discipline and practice location. For these rules, please see “Half-Time Clinical Practice Requirements, by Discipline.”

As previously noted, inpatient hospital settings (except CAHs and IHS Hospitals) are not approvable as NHSC service sites. Thus, scholars are limited in the amount of hours they can spend providing patient care in an inpatient setting, as indicated below in the full-time, and half-time, clinical practice requirements, by discipline.

### **Full-Time Clinical Practice Requirements, by Discipline**

Please note, these rules apply to the “full-time clinical practice” definitions below:

- Of the overall minimum 40 hours/week, clinical-related administrative activities shall not exceed a total of 8 hours per week. For more information, please see the definition for “Clinical administrative, management or other activities” in “Definitions” section.
- Of the minimum 32 hours/week for patient care, teaching shall not exceed a total of 8 hours/week.
- If the teaching takes place in a HRSA-funded Teaching Health Center (see “Definitions”), teaching activities shall not exceed 20 hours/week.

#### **(1) Medical Providers**

- a. **For providers of primary medical care services, excluding obstetrics/gynecology and geriatrics:** Clinician must work a minimum of 40 hours/week, for a minimum of 45 weeks/service year. Of the minimum 40 hours/week, at least 32 hours/week must be spent providing patient care at the approved service site(s). Of the minimum 32 hours/week spent providing patient care, no more than 8 hours/week may be spent in a teaching capacity. The remaining 8 hours/week are spent providing patient care at the approved site(s), providing patient care in

alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 8 hours/week).

If working in a HRSA-funded Teaching Health Center, teaching activities shall not exceed 20 hours/week. The remaining 20 hours/week must be spent providing patient care at the approved site(s), 8 hours/week of which may be providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing clinical-related administrative activities. For more information, please see the definition of Teaching Health Center in “Definitions” section.

If working in a CMS-approved CAH or an IHS Hospital, at least 16 hours/week must be spent providing patient care in the hospital-affiliated outpatient clinic. Of the minimum 16 hours/week spent providing patient care, no more than 8 hours/week may be spent in a teaching capacity. The remaining 24 hours/week are spent providing patient care at the CAH/IHS Hospital or the hospital-affiliated outpatient clinic, providing patient care at the hospital-affiliated skilled nursing facility or swing bed unit, or performing clinical-related administrative activities (limited to 8 hours/week). For more information, please see the definitions for CAH and IHS Hospital in “Definitions.”

- b. **For providers of obstetrics/gynecology (including family medicine physicians who practice obstetrics on a regular basis and certified nurse-midwives) or geriatric services:** Clinician must work a minimum of 40 hours/week, for a minimum of 45 weeks/service year. At least 21 hours/week are spent providing patient care at the approved service site(s). Of the minimum 21 hours/week spent providing patient care, no more than 8 hours/week may be spent in a teaching capacity. The remaining 19 hours/week are spent providing patient care at the approved site(s), patient care in alternative settings (e.g., hospitals and shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 8 hours/week).

If working in a HRSA-funded Teaching Health Center, teaching activities shall not exceed 20 hours/week. The remaining 20 hours/week must be spent providing patient care at the approved site(s), 8 hours/week of which may be providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 8 hours/week). For more information, please see the definition of Teaching Health Center in “Definitions” section.

If working in a CMS-approved CAH or an IHS Hospital, at least 16 hours/week must be spent providing patient care in the hospital-affiliated outpatient clinic. Of the minimum 16 hours spent providing patient care, no more than 8 hours/week may

be spent in a teaching capacity. The remaining 24 hours/week are spent providing patient care at the CAH/IHS Hospital or the hospital-affiliated outpatient clinic, providing patient care at the hospital-affiliated skilled nursing facility or swing bed unit, or performing clinical-related administrative activities (limited to 8 hours/week). For more information, please see the definitions for CAH and IHS Hospital in “Definitions.”

**(2) Dental Providers**

- a. **For dentists, excluding pediatric dentists:** Clinician must work a minimum of 40 hours/week, for a minimum of 45 weeks/service year. At least 32 hours/week are spent providing patient care at the approved service site(s). Of the minimum 32 hours/week spent providing patient care, no more than 8 hours/week may be spent in a teaching capacity. The remaining 8 hours/week are spent providing patient care at the approved site(s), providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 8 hours/week).

If working in a HRSA-funded Teaching Health Center, teaching activities shall not exceed 20 hours/week. The remaining 20 hours/week must be spent providing patient care at the approved site(s), 8 hours/week of which may be providing patient care in alternative settings (e.g., hospitals and shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 8 hours/week). For more information, please see the definition of Teaching Health Center in “Definitions” section.

- b. **For pediatric dentists:** Clinician must work a minimum of 40 hours/week, for a minimum of 45 weeks/service year. At least 21 hours/week are spent providing patient care at the approved service site(s). Of the minimum 21 hours/week spent providing patient care, no more than 8 hours/week may be spent in a teaching capacity. The remaining 19 hours/week are spent providing patient care at the approved site(s), providing patient care in alternative settings (e.g., hospitals and shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 8 hours/week).

If working in a HRSA-funded Teaching Health Center, teaching activities shall not exceed 20 hours/week. The remaining 20 hours/week must be spent providing patient care at the approved site(s) 8 hours/week of which may be, providing patient care in alternative settings (e.g., hospitals and shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 8 hours/week). For more information, please see the definition of Teaching Health Center in “Definitions” section.

- (3) Behavioral and Mental Health Providers:** Clinician must work a minimum of 40 hours/week, for a minimum of 45 weeks/service year. At least 32 hours/week are spent

providing patient care at the approved service site(s). Of the minimum 32 hours/week spent providing patient care, no more than 8 hours/week may be spent in a teaching capacity. The remaining 8 hours/week are spent providing patient care at the approved site(s), providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), and as an extension of care at the approved site, or performing clinical-related administrative activities (limited to 8 hours/week).

