



**Kentucky State Loan Repayment Program
Announcement Type: Competitive, Limited Eligibility
Funding Opportunity Number: KORH-17-001**

**Funding Opportunity Announcement – Fiscal Year 2017/2018
Application Due Date: October 2, 2017 5:00 PM EST
Release Date: September 1, 2017**

Project Director

Jennifer M. Wilson
Rural Project Manager
Kentucky Office of Rural Health
E-mail: jennifer.molley.wilson@uky.edu
Telephone: (606) 439-3557

Summary

The Kentucky Office of Rural Health (KORH) is accepting applications for Fiscal Year 2017/2018 for the Kentucky State Loan Repayment Program (KSLRP). The Kentucky State Loan Repayment Program is a 50/50 matching program that assists in the recruitment and retention of eligible providers who practice at eligible sites in rural and underserved locations within Kentucky.

Applicants to the program are required to sign a two (2) year commitment to practice in the eligible site providing primary care services and to meet all other program requirements. Applicants must demonstrate a commitment to providing health care services to rural and/or underserved populations through documented experience and statement of intent.

Funding Opportunity Title	Kentucky State Loan Repayment Program
Funding Opportunity Number	KORH-17-001
Due Date for Applications	October 2, 2017 - 5:00 PM EST
Total Funding Available	Up to \$300,000
Estimated Number of Awards	13 awards (anticipated)
Estimated Award Amount	\$5,000 - \$40,000 (depending upon eligibility)
Matching Requirement	Minimum of 1:1
Project Period	September 1, 2017 – August 31, 2018
Eligible Applicants	Applicants must currently provide (or have signed a contract to provide) primary care services to rural and/or underserved populations in Kentucky, with an unencumbered, unrestricted Kentucky license in one of the following professions: Physician, Physician Assistant, Nurse Practitioner, Certified Nurse Midwife, Dentist, Pharmacist, Licensed Behavioral Health Provider, Dental Hygienist or Registered Nurse. Additional eligibility requirements per program guidance.

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Background

The Kentucky Office of Rural Health (KORH) serves as the administrator for the Kentucky State Loan Repayment Program (KSLRP), which is funded through the Department of Health and Human Services (HHS) Health and Resource Service Administration (HRSA) Bureau of Health Workforce (BHW) National Health Service Corps (NHSC) program.

The purpose of the SLRP is to assist rural and underserved facilities in the recruitment and retention of qualified providers by providing student loan repayment opportunities to providers who commit to serving in rural and underserved locations for a minimum of two (2) years. The primary difference between KSLRP and other NHSC programs targeted to practicing providers is that the determination of placement is made by the grantee in return for a one (1) to one (1) match between federal and private dollars.

Much like other NHSC programs, SLRP is limited to a specific pool of eligible applicants who must meet individual requirements, as well as practice in a facility which is deemed eligible by NHSC guidelines.

Eligible facilities and participants must be providing Primary Care services in a federally-designated Health Professions Shortage Area (HPSA). Individuals who are accepted to participate in the Kentucky State Loan Repayment Program (KSLRP) will be required to sign a two (2) year commitment with the KORH, the University of Kentucky Research Foundation (UKRF) and the employer.

Likewise, the employer will be required to complete a contract with all parties indicating their agreement to ensure the participant will provide eligible services at eligible locations and maintain an employment contract for the duration of the contract period, unless terminated for good cause.

For the 2017-2018 fiscal year, the KSLRP will competitively award a total of up to \$300,000 to be allocated to approximately thirteen (13) participants who agree to provide Primary Care services to rural and/or underserved populations located in a Health Professions Shortage Area appropriate for their profession.

