



MEMORANDUM

DATE	August 3, 2026
TO	Board Members
FROM	Syreeta Risso, Special Projects and Research Analyst
SUBJECT	Discussion and Possible Action Regarding Legislative Amendments Related to Stipend/Loan Repayment Allowances & Submission of 1099 Tax Forms

Background

The Board's current practice acts pertaining to supervised experience and supervision practices require a trainee, associate or applicant for licensure to only perform mental health and related services as an employee or volunteer while gaining hours of experience and supervision. A trainee, associate or applicant for licensure is not to perform services or gain experience hours as an independent contractor.

Upon application for licensure, an associate is to submit the following documentation to the Board:

- If employed - copies of W-2 tax forms for each year of experience claimed
- If volunteering – a letter from the associate's employer verifying the associate's status as a volunteer during the dates experience was gained.¹

Past Law - 1099 Tax Forms Submissions to the Board

In the past, there were occasions when applicants would provide the board with a 1099 tax form (1099) with their employment documentation upon application for licensure. Submission of a 1099 usually indicates an applicant for licensure was serving as an independent contractor while gaining supervised experience hours, which is not permitted. However, past statute specified trainees, interns, and applicants who provided volunteer services and received no more than a total, from all work settings, of \$500 per month as reimbursement for expenses incurred for services rendered in any lawful work setting, other than a private practice, were considered employees and not independent contractors. Upon an audit from the board, applicants for licensure had the burden of demonstrating to the board that the payments received were for reimbursement of expenses actually incurred.²

¹ Business and Professions Code Sections 4980.43.3(a), 4996.23.2(a) and 4996.46.3(a)

² Bus. & Prof. Code § 4980.43(k) (2018), in Statutes and Regulations Relating to the Practice of Professional Clinical Counseling, Marriage and Family Therapy, Educational Psychology, Clinical Social Work (California Board of Behavioral Sciences 2018)

The subject of stipends and educational loan repayments was brought up in discussions within the former Supervision Committee in response to staff's proposal to remove the \$500 monthly reimbursement limit from statute.³ During these discussions, Committee members and staff noted that an awarded stipend or educational loan repayment would occasionally be reflected on a 1099. An exception for stipends and loan repayments was also proposed to be added to the statute, as staff at the time were becoming aware of stipends and loan repayments issued to interns, associates, and applicants as an incentive for working in an underserved area or from a program designed to encourage demographically underrepresented groups to enter the profession.

Current Law

The work of the Supervision Committee resulted in amendments to the Board's practice acts for supervised experience and supervision practices, including the removal of the statute pertaining to the \$500 monthly amount for reimbursement for expenses incurred. Additionally, clauses referring to stipends and educational loan repayments were added to the LMFT, LCSW and LPCC practice acts, outlined in Business and Professions Code sections 4980.43.3(h), 4996.23.2(g), and 4999.46.3(i):

A trainee, associate, or applicant for licensure who receives a stipend or educational loan repayment from a program designed to encourage demographically underrepresented groups to enter the profession or to improve recruitment and retention in underserved regions or settings shall be considered an employee. The board may audit an applicant who receives a stipend or educational loan repayment and the applicant shall have the burden of demonstrating that the payment received was for the specified purposes.

Since its enactment, staff have occasionally identified misinterpretations of the clause by applicants for licensure. In some instances, applicants cite the clause claiming since they work in a rural or underserved setting, their workplace should issue a 1099. However, the intent of the clause is to acknowledge stipends and educational loan repayments issued from programs designed to encourage demographically underrepresented groups to enter the profession or to improve recruitment and retention in underserved regions or settings. Currently, supervised experience hours are not accepted if a 1099 is submitted as documentation, unless the applicant for licensure can demonstrate the 1099 is for an awarded stipend or loan repayment.

Research and Previous Committee Meeting Discussion

The topic was discussed at the Policy and Advocacy Committee meeting on April 17, 2026. Given the instances of identified misinterpretations of the clauses in statute, staff proposed the following recommended options for the Committee's consideration:

- 1) Clarify the language of the clauses in statute;

³ The Supervision Committee met in sessions from April 2014 to August 2016.

- 2) Delete the clauses from statute;
- 3) Run regulations specifying how an applicant would demonstrate they received a stipend or loan repayment on an IRS 1099 Tax Form acceptable by the Board.

To provide additional context, staff collected examples of stipend and loan repayment programs aimed at supporting underrepresented groups entering the mental health profession, and to improve recruitment and retention of mental health professionals in underserved areas. The examples were presented before the Committee at the April 17th meeting and are included in **Attachments B through B-4**.

Next Steps

Based on discussion and feedback from the Committee and stakeholders, it was determined the best approach is to clarify the language of the clauses in statute. Staff began drafting amendments to the language, starting with Business and Professions Code section 4980.43.3 for LMFTs. The proposed amendments aim to clarify the following:

- A program that awards a stipend or educational loan repayment, referenced in the clause, as governmental or nonprofit, and is not employer-funded.
- A qualifying stipend or educational loan repayment does not include payment issued by the work setting or employer as compensation for services rendered by the supervisee, regardless of the tax form used.
- If a trainee, associate, or applicant for licensure receives a 1099, upon an audit from the board, the applicant has the burden of demonstrating the payment meets all the following criteria:
 - o Issued by the program administrator,
 - o Not compensation for clinical services, and
 - o Made solely as part of a qualifying stipend or educational loan repayment program described in the subdivision

The proposed amendments to the LMFT practice act were presented before the Policy and Advocacy Committee on June 16, 2026. Following the Committee's direction, staff prepared draft amendments to the LCSW and LPCC practice acts to bring before the Board alongside the LMFT draft amendments for consideration as a legislative proposal.

Recommendation

Conduct an open discussion on the proposed amendments to Business and Professions Code sections 4980.43.3, 4996.23.2, and 4999.46.3, outlined in **Attachments A-1**

through A-3. Direct staff to make any discussed changes and any non-substantive changes, and to pursue as a legislative proposal.

Attachments

Attachment A-1: LMFT Proposed Amendments to Supervised Experience: Acceptable Settings; Acceptable Supervision Practices (Bus. & Prof. Code § 4980.43.3)

Attachment A-2: LCSW Proposed Amendments to Supervised Experience: Acceptable Settings; Acceptable Supervision Practices (Bus. & Prof. Code § 4996.23.2.)

Attachment A-3: LPCC Proposed Amendments to Supervised Experience: Acceptable Settings; Acceptable Supervision Practices (Bus. & Prof. Code § 4999.46.3.)

Attachment B: Examples of stipend and educational loan repayment programs

Attachment B-1: Licensed Mental Health (LMH) Services Provider Education Program Grant Guide

Attachment B-2: Medi-Cal Behavioral Health Student Loan Repayment Program (MBH-SLRP) Grant Guide – for Grant Year 2025

Attachment B-3: National Health Service Corps Loan Repayment Program (NHSC LRP) Fiscal Year 2026 Application and Program Guidance

Attachment B-4: San Diego Pay It Forward Loan Program Brochure

ATTACHMENT A-1
PROPOSED AMENDMENTS

§ 4980.43.3. SUPERVISED EXPERIENCE: ACCEPTABLE SETTINGS; ACCEPTABLE SUPERVISION PRACTICES

(a) A trainee, associate, or applicant for licensure shall only perform mental health and related services as an employee or volunteer, and not as an independent contractor. The requirements of this chapter regarding hours of experience and supervision shall apply equally to employees and volunteers. A trainee, associate, or applicant for licensure shall not perform any services or gain any experience within the scope of practice of the profession, as defined in Section 4980.02, as an independent contractor. While an associate may be either a paid employee or a volunteer, employers are encouraged to provide fair remuneration.

(1) If employed, an associate shall provide the board, upon application for licensure, with copies of the W-2 tax forms for each year of experience claimed. For experience gained during a tax year that has not ended by the date the associate's application for licensure is received by the board, the associate shall provide the board with a copy of their most recent pay stub.

(2) If volunteering, an associate shall provide the board, upon application for licensure, with a letter from the associate's employer verifying the associate's status as a volunteer during the dates the experience was gained.

(b) (1) A trainee shall not perform services in a private practice or a professional corporation. A trainee may be credited with supervised experience completed in a setting that meets all of the following:

(A) Is not a private practice or professional corporation.

(B) Lawfully and regularly provides mental health counseling or psychotherapy.

(C) Provides oversight to ensure that the trainee's work at the setting meets the experience and supervision requirements in this chapter and is within the scope of practice for the profession, as defined in Section 4980.02.

(2) Only experience gained in the position for which the trainee volunteers or is employed shall qualify as supervised experience.

(c) (1) An associate may be credited with supervised experience completed in any setting that meets both of the following:

(A) Lawfully and regularly provides mental health counseling or psychotherapy.

(B) Provides oversight to ensure that the associate's work at the setting meets the experience and supervision requirements in this chapter and is within the scope of practice for the profession, as defined in Section 4980.02.

(2) Only experience gained in the position for which the associate volunteers or is employed shall qualify as supervised experience.

(3) An applicant for registration as an associate shall not be employed or volunteer in a private practice or professional corporation until the applicant has been issued an associate registration by the board.

(d) Any experience obtained under the supervision of a spouse, relative, or domestic partner shall not be credited toward the required hours of supervised experience. Any experience obtained under the supervision of a supervisor with whom the applicant has had or currently has a personal, professional, or business relationship that undermines the authority or effectiveness of the supervision shall not be credited toward the required hours of supervised experience.

(e) A trainee, associate, or applicant for licensure shall not receive any remuneration from patients or clients and shall only be paid by their employer, if an employee.

(f) A trainee, associate, or applicant for licensure shall have no proprietary interest in their employer's business and shall not lease or rent space, pay for furnishings, equipment, or supplies, or in any other way pay for the obligations of their employer.

(g) A trainee, associate, or applicant for licensure who provides voluntary services in any lawful work setting and who only receives reimbursement for expenses actually incurred shall be considered an employee [for purposes of this section](#). The board may audit an applicant for licensure who receives reimbursement for expenses and the applicant for licensure shall have the burden of demonstrating that the payment received was for reimbursement of expenses actually incurred.

(h) [\(1\) A trainee, associate, or applicant for licensure shall be considered an employee for purposes of this section if they who receives a stipend or educational loan repayment from a program designed awarded through a governmental or nonprofit program that is not employer-funded and that is expressly designed to:](#)

[\(A\) encourage demographically underrepresented groups to enter the profession, or to](#)

[\(B\) improve recruitment and retention in underserved regions or settings. shall be considered an employee.](#)

[\(2\) A qualifying stipend or educational loan repayment does not include any payment issued by the supervisee's work setting or employer as compensation for services, regardless of the tax form used.](#)

(3) If a trainee, associate, or applicant for licensure receives an IRS Form 1099 for an awarded stipend or educational loan repayment, the board may audit an the applicant for licensure who receives a stipend or educational loan repayment and the applicant shall have the burden of demonstrating that the payment received was for the specified purposes. meets all of the following criteria:

(A) issued by the governmental or nonprofit program administrator,

(B) not employer-funded compensation for clinical services, and

(C) made solely as part of a qualifying stipend or educational loan repayment program described in this subdivision.

(i) An associate or a trainee may provide services via telehealth that are in the scope of practice outlined in this chapter.

(j) Each educational institution preparing applicants pursuant to this chapter shall consider requiring, and shall encourage, its students to undergo individual, marital, conjoint, family, or group counseling or psychotherapy, as appropriate. Each supervisor shall consider, advise, and encourage the supervisor's associates and trainees regarding the advisability of undertaking individual, marital, conjoint, family, or group counseling or psychotherapy, as appropriate. Insofar as it is deemed appropriate and is desired by the applicant, educational institutions and supervisors are encouraged to assist the applicant to locate counseling or psychotherapy at a reasonable cost.

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ATTACHMENT A-2
PROPOSED AMENDMENTS

§ 4996.23.2. SUPERVISED EXPERIENCE: ACCEPTABLE SETTINGS; ACCEPTABLE SUPERVISION PRACTICES

(a) An associate clinical social worker or applicant for licensure shall only perform mental health and related services as an employee or as a volunteer, not as an independent contractor. The requirements of this chapter regarding hours of experience and supervision shall apply equally to employees and volunteers. An associate or applicant for licensure shall not perform any services or gain any experience within the scope of practice of the profession, as defined in Section 4996.9, as an independent contractor. While an associate may be either a paid employee or a volunteer, employers are encouraged to provide fair remuneration.

(1) If employed, an associate shall provide the board, upon application for licensure, with copies of the corresponding W-2 tax forms for each year of experience claimed. For experience gained during a tax year that has not ended by the date the associate's application for licensure is received by the board, the associate shall provide the board with a copy of their most recent pay stub.

(2) If volunteering, an associate shall provide the board, upon application for licensure, with a letter from their employer verifying the associate's status as a volunteer during the dates the experience was gained.

(b) Employment in a private practice or professional corporation shall not commence until the applicant has been registered as an associate clinical social worker.

(c) Experience shall only be gained in a setting that meets both of the following:

(1) Lawfully and regularly provides clinical social work, mental health counseling, or psychotherapy.

(2) Provides oversight to ensure that the associate's work at the setting meets the experience and supervision requirements set forth in this chapter and is within the scope of practice for the profession as defined in Section 4996.9.

(d) Only experience gained in the position for which the associate clinical social worker volunteers or is employed shall qualify as supervised experience.

(e) Any experience obtained under the supervision of a spouse or relative by blood or marriage shall not be credited toward the required hours of supervised experience. Any experience obtained under the supervision of a supervisor with whom the applicant has

had or currently has a personal, professional, or business relationship that undermines the authority or effectiveness of the supervision shall not be credited toward the required hours of supervised experience.

(f) An associate clinical social worker or applicant for licensure who provides voluntary services in any lawful work setting and who only receives reimbursement for expenses actually incurred shall be considered an employee for purposes of this section. The board may audit an applicant for licensure who receives reimbursement for expenses and the applicant shall have the burden of demonstrating that the payments received were for reimbursement of expenses actually incurred.

(g) (1) An associate clinical social worker or applicant for licensure shall be considered an employee for purposes of this section if they who receives a stipend or educational loan repayment from a program designed awarded through a governmental or nonprofit program that is not employer-funded and that is expressly designed to:

(A) encourage demographically underrepresented groups to enter the profession, or to
(B) improve recruitment and retention in underserved regions or settings. shall be considered an employee.

(2) A qualifying stipend or educational loan repayment does not include any payment issued by the supervisee's work setting or employer as compensation for services, regardless of the tax form used,

(3) If an associate or applicant for licensure receives an IRS Form 1099 for an awarded stipend or educational loan repayment, the board may audit an the applicant for licensure who receives a stipend or educational loan repayment and the applicant shall have the burden of demonstrating that the payments received were for the specified purposes. meets all of the following criteria:

(A) issued by the governmental or nonprofit program administrator,

(B) not employer-funded compensation for clinical services, and

(C) made solely as part of a qualifying stipend or educational loan repayment program described in this subdivision.

(h) An associate or applicant for licensure shall not receive any remuneration from patients or clients and shall only be paid by their employer, if an employee.

(i) An associate or applicant for licensure shall have no proprietary interest in their employer's business and shall not lease or rent space, pay for furnishings, equipment, or supplies, or in any other way pay for the obligations of their employer.

(j) An associate may provide services via telehealth that are in the scope of practice as outlined in this chapter.

(k) Each educational institution preparing applicants pursuant to this chapter shall consider requiring, and shall encourage, its students to undergo individual, marital, conjoint, family, or group counseling or psychotherapy, as appropriate. Each supervisor shall consider, advise, and encourage their supervisees regarding the advisability of undertaking individual, marital, conjoint, family, or group counseling or psychotherapy, as appropriate. Insofar as it is deemed appropriate and is desired by the applicant, educational institutions and supervisors are encouraged to assist the applicant to locate counseling or psychotherapy at a reasonable cost.

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ATTACHMENT A-3
PROPOSED AMENDMENTS

§ 4999.46.3. SUPERVISED EXPERIENCE: ACCEPTABLE SETTINGS; ACCEPTABLE SUPERVISION PRACTICES

(a) A clinical counselor trainee, associate, or applicant for licensure shall only perform mental health and related services as an employee or volunteer, and not as an independent contractor. The requirements of this chapter regarding hours of experience and supervision shall apply equally to employees and volunteers. A clinical counselor trainee, associate, or applicant for licensure shall not perform any services or gain any experience within the scope of practice of the profession, as defined in Section 4999.20, as an independent contractor. While an associate may be either a paid employee or a volunteer, employers are encouraged to provide fair remuneration.

(1) If employed, an associate shall provide the board, upon application for licensure, with copies of the corresponding W-2 tax forms for each year of experience claimed. For experience gained during a tax year that has not ended by the date the associate's application for licensure is received by the board, the associate shall provide the board with a copy of their most recent pay stub.

(2) If volunteering, an associate shall provide the board, upon application for licensure, with a letter from their employer verifying the associate's status as a volunteer during the dates the experience was gained.

(b) A clinical counselor trainee shall not perform services in a private practice or professional corporation.

(c) A trainee shall complete the required predegree supervised practicum or field study experience in a setting that meets all the following requirements:

(1) Is not a private practice or a professional corporation.

(2) Lawfully and regularly provides mental health counseling or psychotherapy.

(3) Provides oversight to ensure that the clinical counselor trainee's work at the setting meets the experience and supervision requirements in this chapter and is within the scope of practice of the profession, as defined in Section 4999.20.

(4) Only experience gained in the position for which the clinical counselor trainee volunteers or is employed shall qualify as supervised practicum or field study experience.