If working in a HRSA-funded Teaching Health Center, teaching activities shall not exceed 20 hours/week. The remaining 20 hours/week must be spent providing patient care at the approved site(s), 8 hours/week of which may be providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), and as an extension of care at the approved site, or performing clinical-related administrative activities (limited to 8 hours/week). For more information, please see the definition of Teaching Health Center in “Definitions” section.

If working in a CMS-approved CAH or an IHS Hospital (*only applies to psychiatrists or physician assistants and nurse practitioners with specialized training in mental health*), at least 16 hours/week must be spent providing patient care in the hospital-affiliated outpatient clinic. Of the minimum 16 hours spent providing patient care, no more than 8 hours per week may be spent in a teaching capacity. The remaining 24 hours/week are spent providing patient care at the CAH/IHS Hospital or the hospital-affiliated outpatient clinic, providing patient care at the hospital-affiliated skilled nursing facility or swing bed unit, or performing clinical-related administrative activities (limited to 8 hours/week). For more information, please see the definitions for CAH and IHS Hospital in “Definitions” section.

**NOTE:** Primary Care Behavioral and Mental Health scholars are required to practice in a community based setting that provides access to comprehensive mental and behavioral health services. Scholars who are providing services in a **private practice** (either solo or group practice) will only be allowed to fulfill their NHSC service obligation if it can be demonstrated that the practice is formally affiliated with a comprehensive community based facility. (See definition for Comprehensive Community Based Behavioral and Mental Health Setting or Facility in “Definitions” section.)

### **Half-Time Clinical Practice Requirements, by Discipline**

Teaching and clinical-related administrative activities shall not exceed a total of 4 hours/week. For more information, please see definition for “Clinical administrative, management or other activities” in “Definitions” section.

#### **(1) Medical Providers**

- a. **For providers of primary medical care services, excluding obstetrics/gynecology and geriatrics:** Clinician must work a minimum of 20 hours/week, for a minimum

of 45 weeks/service year. At least 16 hours/week are spent providing patient care at the approved service site(s). Of the minimum 16 hours/week spent providing patient care, no more than 4 hours/week may be spent in a teaching capacity. The remaining 4 hours/week are spent providing patient care or teaching at the approved site(s), providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 4 hours/week).

If working in a CMS-approved CAH or an IHS Hospital, at least 8 hours/week must be spent providing patient care in the hospital-affiliated outpatient clinic. Of the minimum 8 hours/week spent providing patient care, no more than 4 hours per week may be spent in a teaching capacity. The remaining 12 hours/week are spent providing patient care at the CAH/IHS Hospital or the hospital-affiliated outpatient clinic, providing patient care at the hospital-affiliated skilled nursing facility or swing bed unit, or performing clinical-related administrative activities (limited to 4 hours/week). For more information, please see the definitions for CAH and IHS Hospital in “Definitions” section.

- a. **For providers of obstetrics/gynecology (including family medicine physicians who practice obstetrics on a regular basis and certified nurse-midwives) or geriatric services:** Clinician must work a minimum of 20 hours/week, for a minimum of 45 weeks/service year. At least 11 hours/week are spent providing patient care at the approved service site(s). Of the minimum 11 hours/week spent providing patient care, no more than 4 hours/week may be spent in a teaching capacity. The remaining 9 hours/week are spent providing patient care at the approved site(s), providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 4 hours/week).

If working in a CMS-approved CAH or an IHS Hospital, at least 8 hours/week must be spent providing patient care in the hospital-affiliated outpatient clinic. Of the minimum 8/week spent providing patient care, no more than 4 hours/week may be spent in a teaching capacity. The remaining 12 hours/week are spent providing patient care at the CAH/IHS Hospital or the hospital-affiliated outpatient clinic, providing patient care at the hospital-affiliated skilled nursing facility or swing bed unit, or performing clinical-related administrative activities (limited to 4 hours/week). For more information, please see the definitions for CAH and IHS Hospital in “Definitions” section.

## (2) Dental Providers

- a. **For dentists, excluding pediatric dentists:** Clinician must work a minimum of 20 hours/week, for a minimum of 45 weeks/service year. At least 16 hours/week are spent providing patient care at the approved service site(s). Of the minimum 16 hours/week spent providing patient care, no more than 4 hours/week may be

spent in a teaching capacity. The remaining 4 hours/week are spent providing patient care at the approved site(s), providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 4 hours/week).

- b. **For pediatric dentists:** Clinician must work a minimum of 20 hours/week, for a minimum of 45 weeks/service year. At least 11 hours/week are spent providing patient care at the approved service site(s). Of the minimum 11 hours spent providing patient care, no more than 4 hours per week may be spent in a teaching capacity. The remaining 9 hours/week are spent providing patient care at the approved site(s), providing patient care in alternative settings (e.g., hospitals and shelters) as directed by the approved site(s), or performing clinical-related administrative activities (limited to 4 hours/week).

- (3) **Behavioral and Mental Health Providers:** Clinician must work a minimum of 20 hours/week, for a minimum of 45 weeks/service year. At least 16 hours/week are spent providing patient care at the approved service site(s). Of the minimum 16 hours/week spent providing patient care, no more than 4 hours per week may be spent in a teaching capacity. The remaining 4 hours/week are spent providing patient care at the approved site(s), providing patient care in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved site(s), and as an extension of care at the approved site, or performing clinical-related administrative activities (limited to 4 hours/week).

If working in a CMS-approved CAH or an IHS Hospital (*only applies to psychiatrists or physician assistants and nurse practitioners with specialized training in mental health*), at least 8 hours/week must be spent providing patient care in the hospital-affiliated outpatient clinic. Of the minimum 8 hours/week spent providing patient care, no more than 4 hours/week may be spent in a teaching capacity. The remaining 12 hours/week are spent providing patient care at the CAH/IHS hospital or the hospital-affiliated outpatient clinic, providing patient care at the hospital-affiliated skilled nursing facility or swing bed unit, or performing clinical-related administrative activities (limited to 4 hours/week). For more information, please see the definitions for CAH and IHS Hospital in “Definitions” section.