I. Eligibility

Provider Eligibility Requirements

- (A) All applicants must:
1. Be a U.S. citizen (either U.S. born or naturalized) or U.S. National;
 2. Participate, or be eligible to participate, as a provider in the Medicare, Medicaid, and Children's Health Insurance Programs, as appropriate;
 3. Have a current, full, permanent, unencumbered, unrestricted health professional license, certificate or registration in the discipline in which he/she is applying to serve.
 4. Practice **full-time**, as defined by a minimum of 40 hours per week for a minimum of 45 weeks per year, providing primary health services.
- (B) Applicants who have a history of not honoring prior legal obligations, as evidenced by one or more of the following factors, will **not** be selected:
1. 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;
 2. Default on any Federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, FHA Loans, Federal income tax liabilities, federally guaranteed/insured loans (e.g., student loans or home mortgage loans), or non-Federal payment obligations (e.g., court-ordered child support payments); OR
 3. Write off of any Federal or non-Federal debt as uncollectible or waiver of any Federal service or payment obligation.
 4. Possessing another existing/ remaining service obligation as a health professional or possessing any other service requirement to the Federal government is prohibited (e.g., an active military obligation, an NHSC Scholarship Program obligation or a NURSE Corps Loan Repayment Program obligation) or State (e.g., Kentucky Osteopathic Medicine Scholarship Program) or other entity (e.g., a recruitment bonus that obligates he/she to remain employed at a certain site), UNLESS the obligation would be completed by the October 2, 2017 application deadline.
 5. Must have applied all previously awarded funds to pay back qualifying education loans.
 6. Must not be in breach of a health professional service obligation to the Federal, State or local government.
 7. Must not have any judgment liens arising from federal ~~debt~~.
 8. Must not be excluded, debarred, suspended, or disqualified by a federal agency.

(C) *Eligible Disciplines and Specialties*: Providers who have been trained and are licensed to provide direct patient care under the following disciplines and specialties are eligible to apply to the Kentucky State Loan Repayment Program:

	Disciplines	Specialty
PRIMARY CARE MEDICAL	Physicians Allopathic (MD) Osteopathic (DO)	<ul style="list-style-type: none"> • Family Medicine • General Internal Medicine • General Pediatrics • Obstetrics/Gynecology • Geriatrics
	Physician Assistants (PA) Nurse Practitioners (NP)	<ul style="list-style-type: none"> • Adult • Family • Pediatric • Women’s Health • Geriatrics
	Certified Nurse-Midwives (CNM)	N/A
	Registered Nurses (RN)	N/A
DENTAL CARE	Dentists DDS DMD	<ul style="list-style-type: none"> • Family General Dentistry • Geriatric Dentistry • Pediatric Dentistry
	Registered Dental Hygienists	N/A
BEHAVIORAL & MENTAL HEALTH	Physicians Allopathic (MD) Osteopathic (DO)	<ul style="list-style-type: none"> • Psychiatry
	Licensed Clinical Social Workers Licensed Professional Clinical Counselors Health Service Psychologists Marriage and Family Therapists	N/A
	Nurse Practitioners Physician Assistants Psychiatric Nurse Specialist	<ul style="list-style-type: none"> • Mental Health • Psychiatry
PHARMACY	Pharmacists RPh PharmD	N/A

(D) *Qualifying and Non-Qualifying Educational Loans:* A KSLRP participant will receive loan repayment funding to be applied to the principal, interest, and related expenses of outstanding government (Federal, State, or local) and commercial (i.e., private) student loans for undergraduate or graduate education obtained by the participant for school tuition, other reasonable educational expenses, and reasonable living expenses. The educational loans must be obtained **prior** to the date the participant submits his/her application to the KSLRP.

If a KSLRP participant obtains additional educational loans toward another health professions degree that will result in a **change** in discipline (e.g., a Licensed Professional Counselor obtains a doctorate in clinical psychology), he/she will need to apply to the KSLRP as a new participant in a subsequent application cycle and will be reviewed competitively against other applicants.

Consolidated or refinanced loans may be considered for repayment as long as they are from a Government (Federal, State, or local) or private student loan lender and include only qualifying educational loans of the applicant. If an otherwise eligible educational loan is consolidated/refinanced with ineligible (non-qualifying) debt of the applicant, **no** portion of the consolidated/refinanced loan will be eligible for loan repayment. For loans to remain eligible, applicants/participants must keep their eligible educational loans segregated from all other debts. Eligible educational loans consolidated with loans owed by any other person, such as a spouse or child, are ineligible for repayment.

Loans that do **not** qualify for loan repayment include, but are not limited to:

1. Loans for which the applicant incurred a service obligation, which will not be fulfilled before the deadline for submission of the KSLRP application (October 2, 2017)
2. Loans for which the associated documentation cannot identify that the loan was solely applicable to the undergraduate or graduate education of the applicant
3. Loans not obtained from a Government entity or private student loan lending institution. Most loans made by private foundations to individuals are not eligible for repayment.
4. Loans that have been repaid in full.
5. Primary Care Loans (<http://www.hrsa.gov/loanscholarships/loans/primarycare.html>)
6. Parent PLUS Loans (made to parents)
7. Personal lines of credit
8. Loans subject to cancellation
9. Residency loans
10. Credit Card debt

Practice Site Eligibility

Health professionals participating in the SLRP must fulfill their service obligation at an eligible practice site within the Commonwealth of Kentucky.