(d) (1) An associate may be credited with supervised experience completed in any setting that meets both of the following:

(A) Lawfully and regularly provides mental health counseling or psychotherapy.

(B) Provides oversight to ensure that the associate's work at the setting meets the experience and supervision requirements in this chapter and is within the scope of practice for the profession, as defined in Section 4999.20.

(2) Only experience gained in the position for which the associate volunteers or is employed shall qualify as supervised experience.

(3) An applicant for registration as an associate shall not be employed or volunteer in a private practice or professional corporation until they have been issued an associate registration by the board.

(e) Any experience obtained under the supervision of a spouse, relative, or domestic partner shall not be credited toward the required hours of supervised experience. Any experience obtained under the supervision of a supervisor with whom the applicant has had or currently has a personal, professional, or business relationship that undermines the authority or effectiveness of the supervision shall not be credited toward the required hours of supervised experience.

(f) A clinical counselor trainee, associate, or applicant for licensure shall not receive any remuneration from patients or clients and shall only be paid by their employer, if an employee.

(g) A clinical counselor trainee, associate, or applicant for licensure shall have no proprietary interest in their employer's business and shall not lease or rent space, pay for furnishings, equipment, or supplies, or in any other way pay for the obligations of their employer.

(h) A clinical counselor trainee, associate, or applicant for licensure who provides voluntary services in any lawful work setting and who only receives reimbursement for expenses actually incurred shall be considered an employee [for purposes of this section](#). The board may audit an applicant for licensure who receives reimbursement for expenses and the applicant for licensure shall have the burden of demonstrating that the payments received were for reimbursement of expenses actually incurred.

(i) [\(1\)](#) A clinical counselor trainee, associate, or applicant for licensure [shall be considered an employee for purposes of this section if they who receives a stipend or educational loan repayment from a program designed awarded through a governmental or nonprofit program that is not employer-funded and that is expressly designed to: to](#)

(A) encourage demographically underrepresented groups to enter the profession, or to
(B) improve recruitment and retention in underserved regions or settings. ~~shall be~~
~~considered an employee.~~

(2) A qualifying stipend or educational loan repayment does not include any payment
issued by the supervisee's work setting or employer as compensation for services,
regardless of the tax form used.

(3) If a trainee, associate, or applicant for licensure received an IRS Form 1099 for an
awarded stipend or educational loan repayment, ~~the~~ the board may audit ~~an~~ the applicant
for licensure ~~who receives a stipend or educational loan repayment~~ and the applicant
shall have the burden of demonstrating that the payments ~~were for the specified~~
~~purposes.~~ meets all of the following criteria:

(A) issued by the governmental or nonprofit program administrator,

(B) not employer-funded compensation for clinical services, and

(C) made solely as part of a qualifying stipend or educational loan repayment program
described in this subdivision.

(j) A clinical counselor trainee or associate may provide services via telehealth that are in the scope of practice outlined in this chapter.

(k) Each educational institution preparing applicants pursuant to this chapter shall consider requiring, and shall encourage, its students to undergo individual, marital, conjoint, family, or group counseling or psychotherapy, as appropriate. Each supervisor shall consider, advise, and encourage their associates and trainees regarding the advisability of undertaking individual, marital, conjoint, family, or group counseling or psychotherapy, as appropriate. Insofar as it is deemed appropriate and is desired by the applicant, educational institutions and supervisors are encouraged to assist the applicant to locate that counseling or psychotherapy at a reasonable cost.

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ATTACHMENT B

Examples of Stipends and Loan Repayments Programs

Licensed Mental Health (LMH) Services Provider Education Program - A loan repayment program through the California Department of Health Care Access and Information (HCAI) for associate and licensed marriage and family therapists, social workers, professional clinical counselors, as well as psychologists. Awardees are required to provide at least 32 hours per week in direct patient care at a qualified facility in California for 12 months. Examples of qualified areas and approved site designations include a Health Professional Shortage Area in Mental Health (HPSA-MH), a publicly funded mental health facility, a public mental health facility, and a non-profit mental health facility that contracts with a county entity to provide mental health services. Once the service obligation is complete, awardees may receive a loan repayment of up to \$15,000 to be applied towards their outstanding educational debt. Under this loan repayment program, HCAI does not issue 1099 tax forms to its awardees. The grant guide for fiscal year 2025-2026 containing additional details of the LMH Services Provider Education Program can be found in **Attachment B-1**.

Medi-Cal Behavioral Health Student Loan Repayment Program (MBH-SLRP) - This loan repayment program, also through HCAI, was created to help grow California's healthcare workforce by paying off student loans for behavioral health professionals who provide direct care to clients in facilities that serve Medi-Cal and uninsured patients. Eligible professions under this program include – Associate Clinical Social Worker, Associate Professional Clinical Counselor, Associate Marriage and Family Therapist, Licensed Clinical Social Worker, Licensed Professional Clinical Counselor and Licensed Marriage and Family Therapist. Individuals in these professions are to serve a four-year service obligation and must provide a minimum of 32 hours per week of direct client care or 30 hours per week of direct care in a school setting. "Direct Client Care", as defined in the grant guide, includes services in behavioral health such as prevention, early intervention, assessment, treatment, counseling, procedures, patient self-care, patient education, and documentation relating to patient encounters being treated by or suspected of needing behavioral health services, as well as face-to-face care, telehealth-based care and first-line supervision. The grant guide (grant year 2025) for the MBH-SLRP containing additional information can be found in **Attachment B-2**.

National Health Service Corps Loan Repayment Program (NHSC LRP) – the NHSC loan repayment program from the Health Resources and Services Administration (HRSA) aims to recruit and retain medical, nursing, dental, and behavioral health

clinicians in eligible communities of need designated as a Health Professional Shortage Area (HPSA). HPSAs are defined as a geographic area, population or facility that have a shortage of primary, dental or mental health care providers. NHSC LRP awards eligible primary care providers financial assistance towards repayment of their outstanding qualifying educational loans. In return for financial assistance, participants in this program commit to providing primary health care services to underserved populations designated as HPSA. Eligible primary care providers under this loan repayment program include Licensed Clinical Social Workers, Marriage and Family Therapists, and Licensed Professional Clinical Counselors. Other loan repayment programs offered by NHSC include the National Health Service Corps Rural Community Loan Repayment Program (NHSC Rural Community LRP) and the Substance Use Disorder (SUD) Workforce. The Fiscal Year 2026 NHSC LRP Application and Program Guidance contains additional information, found in **Attachment B-3**.

Los Angeles County Department of Mental Health Graduate Stipend Program – per the [program information guide](#), one of the objectives of the program is to “provide a financial incentive to attract well-trained, linguistically and culturally competent students who will serve communities and clients who have been historically underserved due to geographic location and cultural and linguistic barriers”. Each year the program awards a stipend of \$18,500 to selected students enrolled in an academic program leading to a mental health related degree. Stipend awardees are required to commit to one year of full time, paid employment in a clinical capacity at a facility directly operated by Los Angeles County Department of Mental Health (LAC DMH) or a LAC DMH contracted agency.

San Diego Pay It Forward Loan Program – The San Diego Pay It Forward Loan Program is one of several programs within the ELEVATE Behavioral Health Workforce Fund designed to attract and retain public behavioral health workers and address the County of San Diego’s behavioral health workforce shortage. Eligible students can receive loans with zero percent interest to cover tuition, fees and living expenses while enrolled at a participating behavioral health educational program. Per the program brochure (**Attachment B-4**) eligible educational programs include (in academic year 2025-2026):

- San Diego State University – Marriage and Family Therapy; Early Childhood and Family Clinical Counseling; and Master of Social Work
- California State University, San Marcos – Master of Social Work



**Licensed Mental Health (LMH) Services
Provider Education Program**

**Fiscal Year 2025-26
Grant Guide**

Please read this guide, in full, prior to contacting program staff.

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Section I: LMH Grant Information

Purpose

The purpose of this document is to provide a program overview and outline the requirements for Licensed Mental Health (LMH) Services Provider Education Program applicants. Applicants will find steps to complete their application and awardees can review program requirements to complete their service obligation. All applicants must agree to the terms and conditions prior to receiving funds. The Department of Health Care Access and Information will not make changes to the terms and conditions specified in this Grant Guide.

Background and Mission

The Department of Health Care Access and Information (HCAI) works to increase and diversify California's healthcare workforce by providing loan repayments and scholarships to health professional students and graduates who provide direct client care in those communities.

LMH is funded through a \$20 surcharge from renewal and licensure fees collected by the Department of Consumer Affairs for psychologists, marriage and family therapists, licensed clinical social workers, and professional clinical counselors in California. The purpose of this program is to increase the number of appropriately trained mental healthcare professionals providing direct client care in a qualified facility or area in California.

Awardee Program Requirements

Loan Repayment Program

In exchange for a 12-month service obligation to serve medically underserved areas and/or in a qualified facility in California, eligible mental health professionals may receive a loan repayment of up to **\$15,000**. Awardees are expected to meet program requirements for the duration of the LMH program. Awardee is defined as an applicant who has been selected to receive the LMH program award and who has signed their Grant Agreement. Failure to comply with these requirements may lead to disqualification and termination from the program. Awardees may be considered in breach of their Grant Agreement if they are unable to comply with the terms of their contract. If an awardee does not meet the terms of their contractual obligations, they may not be eligible for the annual payment.

Below is the list of program requirements awardees are expected to comply with:

- Maintain a current and unrestricted license and be in good standing with the California Board of Behavioral Sciences and/or the California Board of Psychology.
- Have existing qualifying educational loan debt incurred while pursuing a degree to practice in an eligible mental health profession.
- Keep said educational loans in good standing.

- Must not be in breach of any other HCAI/health professional service obligation.
- Must not participate or have an existing service obligation with another entity, including other HCAI funded programs.
- Submit progress reports, in the form required by HCAI, demonstrating compliance with program requirements and their agreement/contract.
- Maintain 32 hours or more per week of direct client care during the entirety of the contract period.
- To inform HCAI in writing within 30 business days of any change in contact information (mailing address, telephone number, email address, etc.), or any change in circumstances impacting an awardee's eligibility to receive or participate in the LMH program.
- Complete and submit an application through the HCAI eApp Funding Portal by June 13, 2025, at 3:00 p.m.

Eligible Disciplines

Applicants currently licensed and practicing in one of the eligible disciplines below can receive loan repayment assistance through the LMH program:

• Associate Clinical Social Worker	• Licensed Professional Clinical Counselor
• Associate Marriage and Family Therapist	• Licensed Psychologist
• Associate Professional Clinical Counselor	• Postdoctoral Psychological Assistant
• Licensed Clinical Social Worker	• Postdoctoral Psychological Trainee
• Licensed Marriage and Family Therapist	• Waivered Psychologist

Eligible Practice Sites

An applicant must provide direct client care in one of the following eligible geographic areas or approved site designations:

• Children's Hospital	• Health Professional Shortage Area – Mental Health (HPSA-MH)	• Non-Profit Mental Health Facility that contracts with a county entity to provide mental health services
• Clinics providing Reproductive Health and abortion-related services	• Publicly Funded Mental Health Facility	• State-Operated Health Facility
• Correctional Facility	• Public Mental Health Facility	• Substance Use Facility
• County-Operated Health Facility	• Public School Facility	• Veteran's Facility

NOTE: Temp agencies and management services companies are not an eligible employer. To be eligible while working for one of these companies, the facility you provide direct client care services in must be one of the eligible practice sites listed above.

If you are providing services via telehealth, your employer must have a physical office in California, and it must be one of the eligible practice sites listed above.

Eligible and Ineligible Educational Loans and Loan Characteristics for Awardees

Below is a table of eligible and ineligible loans and loan characteristics for the LMH program.

Eligible	Ineligible
- Any outstanding U.S. government (federal, state, or local) and US commercial (private) student loan for undergraduate or graduate education obtained by the applicant for school tuition, and reasonable educational expenses in pursuit of their health profession degree. - In the name of the applicant - Obtained prior to the submission of the application to the Loan Repayment Program - In good standing (not being in default); deferment and forbearance are okay. - Consolidated and/or refinanced educational loans may be eligible, and they must clearly delineate the original loans and the degrees conferred. They cannot be with another person's loan or with non-educational loans. Failure to provide this information may result in ineligibility for the program.	- Parents PLUS loans - Personal lines of credit - Loans in default - Credit card debt - Promissory notes - Loans operating outside of the U.S. - Loans paid in full

NOTE: PAYE/REPAYE plans are not considered loan repayment programs and are therefore qualifying. Applicants may participate in the Public Service Loan Forgiveness (PSLF) program.

Awardees must continue to follow the arrangement they have with their lender(s).

If the awardee's educational debt is paid off/forgiven during their service obligation, they have the following options:

1. Provide proof from the lender that debt has been paid in full, and their contract will be marked as complete, and the award will be disencumbered; or
2. Remain in their contract and complete their service obligation to receive their full award.

Award Funding and Distribution

LMH funding comes from licensure fees. Approximately **\$693,000** is available to eligible licensed mental health professionals practicing in California. In the event there is additional state funding available, HCAI has the discretion to make additional awards.

Payment will be made at the end of the service obligation, upon verification of meeting program requirements via the submission of progress reports. The maximum award amount for the LMH program is **\$15,000**. HCAI may award full, partial, or no funding to an applicant, based on the applicant's success in meeting the selection criteria, and the amount of available funds.

NOTE: Applicants will not be awarded more than their total educational debt left on their loan balance.

Payments are issued by the State Controller's Office (SCO) via a paper check. Checks are mailed via USPS directly to the Awardee's mailing address on file. **Direct deposit is not available.**

NOTE: Please ensure your "Profile" page on the HCAI eApp Funding Portal has your most recent mailing address on file and that you have submitted an updated STD. 204 form with your updated mailing address to avoid delay in payment. See Attachment B: Sample Grant Agreement, Section D: Payment Provisions and Reporting Requirements, for detailed information.

An awardee may apply for additional awards following the successful completion of their current LMH agreement. To remain eligible, the individual must still have qualified educational debt, successfully completed their current LMH agreement, and meet all the other LMH program eligibility requirements. An awardee may apply for an award every year they are eligible contingent on the availability of funding.

A new application must be submitted to be considered for an award, as each service obligation requires a separate contract, therefore obligations may not overlap, nor be considered a continuation of a previous agreement.

Tax Information

Awardees are advised to consult with a tax advisor to address questions about whether this loan repayment is considered reportable/or taxable income. This information is not intended to provide tax or legal advice. Awardees with questions regarding the taxable/or reportable nature of this loan repayment should consult a tax advisor.

Service Obligation

Awardees must provide at least 32 hours per week in direct client care, at a qualified facility in California in an eligible discipline for the duration of the 12-month service obligation.

- Direct Client Care: This includes assessment, treatment, counseling, procedures, self-care, patient education and documentation relating to patient encounters being treated for or suspected of needing mental health services. Direct client care includes both, face-to-face and telehealth-based preventative care and first-line supervision.
- First-line Supervision: The supervising of staff who provide direct client care.

Program Monitoring

HCAI expects the awardee will begin performance of the grant agreement on the start date listed on the grant agreement. **If awardee is unable to begin their service obligation on the start date of the grant agreement, their contract may result in an administrative breach.** Work performed, and payments before the grant agreement start date will not count towards the requirements for the grant agreement.

Awardee Communication Requirements

Awardees must email their Program Officer within these specified timeframes for any of the following reasons:

1. 15 calendar days if you:

- Have any change in full-time status, including but not limited to, a decrease in the number of hours per week providing direct client care (falling below 32 hours), termination, resignation, or leave of absence in excess of the time permitted outlined under “Practice Site Absences”.

2. 30 calendar days if you:

- Have any change in practice site, contact your Program Officer via email to verify if the practice site is eligible. If determined to be eligible, your Program Officer will provide a blank Employment Verification Form (EVF) to be completed. Once signed by your supervisor you must submit the completed EVF to your Program Officer via email for administrative review.
- Change your name, mailing address, phone number and/or email address. Awardee’s “Profile” page on the HCAI eApp Funding Portal must be updated to reflect this change prior to contacting their Program Officer via email.

NOTE: Contact Program Officer via email to request and submit a Payee Data Record form (STD204) anytime there is a change in the Awardee’s name and/or mailing address.

3. 90 calendar days if you:

- File a petition with HCAI for modification of the amount to be paid or repaid and/or the time of repayment regarding a potential breach in contract.

NOTE: It is highly recommended that you contact your Program Officer via email, prior to any of the above changes taking effect.

Practice Site Absences

Awardees may have up to four weeks during the Term of this Agreement away from their LMH approved practice site for vacation, holidays, continuing professional education, illness, or any other reason. HCAI will extend the Awardee's obligation end date for each day of absence over the allowable four weeks.

Grant Agreement Deliverables

Awardees of the LMH program are required to submit two progress reports through the HCAI eApp Funding Portal during their 12-month service obligation. The schedule of those reports is based on your contract start date (**September 30, 2025**) as follows:

Deliverable	Date Available*	Due Date	Payment Assoc.
Progress Report One	April 1, 2026	April 30, 2026	No
Progress Report Two	October 1, 2026	October 31, 2026	Yes

****Availability dates are approximate***

Awardees will receive detailed instructions for the completion of the report via a notification sent out by the eApp (from no-reply@hcai.ca.gov) on the "Date Available*".

Initiating an Application

The applicant is responsible for providing all necessary information and ensuring that the information contained in the application is accurate.

Applicants must register and submit an application (including all required forms, documents and/or attachments) through the web-based HCAI eApp Funding Portal (<https://funding.hcai.ca.gov/>).