***The following definitions apply to both full-time and half-time clinical practice:***

*“Clinical administrative, management or other activities”—please see the “Definitions” section for more information.*

Teaching activities are not necessarily considered to be administrative. *In order for teaching activities to qualify as clinical practice, NHSC scholars must provide clinical education to students and residents in their area of expertise at the approved service site(s). All teaching must be conducted at the NHSC-approved service site(s). The clinical education may:*

- (1) Be conducted as part of an accredited clinical training program;
- (2) Include the clinical supervision of a student/resident that is required in order for that student/resident to receive a license under state law; or
- (3) Include mentoring that is conducted as part of a formal program, such as the Health Careers Opportunity Program or the Centers of Excellence program.

Note that if the NHSC scholar is actually furnishing clinical service (that does not otherwise qualify as “clinical administrative, management or other activities” as defined in “Definitions” section) while a student/resident observes, such service should be counted as time spent providing patient care, not teaching, as the NHSC scholar is treating the patient.

### **School Based Clinics**

For scholars working in a school-based clinic that is an NHSC-approved service site, the NHSC may require documentation that the school-based clinic is open year-round with sufficient patient visits to meet clinical practice requirements. If such documentation is not provided, the scholar will be required to work at additional sites to meet the clinical practice requirements. Failure to provide documentation or obtain additional employment necessary to maintain compliance with NHSC clinical practice requirements may result in a breach of the NHSC SP contract.

### **Telehealth and Home Health Policies**

- (1) **Telehealth.** *NOTE: Please read the following section carefully, as the requirements for telehealth have changed.*

Subject to the restrictions below, the NHSC will consider telehealth as patient care when both the **originating site** (location of the patient) and the **distant site** (location of the NHSC scholar) are located in a HPSA and are NHSC-approved.

- a. All of a scholar’s originating sites and distant sites must be identified in the scholar’s In-Service Verification Forms and must meet the HPSA score requirements in effect during the scholar’s placement year (e.g., if the scholar’s placement class requires service in a HPSA scoring 16 or higher, both the originating site(s) and the distant site(s) must have associated HPSA scores of 16 or higher). Unless an NHSC scholar receives prior written approval from the NHSC, the scholar will not receive NHSC service credit for telehealth services provided from a distant site, or to an originating site, that was not identified in the scholar’s In-Service Verification Forms.
- b. NHSC scholars must be available, at the discretion of the NHSC-approved site, to provide in-person care at the direction of each telehealth site on the scholar’s In-Service Verification Forms regardless of whether such sites are distant or originating.

- c. Self-employed clinicians are not eligible to receive NHSC service credit for telehealth services.
  - d. If telehealth services are provided to patients in another state, scholars must be licensed to practice (including compacts) in both the state where the scholar is located (i.e., the distant site) and the state where the patient is physically located (i.e., the originating site).
  - e. Telehealth services must be furnished using an interactive telecommunications system, defined as multimedia communications equipment that includes, at a minimum, audio and video equipment permitting two-way, real time interactive communication between the patient at the originating site and the NHSC scholar at the distant site. Telephones, facsimile machines, and electronic mail systems do not meet the definition of an interactive telecommunications system.
- (2) **Home Health.** The NHSC does not currently recognize the homes of patients as NHSC-approved sites. As such, home visits may only be conducted at the direction of the NHSC-approved site and may only be counted in the alternative setting allotment for patient care (see “Full-Time Clinical Practice Requirements, by Discipline” section and “Half-Time Clinical Practice Requirements, by Discipline” section).

## PROGRAM COMPLIANCE

### **Worksite Absences**

Please note that the information provided below pertains to compliance with the NHSC SP service obligation and is not a guarantee that a service site will allow any particular amount of leave.

- (1) Full-time scholars are allowed to spend no more than 35 full-time workdays per service year away from the NHSC-approved service site for vacation, holidays, continuing professional education, illness, site closures, military service, or any other reason.
- (2) Half-time scholars are allowed to spend no more than 35 half-time workdays per service year away from the NHSC-approved service site for vacation, holidays, continuing professional education, illness, site closures, military service, or any other reason.
- (3) If a scholar works more than the minimum number of hours per week (40 for full-time service, 20 for half-time service), the only time spent away from the site that will need to be reported (see below “Service Verification” section) and deducted from the allowed absences per service year are the hours of absence that cause a scholar’s work hours to fall below the required minimum number of hours per week. For example, a scholar serving half-time whose work schedule is 32 hours per week would not need to report 12 hours of sick leave taken because the scholar has still met the requirement of serving a minimum of 20 hours per week.

Scholars are allowed maternity/paternity/adoption leave of 12 weeks or fewer, if proper documentation is provided through the [BHW Customer Service Portal](#) (see “Maternity/Paternity/Adoption Leave” section). The scholar’s service obligation end date will be extended accordingly.

If a scholar has circumstances due to a medical or personal emergency that will result in an extended period of absence beyond 35 workdays per service year, he/she must request a suspension of the NHSC service obligation. NHSC cannot guarantee that a suspension request will be approved. If a suspension is requested and approved, the scholar’s service obligation end date will be extended accordingly (see “Suspensions and Waivers” section).

### **Service Verification**

NHSC electronically verifies, every six months, that scholars are meeting program requirements and fulfilling their service obligation. The online In-Service Verification (ISV) is completed by both the scholar and the NHSC-approved site through the BHW Customer Service Portal.

By completing and electronically signing the ISV, the scholar and the site are certifying the scholar’s compliance or noncompliance with the applicable clinical practice requirements during the preceding six month period. The ISV also records the time spent away from the service site (i.e., only hours that fall below the minimum service requirement of 40 hours/week for scholars serving full-time and 20 hours/week for scholars serving half-time).