(A) Eligible practice sites must meet the following criteria:

- 1) Public and non-profit private entities located in and providing health care services in HPSAs within Kentucky. **“Non-profit private entity” means an entity which may not lawfully hold or use any part of its net earnings to the benefit of any private shareholder or individual and which does not hold or use its net earnings for that purpose. (42 C.F.R. 62.52).** For-profit health facilities operated by non-profit organizations must follow the same guidelines as all other SLRP sites.
- 2) Eligible sites must accept reimbursement from Medicare, Medicaid, and the Children’s Health Insurance Program (CHIP), utilize a sliding fee scale, and see all patients regardless of ability to

pay.

- 3) All practice sites must be located in federally-designated HPSAs. Medically Underserved Areas or Populations and shortage areas designated by the State **do not** qualify.
- 4) Providers must work in a HPSA that corresponds to their training and/or discipline. For example, psychiatrists and other mental health providers must serve in a mental health HPSA.
- 5) Eligible practice sites must charge for professional services at the usual and customary prevailing rates.
- 6) Provides clinical care to all patients, regardless of their ability to pay.
- 7) Properly displays and advertises their sliding fee scale and commitment to provide care to patients regardless of ability to pay.

(B) The following site types are eligible **to be approved** as practice sites for the KSLRP:

- 1) Federally Qualified Health Centers (FQHCs)
 - Community Health Centers (CHCs)
 - Migrant Health Centers
 - Homeless Programs
 - Public Housing Programs
- 2) FQHC Look-A-Likes
- 3) Centers for Medicare & Medicaid Services Certified Rural Health Clinics (RHCs)
- 4) Other Health Facilities
 - Community Outpatient Facilities
 - Community Mental Health Facilities
 - State and County Health Department Clinics
 - Immigration and Customs Enforcement (ICE) Health Service Corps (IHSC)
 - Free Clinics
 - Mobile Units
 - School-based Programs
 - Critical Access Hospitals (CAH) affiliated with a qualified outpatient clinic
 - Long-term Care Facilities
 - State Mental Health Facilities
- 5) Private Practices (solo or group) - as with all other KSLRP practice sites, solo or group practices must be a public or private non-profit entity

II. Participant Awards

1) Contracts

Funding for the KSLRP is awarded through an initial two-year commitment, with additional one-year contracts available for re-applying providers. A funding preference, as indicated in the Scoring Criteria (see Appendix A), is provided to new applicants over contract extensions due to funding limitations.

Applicants may be awarded no more than four (4) contract extensions for a total of six (6) years of participation with the KSLRP, including the initial 2-year contract period. Applicants who have participated in other NHSC programs provided directly from NHSC are eligible to participate in the KSLRP at the full six (6)

year limitation. Applicants who have participated in other NHSC programs provided directly from NHSC are eligible to participate in the KSLRP at the full six (6) year limitation.

2) Maximum Award Limits

Participants are awarded funding in a tiered format based upon their provider type. Maximum award amounts are as follows:

Eligible Provider Type	Maximum Annual Award	Total Maximum Annual Award (Including Sponsor Match)	Total Loan Repayment (2-year contract, KSLRP and Sponsor)
<i>Tier 1</i> Physicians Dentists Pharmacists	\$20,000	\$40,000	\$80,000
<i>Tier 2</i> Nurse Practitioners Physician Assistants Certified Nurse Midwives Behavioral Health Practitioners	\$10,000	\$20,000	\$40,000
<i>Tier 3</i> Registered Dental Hygienists Registered Nurses	\$5,000	\$10,000	\$20,000

3) *Funding preferences are provided to new applicants over continuing contracts.* Continuing contracts are awards made to participants who have completed their initial two years of service obligation and are eligible to continue their participation in the program on a yearly basis (*See Appendix A: Scoring Criteria*).

4) Funding under the KSLRP is provided on a bi-annual basis, and may be made directly to the provider or the lender.

a) For initial two-year service commitments, payment is provided directly to the lender or the provider in the amount of one-half of the Sponsor’s obligation by June 1, 2018. The KSLRP will provide one-half of their obligation directly to the provider prior to August 31, 2018.

b) For providers working under continuation contracts, payment is made on a bi-annual basis with **all** Sponsor funding dispersed by June 1, 2018 and **all** KSLRP funding dispersed by August 31, 2018.