New applicants must first register as a user to access the application materials. Returning applicants must use their previous email and password to log in. Section II: Provider eApp Technical Guide contains information regarding how to register and complete your application.

You may apply for more than one HCAI loan repayment or scholarship program at a time. However, if awarded, you may only accept one, as you can only have one service obligation at a time.

Evaluation and Scoring Procedures

HCAI has established a fair and impartial process for scoring and evaluating applications. Each application is reviewed by HCAI staff to assess their eligibility per the established program criteria as outlined in Attachment A: Evaluation and Scoring Criteria. Applying does not guarantee you will be awarded.

HCAI may make multiple awards. Final awards include consideration of the following elements:

1. At the time of application closing, HCAI will check each application for the presence or absence of required information in conformance with submission requirements.
2. HCAI may reject applications that contain information that is false, misleading information and/or does not match the information on the submitted forms.
3. HCAI will use the evaluation tool in Attachment A: Evaluation and Scoring Criteria to score applications and will grant awards to the highest scored applications. HCAI intends for this application to support multiple counties in California by providing a distribution of awards throughout the state of California. HCAI may give preference to applications seeking to support geographic regions not addressed by other similarly scored applications.

Award Process

HCAI will notify selected applicants after finalizing all award decisions. The award process time can vary depending on the number of applications received. HCAI will use DocuSign to send contract documents to Awardees for review and signatures. Once the grant agreement is sent out via DocuSign, the Awardee will have seven business days to accept their grant agreement, by signing the grant agreement, or to decline their grant agreement via DocuSign.

NOTE: Please make sure to check your “Junk/Spam” folders for the grant agreement.

Contract Termination

Awardee may terminate their agreement without penalty, no later than 45 days before the end of the fiscal year in which HCAI entered into the agreement. To request a termination of agreement, the Awardee must:

1. Submit a written request via email with their reason for termination of the agreement.
2. Repay all amounts paid to the Awardee pursuant to their agreement. The awardee shall make all repayments before the end of the fiscal year in which the awardee received payment from HCAI.

HCAI will close out the contract, effective immediately. No penalties will be due back to HCAI, and the Awardee will be allowed to apply again in the future.

NOTE: Once the contract is administratively closed, this action cannot be reversed.

Breach Policy

HCAI reserves the right to recover monies for the awardee's failure to perform the obligations set forth in the grant agreement. Refer to Attachment B: Sample Grant Agreement – Section G: Breach, for detailed information.

Key Dates

The key dates for the program year are as follows:

Event	Date	Time
Application Available	May 1, 2025	3:00 p.m.
Application Submission Deadline	June 13, 2025	3:00 p.m.
Anticipated Award Notice	August/September 2025	N/A
Proposed Grant Agreement Start Date	September 30, 2025	N/A

Technical Assistance Call (TAC)

Applicants are encouraged to attend one of the scheduled TAC calls during the application cycle to ask questions related to their application and/or the Funding eApp. Below is a schedule for upcoming TACs.

Date	Time	Meeting Info
Wednesday, May 14, 2025	9:05 a.m. – 10:00 a.m.	Join the meeting now Meeting ID: 270 312 267 421 Passcode: mY3N9wd2 Or call in (audio only) +1 916-535-0978,,975009854# United States, Sacramento Phone conference ID: 975 009 854#
Wednesday, June 4, 2025	2:35 p.m. – 3:30 p.m.	Join the meeting now Meeting ID: 293 359 143 748 Passcode: 2AV2rf9p Or call in (audio only) +1 916-535-0978,,822226050# United States, Sacramento Phone conference ID: 822 226 050#

Resources

HCAI is committed to supporting applicants and awardees throughout the application and monitoring process of their service period. To achieve this goal, please reference the additional resource documentation provided below:

1. [Funding Eligibility Quiz](#): Take the quiz to find out if you are eligible to apply for a HCAI Loan Repayment, Scholarship, Grant, or Small and Rural Hospital Project Reimbursement.
2. [Program Frequently Asked Questions \(FAQs\)](#): Document answers commonly asked questions tailored toward applicants and awardees.
3. [Technical Assistance Guide](#): Assist applicants and awardees with navigating the HCAI eApp Funding Portal and submitting required deliverables.

Post Award and Payment Provisions

“As a Grantee, HCAI may reach out to you periodically during and after your service commitment and ask you to complete a survey. Your participation is vital to our ability to demonstrate the effectiveness of programs such as this one and advocate for future funding to participants such as you. If you receive a survey from us, it will likely contain questions about your education/training status and employment. We hope that you will take the time to complete such surveys - typically not more than one or two per year and not for more than five (5) years after your service commitment concludes.”

Contact Us

Please review all guides, in full, prior to contacting program staff. Any additional questions can be emailed to HCAI staff at HWDD-LRP@hcai.ca.gov. **Please allow up to 24 business hours for response.**

Section II: Provider eApp Technical Guide

1. Accessing the Application System

HCAI uses the eApp to allow healthcare providers and students to submit applications. This Grant Guide contains information you need to complete and submit an application in the eApp.

To access the eApp, go to <https://funding.hcai.ca.gov/>. To ensure proper functionality in the eApp, use Google Chrome or Microsoft Edge, as Internet Explorer is NOT supported. Using a Windows-based PC/laptop is recommended. We do **NOT** recommend accessing eApp, via smartphones, tablets, and/or iOS-based devices.

2. Registration and Login

All applicants must register in the HCAI eApp Funding Portal before beginning an application. To register as a new user, click the “Create Account” button on the home page and follow the instructions. After submitting your email address and creating a password, you will receive an email (from no-reply@hcai.ca.gov) with an account activation link. Click the link in the email to return to the eApp and complete your user “Profile” page. After your user “Profile” page is completed, navigate to the “Apply Here” tab to begin your application.

3. Submitting an Application

- By submitting the application, you agree to the grant Terms and Conditions.
- HCAI will not consider late and/or incomplete applications. For more detailed information, refer to Key Dates in this Grant Guide.
- Once you click the “Submit” button, you **cannot** go back to revise your application.
- The eApp will email you a confirmation of submission.

4. LMH Application Components

A submitted application must contain all required information and conform to the Grant Guide format. The LMH application has eight sections to complete:

1. General Information
2. Contact Information **(one unique contact required)**
3. Educational Information
4. Professional Information
5. Employment Verification
6. Educational Debt
7. Required Documents
 - **You must submit documents in one of the following file formats: .jpg, .doc, .docx, or .pdf. If you submit a document in another format, it will be rejected and will put your application at risk of being ineligible.**
8. Application Certification

Attachment A: Evaluation and Scoring Criteria

Core Categories	Guidelines	Points
Languages Spoken	25 points: Speaks one or more listed languages fluently/well enough to be able to provide direct care services to clients. 0 points: Does not speak more than one language.	25 points max
Health Professional Shortage Areas	How many years of experience do you have working or training in Health Professional Shortage Areas (HPSA)? 25 points: Five or more years 20 points: Four years 15 points: Three years 10 points: Two years 5 points: One year 0 points: Less than one year	25 points max
Economically Disadvantaged	As defined by the Scholarship for Disadvantaged Students program, have you been identified as having a disadvantaged background based on environmental and/or economic factors, or did you receive a federal Exception Financial Need Scholarship? 25 points: Yes 0 points: No	25 points max

Attachment A: Evaluation and Scoring Criteria (Continued)

Core Categories	Guidelines	Points
Cultural Competency	Which underserved/underrepresented populations do you have experience working with (paid and/or unpaid)? Please select all that apply. • American Indian, Native American, or Alaska Native • Black, African American, or African • People who are deaf/hard of hearing • Individuals with few literacy skills, or not literate • People with a disability (vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and/or independent living difficulty) • Hispanic or Latinx • Indigenous populations(s) • LGBTQ+ • Middle Eastern • Native Hawaiian or other Pacific Islander • Refugee and/or new immigrants • Southeast Asian • Military veterans • None of the above You indicated that you have experience working with [auto-populate with selections from above]. Please indicate how many years of experience you have providing culturally competent care to this group(s). 25 points: Five or more years 20 points: Four years 15 points: Three years 10 points: Two years 5 points: One year 0 points: Less than one year	25 points max
Total Points		100 points max

Attachment B: Sample Grant Agreement

GRANT AGREEMENT BETWEEN THE
DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION
AND

[Applicant Contact Name], [DISCIPLINE/SPECIALTY]
GRANT AGREEMENT NUMBER **[GRANT NUMBER]**

THIS GRANT AGREEMENT (“Agreement”) is entered into on **[Contract Start Date]** by and between the State of California, Department of Health Care Access and Information (hereinafter “HCAI”) and **[Applicant Contact Name]** (hereinafter “Awardee”)

WHEREAS, HCAI supports healthcare accessibility through the promotion of a diverse and competent workforce while providing analysis of California’s healthcare infrastructure and coordinating healthcare workforce issues.

WHEREAS, HCAI seeks to accomplish its mission by encouraging mental health professionals to provide healthcare in underserved communities throughout California through the Licensed Mental Health Services Provider Education Program (hereinafter “LMH”).

WHEREAS, LMH provides support to mental health professionals in the repayment of educational loans.

WHEREAS, Awardee is a qualified mental health professional who was selected by HCAI through duly adopted procedures to receive grant funds from LMH.

NOW THEREFORE, HCAI and the Awardee, for the consideration and under the conditions hereinafter set forth, agree as follows:

A. Definitions:

1. “Abortion” (as defined by California Health and Safety code section 123464) means any medical treatment intended to induce the termination of a pregnancy except for the purpose of producing a live birth.
2. “Abortion-related services” includes induced abortions performed by a trained provider, under sanitary conditions, and using modern techniques (e.g., vacuum aspiration), or the use of high-quality medications with an effective regimen for medical abortion. Abortion-related service also includes miscarriage management, counseling and/or mental health services related to abortions, contraceptive services, links to other sexual and reproductive health services, and connections to the community, as defined under post-abortion care."

3. “Approved Practice Site” and/or “Practice Site” is a facility that meets one of the following sets of criteria:
 - a. “Health Professional Shortage Area - Mental Health (HPSA-MH)” means an area designated as such by the U.S. Department of Health and Human Services, Health Resources and Service Administration, Bureau of Health Professions’ Shortage Designation Branch.
 - b. “A publicly funded or public mental health facility,” which means a hospital, clinic, or long-term care facility licensed and/or certified by the California Department of Mental Health and/or the California Department of Health Services that is conducted, maintained, or operated by this state or by any of its political subdivisions or districts, or by any city, and that provides mental health services.
 - c. “A non-profit private mental health facility,” which means a hospital, clinic, or long-term care facility licensed and/or certified by the California Department of Mental Health and/or the California Department of Health Services that is operated by a non-profit entity that contracts with a county mental health entity or facility to provide mental health services.
 - d. A facility that is a Children’s Hospital, Clinics providing reproductive health and abortion related services, Correctional Facility, County-Operated Health Facility, Public School Facility, State-Operated Health Facility, Substance Use Facility, and Veteran’s Facility.
4. “Deputy Director” means the Deputy Director of the Office of Health Workforce Development (OHWD) or their designee.
5. “Direct Client Care” means the provision of health care services provided directly to individuals being treated for or suspected of needing mental health services. Direct client care includes both, face-to-face and telehealth-based preventive care and first-line supervision. “First-line Supervision” means the direct supervision of staff who are providing direct client care.
6. “Full-Time Service” is defined as a minimum of 32 hours per week providing direct client care.
7. “Grant Agreement/Grant Number” means Grant Number **[Grant Number]**, awarded to Awardee.
8. “Awardee” means an applicant who was selected by HCAI to receive grant funds.
9. “Grant Funds” means the funds provided by HCAI to Awardee per this Agreement and under LMH for loan repayment assistance.

10. “Program” means the **Licensed Mental Health Services Provider Education Program (LMH)**.
11. “Program Application” means the grant application electronically submitted by Awardee and approved by HCAI.
12. “Program Manager” means the HCAI manager responsible for the program.
13. “Progress Report” means a report completed by the Awardee and signed by their employer, certifying the Awardee is meeting their contractual obligation to provide a minimum of 32 hours of direct client care per week at an approved practice site. Progress reports are due every six (6) months.
14. “Program Representative” (hereinafter “Program Officer”) means the HCAI analyst that administers and oversees the loan repayment program and shall be the primary contact for the Awardee during their service obligation.
15. “State” means the State of California and includes all its Departments, Agencies, Committees and Commissions.

B. Terms of the Agreement

This Agreement shall take effect on **[Contract Start Date]** and shall terminate on **[Contract End Date]**.

C. Scope of Work

Awardee agrees to the following Scope of Work. In the event of a conflict between the provisions of this section and the Awardee’s Program Application, the provisions of this Scope of Work Section shall prevail:

The Awardee shall:

1. For the period of **[Contract Start Date]** through **[Contract End Date]** to provide full-time service in direct client care, including practicing at least 12 months at an Approved Practice Site as a(n) **[Discipline]**.
 - a. Awardees may have up to four weeks during the Term of this Agreement away from their LMH approved practice site for vacation, holidays, continuing professional education, illness, or any other reason.
 - b. Should Awardee take more than four weeks as stated above and HCAI agrees to this, HCAI and Awardee agree to amend the term of this Agreement to extend the service obligation for each day of absence over the four weeks.

2. If awardee is unable to begin their service obligation on the start date of this agreement, their contract may result in an administrative breach.
3. Apply all Grant Funds received to the qualifying educational loan(s) provided by the lending institution(s) listed on the Program Application. Awardee must pay all received Grant Funds towards the qualifying educational loans during the term of this Agreement. Work performed, and payments made before the Grant Agreement start date, will not count towards the requirements for the Grant Agreement. Failure to adhere to this provision is a material breach of this Agreement and will result in penalties as described below.
4. Pay to the lending institution(s) listed in the approved Program Application any interest that accrues during the term of this Agreement.
5. Notify HCAI, in writing, of any and all, name, mailing address, phone number, and e-mail address changes within 30 calendar days of the changes.
6. Awardee must notify HCAI within 30 calendar days of any change in the place of employment. HCAI will verify if the new place of employment is an Approved Practice Site. It is highly recommended for Awardees to contact their Program Officer (identified under Section L. HCAI and Awardee Contact Information) to verify eligibility of a potential new employer before switching places of employment.
7. Submit to HCAI by required deadlines, as determined by HCAI, all requested information and documents during the duration of this Agreement [**Contract Start Date**] through [**Contract End Date**]. HCAI may request information to include, but not limited to, Employment Verification Form (EVF), and Progress Reports. The schedule for Progress Reports is as follows:
 - a. [**Deliverable Name/Title**] [**Payment Suffix**] will be available on [**Service Period (End Date)**], and due [**Deliverable Due Date**].
 - b. [**Deliverable Name/Title**] [**Payment Suffix**] will be available on [**Service Period (End Date)**], and due [**Deliverable Due Date**].

****Availability dates are approximate.***

8. Awardee must not have agreed to a contract with another entity to practice professionally for a period during the term of this Agreement in exchange for financial assistance, including tuition reimbursement, scholarships, loans, or a loan repayment. Awardee shall be ineligible to receive a loan repayment under this Agreement until the conflicting obligation to this other entity has been fulfilled. The “Public Service Loan Forgiveness (PSLF) Program” is not considered a service obligation.

9. In the event an Awardee's loans are forgiven and/or paid off during the course of the Agreement term, Awardee must contact their Program Officer via email to review available options.

D. Payment Provisions and Reporting Requirements

1. HCAI shall make **one Annual** payment of Grant Funds within the Service Term, from **[Contract Start Date]** to **[Contract End Date]**, payable directly to the Awardee. HCAI reserves the right to change payment provisions within the Agreement term, if needed.
2. Payments will be made in accordance with, and within the time specified in, Government Code, Title 1, Division 3.6, Part 3, Chapter 4.5, commencing with Section 927.
3. Service obligations will be monitored via the regular submission of progress reports by the Awardee on a bi-annual basis. HCAI reserves the right to increase or decrease the number of progress reports required to be submitted within the Agreement term, if needed. Nothing in this Agreement relieves the Awardee of the primary responsibility to repay the educational debts listed in the approved program application. Awardee shall be issued payment pursuant to HCAI receiving completed progress reports. Awardee will receive an automated email (from no-reply@hcai.ca.gov) when their progress report is available to download and submit in the Funding e-App portal. Progress reports will be available to download approximately one month prior to the due date.
4. The total obligation of HCAI under this Agreement shall not exceed **[\$Award Amount]** to the Awardee and shall be payable as follows:
 - a. **[\$Payment #1]** after Awardee has completed one year of service obligation in compliance with this Agreement, which is **[Deliverable Due Date #2]**.
5. Payment shall be made and is conditioned upon HCAI's receipt of documentation of the Awardee's provision of the service obligation, and other documents as required by HCAI. Payment shall be made within 45 calendar days of receipt by HCAI of all required documentation. Payments under this Agreement are not issued with regard to any loan payment due date and may be made at any time within the terms of this Agreement.

E. Award May be Exempt from Federal Income Taxes

HCAI does not provide tax advice and this section may not be construed as tax advice from HCAI. Awardee should seek advice from an independent tax consultant regarding the financial implication(s) of any funds received from HCAI. HCAI does not withhold taxes from payments to Awardees. HCAI will not issue an IRS 1099 form for this agreement.

Payments made under certain State Loan Repayment Programs may be exempt from federal taxes under 26 U.S.C. § 108(f)(4):

“In the case of an individual, gross income shall not include any amount received under section 338B(g) of the Public Health Service Act, under a State program described in section 338I of such Act (enacted by Pub L. 108-357, § 320(a) in 2004), or under any other State loan repayment or loan forgiveness program that is intended to provide for the increased availability of healthcare services in underserved or health professional shortage areas (as determined by such State).”