If the ISV is not completed within the allotted time-frame, the scholar will jeopardize receiving service credit and may also be recommended for default.

### **Leaving an NHSC-Approved Service Site Prior to Completion of Service**

NHSC expects that a scholar will fulfill his or her obligation at the NHSC-approved service site(s) identified in the BHW Customer Service Portal. If a scholar believes he or she can no longer continue working at the approved service site, the scholar should discuss the situation and/or concerns with management at the NHSC-approved service site and contact the NHSC immediately through the [BHW Customer Service Portal](#).

If the scholar leaves his/her NHSC-approved site(s) without prior written approval of the NHSC, he/she may be placed in default as of the date the scholar left the NHSC-approved service site and become liable for the monetary damages specified in the NHSC SP contract (see “Breaching the NHSC SP Contract” section). In addition, scholars who leave their initial site and accept employment at a site not approved by the NHSC may be placed in default.

### **Transfer to Another NHSC-Approved Service Site**

A scholar may only transfer to a site that meets the scholar’s placement HPSA score. When a scholar locates employment at an NHSC-approved site, the scholar must request a transfer through the BHW Customer Service Portal. The transfer must be approved and processed by the NHSC **prior** to the scholar beginning work at the transfer site.

If a scholar transfers to another site prior to obtaining NHSC approval, he/she *may lose* service credit for the time period between his/her last day providing patient care at the prior service site and resumption of service at the transfer site following NHSC approval. If the proposed transfer site is disapproved and the scholar refuses assignment to another NHSC-approved service site, he/she will be placed in default.

Scholars who voluntarily resign from their NHSC-approved service site(s) without prior approval from the NHSC or are terminated by their site(s) for cause may be denied a transfer to another site and may be placed in default.

### **Unemployment During Service Obligation**

When scholars become unemployed during their period of obligated service, they should contact the NHSC immediately through the BHW Customer Service Portal. If the NHSC determines that the scholar is eligible to continue the scholar's obligated service, the NHSC will give the scholar a certain amount of time to obtain and accept an employment offer at another suitable NHSC-approved service site.

Although the NHSC may assist unemployed scholars with identifying suitable positions at NHSC-approved sites (referred to as "site assistance"), it is the scholar's responsibility to obtain suitable employment at an NHSC-approved site. Unemployed scholars may be expected to relocate in order to fulfill their NHSC SP obligation.

### **Unapproved Satellite Clinic Work**

If a site asks a scholar to work at a satellite clinic that is not listed on the scholar's profile on the BHW Customer Service Portal, the scholar should immediately notify the NHSC through the [BHW Customer Service Portal](#). Generally, time spent at unapproved satellite clinics will not count towards the service obligation.

### **Breaching the NHSC SP Contract**

Failure to complete service for any reason is a breach of the NHSC SP contract. The NHSC will work with scholars to assist them, to the extent possible, to avoid a breach and fulfill the service obligation. A scholar should immediately contact the NHSC SP if a situation arises in which he/she is potentially unable to fulfill his/her service obligation.

Scholars who breach their NHSC SP contract are subject to monetary damages as follows:

#### **(1) Failure to complete academic training**

Scholars who are dismissed from school for academic or disciplinary reasons or who voluntarily terminate academic training before graduation from the educational program for which the scholarship was awarded will be in breach of their scholarship obligation and will be liable to the United States for repayment of **all NHSC SP funds paid to them and to the school on their behalf**. The amount owed must be paid in full within three (3) years of the date of default. No interest will be charged on any part of this debt to the United States during the three-year repayment period. However, if

payment in full is not made within the three-year period, interest will be assessed thereafter.

- (2) Failure to begin or complete the service obligation or failure to meet the terms and conditions of deferment or postponing the service obligation for postgraduate training Scholars who for any reason fail to comply with the terms and conditions of deferring or postponing the service obligation for postgraduate training (including physicians who fail to complete an approved residency in an NHSC-approved specialty) or who for any reason fail to begin or complete their service obligation after completion of training, will be in breach of their scholarship contract. When scholars default for these reasons, the United States shall be entitled to recover damages equal to three times the scholarship award plus interest in accordance with the formula:

$$A = 3 \frac{\emptyset (t-s)}{t}$$

In which:

“**A**” = is the amount the United States is entitled to recover,

“**∅**” = is the sum of the amounts paid to, or on behalf of, the scholar and the interest on such amounts which would be payable if, at the time the amounts were paid, they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States,

“**t**” = is the total number of months in the scholar’s period of obligated service, and

“**s**” = is the number of months of the period of obligated service served by the scholar.

The damages which the United States is entitled to recover shall be paid within **1 year of the date of the breach of the contract.**

**Note: For scholars who received a waiver to serve half-time, the period of obligated service (“t”) and service performed (“s”) will be converted into their full-time equivalents.**

(3) **Delinquent debt**

If the debt is not repaid within 1 year or 3 years, as applicable, and subsequent collection efforts are unsuccessful, the case may be referred to the U.S. Department of Justice for enforced collection. All delinquent debts will be reported to credit reporting agencies and to the Treasury Department for the Treasury Offset Program. Also, recovery through Administrative Wage Garnishment may be enforced to repay a delinquent debt.

(4) **IRS tax refund offsets and Medicare/Medicaid exclusion**

Through the Treasury Offset Program, the government may offset federal and/or state payments due to scholars (e.g., an IRS income tax refund) and apply those payments to repay delinquent NHSC SP debts. In addition, delinquent defaulters who are unwilling to enter into, or stay in compliance with, an agreement to repay their NHSC SP debt can be excluded from participation in Medicare, Medicaid, and all other federal health care

programs. See section 1128 of the Social Security Act.

(5) **Licensure sanctions**

In more than 20 states, a health professional license can be suspended or revoked for non-payment of an NHSC SP debt.