5) Default Provisions

- a. The current National Health Service Corp Loan Repayment Program default provision (as amended Oct. 2002 and which governs this contract) is found at 42 U.S.C. 254(c) (1): If [for any reason not specified in subsection (a) of this section or section 254p(d) of this title] an individual breaches the written contract of the individual under section 2541-1 of this title by failing either to begin such individual’s service obligation in accordance with section 254m or 254n of this title or to complete such service obligation, the UKRF shall be entitled to recover from the individual an amount equal to the sum of:
 - i. an amount equal to the product of the number of months of obligated service that were not completed by the individual, multiplied by \$7,500; and
 - ii. the interest on the amounts described in subparagraphs (A) and (B), at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of the breach; except that the amount the UKRF is entitled to recover under this paragraph shall not be less than \$31,000.

6) Breach of Contract

- a) The Provider will be considered in default if he/she fails to provide health care during the time period at the location, in the setting, providing health care as a primary care provider to individuals without discrimination as defined in this agreement. The Provider will be in default if the loan repayment amounts are not applied toward the eligible loans.

- b) No additional loan repayment will be approved for any Provider who defaults.

III. Matching Requirement

Funding for the KSLRP is provided as a one-to-one (1:1) match with half of the funding provided through the Kentucky Office of Rural Health and the other half of the funding provided by the applicant’s Sponsor.

a. KSLRP Sponsors

- 1. Sponsor funding must come from a non-federal source and documentation of source funding must be provided if requested. Examples of sponsors include, but are not limited to:
 - Employers
 - Local, Regional, and State Foundations
 - Community Coalitions
 - State Appropriations
 - Other
- 2. If the employer is providing funds, the employer must agree that the funds will not be used as a salary offset. When agreeing to provide the matching funds, the Sponsor may not add additional service obligations to the applicant in return for KSLRP matching funds.

IV. Application Components

Applications for the KSLRP **must be typed**; handwritten applications will not be accepted, except that required signatures must be handwritten.

Complete application packets must be submitted electronically as a single PDF document, saved with a file name following the format of **ApplicantLastName_KSLRP2017**.

A complete application packet must contain all of the following:

- A. *Provider Application*
 - a. The provider must complete and submit the Provider application in full. Applications will be scored in accordance with the Scoring guidelines (see *Appendix A: Scoring Criteria*).

- B. *Loan Verification Information*
 - a. The application package must include the Loan Verification Sheet; if additional space is needed beyond the Loan Verification Sheet, additional copies of the sheet may be used but only use the "Total Loan Balance Due" box on the **last page**.
 - b. The applicant must attach documentation for **each** of their eligible student loan balances listed on the Loan Verification Sheet, *no older than 30 days* from the date of application.
 - c. A screen shot or other digital printout, which shows the total loan balance, applicant's name and a time stamp from the applicant's online account is acceptable documentation.

- C. *Site Application*
 - a. A Site Application must be completed and signed by the highest-ranking official of the site at which the provider will be practicing.

- D. *Sponsor Application*
 - a. The Sponsor Application is only required in the instance that the Employer will **not** be serving as the sponsoring entity.

V. Application Submission

Applications in response to this RFA must be delivered electronically as a single PDF file to include all portions of the proposal and any required attachments. The documents should be scanned in the following order:

- 1) Provider Application
- 2) Site Application
- 3) Sponsor Application (if applicable)
- 4) Loan Verification Sheet
- 5) All Attachments

Once packaged, the PDF file should be submitted **electronically** to the Kentucky State Loan Repayment Program at KSLRP@uky.edu. All applications must be received **electronically** by 5:00 PM Eastern Standard Time (4:00 PM Central Standard Time) on Monday, October 2, 2017.

Appendix A: Scoring Criteria

Health Professional Shortage Area Designation¹ (20 points possible)

<i>Score</i>	<i>Points</i>
1-4	5
5-9	10
10-14	15
15+	20

Contract Type (15 points)

Initial Contract	15 points
Continuation Contract	0 points

Preceptor/Clinical Supervisor (5 points)

Is/will become a Preceptor/Clinical Supervisor	5 points
Is not/will not be a Preceptor/Clinical Supervisor	0 points

Advisory Committee Review (60 points possible)

Rural Experience	<u>Scaled</u> 0 points = no experience demonstrated 20 points = extensive experience demonstrated
Motivation for Working in Rural Areas	<u>Scaled</u> 0 points = serious motivation not observed 20 points = serious motivation observed
Advisory Committee Identified Need	Up to 20 Bonus Points (based on community-level knowledge of Advisory Committee members)

¹ www.hpsafind.hrsa.gov