F. Budget Contingency Clause

1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be void. In this event, HCAI shall have no liability to pay any funds whatsoever to Awardee or to furnish any other considerations under this Agreement and Awardee shall not be obligated to perform any provisions of this Agreement.
2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of the Program, HCAI shall have the option to either cancel this Agreement with no liability occurring to HCAI or offer an Agreement amendment to Awardee to reflect the reduced amount.

G. Breach

HCAI reserves the right to recover the following amounts for Awardee's failure to perform the obligations set forth in this Agreement:

1. For failure to start or complete Awardee's service obligation, HCAI shall recover all of the following:
 - a. The total amounts paid by HCAI to, or on behalf of, the Awardee for loan repayments for any period of obligated service not served; and
 - b. An amount equal to 10% of the total award amount plus interest.
2. Any amount HCAI is entitled to recover from the Awardee for breach of this Agreement shall be paid within one year of the date HCAI determines that the Awardee is in breach of this Agreement.
3. Per Government Code 16580-16586, HCAI has statutory authority to collect on any outstanding debts. HCAI may attempt to collect from the Franchise Tax Board or any Medi-Cal offsets. HCAI may contact the Employment Development

Department, the Board of Equalization and/or a collection agency in an effort to obtain repayment of the funds owed.

4. Awardee will be ineligible to apply for any HCAI Programs in the future if they materially breach their contract unless Awardee obtains relief under Section H.

By signing below, the Awardee has reviewed and acknowledged the terms under Section G: Breach.

[Awardee's Full Name]

Date

H. Provisions for Suspension, Waiver, Cancellation or Voluntary Termination of Service

1. Any service or payment obligation incurred by the Awardee will be canceled upon the Awardee's death.
2. HCAI may waive or suspend the Awardee's Service Obligation or payment obligation incurred under this Agreement if the Awardee is permanently incapacitated by illness or injury, which prevents Awardee from practicing his/her profession or prevents Awardee from obtaining any other gainful employment. HCAI reserves the right to request medical or disability documentation as deemed necessary in order to complete the waiver or suspension request. Awardee must submit a written request to HCAI for waiver of suspension of Awardee's service obligations. A suspension of Awardee's obligation may be granted up to one year if Awardee's compliance is temporarily impossible or an extreme hardship. Additional time taken will extend the Service Term end date. (Note: A waiver permanently relieves the Awardee of all or part of the Service Obligation, however, waivers are not routinely granted and required a showing of compelling circumstances).
3. HCAI may provide for the partial or total waiver or suspension of any obligations of service or payment by Awardee whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.
4. Leave of absence for medical or personal reasons may be granted up to six months if the Awardee provides independent medical documentation of physical or mental health disability or personal circumstances, including terminal illness of an immediate family member, which results in the Awardee's temporary inability to perform their service obligation. Awardee must submit a written request to HCAI which must be approved at least 30 calendar days prior beginning any leave of absence. Periods of approved leave of absence of service will revise the Service Term end date after a Grant Agreement amendment.

5. If the Awardee plans to be away from his/her approved practice site(s) for paternity/maternity/adoption leave, the Awardee is required to inform HCAI at least 60 calendar days before taking the leave. HCAI allows Awardees to be away from their approved practice site(s) within the timeframes established by either the Family Medical Leave Act (up to 12 weeks), or other federal and state law; however, the Awardee must adhere to the leave policies of his/her approved practice site.
6. Call to Active Duty in the Armed Forces, leave of absence, or suspension of service may be granted to Awardees who are military reservists and are called to active duty; Awardees may be granted from six months 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 suspension, a copy of the Order to active duty must be submitted to HCAI. The period of active duty will not be credited toward the service obligation. Periods of approved leave of absence of service will extend the Awardee's Agreement end date.
7. HCAI shall terminate the Agreement, no later than 45 days before the end of the state fiscal year in which HCAI entered into the agreement. To request a termination of agreement, the awardee must:
 - a. Submits a written request via email with their reason for termination of the agreement.
 - b. Repay all amounts paid to the awardee pursuant to their agreement. The awardee shall make all repayment before the end of the fiscal year in which the awardee received payment from HCAI.

HCAI will close out the contract, effective immediately. No penalties will be due back to HCAI, and the awardee will be allowed to apply again in the future.

I. Change of Approved Practice Site

1. Awardee may request that HCAI permit him or her to change the practice location from one approved practice site to another. The request must be in writing and must be received and approved by HCAI, a minimum of 30 calendar days prior to the desired change. If the proposed transfer practice site is disapproved and the Awardee refuses assignment to another approved practice site, the Awardee may be placed in breach.
2. Awardees that voluntarily resign from their approved practice site(s) without prior approval from HCAI or are terminated by their approved practice site(s) for cause may be placed in breach. Awardee must notify HCAI in writing of immediate termination.

3. If Awardee becomes unemployed or is informed by his/her practice site of a termination date, Awardee must notify HCAI immediately in writing. The Agreement may be extended for the length of time the Awardee is without a practice site, so long as the period without a practice site does not exceed six months and so long as the employment is not a result of termination for cause. If additional time is needed, and the period without a practice site is not a result of termination for cause, Awardee may notify HCAI in writing, requesting additional time. HCAI will inform the Awardee of their decision in writing.

J. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-2-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

K. General Terms and Conditions

1. **Timeliness:** Time is of the essence in this Agreement. Awardee will submit required deliverables as specified and adhere to the deadlines as specified in this Agreement. Anticipating potential overlaps, conflicts, and scheduling issues, to adhere to the terms of the Agreement, is the sole responsibility of the Awardee.
2. **Final Agreement:** This Agreement, along with the Awardee’s Application, exhibits and forms constitutes the entire and final agreement between the parties and supersedes any and all prior oral or written agreements or discussions. In the event of a conflict between the provisions of this Agreement and the Awardee’s application, exhibits, and forms, the provisions of this Agreement shall prevail.
3. **Cumulative Remedies:** A failure to exercise or a delay in exercising, on the part of HCAI, any right, remedy, power or privilege hereunder shall not operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

4. Ownership and Public Records Act: All reports and the supporting documentation and data collected during the funding period which are embodied in those reports, shall become the property of the State and subject to the California Public Records Act (Gov. Code §§ 6250 et seq.).
5. Independence from the State: The Awardee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
6. Waiver: The waiver by HCAI of a breach of any provision of this Agreement by the Awardee will not operate or be construed as a waiver of any other breach. HCAI expressly reserves the right to disqualify Awardee from any future grant awards for failure to comply with the terms of this Agreement.
7. Approval: This Agreement is of no force or effect until signed by both parties. The Awardee may not commence performance until such approval has been obtained.
8. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or arrangement not incorporated in the Agreement is binding on any of the parties.
9. Assignment: This Agreement is not assignable by the Awardee, either in whole or in part, without the consent of HCAI in the form of a formal written amendment.
10. Indemnification: Awardee agrees to indemnify, defend and save harmless the State, its officers, agents, and employees from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Awardee in the performance of this Agreement.
11. Disputes: Awardee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement, shall be resolved as follows:
 - a. Awardee will discuss the problem informally with the HCAI Program Manager. If unresolved, the problem shall be presented, in writing, to the Deputy Director, stating the issues in dispute, the basis for Awardee's position, and the remedy sought. Awardee shall include copies of any documentary evidence and describe any other evidence that supports their position with their submission to the Deputy Director.
 - b. Within ten working days after receipt of the written grievance from the Awardee, the Deputy Director or their designee shall make a determination and respond in writing to the Awardee indicating the decision and reasons for it.

- c. Within ten working days of receipt of the Deputy Director's decision, Awardee may appeal to the HCAI Chief Deputy Director stating why the Awardee does not agree with the Deputy Director's Decision. The Chief Deputy Director or designee (who shall not be the Deputy Director or their Designee) shall meet with Awardee within 20 working days of receipt of Awardee's appeal. During this meeting, Awardee and HCAI may present evidence in support of their positions.
 - d. Within ten working days after meeting with Awardee, the HCAI Chief Deputy Director or their designee shall respond in writing to the Awardee with their decision. The Chief Deputy Director's decision will be final.
12. Termination for Cause: In addition to the Breach provisions above, HCAI may terminate this Agreement and be relieved of any payments should Awardee fail to perform the requirements of this Agreement at the time and in the manner herein provided. Awardee shall return any unused Agreement Funds that were previously provided to Awardee as of the date of termination.
13. Governing Law: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
14. Unenforceable Provision: If any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

L. HCAI and Awardee Contract Information

The representatives of HCAI and the contact information for each party during the term of this agreement are listed below. Direct all inquiries to:

State Agency: Department of Health Care Access and Information	HCAI Program Awarded Under: [Cycle Name]
Section/Unit: Office of Health Workforce Development	Awardee's First Name, Last Name: [Applicant Contact Name]
Program Officer Name: [Grant Administrator 1 Full Name]	Address: [Applicant Contact Address 1]
Address: 2020 West El Camino Avenue, Suite 1222 Sacramento, CA 95833	Phone Number 1: [Applicant Contact Phone 1]
Phone: [Grant Administrator 1 Main Phone]	Phone Number 2: [Applicant Contact Phone 2]
Email: [Grant Administrator 1 Primary Email]	Email: [Applicant Contact Email Address]

M. Parties' Acknowledgement:

By signing below, the Department of Health Care Access and Information (HCAI) and Awardee acknowledge that this Agreement accurately reflects the understanding of HCAI and Awardee with respect to the rights and obligations under this Agreement.

[Awardee's Full Name]

Date

For the Department of Health Care Access and Information:

[Procurement and Contract Services Manager]

Date



Medi-Cal Behavioral Health Student Loan Repayment Program

**Grant Guide
For Grant Year 2025**

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Purpose

This guide explains what the Medi-Cal Behavioral Health Student Loan Repayment Program (MBH-SLRP) is and what you need to do to apply. It includes step-by-step instructions for applicants and important rules that grantees must follow to complete their service obligation. Everyone who applies must agree and meet the program's requirements before they are awarded any funding. The Department of Health Care Access and Information (HCAI) does not allow any changes to the rules listed in this guide.

Background and Mission

HCAI created the MBH-SLRP program to help grow California's healthcare workforce. It does this by paying off student loans for behavioral health professionals who give direct care to clients in places that serve Medi-Cal and uninsured patients.

In December 2024, the Centers for Medicare & Medicaid Services (CMS) approved the Department of Health Care Services' (DHCS) Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Medicaid Section 1115 demonstration project authorizing up to \$1.9 billion in funding across five distinct workforce programs over a five-year period. The MBH-SLRP is part of the BH-CONNECT Workforce Initiative. The BH-CONNECT Workforce Initiative allows California to use federal matching funds to support efforts that increase the number of behavioral health professionals helping Medi-Cal members and people without insurance.

Award Funding

Up to **\$90,100,000** is available for award to eligible behavioral health professionals practicing in eligible settings.

Eligibility Requirements

In exchange for a service obligation to serve in a Medi-Cal safety net setting, eligible behavioral health professionals may receive loan repayments of up to **\$240,000** depending on their profession and subject to the terms of this guide. Each Grantee, defined as an applicant who has been awarded an MBH-SLRP grant and signs the HCAI issued grant agreement, is required to meet program requirements for the duration of the MBH-SLRP listed below. Grantees who fail to comply with these requirements may be disqualified from the program, terminated from the program, or considered in breach of their Grant Agreement.

To be eligible for an MBH-SLRP award, each Grantee must comply with the following:

- a) If a license, certification, or credential is required for your profession, maintain a current and unrestricted license/certification/credential and be in good standing with the body responsible for your license/certification/credential.

- b) Have existing qualifying educational loan debt incurred while pursuing a degree or certificate to practice in an eligible behavioral health profession.
- c) Keep eligible educational loans in good standing.
- d) Must not be in breach of any HCAI service obligation or a service obligation with any other entity.
- e) Must not have an existing HCAI service obligation or a service obligation with any other entity.
- f) Submit Employment Verification Forms (EVFs) every six months, using the HCAI eApp Funding Portal demonstrating compliance with program requirements and grant agreement.
- g) Be willing to serve a service obligation providing direct care in a Medi-Cal safety net setting.
- h) Maintain 32 hours or more per week of direct client care at an eligible practice site, or 30 hours or more per week of direct care in an eligible school setting during the entirety of the service obligation.
- i) Complete and submit an application using the HCAI eApp Funding Portal by August 15, 2025, at 3:00 p.m.

Eligible Behavioral Health Professions

Applicants in one of the eligible professions below can receive loan repayments through the MBH-SLRP. Regardless of profession type, applicants must deliver behavioral health services as described in the service obligation to be eligible. This will need to be indicated in the application. Current associate or registered providers must obtain the related license or certificate no later than 1 year after completing the degree or certificate program and meeting clinical hour requirements pursuant to state law.

• Addiction Medicine Physician	• AOD (Alcohol and Other Drug) Counselors ¹
• Associate Clinical Social Worker	• Associate Marriage and Family Therapist
• Associate Professional Clinical Counselor	• Certified Peer Support Specialist
• Certified Wellness Coach ²	• Community Health Worker (Promotores/Representatives)
• Licensed Clinical Psychologist	• Licensed Marriage and Family Therapist
• Licensed Clinical Social Worker	• Licensed Psychiatric Technician
• Licensed Professional Clinical Counselor	• Mental Health Rehabilitation Specialist
• Licensed Vocational Nurse	• Occupational Therapist
• Nurse Practitioner	• Physician Assistant
• Psychology Associate	• Psychiatrists (including Addiction and Child and Adolescent Psychiatrist)
• Registered Nurse	

Eligible Practice Sites

An applicant must provide direct client care at a California site that meets one of the below definitions of a Medi-Cal safety net setting:

1. Federally Qualified Health Centers (FQHC)
2. Community Mental Health Centers (CMHC)
3. Rural Health Clinics (RHC)
4. Settings with the following payer mix:
 - a. Hospitals with 40 percent or higher Medicaid and/or uninsured population
 - b. Rural hospitals with 30 percent or higher Medicaid and/or uninsured
 - c. Other behavioral health settings with 40 percent or higher Medicaid and/or uninsured population

Hospitals include Acute Psychiatric Hospitals, General Acute Care Hospitals with Psychiatric Units, and Chemical Dependency Recovery Hospitals licensed by the California Department of Public Health.

Other behavioral health settings include organizations that are enrolled in Medi-Cal and deliver Medi-Cal-covered behavioral health services, including but not limited to:

¹ This includes registered and certified counselors

² Conditional on the approval of relevant SPA and budget authority

Community Treatment Facility (Must hold a DHCS mental health program approval)	Crisis Stabilization Unit (CSU)
Indian Health Care providers	Independent licensed practitioner contracted with a behavioral health plan or managed care plan for specialty or non-specialty behavioral health services
Mental Health Rehabilitation Center (MHRC)	Narcotic Treatment Programs
Qualifying provider organizations that deliver primarily field-based or telehealth Medi-Cal behavioral health services (see below for telehealth requirements)	Outpatient behavioral health clinics (other than certified outpatient SUD)
Primary care or other clinic setting with co-located behavioral health services	Psychiatric Health Facility (PHF)
School-based behavioral health setting	Short-Term Residential Therapeutic Program/Children's Crisis Residential Program (Must hold a DHCS mental health program approval)
Skilled Nursing Facility with a Special Treatment Program for mental health (Must hold a DHCS mental health program approval)	Social Rehabilitation Facility/Program (Must hold a DHCS mental health program approval)
Substance Use Disorder Treatment Facility (residential)	Substance Use Disorder Treatment Program (outpatient)

Additionally, if you are providing services via telehealth, you must also meet the requirements of [Behavioral Health Information Notice 23-018](#). In general, you are required to be physically present in California and be rendering services to someone located in California. Providers who are out of state must be licensed in California, enrolled as a Medi-Cal rendering provider, and affiliated with a Medi-Cal enrolled provider group in California or a border community.

Eligible and Ineligible Educational Loans and Loan Characteristics for Grantees

Below is a table of eligible and ineligible loans and loan characteristics for the MBH-SLRP.

Eligible	Ineligible
- Any outstanding U.S. government (federal, state, or local) and US commercial (private) student loan for undergraduate or graduate education obtained by the applicant for school tuition, and reasonable educational expenses in pursuit of their behavioral health profession - In the name of the applicant. - Obtained prior to the submission of the application to the Loan Repayment Program. - In good standing (not being in default); deferment and forbearance are acceptable. - Consolidated and/or refinanced educational loans may be eligible. These loans must clearly delineate the original loans and the degrees conferred; cannot be consolidated with another individual's loan; or with non-educational loans. Failure to provide this information may result in ineligibility for the program.	- Parents PLUS loans - Personal lines of credit - Loans in default - Credit card debt - Promissory notes - Loans operating outside of the U.S. - Loans paid in full - Eligible educational loans consolidated with loans owed by any other person, such as a spouse

Grantees must continue to follow the arrangement they have with their lender(s).

Distribution of Awards

Loan repayment will be made directly to the grantee's loan servicer as one lump sum payment between December 2025 and December 2026. Grantees will not receive payment themselves.