**Maternity/Paternity/Adoption Leave**

If a scholar plans to be away from his/her site for maternity/paternity/adoption leave, the scholar is required to inform the NHSC before taking the leave. The NHSC SP will allow scholars to be away from their site for maternity, paternity or adoption leave within the timeframes established by either the Family Medical Leave Act (up to 12 weeks) or the scholar's state of residence; however, the scholar must also adhere to the leave policies of his or her NHSC-approved service site.

If a scholar needs to take additional leave, the scholar is required to request a suspension of the NHSC SP service obligation (see "Suspensions and Waivers" below), which **may or may not be approved** by the NHSC SP. Requests should be submitted through the [BHW Customer Service Portal](#).

**Suspensions and Waivers**

Scholars are allowed seven weeks (or 35 workdays) of leave per service year; however, there are some circumstances that may require a scholar to be absent in excess of this limitation. In these cases, the Secretary of HHS may, under certain circumstances, suspend (put "on hold") or waive (excuse) the NHSC SP service or payment obligation.

- (1) **Suspension.** A suspension of an NHSC SP obligation may be granted for up to one (1) year if compliance with the service obligation by the scholar: (i) is temporarily impossible or (ii) would involve a temporary extreme hardship and enforcement of the obligation would be unconscionable. Periods of approved suspension of service will extend the scholar's service commitment end date. Under appropriate circumstances, renewal of a suspension may also be granted. The major categories of suspension are set forth below. Suspension requests are submitted through the BHW Customer Service Portal.
  - a. **Leave of Absence for Medical or Personal Reasons.** A suspension may be granted for up to one (1) year, if the participant provides independent medical documentation of a physical or mental health disability, or personal circumstances, including a terminal illness of an immediate family member (e.g. child or spouse), which results in the scholar's temporary inability to perform the NHSC SP obligation.
  - b. **Maternity/Paternity/Adoption Leave.** Scholars must notify the NHSC SP of pending maternity/paternity/adoption leave and provide appropriate documentation. Maternity/paternity/adoption leave of 12 weeks or less will be automatically approved, if properly documented. If the scholar's

maternity/paternity/adoption leave will exceed 12 weeks during that service year, a suspension may be granted by the NHSC SP based on documented medical need.

- c. **Call to Active Duty in the Armed Forces.** Scholars who are also military reservists and are called to active duty will be granted a suspension, for up to one year, beginning on the activation date described in the reservist's call to active duty order. In addition to the written request for a suspension, a copy of the active duty order must be submitted to the NHSC SP. The suspension will be extended if the applicable Armed Forces entity continues the period of active duty. The period of active military duty will not be credited toward the NHSC SP service obligation.

- (2) **Waiver.** A waiver permanently relieves the scholar of all or part of the NHSC SP obligation. A waiver may be granted only if the scholar demonstrates that compliance with his/her obligation is permanently impossible or would involve an extreme hardship and enforcement of the obligation would be unconscionable.

A waiver request must be submitted by uploading a signed request letter, including the reason(s) the waiver is being sought, as an inquiry through the [BHW Customer Service Portal](#). The scholar will be contacted by the NHSC SP regarding the medical and financial documentation necessary to complete the waiver request. **Note:** *waivers are not routinely granted and require evidence of compelling circumstances.*

### **Cancellation of NHSC SP Obligation**

In the unfortunate event of a scholar's death, any obligation to the NHSC SP is cancelled in its entirety. No liability will be transferred to the scholar's heirs.

## Application Information

***Please read the Application and Program Guidance (Guidance) in its entirety before proceeding with an application.***

The *Guidance* explains in detail the rights and obligations of individuals selected to participate in the NHSC SP. A complete understanding of the commitment to serve at an NHSC-approved site and the financial, legal, and other consequences of failing to perform that commitment is critical to successful completion of the mandatory service obligation associated with any NHSC SP Award.

### APPLICATION DEADLINE

The online application and all supporting documentation must be submitted **by 7:30 PM ET on May 10, 2018**. Upload all supporting documentation to the [BHW Customer Service Portal](#).

### COMPLETING AN APPLICATION

#### **Application Information**

The NHSC SP application consists of (1) an online application, (2) required supporting documentation, and (3) additional supporting documentation (if applicable). Applicants should keep a copy of the application package for their records. Applicants are responsible for submitting a complete application. It is required that the information in the online application match the submitted supporting documentation. Application packages will be initially reviewed to determine their completeness. Application packages deemed incomplete (e.g., missing, illegible, or incomplete application materials) as of the application deadline will not be considered for funding.

NHSC SP will not accept requests to update a submitted application or permit the submission/resubmission of incomplete, rejected, or otherwise delayed application materials after the deadline. **In addition, NHSC SP staff will not fill in any missing information or contact applicants regarding missing information. No changes will be accepted to applicant's choice of school or discipline entered on the submitted application prior to award.** Awardees who wish to enter a different school and/or program should contact the NHSC SP immediately.

#### **(1) ONLINE APPLICATION**

Applicants are required to complete each of the sections below to be able to submit an online application.

- a. **Eligibility Screening.** If an individual does not pass the initial screening portion of the online application, he/she will not be able to continue with the application. Please refer to the Eligibility Requirements section of this *Guidance* for further details.

- b. **General Information.** Answers to this section pertain to the applicant's name, social security number, mailing and email addresses, and other contact information.
- c. **Degree Information.** Answers to this section should pertain only to the degree or certificate program for which applicants are applying for an NHSC Scholarship.
- d. **Background Information.** Answers to this section pertain to the educational background, individual and family background, and emergency contact information.
- e. **Letters of Recommendation.** Applicants are required to submit two (2) letters of recommendation, one academic and one non-academic. All recommendations must be completed online through the online application portal.

Recommendations should include a description of the recommender's relationship to the applicant, and a discussion of: the applicant's education/work achievements; ability to work and communicate constructively; and an assessment of the applicant's characteristics, interest, and motivation to serve populations in areas in HPSAs. This assessment should include knowledge of the applicant's work experiences, pertinent course work, special projects, research or other activities that demonstrate an interest in and commitment to serving underserved populations.

*Academic Letter of Recommendation:* If the applicant is currently enrolled in the health professions training program, the recommendation letter should be from the Department Chair, faculty advisor, or a faculty member of that academic program who can attest to the applicant's qualifications. If the applicant has not begun the training associated with the scholarship, the letter should be from the Department Chair, faculty advisor, or a faculty member of the applicant's most recent academic program. **The letter must have a handwritten signature and be on the institution's letterhead. If the requirements are not met the applicant will be deemed ineligible.**

*Non-Academic Letter of Recommendation:* The recommendation letter should be from an individual who is familiar with the applicant's professional, community, and/or civic activities, especially those related to underserved communities. The recommender can be an employer or previous employer, community leader, colleague, or anyone who has knowledge of the applicant's interest and motivation to provide care to underserved communities. The recommender must not be a family member. **The letter must have a handwritten signature and be on letterhead. If the requirements are not met the applicant will be deemed ineligible.**

- f. **Self-Certification.** Applicants are required to certify to the accuracy, truthfulness, and completeness of their application and information entered in the online application.

(2) REQUIRED SUPPORTING DOCUMENTATION

It is the applicant’s responsibility to upload required supporting documents by **7:30 pm ET on May 10, 2018**. Failure to submit a complete application package by the deadline **will deem the applicant ineligible**, and he/she will not be considered for an NHSC SP award. Applicants must upload all supporting documents at the time of the online application submission. Each document submitted must include the applicant’s First Name, Last Name, Discipline and last 4 digits of social security number.

<b>Required Supporting Documentation</b>
a. Proof of Citizenship
b. Authorization to Release Information Form
c. Acceptance Report/Verification of Good Standing
d. Resume/Cirriculum Vitae
e. Essays
f. Transcript
g. Current Tuition and Fee Schedule

- a. **Proof of Status as a U.S. Citizen or U.S. National.** Proof of U.S. citizenship or U.S. national status may include a copy of a birth certificate issued by a city, county, or state agency in the United States, the identification page of a valid U.S. passport, or a certificate of citizenship or naturalization.
  - A permanent resident card, driver’s license, marriage certificate, or social security card are not acceptable as proof of U.S. Citizenship.
- b. **Authorization to Release Information Form.** This form authorizes entities identified in the form to disclose information regarding applicants who have been selected and accept the scholarship award. The form must be dated and have the applicant’s handwritten signature.
- c. **Acceptance Report/Verification of Good Standing.** Applicants must be enrolled or accepted for **full-time** enrollment in a fully accredited program during the 2018-2019 school year (applicant must **begin classes by September 30, 2018**) to receive an award.

Each applicant is required to submit a report from the school verifying his/her acceptance or enrollment in good standing. This form must be completed and hand signed by the school official and applicant. Please note all information will be verified for accuracy. The school identified in the Acceptance Report/Verification of Good Standing will be the applicant’s “initial school of record.”

If this document states that there are conditions not yet fulfilled for acceptance into the school and/or program, other than standard contingencies that apply to all admitted applicants, applicants will *not* be eligible for consideration for an award for the 2018-2019 school year, unless all contingencies or conditions for acceptance are removed and documented in writing by June 30, 2018.

- d. **Resume/Curriculum Vitae (CV).** An applicant's resume or CV should outline relevant work/volunteer experience and should be no more than **5 pages long**.
- e. **Essays.** Applicants are required to respond to the following three essay questions. Responses to essays must be uploaded as three separate documents, one document per essay. Each response should be limited to a 500 word count or less (about a half of a page with spacing).
  - Essay 1: How will you contribute to the mission of the National Health Service Corps in providing care to underserved communities?
  - Essay 2: What experiences have you had or activities have you participated in that have prepared you to work with underserved populations?
  - Essay 3: Please discuss your commitment to pursue a career in primary health care.
- f. **Transcript.** Each applicant must submit transcript(s) from the last degree earned and the current degree program. **An unofficial transcript is acceptable and must display the applicant name, school name, and grade point average (GPA)..**
- g. **Current Tuition and Fees Schedule.** Each applicant must provide a tuition and fees schedule for the 2018-2019 school year or, if not yet available, the most recent tuition and fees schedule published by the school in the school catalog or on its website.

(3) **ADDITIONAL SUPPORTING DOCUMENTATION** (if applicable)

**Based on the applicant's responses to the online application, the following additional documents will be required for submission.** Only applicants who have these documents listed on their Supporting Documents page of the online application should submit them. These documents will be added to their Supporting Documents list once the online application has been submitted.

a. **Verification of Exceptional Financial Need (EFN) Status**

Applicants who have received a scholarship for students of Exceptional Financial Need under former Section 758 of the Public Health Service Act (formerly 42 U.S.C. 294z) qualify for a funding priority (medical and dental students only). This document certifies that the applicant has participated in the EFN Program and must be completed by the school's financial aid official.

b. **Verification of Disadvantaged Background**

This document certifies that the applicant comes from a disadvantaged background and either participated in, or would have been eligible to participate in, federal programs such as "Scholarships for Disadvantaged Students," "Loans to Disadvantaged Students," or the "Nursing Workforce Diversity Grant Program."

c. **Statement Regarding Existing Service Obligation**

A written statement (satisfactory to the Secretary of HHS) must be provided by the entity to which the applicant owes an existing service obligation (see “Eligibility Requirements”) indicating that: i) there is no potential conflict in fulfilling the NHSC SP obligation and the entity’s obligation and ii) the NHSC SP obligation will be served first.

**Application Review and Award Process**

Applicants will receive a receipt of submission once the application has been successfully submitted online. Applicants will be able to view the overall status of their application, as well as a copy (.pdf) of their submitted application and uploaded supporting documents. It is the applicant’s responsibility to ensure that the entirety of the application and supporting documents are accurately submitted.