HCAI may award full, partial, or no funding to an applicant, based on the applicant's success in meeting the selection criteria, and the amount of available funds. The maximum award amount for MBH-SLRP is based on the table below:

Max Award by Profession

Max Award	Eligible Professions
\$240,000	• Addiction Medicine Physician • Addiction Psychiatrists • Child and Adolescent Psychiatrists • Nurse Practitioner • Physician Assistant • Psychiatrists
\$180,000	• Associate Clinical Social Worker • Associate Marriage and Family Therapist • Associate Professional Clinical Counselor • Licensed Clinical Psychologist • Licensed Clinical Social Worker • Licensed Marriage and Family Therapist • Licensed Professional Clinical Counselor • Licensed Psychiatric Technician • Licensed Vocational Nurse • Occupational Therapist • Psychology Associates • Registered Nurse
\$120,000	• AOD (Alcohol and Other Drugs) Counselors • Certified Peer Support Specialist • Certified Wellness Coach • Community Health Worker (Promotores/Representatives) • Mental Health Rehabilitation Specialists

NOTE: Applicants will not be awarded more than the total educational debt remaining on their loan balance at the time of payment.

Tax Information

HCAI does not give tax advice. Grantees should talk to a tax advisor for assistance in determining whether the loan repayment they receive from MBH-SLRP will qualify as taxable or reportable income.

Service Obligation

Grantees must provide full-time service while delivering direct client care as identified below.

Those in the following professions will serve a four-year service obligation:

- Addiction Medicine Physician
- Associate Clinical Social Worker
- Associate Marriage and Family Therapist
- Associate Professional Clinical Counselor
- Addiction Psychiatrists
- Child and Adolescent Psychiatrists
- Licensed Clinical Psychologist
- Licensed Clinical Social Worker
- Licensed Marriage and Family Therapist
- Licensed Professional Clinical Counselor
- Licensed Psychiatric Technician
- Licensed Vocational Nurse
- Nurse Practitioner
- Occupational Therapist
- Physician Assistant
- Psychiatrist
- Psychology Associate
- Registered Nurse

For grantees in the following professions, the length of the service obligation is determined by the amount awarded. Applicants may request a lower award amount than the maximum award for which they are eligible if they request a shorter service obligation.

- AOD (Alcohol and Other Drugs) Counselors
- Certified Peer Support Specialist
- Certified Wellness Coach
- Community Health Worker (Promotores/ Representatives)
- Mental Health Rehabilitation Specialists

The table below will be used to calculate the service obligation for the professions:

Award Amount	Length of Service Obligation
More than \$19,999	4 years
\$10,000 to \$19,999	3 years
Less than \$10,000	2 years

For purposes of the service obligation, the following definitions are used:

- **Full-Time Service:** Defined as a minimum of 32 hours per week providing direct client care or 30 hours per week of direct care in a school setting.
- **Direct Client Care:** This includes behavioral health services such as prevention, early intervention, assessment, treatment, counseling, procedures, patient self-care, patient education, and documentation relating to patient encounters being treated by or suspected of needing behavioral health services. Direct client care includes face-to-face care, telehealth-based care, and first-line supervision.
- **First-line Supervision:** The supervising staff who provides direct supervision over the staff who are providing the direct client care.

Program Monitoring

HCAI requires the grantee to begin performance of the service obligation on the start date listed on the grant agreement. A grantee's inability to begin their service obligation on the start date of the grant agreement may result in an administrative breach. Work performed before the grant agreement start date will not count towards the service obligation requirements in the grant agreement.

Grantee Communication Requirements

Grantee must email their Program Officer within the specified timeframes for any of the following reasons:

1. 15 calendar days if you:

- Have any change in full-time status, including but not limited to:
 - i. a decrease in the number of hours per week providing direct client care (falling below 32 hours or 30 hours in a school setting)
 - ii. termination
 - iii. resignation
 - iv. leave of absence in excess of the time permitted described below under "Practice Site Absences".

2. 30 calendar days if you:

- Have any change in practice site. Contact your Program Officer via email to verify if the practice site is eligible. If determined to be eligible, your Program Officer will provide a blank Employment Verification Form (EVF) to be completed by your supervisor at the new practice site. Once signed by your supervisor, you must submit the completed EVF to your Program Officer via email for administrative review.
- Change your name, mailing address, phone number and/or email address. Grantee's "Profile" page on the HCAI eApp Funding Portal must be updated to reflect this change.

Practice Site Absences

Grantees may have up to four weeks per year away from their MBH-SLRP approved practice site for any reason. Absences longer than this will be considered under the service obligation waiver and suspension policy included in a Grantee's agreement. In cases of suspension, HCAI will extend the Grantee's service obligation end date for each day of absence over the allowable four weeks per year. This does not apply to school vacations if the grantee is practicing at a school site.

HCAI cannot extend the grant term end-date beyond December 31, 2033. Grantees who are unable to complete their service obligation by this date may be held in breach.

Grant Agreement Deliverables

MBH-SLRP Grantees are required to submit an Employment Verification Form (EVF) through the HCAI eApp Funding Portal once every six months during their service obligation. Grantee will be required to submit a timely EVF via the HCAI eApp Funding Portal. The schedule of those reports is as follows:

Report/Activity	Reporting Period	Due Date
Employment Verification #1	December 01, 2025 - May 31, 2026	June 30, 2026
Employment Verification #2	June 01, 2026 - November 30, 2026	December 31, 2026
Employment Verification #3	December 01, 2026 - May 31, 2027	June 30, 2027
Employment Verification #4	June 01, 2027 - November 30, 2027	December 31, 2027
Employment Verification #5	December 01, 2027 - May 31, 2028	June 30, 2028
Employment Verification #6	June 01, 2028 - November 30, 2028	December 31, 2028
Employment Verification #7	December 01, 2028 - May 31, 2029	June 30, 2029
Employment Verification #8	June 01, 2029 - November 30, 2029	December 31, 2029

Grantees will be required to submit additional EVFs if their service obligation period is extended. Grantees will not be required to submit an EVF after the completion of their service obligation.

Initiating an Application

The MBH-SLRP applicant is responsible for providing all necessary information and ensuring that the information contained in the application is accurate.

Applicants must register and submit all applications (including all required forms, documents and/or attachments) through the web-based HCAI eApp Funding Portal (<https://fundingportal.hcai.ca.gov/>)

New applicants must register as an HCAI eApp Funding Portal user to access the application materials. Returning applicants are required to log in using their previous email and password. Applicants may complete their applications in multiple sessions.

You may apply for more than one HCAI loan repayment or scholarship program at a time. However, if awarded, you may only accept one, as you can only have one service obligation at a time.

Evaluation and Scoring Procedures

HCAI has established an impartial process for scoring and evaluating applications. Each application is reviewed by HCAI staff to assess their eligibility per the established program criteria as outlined in Attachment A: Evaluation and Scoring Criteria. Applying does not guarantee you will be awarded.

HCAI may make multiple awards. Final awards include consideration of the following elements:

1. At the time of application closing, HCAI will check each application for the presence or absence of required information in conformance with submission requirements.
2. HCAI may reject applications that contain false, inaccurate, or misleading information.
3. HCAI will use the evaluation tool in Attachment A: Evaluation and Scoring Criteria to score applications and will grant awards to the highest scored applications.
4. HCAI intends for these funds to support a geographic and setting/market type distribution in California. Applicants seeking to support geographic regions and setting/market types not addressed by other applications may receive preference. HCAI may also preference applicants that provide Medi-Cal specialty behavioral health services (specialty behavioral health includes mental health and substance use disorder services provided as Specialty Mental Health, Drug Medi-Cal, or Drug Medi-Cal Organized delivery system benefits).

Award Process

HCAI will notify selected applicants after finalizing all award decisions. The processing time for applications can vary depending on the number of applications received. Once the grant agreement is sent out, the awardee will have seven business days to accept their grant agreement, by signing the grant agreement, or to decline their grant agreement.

NOTE: Please make sure to check your “Junk/Spam” folders for the link to the grant agreement.

Contract Termination

Grantee may terminate their grant agreement without penalty, at any time prior to the payment being issued to their loan servicer. To request termination of the agreement, the Grantee must submit a written request via email with their reason for termination of the agreement. HCAI will close out the agreement effective immediately. No penalties

will be due to HCAI, and the Grantee will be allowed to apply again in the future. The grantee may not terminate their agreement after payment has been issued.

NOTE: Once the contract is administratively closed, this action cannot be reversed.

Breach Policy

Breach policy is only implemented after an awardee signs the grant agreement and after at least one payment is made to their loan servicer. HCAI reserves the right to recover monies for a grantee's failure to fulfil the obligations set forth in the grant agreement. Refer to Attachment B: Sample Grant Agreement – Section G: Breach, for detailed information.

Key Dates

The key dates for the program year are as follows:

Event	Date	Time
Application Available	July 1, 2025	3:00 p.m.
Application Submission Deadline	August 15, 2025	3:00 p.m.
Anticipated Award Notice	November 2025	N/A
Proposed Grant Agreement Start Date	December 2025	N/A

Resources

HCAI is committed to supporting applicants and grantees throughout the application and monitoring process of their service period. To achieve this goal, additional resource documentation has been provided below.

All the below resources can be found on HCAI's website <https://hcai.ca.gov/>

1. Grant Guide: Outlines the requirements, rules, and timeframes between HCAI and grantees.
2. Technical Assistance Guide: Assists applicants and grantees with navigating the HCAI eApp Funding Portal and submitting required deliverables.
3. Webinar: A formal presentation provided by HCAI staff to provide information to prospective applicants.

Post Award and Payment Provisions

If you become a Grantee, HCAI may reach out periodically during and after your service commitment and ask you to complete a survey. Your participation is vital to our ability to demonstrate the effectiveness of programs such as this one and advocate for future funding to participants. If you receive a survey from us, it will likely contain questions about your education/training status and employment. We hope that you will take the time to complete such surveys - typically not more than one or two per year and not for more than five (5) years after your service commitment concludes.

Contact Us

Please review all guides. You can find answers to most questions in this Grant Guide. There is also a separate Technical Assistance Guide available on the HCAI website. Further questions can be emailed to HCAI staff at MBHSLRP@hcai.ca.gov. Please allow up to 2 business days for a response.

Attachment A: Evaluation and Scoring Criteria

EVALUATION AND SCORING CRITERIA		
Core Categories	Guideline	Max Points Possible
Languages Spoken	Speaks any of the listed languages fluently/well enough to be able to provide direct care services to clients without additional translation services. • 10 points for each listed county-level Medi-Cal threshold language spoken that matches the language based on the county's (where services are provided) need, according to the Department of Health Care Services' list(s). • 5 points for each listed state-level Medi-Cal threshold language. • 5 points for each Indigenous and/or Tribal language and/or Sign language (up to 10 points). • 0 points: Does not speak any of the listed languages. Total combined points cannot exceed 15; therefore, even if the applicant speaks two county-level Medi-Cal threshold languages or one county-level and two state-level Medi-Cal threshold languages, they will not receive 20 points and will only receive a maximum of 15 points.	15
Publicly Funded Grants/Programs	Have you received/participated in any of the following: 20 points: Yes 0 Points: No • The Health Resources and Services Administration's (HRSA) Scholarship for Disadvantaged Students. • Federal Supplemental Educational Opportunity Grant (FSEOG). • Pell Grants. • Perkins Loan. • Work Study Program. • California College Promise Grant from a California Community College. • Food Stamp Program (e.g., CalFresh, SNAP, EBT).	20

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Grant Year 2025

Medi-Cal Safety Net Setting	How many years of experience do you have working or training in a Medi-Cal safety net setting? • 10 points: 5 years • 8 points: 4 years • 6 points: 3 years • 4 points: 2 years • 2 points: 1 year • 0 points: less than 1 year	10
Shortage Area	Is your employment site(s) located in an HCAI-identified shortage area? • 5 points: Severe Shortage (-50% or more) • 4 points: High Shortage (-35% to -49.99%) • 3 points: Medium Shortage (-20% to -34.99%) • 2 points: Low Shortage (-5% to -19.99%) • 0 points: No Shortage or Surplus (-4.99% or less)	5
County BH Site	Are you providing services at an organization that delivers Medi-Cal specialty behavioral health services (i.e., Specialty Mental Health, Drug Medi-Cal, or Drug Medi-Cal Organized Delivery System services)? May include both county-operated sites, and community-based sites that are contracted with a county behavioral health agency; may also include individual practitioners contracted with a county behavioral health agency. • 20 points Yes • 0 points No	20
Total Points Possible		70

Attachment B: Sample Grant Agreement

GRANT AGREEMENT BETWEEN THE
DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION
AND

[Grantee Name], [DISCIPLINE/SPECIALTY]
GRANT AGREEMENT NUMBER **[GRANT NUMBER]**

THIS GRANT AGREEMENT (“Agreement”) is entered into on **[Grant Start Date]** by and between the State of California, Department of Health Care Access and Information (hereinafter “HCAI”) and **[Grantee Name]** (hereinafter “Grantee”)

WHEREAS, HCAI supports healthcare accessibility through the promotion of a diverse and competent workforce while providing analysis of California’s healthcare infrastructure and coordinating healthcare workforce issues.

WHEREAS, HCAI seeks to accomplish its mission by encouraging behavioral health professionals to provide services in a Medi-Cal safety-net settings throughout California through the Medi-Cal Behavioral Health Loan Student Repayment Program (hereinafter “MBH-SLRP” or “Program”).

WHEREAS, MBH-SLRP provides support to behavioral health professionals in the repayment of educational loans.

WHEREAS, Grantee is a qualified behavioral health professional who was selected by HCAI through duly adopted procedures to receive grant funds from MBH-SLRP.

NOW THEREFORE, HCAI and the Grantee, for the consideration and under the conditions hereinafter set forth, agree as follows:

A. Definitions:

1. “Approved Practice Site” and/or “Practice Site” is a facility that meets the criteria for one of the following practice locations:
 - a. Federally Qualified Health Centers (FQHC)
 - b. Community Mental Health Centers (CMHC)
 - c. Rural Health Clinics (RHC)
 - d. Hospitals with 40 percent or higher Medicaid and/or uninsured population
 - e. Rural hospitals with 30 percent or higher Medicaid and/or uninsured
 - f. Other behavioral health settings with 40 percent or higher Medicaid and/or uninsured population.
2. “Deputy Director” means the Deputy Director of Health Workforce Development or their designee.

3. “Direct Client Care” means prevention, early intervention, assessment, treatment, counseling, procedures, self-care, patient education, and documentation relating to patient encounters being treated for or suspected of needing behavioral health services. Direct client care includes both face-to-face and telehealth-based preventative care and first-line supervision.
4. “Full-Time Service” Defined as a minimum of 32 hours per week providing direct client care or 30 hours per week providing direct client care in a school setting.
5. “Grant Agreement/Grant Number” means Grant Number **[Grant Number]**, awarded to Grantee.
6. “Grantee” means an applicant who was selected by HCAI to receive grant funds under MBH-SLRP.
7. “Grant Funds” means the funds provided by HCAI to Grantee per this Agreement and under MBH-SLRP for loan repayment assistance.
8. “Program” means the Medi-Cal Behavioral Health Student Loan Repayment Program (MBH-SLRP).
9. “Program Application” means the grant application electronically submitted by Grantee and approved by HCAI for funding under this Grant Agreement.
10. “Progress Report” means a report completed by the Grantee and signed by their employer, certifying the Grantee is meeting their contractual obligation to provide a minimum of 32 hours of direct client care per week at an approved practice site or a minimum of 30 hours at a school site. Progress reports are due every six (6) months.
11. “Program Officer” means the HCAI employee or other person designated by HCAI that administers and oversees the loan repayment program and shall be the primary contact for the Grantee during their service obligation.
12. “State” means the State of California and includes all its Departments, Agencies, Committees and Commissions.

B. Term of the Agreement

This Agreement shall take effect on **[Grant Start Date]** and shall terminate on **[Grant End Date]** (“Agreement Term”).

C. Scope of Work

Grantee agrees to the following Scope of Work. In the event of a conflict between the provisions of this section and the Grantee's Program Application, the provisions of this Scope of Work Section shall prevail:

The Grantee shall:

1. For the period of **[Grant Start Date]** through **[Grant End Date]** provide full-time service in direct client care, including practicing at least **[length of service obligation]** months at an Approved Practice Site as a(n) **[Profession]**.
 - a. Grantee may have up to four weeks a year away from their MBH-SLRP approved practice site for vacation, holidays, continuing professional education, illness, or any other reason as approved by their site. This provision shall not apply to school vacations during which Grantee is practicing at an approved practice site that is in a school setting.
 - b. Should Grantee take more than four weeks a year as stated above and HCAI agrees to this, HCAI and Grantee agree to amend the term of this Agreement to extend the service obligation for each day of absence over the four weeks per year, providing that the extension does not fall on or after December 31, 2033.
2. Begin their service obligation on the start date as indicated in Section 1 of this Scope of Work. The inability of Grantee to begin their service obligation on the start date of this Agreement may result in an administrative breach of this Agreement.
3. Pay to the lending institution(s) listed in the approved Program Application any interest that accrues during the Agreement Term.
4. Notify HCAI, in writing, of any and all name, mailing address, phone number, and email address changes within 30 calendar days of any such change.
5. Grantee must notify HCAI within 30 calendar days of any change in Grantee's place of employment. HCAI will verify if the new place of employment is an Approved Practice Site and notify the grantee in writing of its decision. It is highly recommended that Grantee contact their Program Officer (identified under Section L. HCAI and Grantee Contact Information) to verify eligibility of a potential new employer before switching places of employment.
6. Submit to HCAI, by required deadlines as determined by HCAI, all requested information and documents during the duration of this Agreement, which shall be **[Grant Start Date]** through **[Grant End Date]**. HCAI may request information including, but not limited to, Employment Verification Forms (EVF).