Once the online application has been submitted, applicants will have an opportunity to make edits to their online application and resubmit their application by the application deadline (May 10, 2018). The “edit” option will be available in the applicant’s account on the “Submitted” page. The ability to edit and resubmit an application will be disabled after the application deadline. Applications not resubmitted by this deadline will not be considered for an award. No exceptions will be made in cases where an applicant fails to resubmit an edited application.

Applicants who are no longer interested in receiving a 2018 NHSC SP award may withdraw their application at any time prior to the contract being countersigned by the Secretary of HHS or designee. To do so, applicants should log into their application account, and select the “withdraw” option on the “Submitted” page.

The application review process occurs over several months. NHSC SP will provide email updates, as applicable, as well as updates on the Status page of the online application. It is the applicant’s responsibility to ensure his/her contact information is correct. If updates in contact information are necessary, applicants can make changes on the Account Settings page.

**NOTIFICATION OF AN AWARD**

Individuals selected for an award will be notified by email/letter no later than September 30, 2018. To accept the award, an applicant must respond by the deadline in the notice of award email/letter. If the applicant does not respond to the NHSC SP by that deadline, the offer of award expires and will be offered to an alternate. Applicants who respond by the deadline will be asked to sign the NHSC SP contract, complete the online banking form for direct deposit, and complete the W-4 form.

Individuals selected for an award must be enrolled as a full-time student during the 2018-2019 school year and full-time class attendance **must begin on or before September 30, 2018**. Applicants who will not begin classes on or before September 30, 2018, including applicants

who will be on a leave of absence from school through September 30, 2018, **must** decline the award.

Individuals selected for an award who decide not to accept the award may decline the scholarship support without penalty, which permits the promotion of alternates to selectee status. Once an applicant declines the offer of award, the award will be offered to an alternate. There will not be any opportunities to reclaim the award. A decision to decline the scholarship award is final and cannot be changed under any circumstances. An applicant who declines an award may apply in the next application cycle. Applicants who do not receive a scholarship award will be notified no later than October 31, 2018.

## **Additional Information**

### **RESOURCES FOR APPLICANTS**

#### **Health Workforce Connector**

[Health Workforce Connector](#) contains a searchable database for all NHSC-approved service sites, including those with current job openings.

#### **HPSA Find**

All NHSC scholars must serve in a federally-designated HPSA. The websites below provide an understanding of where HPSAs are currently located.

- [Use HPSA Find](#)
- [Find Shortage Areas by Address](#)

#### **Customer Care Center**

Any individual with questions about the NHSC SP may contact the Customer Care Center Monday through Friday (except federal holidays), 8:00 am to 8:00 pm ET.

- 1-800-221-9393 (TTY – 1-877-897-9910)

#### **BHW Customer Service Portal**

Once an applicant has been selected for an award, he/she will be provided with instructions for establishing an account on the [BHW Customer Service Portal](#). This web-based system allows NHSC SP scholars to communicate with the NHSC, to make certain requests (e.g., suspensions, transfers, waivers), and to access the 6-month In-Service Verification Form.

#### **NHSC Social Media**

- [NHSC Facebook](#)
- [NHSC Twitter](#)
- [NHSC LinkedIn](#)

### **DEFINITIONS**

**CLINICAL ADMINISTRATIVE, MANAGEMENT OR OTHER ACTIVITIES.** Clinical administrative, management or other activities may include charting, training, patient correspondence, attending staff meetings, activities related to maintaining professional licensure and other non-treatment related activities pertaining to the scholar's approved NHSC practice. Any time spent in a management role is also considered to be an administrative activity. The duties of a medical director are considered primarily administrative, and NHSC scholars serving in such a capacity should keep in mind that they cannot count more than 8 hours per week of administrative and/or management time (4 hours in the case of half-time) toward the total required 40 hours per week (or 20 hours in the case of half-time).

**CRITICAL ACCESS HOSPITAL (CAH).** A facility certified by the Centers for Medicare & Medicaid Services (CMS) under section 1820 of the Social Security Act. A [Critical Access Hospital](#) (PDF – 847 KB) must be located in a rural area in a state that has a Rural Hospital Flexibility Program, have no more than 25 inpatient beds, an average annual length of stay of 96 hours or less, and be located either more than a 35-mile drive from the nearest hospital or CAH, or more than a 15-mile drive in areas with mountainous terrain or only secondary roads.

**DISADVANTAGED BACKGROUND.** Refers to individuals who have been identified by their schools as having come from a “disadvantaged background” based on environmental and/or economic factors. “Environmental factors” means comes from an environment that has inhibited the individual from obtaining the knowledge, skill, and abilities required to enroll in and graduate from a school. “Economic factors” means comes from a family with an annual income below a level based on low-income thresholds according to family size published by the U.S. Bureau of the Census, adjusted annually for changes in the Consumer Price Index, and adjusted by the Secretary of HHS for adaptation to this program.

**EXCEPTIONAL FINANCIAL NEED (EFN).** Refers to individuals who have been awarded an Exceptional Financial Need scholarship (Physicians and Dentists) under former Section 758 of the Public Health Service Act (formerly 42 USC 294z).

**FAMILY/FAMILY MEMBER.** As used in this *Guidance* and for the purposes of the National Health Service Corps, “family member” includes spouses, as well as unmarried partners (both same-sex and opposite-sex).

**FULL, PERMANENT, UNENCUMBERED, UNRESTRICTED HEALTH PROFESSIONAL LICENSE.** An unencumbered license means a license that is not revoked, suspended, or made probationary or conditional by the state licensing or registering authority as the result of disciplinary action.

**FULL-TIME ENROLLMENT or FULL-TIME STUDENT.** A full-time student is defined as a student enrolled for a sufficient number of credit hours in any academic term to complete the course of study within the number of academic terms normally required at the school. For a more detailed explanation of the full-time enrollment requirement, please see “Eligibility Requirements” for more information.