The schedule for EVF submission is as follows:

Report/Activity	Reporting Period	Due Date
Employment Verification #1	December 01, 2025 - May 31, 2026	June 30, 2026
Employment Verification #2	June 01, 2026 - November 30, 2026	December 31, 2026
Employment Verification #3	December 01, 2026 - May 31, 2027	June 30, 2027
Employment Verification #4	June 01, 2027 - November 30, 2027	December 31, 2027
Employment Verification #5	December 01, 2027 - May 31, 2028	June 30, 2028
Employment Verification #6	June 01, 2028 - November 30, 2028	December 31, 2028
Employment Verification #7	December 01, 2028 - May 31, 2029	June 30, 2029
Employment Verification #8	June 01, 2029 - November 30, 2029	December 31, 2029

7. Grantee must not have agreed to a contract with another entity to practice professionally for a period during the Agreement Term in exchange for financial assistance, including tuition reimbursement, scholarships, loans, or loan repayment. Grantee shall be ineligible to receive a loan repayment under this Agreement until any such conflicting obligation has been fulfilled. The Public Service Loan Forgiveness (PSLF) Program from the United States Department of Education is not considered a service obligation.
8. In the event Grantee's loans are forgiven and/or paid off during the course of the Agreement Term, Grantee must contact their Program Officer via email to review available options.
9. HCAI intends to evaluate the effectiveness of the MBH-SLRP through periodic surveys of past participants. Grantee hereby acknowledges that HCAI or HCAI's designee may contact Grantee for Program evaluation purposes during the immediate five (5) years after the Agreement Term concludes.

D. Payment Provisions and Reporting Requirements

1. HCAI may designate a third-party administrator to be responsible for issuing of payments and monitoring under this Agreement.
2. HCAI or HCAI's designee shall make **one** payment of Grant Funds within the Agreement Term, from **[Grant Start Date]** to **[Grant End Date]**, payable to the loan servicer(s) of the eligible educational debt specified in the program application. HCAI reserves the right to change payment provisions within the Agreement term, if needed.
3. Payments will be made in accordance with, and within the time specified in, Government Code, Title 1, Division 3.6, Part 3, Chapter 4.5, commencing with Section 927.

4. Service obligations will be monitored via the regular submission of EVFs by the Grantee every six months in accordance with this Agreement. HCAI reserves the right to increase or decrease the number of EVFs required to be submitted within the Agreement Term, if needed.
5. Nothing in this Agreement relieves the Grantee of the primary responsibility to repay the educational debts identified in the approved program application.
6. The total obligation of HCAI under this Agreement shall not exceed **\$(Award Amount)** to the Grantee and shall be payable as follows:
 - a. HCAI or HCAI's designee will issue a single payment directly to the grantee's loan servicer as identified in their application. The payment will be made within the period of December 2025 to December 2026.
 - b. If the grantee's student loan debt threshold has reduced below the award amount at the time HCAI or HCAI's designee is able to make the payment, the payment amount will correspondingly be reduced. The award cannot exceed the remaining student loan debt amount.
7. HCAI or HCAI's designee will make a payment to the student loan servicer in good faith. In return, the grantee will abide by the terms of the agreement, the service obligation, and provide documents as may be required by HCAI to ensure compliance with the agreement.
8. Payment is conditioned on the cooperation of the Grantee's loan servicer(s). Payment may be delayed due to lack of cooperation from the loan servicer. HCAI reserves the right to decrease the award amount or terminate this agreement if a loan servicer fails to cooperate with HCAI's payment process. In the event of a reduced award, HCAI reserves the right to reduce the grantee's service obligation in accordance with section 6.2 of the [BH-Connect special terms and conditions](#).

E. Tax Implications on Award

HCAI does not provide tax advice, and this section may not be construed as tax advice from HCAI. Grantee should seek advice from an independent tax consultant regarding the financial implication(s) of any funds received from HCAI. HCAI does not withhold taxes from payments to Grantees.

F. Budget Contingency Clause

1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be void. In this event, HCAI shall have no liability to pay any funds whatsoever to the loan servicer(s) of the Grantee or the Grantee or to furnish any other considerations under this

Agreement and Grantee shall not be obligated to perform any provisions of this Agreement.

2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of the Program, HCAI shall have the option to either cancel this Agreement with no liability occurring to HCAI or offer an Agreement amendment to Grantee to reflect the reduced amount.
3. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the term of this Agreement for the purposes of this Program. In addition, this Agreement is subject to any additional statute, restriction, limitation, or condition enacted by Congress or the Executive Branch of the United States Government which may affect the provisions, terms, or funding of this Agreement in any manner.
4. It is mutually agreed that if the US Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
5. HCAI has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction of funds.

G. Breach

HCAI or their designee reserves the right to recover the following amounts for Grantee's failure to perform the obligations set forth in this Agreement:

1. For failure to start or complete Grantee's service obligation, HCAI or HCAI's designee shall recover the total amounts paid by HCAI or HCAI's designee to, or on behalf of, the Grantee for loan repayments.
2. Any amount HCAI is entitled to recover from the Grantee for breach of this Agreement shall be paid within one year of the date HCAI determines that the Grantee is in breach of this Agreement.
3. Per Government Code 16580-16586, HCAI has statutory authority to collect on any outstanding debts. HCAI may attempt to collect from the Franchise Tax Board or any Medi-Cal offsets. HCAI may contact the Employment Development Department, the Board of Equalization and/or a collection agency in an effort to obtain repayment of the funds owed.
4. Grantee will be ineligible to apply for any HCAI Programs in the future if they materially breach their contract unless Grantee obtains relief under Section H "Provisions for Suspension, Waiver, Cancellation or Voluntary Termination of Service".

By signing below, the Grantee has reviewed and acknowledged the terms under Section G: Breach.

[Grantee's Full Name]

Date

H. Provisions for Suspension, Waiver, Cancellation or Voluntary Termination of Service

1. A Grantee may seek a waiver of their service obligation on the basis of an extraordinary circumstance. All requests for a waiver must be sent to the program officer. HCAI may request applicable documentation and may deny a waiver request if documentation is not provided.
2. The following extraordinary circumstances may result in the waiver of a service obligation:
 - a. Disability or Serious Illness- A Grantee experiences a documented long-term medical condition or disability that renders them unable to fulfill their service obligation.
 - b. Death of Grantee- In the event of a Grantee's death, all service obligations are considered null and void.
 - c. Military Deployment or Activation- A Grantee is called to active duty in the United States Armed Forces, including activation if the Grantee is a reservist or the drafting of the Grantee into active service, and the length of time in the armed services renders them unable to fulfill their service obligation. This does not include circumstances where the grantee voluntarily enlists into the armed forces.
 - d. Loss of Immigration or Legal Residency Status- A Grantee loses lawful immigration or legal residency status thereby preventing the Grantee from legally working in the state.
3. Grantees may request that the fulfillment of their service obligation be suspended. All requests for a suspension must be sent to the program officer. HCAI may request applicable documentation and deny a suspension request if documentation is not provided.
4. The following circumstances may result in the suspension of a service obligation:
 - a. Natural Disaster, Act of God, or Declared Emergency- A major natural disaster, catastrophic event, or declared local, state, or federal emergency significantly disrupts Grantee's ability to fulfill their obligation.

- b. Institution or Site Closure or Program Disruption- The assigned service site, educational institution, or program closes or becomes non-operational, and an alternative placement is not immediately available.
 - c. Temporary Disability- A Grantee experiences a disability that is temporary in nature and temporarily precludes them from fulfilling their service obligation.
 - d. Military Deployment or Activation- A Grantee is called to active duty in the United States Armed Forces, including activation if the Grantee is a reservist or the drafting of the Grantee into active service, and the length of time in the armed services renders them temporarily unable to fulfill their service obligation. This does not include circumstances where the grantee voluntarily enlists into the armed forces.
5. Grantees who are granted a suspension will be given 6 months to become reemployed in an eligible setting. HCAI may extend the suspension period on a case-by-case basis. Irrespective of any provision in this agreement, all service obligations must be completed on or before December 31, 2033, or the Grantee may be held in breach.
6. If Grantee plans to be away from his/her approved practice site(s) for paternity/maternity/adoption leave, Grantee is required to inform HCAI and HCAI's designee at least 60 calendar days before taking the leave. HCAI allows Grantees to be away from their approved practice site(s) within the timeframes established by either the Family Medical Leave Act (up to 12 weeks), or other federal and state law; however, Grantee must adhere to the leave policies of his/her approved practice site.
7. In accordance with section 6.1 of the [BH-CONNECT Special Terms and Conditions](#), HCAI cannot permit Grantee to work less than full-time during the fulfillment of their service obligation.
8. HCAI may terminate the Agreement before payment is made to the Grantee's loan servicer(s) upon their request. To request termination of this Agreement, Grantee must submit a written request via email with their reason for termination of this Agreement. If approved, HCAI will terminate this Agreement. No penalties will be owed by Grantee to HCAI, and Grantee will be eligible to apply again in the future.

I. Change of Approved Practice Site

1. Grantee may request of HCAI a change in practice location from one approved practice site to another. Grantee must notify HCAI within 30 days of a change in practice site and submit required documentation. If the proposed transfer practice

site is disapproved and the Grantee refuses assignment to another approved practice site, the Grantee may be placed in breach.

2. Grantees that voluntarily resign from their approved practice site(s) without prior approval from HCAI or are terminated by their approved practice site(s) for cause may be placed in breach. Grantee must notify HCAI immediately in writing of such voluntary resignation or termination.
3. If Grantee becomes unemployed or is informed by his/her practice site of a termination date, Grantee must notify HCAI immediately in writing. The Agreement may be extended for the length of time the Grantee is without a practice site, so long as the period without a practice site does not exceed six months and so long as their unemployment is not a result of termination for cause. If additional time is needed, and the period without a practice site is not a result of termination for cause, Grantee may notify HCAI in writing, requesting additional time. HCAI will inform Grantee of their decision in writing. An extension of the service time will not be allowed to extend the Agreement Term past December 31, 2033.

J. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

K. General Terms and Conditions

1. **Timeliness:** Time is of the essence in this Agreement. Grantee will submit required deliverables as specified and adhere to the deadlines specified in this Agreement. Anticipating potential overlaps, conflicts, and scheduling issues, and otherwise adhering to the terms of this Agreement, is the sole responsibility of the Grantee.
2. **Final Agreement:** This Agreement, along with the Grantee’s Application, exhibits and forms, constitutes the entire and final agreement between the parties and supersedes any and all prior oral or written agreements or discussions. In the

event of a conflict between the provisions of this Agreement and the Grantee's application, exhibits, and forms, the provisions of this Agreement shall prevail.

3. **Cumulative Remedies:** A failure to exercise or a delay in exercising, on the part of HCAI, any right, remedy, power or privilege hereunder shall not operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.
4. **Ownership and Public Records Act:** All reports and the supporting documentation and data collected during the funding period which are embodied in those reports, shall become the property of the State and subject to the California Public Records Act (Gov. Code §§ 7920.000 et seq.).
5. **Audits:** The Grantee agrees that HCAI, the Department of General Services, the State Auditor, or the designated representative of any of the foregoing shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Grantee agrees to maintain such records for possible audits for a minimum of three years after final payment is made, unless a longer period of records retention is stipulated by the State. The Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Grantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., Cal. Code Regs. tit. 2, §1896).
6. **Non-Discrimination Clause (See Cal. Code Regs., Title 2, §11105):**
 - a. During the performance of this Agreement, Grantee and its subcontractors shall not deny the Agreement's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision making, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Grantee shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination

- b. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.8), and any regulations or standards adopted by HCAI to implement such article.
 - c. Grantee shall permit access by representatives of the Civil Rights Department and HCAI upon reasonable notice at any time during the normal business hours, but not less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or HCAI shall require to ascertain compliance with this clause.
 - d. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
 - e. Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.
7. Independence from the State: The Grantee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
8. Waiver: The waiver by HCAI of a breach of any provision of this Agreement by the Grantee will not operate or be construed as a waiver of any other breach. HCAI expressly reserves the right to disqualify Grantee from any future grant awards for failure to comply with the terms of this Agreement.
9. Approval: This Agreement is of no force or effect until signed by both parties. The Grantee may not commence performance until such approval has been obtained.
10. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or arrangement not incorporated in the Agreement is binding on any of the parties.
11. Assignment: This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of HCAI in the form of a formal written amendment.
12. Indemnification: Grantee agrees to indemnify, defend, and save harmless the State, its officers, agents, and employees (i) from all claims and losses accruing or resulting to any and all of Grantee's, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies resulting from the Grantee's performance of this Agreement, and (ii) from all claims and losses accruing or resulting to any

person, firm, or corporation who may be injured or damaged by Grantee in the performance of this Agreement.

13. Disputes: Grantee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement, shall be resolved as follows:
 - a. Grantee will discuss the problem informally with the HCAI Program Representative. If unresolved, the problem shall be presented, in writing, to the Deputy Director, stating the issues in dispute, the basis for Grantee's position, and the remedy sought. Grantee shall include copies of any documentary evidence and describe any other evidence that supports their position with their submission to the Deputy Director.
 - b. Within ten working days after receipt of the written grievance from the Grantee, the Deputy Director or their designee shall make a determination and respond in writing to the Grantee indicating the decision and the reasons for the decision.
 - c. Within ten working days of receipt of the Deputy Director's decision, the Grantee may contest the decision of the Deputy Director by submitting a written request for review to the Chief Deputy Director stating why the Grantee does not agree with the Deputy Director's decision.
 - d. Within ten working days, the Chief Deputy Director or their designee shall respond in writing to the Grantee with their decision. The Chief Deputy Director's decision will be final.
14. Termination for Cause: In addition to the Breach provisions above, HCAI may terminate this Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Agreement at the time and in the manner herein provided. Grantee shall pay the amount of loan repayment provided to their loan servicer(s) as of the date of termination.
15. Governing Law: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
16. Unenforceable Provision: If any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

L. HCAI and Grantee Contract Information

The representatives of HCAI and the contact information for each party during the term of this agreement are listed below. Direct all inquiries to:

State Agency: Department of Health Care Access and Information	HCAI Program Awarded Under: [Cycle Name]
Section/Unit: Health Workforce Development	Grantee's First Name, Last Name: [Applicant Contact Name]
Program Officer Name: Grant Administrator 1 Full Name]	Address: [Applicant Contact Address 1]
Address: 2020 West El Camino Avenue, Suite 1222 Sacramento, CA 95833	Phone Number 1: [Applicant Contact Phone 1]
Phone: [Grant Administrator 1 Main Phone]	Phone Number 2: [Applicant Contact Phone 2]
Email: [Grant Administrator 1 Primary Email]	Email: [Applicant Contact Email Address]

M. Parties' Acknowledgement:

By signing below, the Department of Health Care Access and Information (HCAI) and Grantee acknowledge that this Agreement accurately reflects the understanding of HCAI and Grantee with respect to the rights and obligations under this Agreement.

[Grantee's Full Name]

Date

For the Department of Health Care Access and Information:

Date

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National Health Service Corps Loan Repayment Program

Full-Time & Half-Time Service Opportunities

Fiscal Year 2026 Application and Program Guidance

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, 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 338B of the Public Health Service Act (42 USC 254l-1),
Section 331(i) of the Public Health Service Act (42 USC 254d(i))
Future changes in the governing statute, implementing regulations and Program Guidance may
also be applicable to National Health Service Corps Loan Repayment Program participants.*

Assistance Listings (AL/CFDA) Number 93.162

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Executive Summary

The Health Resources and Services Administration (HRSA) is accepting applications for the National Health Service Corps Loan Repayment Program (NHSC LRP) for this year's application cycle. Licensed primary care providers in eligible disciplines can receive loan repayment assistance for their qualifying educational debt through the NHSC LRP. For primary care providers assigned to a primary care Health Professional Shortage Area (HPSA), which includes maternity care health professionals assigned to a Maternity Care Target Area (MCTA), the initial contract can fund up to \$75,000 of loan repayment in exchange for two years of service at an NHSC-approved site. For behavioral and oral health care providers assigned to a mental or dental HPSA, respectively, the initial contract can fund up to \$50,000 of loan repayment in exchange for two years of service at an NHSC-approved site. After the initial contract, participants may be eligible for continuation contracts that provide up to \$20,000 in loan repayment in exchange for each additional year of service. For details on HPSAs, see the [Workforce Shortage Areas](#) page on the HRSA Health Workforce website.

Eligible Applicants	Clinicians who provide direct clinical care under the following disciplines and specialties: • Primary Care providers • Oral Health Care providers • Behavioral Health Care providers
Funding	Full-Time Service: Up to \$75,000 for a two-year service obligation for primary care providers assigned to a primary care HPSA, which includes maternity care health professionals assigned to a MCTA. Up to \$50,000 for a two-year service obligation for behavioral health and oral health care providers assigned to a mental or dental HPSA, respectively. Half-Time Service: Up to \$37,500 for a two-year service obligation for primary care providers assigned to a primary care HPSA, which includes maternity care health professionals assigned to a MCTA. Up to \$25,000 for a two-year service obligation for behavioral health and oral health care providers assigned to a mental or dental HPSA, respectively. Spanish Language Award Enhancement Up to \$5,000 for eligible applicants. (See Applying for Spanish Language Award Enhancement section for details).
Service Obligation	You have a choice of service options: • Two-year full-time clinical practice at an NHSC-approved site. • Two-year half-time clinical practice at an NHSC-approved site.

Where Members Serve	NHSC clinicians must work at an NHSC-approved site located in a HPSA, which can be found around the country in rural, urban, and frontier communities. NHSC-approved sites are generally outpatient facilities providing primary care, oral, and/or behavioral health services. Visit the Health Workforce Connector to search for training and employment opportunities at NHSC-approved sites.
Application Information	Visit the NHSC LRP page on the NHSC website for application instructions, including the application deadline.
Tax Liability	Not taxable



Health Resources & Services Administration

Health Systems Bureau/Division of Transplantation

5600 Fishers Lane

Rockville, MD 20857



A Letter from Candice Chen, MD, MPH

Dear Potential Applicant,

Thank you for your consideration and time in applying to the [National Health Service Corps Loan Repayment Program](#). For more than 50 years, the National Health Service Corps has fulfilled its mission to connect highly qualified health care professionals to people with limited access to health care.

As a board-certified pediatrician who has continued to practice primary care in Southeast Washington, D.C. throughout my career, I understand the importance of community service. As we move forward, we need mission-minded clinicians like you who are committed to remaining in communities that need you most. In exchange, we will pay part and, in some cases, all of your health professional student loan debt.

Again, thank you for taking time to read the Fiscal Year 2026 National Health Service Corps Loan Repayment Program Application and Program Guidance. If you are not already employed by a National Health Service Corps-approved site or need to check your site's status, we have included the following link, [Health Workforce Connector](#), which contains a searchable database for all approved sites to assist you with completing your service obligation according to your contract.

Sincerely,

/Candice Chen, MD, MPH/

[Candice Chen, M.D., M.P.H.](#)

Associate Administrator for the Bureau of Health Workforce

Director of the National Health Service Corps

Health Resources and Services Administration

U.S. Department of Health and Human Services

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 338B of the Public Health Service Act (42 U.S.C. § 254l-1); Section 331(i) of the Public Health Service Act (42 U.S.C. § 254d(i)).

Purposes and Uses

The purpose of the NHSC LRP is to recruit and retain medical, nursing, dental, and behavioral health clinicians in eligible communities of need designated as [HPSAs](#). The information that applicants supply will be used to evaluate their eligibility, qualifications, and suitability for participating in the NHSC LRP. In addition, information from other sources will be considered (for example, credit bureau reports and National Practitioner Data Bank reports).

Certain parts of an applicant's application 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 Government Accountability Office, and pursuant to court order and various routine uses as described in the [System of Record Notice 09-15-0037 for Scholarship and Loan Repayment Program Records](#) on the Federal Register website. In accordance with applicable law, you may be notified if your information will be shared.

Effects of Nondisclosure

Disclosure of the information sought is required, except for the replies to questions related to Race/Ethnicity (Section 3 of the online application for the NHSC LRP). An application may be considered incomplete if all required information is not submitted with the application.

National Health Service Corps Loan Repayment Program Overview

For more than five decades, the NHSC has worked to position dedicated health professionals in communities across the country with the greatest need for health care services. The NHSC LRP awards eligible primary care providers (see the [Eligible Primary Care Providers and Clinical Practice Requirements](#) section) financial assistance towards repayment of their outstanding qualifying educational loans. In return, participants commit to providing competent primary health care services to underserved populations in a HPSA. The vast majority of NHSC providers (more than 84 percent) continue to practice in underserved communities for at least one year after their service obligation ends. We have an NHSC alumni body committed to service.

The NHSC has several loan repayment programs, including:

- The NHSC Two-Year LRP
- The NHSC Substance Use Disorder (SUD) Workforce LRP
- The NHSC Rural Community LRP

You may compare each loan repayment program to [determine which program is right for you](#), as you can only participate in *one* NHSC program at a time. Please review to [determine which program is right for you](#). If you select and receive an award for an NHSC program, you are expected to meet the conditions of that specific program as outlined in your contract throughout the duration of your service obligation. However, the NHSC cannot guarantee that an award will be offered through the program you select.

Under the NHSC LRP, the Secretary of Health and Human Services ("Secretary") will fund repayment for *up to* \$75,000 of the *qualifying* graduate and/or undergraduate educational loans of applicants selected to participate in the program (see the [What Loans Are Eligible For Repayment](#) section).

Providers with demonstrated Spanish language proficiency who are able to deliver medical services in Spanish may qualify for a one-time award enhancement up to an additional \$5,000. In return for loan repayment, applicants must provide primary health services in their assigned HPSA (designated by the Secretary).

An applicant becomes a participant in the LRP at the time the Secretary or the Secretary's designee countersigns the NHSC LRP contract.

WHAT TO LOOK FOR IN 2026

Subject to the availability of funds, for Fiscal Year 2026, we expect to make approximately 2,561 new awards.

- Applicants are responsible for reading and complying with the instructions in the FY 2026 Application and Program Guidance (APG), which is provided on the [NHSC LRP “How to Apply”](#) web page.
- In addition to placing LRP participants in HPSAs in need of primary care, oral, and behavioral health providers, we will also use a designation of MCTAs¹, located within primary care HPSAs, to distribute maternity care health professionals. Maternity care health professionals are obstetricians/gynecologists, family medicine physicians who practice obstetrics, and certified nurse midwives. Maternity care health professionals will be considered for awards using either the primary care HPSA score or the MCTA score, whichever is higher.
- The NHSC LRP aims to address language access barriers to health care. The NHSC will provide a one-time Spanish language award enhancement of up to \$5,000, for a total loan repayment award of up to \$80,000, for primary care providers and maternity care health professionals, and up to \$55,000 for behavioral health and oral health care providers. This award enhancement will be afforded to providers who demonstrate Spanish-language proficiency at a level three (3) or higher through an assessment administered by a General Services Administration-approved vendor, and whose sites confirm that the applicant will provide medical services in Spanish to limited English proficiency patients. The primary purpose of this award enhancement is to promote an agile health workforce capable of addressing language access barriers in HPSAs. Applicants who may have completed the language assessment administered by the General Services Administration-approved vendor during a previous cycle and were not awarded will be required to complete the assessment for the current application cycle.
- The NHSC LRP allows providers **who will be licensed by June 30, 2026**, to apply for loan repayment without being fully licensed at the time the application is submitted, or by the application deadline. The Site Point of Contact (POC) will be required to provide proof of the participant’s license before July 18, 2026. The contract will not be countersigned and the application will be denied if the applicant does not have a permanent, full, unencumbered, unrestricted license by June 30, 2026.
- Applicants who are providing telehealth services must comply with all applicable telemedicine policies of their site, as well as all applicable federal and state rules and policies regarding telemedicine services.
- Updated clinical practice hours for direct clinical care and administrative duties.
- Applicants working at Rural Emergency Hospitals with an affiliated outpatient clinic are now eligible to apply to the NHSC LRP.

¹ Maternity Care Target Areas are authorized under Section 332(k)(1) of the Public Health Service Act (42 U.S.C 254e(k)(1)).

Application and Program Guidance

You, as the applicant, are responsible for reading and complying with the instructions included in this Application and Program Guidance (APG) before proceeding with your application. The APG explains the NHSC policies, and the rights and liabilities of individuals selected to participate in the NHSC LRP (including the financial liabilities and legal obligations of the individual) that are stated in the NHSC program statute and contract.

Key Dates

Key dates for NHSC LRP applicants:

- For information about when applications open and when applications are due, please visit the [NHSC LRP](#) web page.
- **Notification of Award:** On or before September 30, 2026
- **Employment Start Deadline:** July 18, 2026²
- **NHSC Scholars Service Obligation Completion Deadline:** July 31, 2026.
- **Licensure Deadline:** Applicants must have a current, full, permanent, unencumbered, unrestricted health professional license, certificate, or registration by June 30, 2026 and verified by site point of contact by July 18th.
- **Contract Termination Deadline:** The contract termination deadline is determined by statute and may be modified annually through congressional action. At the time of publication of this APG, the appropriations act for full Fiscal Year 2026 has not been signed into law. However, based on recent appropriations acts, the NHSC anticipates that the termination deadline for contracts entered into in Fiscal Year 2026 will be 60 days from the effective date of the contract OR at any time if the individual who has been awarded such contract has not received funds due under the contract. A request for contract termination must be made in writing. Please note that the applicable termination deadline will be in the participant's contract and any addenda thereto. Please see the "[Contract Termination](#)" section in this document for more information.

PROGRAM ELIGIBILITY REQUIREMENTS

To be eligible for an NHSC LRP award, an applicant must:

1. Be a United States citizen (either U.S. born or naturalized) or U.S. national.
2. Have a current, full, permanent, unencumbered, unrestricted health professional license, certificate, or registration, or will obtain one by June 30, 2026, in the discipline in which they are applying to serve.
3. Participate or be eligible to participate as a provider in the Medicare, Medicaid, and Children's Health Insurance Programs, as appropriate.

² An exception applies to NHSC and Nurse Corps Scholars who will complete their service obligation by July 31, 2026.

4. Be eligible for federal employment. Most NHSC LRP participants should expect to serve their obligation as a salaried, non-federal employee of a public or private entity approved by the NHSC. However, there may be vacancies that require federal employment, which include a security clearance component. 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 as a federal civil servant. For more information, visit the [Commissioned Corps of the U.S. Public Health Service](#) website and see [NHSC LRP FAQs](#).
5. Be employed by, or have accepted a position at, an NHSC-approved site where employment and provision of care to patients will begin no later than July 18, 2026.
6. Submit a complete application by the [deadline](#). For information about the deadline and to submit an application, go to the [NHSC LRP](#) page on the NHSC website.

SERVICE OBLIGATIONS AND AWARD AMOUNTS

- Program participants must remain working at an NHSC-approved site throughout the contract period. A participant's NHSC LRP service obligation begins on the date that the NHSC LRP contract is countersigned by the Secretary or their designee. The service obligation end date is determined in whole years from the start date. For example, the last day of the service obligation for a participant with a two-year service obligation that began on July 18, 2026, would be July 17, 2028. Adjustments in the end date will be made by NHSC if a participant is away from the NHSC-approved site for more than seven weeks (roughly 35 workdays) per service year.
- Primary care providers assigned to a primary care HPSA and maternity care health professionals assigned to a MCTA can choose to serve in either full-time clinical practice or half-time clinical practice. An award for full-time service is up to \$75,000 in loan repayment or up to \$80,000 with the one-time Spanish language award enhancement; an award for half-time service is up to \$37,500 in loan repayment or up to \$42,500 with the one-time Spanish language award enhancement. Both award types require a two-year service obligation. Read more in the [Practice Agreement Types](#) and [Eligible Primary Care Providers and Clinical Practice Requirements](#) sections of this APG.
- Behavioral health or oral health care providers assigned to a mental or dental HPSA, respectively, can choose to serve in either full-time clinical practice or half-time clinical practice. An award for full-time service is up to \$50,000 in loan repayment or up to \$55,000 with the one-time Spanish language award enhancement; an award for half-time service is up to \$25,000 in loan repayment or up to \$30,000 with the one-time Spanish language award enhancement. Both award types require a two-year service obligation. Read more in the [Practice Agreement Types](#) and [Eligible Primary Care Providers and Clinical Practice Requirements](#) sections of this APG.
- Award amounts are based on the outstanding balance of an applicant's qualifying educational loans. Participants must complete the two-year service obligation regardless of the amount of their award.

- Participants must apply all loan repayments received through the NHSC LRP to their qualifying graduate and/or undergraduate educational loans during the period of obligated service.
- By statute, NHSC LRP funds are exempt from federal income and employment taxes. These funds are not included as wages when determining Social Security benefits.

WHAT LOANS ARE ELIGIBLE FOR REPAYMENT?

NHSC LRP awards are based on the applicant's outstanding qualifying educational loans. This includes the principal, interest, and related expenses of outstanding government (federal, state, or local) and commercial (private) student loans for undergraduate or graduate education obtained by the participant for school tuition, other reasonable educational expenses, and reasonable living expenses. The qualifying educational loans must be obtained **prior** to the date the applicant applies.

If an applicant is a current or former NHSC participant and obtained additional educational loans towards another health professions degree *after* their current/prior NHSC contract start date, those loans may qualify for loan repayment in a subsequent NHSC application cycle if the loans were obtained for a different degree. Example: A Licensed Professional Counselor obtains a doctorate in Clinical Psychology. In that case, they will need to apply to the NHSC as a new participant in a subsequent application cycle and will be reviewed competitively against other applicants.

Please note:

- Additional educational loans obtained after the current or former NHSC participant's current/prior contract start date and which result in a **change in specialty within the same health professions degree** (e.g., pediatric vs. adult psychiatry) will **not** qualify for loan repayment.

Consolidated or refinanced loans may be considered for repayment if they are from a government (federal, state, or local) or private student loan lender and include *only qualifying* educational loans of the applicant. For loans to remain eligible, applicants must keep their eligible educational loans segregated from all other debts.

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

- (1) Loans with a service obligation that will **not** be fulfilled before the NHSC LRP application deadline. For details on the deadline, go to the [NHSC LRP](#) "How to Apply" page on the NHSC website.
- (2) Loans **consolidated/refinanced with ineligible (non-qualifying) debt** of the applicant, or with loans owed by any other person.

- (3) Loans for which the associated documentation **cannot identify** that the loan was solely applicable to the undergraduate or graduate education of the applicant.
- (4) 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.
- (5) Loans that have been repaid in full.
- (6) [Primary Care Loans](#), as described on the “Apply for a Loan Program” page on the HRSA’s Health Workforce website.
- (7) Parent PLUS Loans (made to parents).
- (8) Personal lines of credit.
- (9) Loans subject to cancellation.
- (10) Residency and Relocation loans.
- (11) Credit card debt.

Applicants must provide documentation that proves that their educational loans were contemporaneous with the education received. HRSA will verify loans by contacting lenders/holders and reviewing the applicant’s credit report.

Note: Applicants whose loans are forgiven under a program such as the Public Service Loan Forgiveness Program (PSLFP) or who no longer have outstanding qualifying educational loans for any other reason **before** their NHSC contract is countersigned, must immediately contact the NHSC for further instructions. Failure to promptly contact the NHSC may result in an overpayment debt to the federal government and associated charges. If all loans are paid in full as a result of an individual receiving loan forgiveness under a program such as the PSLFP, and the effective date of the loan forgiveness is **after** the Secretary (or the Secretary’s designee) has countersigned the contract and the NHSC award has been disbursed, the participant is still obligated to serve the full length of their NHSC service obligation.

Eligible Primary Care Providers and Clinical Practice Requirements

Clinical practice requirements differ based on discipline, HPSA category, full- or half-time status, and other factors.

Note: Direct Clinical Care in the Full-Time and Half-Time columns refers to care at an NHSC-approved site and approved alternative settings.

Every participant is required to engage in the full-time or half-time (as applicable) clinical practice of the profession for which they applied and were awarded an NHSC LRP contract, at their NHSC-approved site(s). Loan repayment amounts are linked to full- or half-time status.

- 1) **Full-Time Clinical Practice.** Full-time clinical practice is defined, for the purposes of the NHSC, as a minimum of 40 hours/week, for a minimum of 45 weeks each service year. The 40 hours per week may be compressed into no less than 4 days/week, with no more

than 12 hours of work to be performed in any 24-hour period. As noted in the charts below that outline practice requirements by discipline, participants must spend a designated minimum number of hours/week providing direct clinical care. Participants do not receive service credit for hours worked over the required 40 hours/week, and excess hours cannot be applied to any other work week. Also, time spent “on call” will not be counted towards the service obligation, except to the extent the provider is providing direct clinical care during that period. Additional rules apply based on discipline and practice location. (See charts below and [Special Circumstances](#) section)

- 2) **Half-Time Clinical Practice.** Half-time clinical practice is defined, for the purposes of the NHSC, as 20-39 hours/week, for a minimum of 45 weeks each service year. The minimum 20 hours/week may be compressed into no less than two days/week, with no more than 12 hours of work to be performed in any 24-hour period. As noted in the charts below that outline practice requirements by discipline, participants must spend a designated minimum number of hours/week providing direct clinical care. Participants do not receive service credit for hours worked over the required 20 hours/week, and excess hours cannot be applied to any other work week. Also, time spent “on call” will not be counted towards the service obligation, except to the extent the provider is providing direct clinical care during that period. Additional rules apply based on discipline and practice location. (See charts below and [Special Circumstances](#) section)

Primary Care Providers must serve in Primary Care HPSAs

Disciplines	Specialty	Full Time (40 hours/week)	Half-Time (20-39 hours/week)
Physicians: • Allopathic • Osteopathic	Family Medicine, General Internal Medicine, General Pediatrics, Geriatrics	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities or in approved alternative settings. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities or in approved alternative settings. • Administrative Duties: Up to 4 hours/week.
Physician Assistants/ Physician Associates	Adult, Family, Pediatric, Women’s Health, Geriatrics	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities or in approved alternative settings. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities or in approved alternative settings. • Administrative Duties: Up to 4 hours/week.

Disciplines	Specialty	Full Time (40 hours/week)	Half-Time (20-39 hours/week)
Nurse Practitioners	Adult, Family, Pediatric, Women's Health, Geriatrics	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities or approved alternative settings. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities or approved alternative settings. • Administrative Duties: Up to 4 hours/week.

Maternity Care Health Professionals must serve in MCTAs in Primary Care HPSAs

Disciplines	Specialty	Full-Time (40 hours/week)	Half-Time (20-39 hours/week)
Physicians: Allopathic, Osteopathic	Family Medicine Physicians who practice obstetrics, Obstetrics/ Gynecology	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities and up to 19 hours/week in approved alternative settings. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities and up to 9 hours/week in approved alternative settings. • Administrative Duties: Up to 4 hours/week.
Certified Nurse Midwives	N/A	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities and up to 19 hours/week in approved alternative settings. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 9 hours/week in approved alternative settings. • Administrative Duties: Up to 4 hours/week.