**FULL-TIME CLINICAL PRACTICE.** Working a minimum of 40 hours per week in a clinical practice, for a minimum of 45 weeks per service year, in an NHSC-approved service site. For a more detailed explanation of the full-time clinical practice requirement, please see “Service Requirements” for more information.

**HALF-TIME CLINICAL PRACTICE.** Working a minimum of 20 hours per week in a clinical practice, not to exceed 39 hours per week, for a minimum of 45 weeks per service year, in an NHSC-approved service site. For a more detailed explanation of the half-time clinical practice requirement, please see “Service Requirements” for more information.

HEALTH PROFESSIONAL SHORTAGE AREA (HPSA). A geographic area, population group, public or nonprofit private medical facility or other public facility for the delivery of health service (including a federal or state correctional institution), which has been determined by the Secretary of HHS to have a shortage of health professional. HPSAs may be identified on the basis of agency or individual requests for designation. Information considered when designating a primary care HPSA include health provider to population ratios, rates of poverty, and access to available primary health services. These HPSAs are designated by the Division of Policy and Shortage Designation, within the Bureau of Health Workforce, pursuant to Section 332 of the Public Health Service (PHS) Act (Title 42, U.S. Code, Section 254e) and implementing regulations (Title 42, Code of Federal Regulations, Part 5).

INDIAN HEALTH SERVICE (IHS) HOSPITALS. A collective term that includes hospitals that are both IHS-owned and IHS-operated, or IHS-owned and tribally-operated (i.e., a federal facility operated by a tribe or tribal organization contracting with the IHS pursuant to the Indian Self-Determination and Education Assistance Act), which provide both inpatient and outpatient clinical treatment services to eligible American Indians and Alaska Natives. This term does not include hospitals that are both tribally-owned and tribally-operated.

INDIAN HEALTH SERVICE, TRIBAL OR URBAN INDIAN HEALTH CLINIC (ITU). A health care facility (whether operated directly by the Indian Health Service; or by a tribe or tribal organization contracting with the Indian Health Service pursuant to the Indian Self-Determination and Education Assistance Act, codified at 25 U.S.C. 450 et seq.; or by an urban Indian organization receiving funds under Subchapter IV of the Indian Health Care Improvement Act, codified at 25 U.S.C. 1651 et seq.) which provides clinical treatment services to eligible American Indians and Alaska Natives on an outpatient basis. For more information, please see:

[Urban Indian Health Program fact sheet](#)

[Indian Health Service Year 2016 Profile](#)

NATIONAL HEALTH SERVICE CORPS (NHSC)-APPROVED SERVICE SITE. Each health care site must submit an NHSC Site Application to become an NHSC service site. In order for a site to be eligible for NHSC approval, it must: be located in and providing service to a Federally designated Health Professional Shortage Area (HPSA); provide comprehensive primary medical care, mental and behavioral health, and/or dental services; provide ambulatory care services (no inpatient sites, except CAHs or IHS Hospitals); ensure access to ancillary, inpatient, and specialty referrals; charge fees for services consistent with prevailing rates in the area; discount or waive fees for individuals at or below 200% of the Federal poverty level; accept assignment for Medicare beneficiaries; enter into agreements with Medicaid and the Children's Health Insurance Program (CHIP), as applicable; not discriminate in the provision of services based on an individual's inability to pay for services or the source of payment (Medicare/Medicaid/CHIP); prominently post signage that no one will be denied

access to services due to inability to pay; agree not to reduce clinician's salary due to NHSC support; provide sound fiscal management; and maintain a recruitment and retention plan, as well as a credentialing process, for clinicians. If the Site Application is approved, the community site becomes an NHSC-approved service site. All NHSC-approved service sites must continuously meet the above requirements.

**OVERPAYMENT.** Overpayments are scholarship payment(s) to a scholar or to a school on the scholar's behalf, while the scholar is on an approved leave of absence, enrolled as a less than full-time student, or is no longer enrolled in the NHSC SP-approved course of study. Overpayment may also occur due to administrative error. A scholar receiving an overpayment must immediately contact the NHSC SP, follow up in writing, and make arrangements to promptly return the overpayment(s) to avoid interest accrual and debt collection procedures.

**POSTGRADUATE TRAINING.** Refers to additional training that a health professions student may participate in after they graduate from a health professions education program (e.g., internships, residencies, chief residency, and fellowships).

**PRIMARY HEALTH SERVICES.** Health services regarding family medicine, internal medicine, pediatrics, obstetrics and gynecology, dentistry, or mental health, that are provided by physicians or other health professionals.

**SCHOOL YEAR.** For all scholars, the school year is defined as all or part of the 12-month period from July 1 through June 30 during which a scholar is enrolled in a school as a full-time student. The NHSC SP 2018-2019 school year begins July 1, 2018 and ends June 30, 2019.

**SPOUSE and MARRIAGE.** As used in this Guidance and for the purposes of the NHSC, "spouse" includes same-sex married couples as well as opposite-sex married couples. In accordance with the Supreme Court decisions in *United States v. Windsor* and in *Obergefell v. Hodges*, the Department of Health and Human Services will treat as valid marriages of same-sex couples. The term "spouse" does not include individuals in registered domestic partnerships, civil unions or similar formal relationships recognized under state law as something other than a marriage.

**TEACHING HEALTH CENTER.** An entity that: (1) is a community based, ambulatory patient care center, and (2) operates a primary care residency program (i.e., an approved graduate medical residency training program in family medicine, internal medicine, pediatrics, internal medicine-pediatrics, obstetrics and gynecology, psychiatry, general dentistry, pediatric dentistry, or geriatrics) under section 340H of the PHS Act. Currently funded Teaching Health Centers are listed on the [HRSA website](#).

**TRIBAL HEALTH PROGRAM.** An Indian tribe or tribal organization that operates any health program, service, function, activity, or facility funded, in whole or part, by the IHS through, or provided for in, a contract or compact with the IHS under the Indian Self-Determination and Education Assistance Act (25 USC 450 et seq.).