Primary Care Oral Health Providers must serve in Dental HPSAs

Disciplines	Specialty	Full-Time (40 hours/week)	Half-Time (20-39 hours/week)
Dentists: Doctor of Dental Surgery, Doctor of Medical Dentistry	General Dentistry, Pediatric Dentistry	• Direct Clinical Care: At least 32 hours/ week, which may include up to 8 hours/week in teaching activities or in approved alternative settings. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities or in approved alternative settings. • Administrative Duties: Up to 4 hours/week.
Dental Hygienists	N/A	• Direct Clinical Care: At least 32 hours/ week, which may include up to 8 hours/week in teaching activities or in approved alternative settings. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities or in approved alternative settings. • Administrative Duties: Up to 4 hours/week.

Primary Care Behavioral Health Providers must serve in Mental HPSAs

Disciplines	Specialty	Full-Time (40 hours/week)	Half-Time (20-39 hours/week)
Physicians: Allopathic Osteopathic	Psychiatry (Both General Child and Adolescent Psychiatrists are eligible)	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities, and up to 20 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 10 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 4 hours/week.

Disciplines	Specialty	Full-Time (40 hours/week)	Half-Time (20-39 hours/week)
Nurse Practitioners	Mental Health and Psychiatry	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities, and up to 20 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 10 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 4 hours/week.
Physician Assistant/ Physician Associates	Mental Health and Psychiatry	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities, and up to 20 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 10 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 4 hours/week.
Health Service Psychologists	<i>All specialties are eligible</i>	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities and up to 20 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 10 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 4 hours/week.

Disciplines	Specialty	Full-Time (40 hours/week)	Half-Time (20-39 hours/week)
Licensed Clinical Social Workers	<i>All specialties are eligible</i>	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities, and up to 20 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 10 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 4 hours/week.
Psychiatric Nurse Specialists	<i>All specialties are eligible</i>	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities, and up to 20 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 10 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 4 hours/week.
Marriage and Family Therapists	<i>All specialties are eligible</i>	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities, and up to 20 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 10 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 4 hours/week.

Disciplines	Specialty	Full-Time (40 hours/week)	Half-Time (20-39 hours/week)
Licensed Professional Counselors	<i>All specialties are eligible</i>	• Direct Clinical Care: At least 32 hours/week, which may include up to 8 hours/week in teaching activities, and up to 20 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 8 hours/week.	• Direct Clinical Care: At least 16 hours/week, which may include up to 4 hours/week in teaching activities, and up to 10 hours/week in approved alternative settings or performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the site. • Administrative Duties: Up to 4 hours/week.

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

- **Administrative Duties:** may include charting, administrative care coordination activities, training, laboratory follow-up, patient correspondence, attending staff meetings, activities related to maintaining professional licensure, and other non-treatment related activities pertaining to the participant'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 also considered primarily administrative. NHSC LRP applicants serving in such a capacity should keep in mind that they **cannot** count more than eight hours per week of administrative and/or management time (four hours in the case of half-time participants) toward the total required 40 hours per week (or 20-39 hours in the case of half-time participants).
- **Teaching Activities:** to qualify as clinical practice, NHSC LRP participants engaged in teaching activities must provide clinical education to students and residents in their area of expertise. All teaching must be conducted as directed by the NHSC-approved site, subject to NHSC limits on the number of hours per week allowed for teaching. Teaching activities cannot count more than eight hours per week (four hours in the case of half-time participants) toward the total required 40 hours per week (or 20-39 hours in the case of half-time participants). 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 for that student/resident to receive a license under state law; or
 - (3) Include mentoring that is conducted as part of the Health Careers Opportunity Program or the Centers of Excellence Program.

NHSC participants **may** count hours treating patients while a student or resident observes as direct clinical care, instead of as teaching activities.

SPECIAL CIRCUMSTANCES

Clinical Practice Service Requirements at Teaching Health Centers

If a participant is serving full-time in a Federal Assignment or Private Practice Assignment and working at a HRSA-funded [Teaching Health Center Graduate Medical Education](#) program, as authorized under 42 U.S.C. § 256h, they are allowed to count teaching activities up to 20 hours/week toward the direct clinical care requirement; the remaining 20 hours must be spent providing direct clinical care at approved site(s), of which 8 hours/week may be spent providing direct clinical care in an approved alternative setting to address continuity of care (for example, hospital, nursing home, or shelter) or performing administrative duties up to 4 hours/week, except that behavioral health providers may spend the remaining 20 hours/week performing services as a behavioral or mental health professional in schools or other community-based settings as directed by the NHSC-approved site.

Clinical Practice Service Requirements at School-Based Clinics

School-based clinics must be approved as NHSC-approved sites. Participants serving at school-based clinics as their primary site(s) must provide required documentation (for example, In-Service Verification Forms) that demonstrates they are meeting their NHSC obligation at that facility and that the school-based clinic is in the approved HPSA.

Providers who work at school-based clinics that are not open year-round will not receive NHSC service credit for any period they are not serving at a school-based clinic. Providers who work at school-based clinics that are not open year-round may meet the NHSC clinical practice requirements by:

- Working at an additional NHSC-approved site (or sites) when the school clinic is closed. The additional site (or sites) must satisfy the HPSA requirements identified in the participant's initial NHSC LRP contract. Providers must request to transfer to an additional NHSC-approved site (or sites) by initiating a Site Status Change Request. For details on accessing your My Bureau of Health Workforce ([My BHW](#)) Account to make this request, go to the [NHSC LRP](#) page on the NHSC website.
- Extending their NHSC service obligation to fulfill the NHSC annual clinical practice requirements.

Clinical Practice Service Requirements at an American Indian Health Facility Hospital, Centers for Medicare & Medicaid Services (CMS) - Approved Critical Access Hospital, Tribally Operated 638 Hospital or Rural Emergency Hospital.

Physicians (including psychiatrists), physician assistants/physician associates (including those with a mental health specialization), nurse practitioners (including those with a mental health specialization), and certified nurse midwives may serve in the full-time or half-time clinical practice at an American Indian Health Facility Hospital, a Tribally Operated 638 Hospital, a CMS-approved Critical Access Hospital, or a Rural Emergency Hospital with an affiliated outpatient

clinic. Applicants must list in their application both the hospital and its affiliated outpatient clinic. The following requirements apply, except that psychiatrists, physician assistants/physician associates with a mental health specialization, and nurse practitioners with a mental health specialization may spend up to 20 hours of the 40 hours/week (10 hours of the 20 hours/week for half-time participants) performing services as a behavioral or mental health professionals in schools or other community-based settings as directed by the NHSC-approved site. Of the remaining 20 hours/week for the full time participants (10 hours/week for half-time participants), up to 8 hours/week (4 hours/week for half-time participants) can be spent in teaching activities and up to 8 hours/week (4 hours/week for half-time participants) can be spent performing administrative duties.

Hourly Schedule	Minimum Hours	Minimum hours providing direct clinical care in the affiliated outpatient clinic	Hours that may be spent in teaching activities	Administrative Duties	Remaining hours that may be spent providing direct clinical care at the hospital or affiliated outpatient clinic
Full-time	40 hours/week	At least 16 hours/week	Up to 8 hours/week (as part of the minimum 16 hours/week spent providing direct clinical care)	Up to 8 hours/week	Up to 16 hours/week
Half-time	20-39 hours/week	At least 8 hours/week	Up to 4 hours/week (as part of the minimum 8 hours/week spent providing direct clinical care)	Up to 4 hours/week	Up to 8 hours/week

TRAINING AND LICENSURE REQUIREMENTS

NHSC LRP applicants must demonstrate satisfactory professional competence, professional conduct, and meet discipline/specialty-specific education, training, and licensure requirements, as described in the following section.

NHSC applicants must have a current, full, permanent, unencumbered, unrestricted health professional license, certificate, or registration by June 30, 2026, that authorizes the independent practice of the applicant's discipline without supervision in the state where their NHSC-approved site is located³, and in accordance with state requirements and national certification organization standards.

³ Applicants who intend to practice under the NHSC LRP as (i) federal employees, (ii) federal contractors, or (iii) employees of a tribal health program in a state in which the tribal health program provides services described in its contract must have a current, full, permanent, unencumbered, unrestricted health professional license, certificate, or registration (whichever is applicable) in a state.

Clinicians who are in residency programs may apply to the NHSC LRP with a provisional license; however, they must possess a current, full, permanent, unencumbered, unrestricted health professional license before accepting an NHSC LRP award.

Providers who are not fully licensed by the application deadline are allowed to apply; however, providers (other than clinicians in residency programs, as discussed above) must be fully licensed by June 30, 2026, and the application will not be processed until the Site Point of Contact verifies the applicant's license on or before July 18, 2026.

The NHSC LRP requires documentary proof of completion of discipline-specific advanced training (medical residency, certification, fellowships, etc.), licensure status, and any other requirement set forth in the following charts. While an applicant may be licensed in the state of intended practice, they may need to meet additional requirements to be eligible for the NHSC. For example, see the [Telehealth and Home Health Policies](#) section for licensure requirements pertaining to participants providing telehealth services.

Required Credentials for Eligible Disciplines

Licensure, Certification and/or Registration Requirements: In addition to any specific requirements provided in the following charts, **all** clinicians must possess a current, full, permanent, unencumbered, unrestricted health professional license, certificate, or registration, or will obtain one by June 30, 2026, as applicable, that enables the unsupervised practice of the relevant profession as required by applicable state or federal law.

Discipline: Primary Care Physicians (Allopathic and Osteopathic)

Specialties	Education Requirements	Certification Requirements	Notes
• Family Medicine • General Internal Medicine • General Pediatrics • Obstetrics/Gynecology • Geriatrics	A certificate of completion of an M.D. or D.O. at an accredited school of allopathic or osteopathic medicine located in a state, the District of Columbia, or a U.S. territory. A school of osteopathic medicine must be accredited by the American Osteopathic Association Commission on Osteopathic College Accreditation.	Completed (or will complete and begin working by July 18, 2026) a residency program in primary care or fellowship in addiction medicine, approved by the Accreditation Council for Graduate Medical Education.	Providers of geriatric services must show specific advanced training in geriatrics, including but not limited to, a residency, fellowship, or certification in geriatric medicine.

Discipline: Psychiatrists (Allopathic and Osteopathic)

Specialties	Education Requirements	Certification Requirements	Notes
- General Psychiatry - Child and Adolescent Psychiatry	Certificate of completion of an M.D. or D.O. at an accredited school of allopathic or osteopathic medicine located in a state, the District of Columbia, or a U.S. territory.	Completed (or will complete and begin working by July 18, 2026) a residency program in primary care, approved by the Accreditation Council for Graduate Medical Education.	N/A

Discipline: Physician Assistants/ Physician Associates – Primary Care or Behavioral Health

Specialties	Education Requirements	Certification Requirements	Notes
- Adult - Family - Pediatric - Women's Health - Geriatrics - Mental Health & Psychiatry	Certificate of completion or an associate, bachelor's, or master's degree from a physician assistant educational program accredited by the Accreditation Review Commission on Education for the Physician Assistant.	National certification by the National Commission on Certification of Physician Assistants.	N/A

Discipline: Nurse Practitioners – Primary Care or Behavioral Health

Specialties	Education Requirements	Certification Requirements	Notes
- Adult - Family - Pediatric - Women's Health - Geriatrics - Mental Health & Psychiatry	Master's degree, post-master's certificate, or doctoral degree from a school accredited by the National League for Nursing Accrediting Commission or the Commission on Collegiate Nursing Education, in one of the primary care nurse practitioner specialties.	National certification by the American Nurses Credentialing Center, the American Academy of Nurse Practitioners, the Pediatric Nursing Certification Board (formerly the National Certification Board of Pediatric Nurse Practitioners and Nurses), or the National Certification Corporation in one of the primary care nurse practitioner specialties.	N/A

Discipline: Certified Nurse Midwives

Specialties	Education Requirements	Certification Requirements	Notes
None	Master's degree or post-baccalaureate certificate from a school accredited by the American College of Nurse Midwives.	National certification by the American Midwifery Certification Board (formerly the American Colleges of Nurse Midwives Certification Council).	N/A

Discipline: Dentists (DDS and DMD)

Specialties	Education Requirements	Certification Requirements	Notes
- General Dentistry - Pediatric Dentistry	DDS or DMD degree from a program accredited by the American Dental Association, Commission on Dental Accreditation. Pediatric dentists must have also completed a two-year training program in the specialty of pediatric dentistry that is accredited by the American Dental Association, Commission on Dental Accreditation.	None	N/A

Discipline: Registered Dental Hygienists

Specialties	Education Requirements	Certification Requirements	Notes
None	Graduated from a four-year program accredited by the American Dental Association, Commission on Dental Accreditation with a bachelor's degree in dental hygiene; OR Graduated from a two-year dental hygiene training program accredited by the American Dental Association, Commission on Dental Accreditation with a diploma, certificate, or associate degree AND have a least one year of experience as a licensed dental hygienist.	Successfully passed the National Board of Dental Hygiene Examination.	N/A

Discipline: Health Service Psychologists

Specialties	Education Requirements	Certification Requirements	Notes
None	Doctoral degree (Doctor of Philosophy or equivalent) directly related to clinical or counseling psychology from a program accredited by the American Psychological Association, Commission on Accreditation.	Passed the Examination for Professional Practice of Psychology; AND Have the ability to practice independently and unsupervised as a health service psychologist.	Health service psychologists who work at schools that are NHSC-approved sites must be primarily engaged in direct clinical and counseling services and must meet the clinical practice requirements for the <i>entire</i> calendar year. Psychologists focused on career or guidance counseling are not eligible.

Discipline: Licensed Clinical Social Workers

Specialties	Education Requirements	Certification Requirements	Notes
None	Master's degree or doctoral degree in social work from a school accredited by the Council on Social Work Education and affiliated with an education institution accredited by the U.S. Department of Education nationally recognized accrediting body.	Successfully passed the Association of Social Work Boards (ASWB) Clinical or Advanced Generalist licensing exam prior to July 1, 1998, or the ASWB Clinical Exam on or after July 1, 1998; OR Successfully passed the Licensed Clinical Social Workers Standard Written Examination and the Clinical Vignette Examination and completed the state required number of years or hours of clinical social work experience under the supervision of a licensed independent social worker and passed the clinical level of the ASWB exam.	N/A

Discipline: Psychiatric Nurse Specialists

Specialties	Education Requirements	Certification Requirements	Notes
None	Master's degree or higher degree in nursing from a program accredited by the National League for Nursing Accrediting Commission or the Commission on Collegiate Nursing Education with a specialization in psychiatric/mental health and two years of post-graduate supervised clinical experience in psychiatric/mental health nursing; OR Baccalaureate or higher degree in nursing from a program accredited by the National League for Nursing Accrediting Commission or Commission on Collegiate Nursing Education.	Certification by the American Nurses Credentialing Center as a Psychiatric and Mental Health Nurse, Clinical Specialist in Adult Psychiatric and Mental Health Nursing, or Clinical Specialist in Child and Adolescent Psychiatric and Mental Health Nursing.	N/A

Discipline: Marriage and Family Therapists

Specialties	Education Requirements	Certification Requirements	Notes
None	Master's or doctoral degree program in marriage and family therapy from a program accredited by the American Association for Marriage and Family Therapy, Commission on Accreditation for Marriage and Family Therapy Education; OR Graduate degree in another mental health field (psychiatry, psychology, clinical social work, psychiatric nursing, etc.) and completed a Commission on Accreditation for Marriage and Family Therapy Education accredited post-graduate degree clinical training program in marriage and family therapy.	Have at least two years of post-graduate supervised clinical experience as a Marriage and Family Therapist; OR Be a Clinical Fellow member of the American Association for Marriage and Family Therapy; OR Successfully passed the Marriage and Family Therapist Standard Written Examination.	N/A

Discipline: Licensed Professional Counselors

Specialties	Education Requirements	Certification Requirements	Notes
None	A master's or higher degree with a major study in counseling from a school accredited by a U.S. Department of Education nationally recognized regional or state institutional accrediting agency; AND Have at least two years of post-graduate supervised counseling experience.	License, certificate, or registration	If a Licensed Professional Counselor license, certificate or registration is not available in the state of intended practice, have a current, full, permanent, unencumbered, unrestricted health professional license, certificate, or registration, as applicable, to practice independently and unsupervised as a Licensed mental health counselor (or as another discipline meeting the licensed professional counselor educational requirements) in a state and be practicing independently and unsupervised as required by applicable state or federal law (for example licensed mental health counselor can apply as a licensed professional counselor). Licensed professional counselors who work at schools that are NHSC-approved sites must be primarily engaged in direct clinical and counseling services and must meet the clinical practice requirements for the <i>entire</i> calendar year. Licensed professional counselors focused on career or guidance counseling are not eligible.

ELIGIBLE NHSC-APPROVED SITE TYPES

NHSC-approved sites are health care facilities that generally provide outpatient primary health services to populations residing in tribal, urban, or rural HPSAs.

Note: To apply for the NHSC LRP, the applicant's site must be a NHSC-approved site at the time the applicant submits their application.

The following types of sites are eligible for NHSC site approval:

Auto-Approved Sites

- Federally Qualified Health Centers
- Federally Qualified Health Center Look-Alikes
- American Indian Health Facilities, Tribally Operated 638 Health Programs, Dual-Funded (Tribal Health Clinic and Federally Qualified Health Center 330 Funded), Urban American Indian Health Programs, American Indian Health Hospitals (with an affiliated outpatient clinic)
- Federal Prisons
- Immigration and Customs Enforcement Health Service Corps Facilities

Other Eligible Sites

- CMS Centers for Medicare & Medicaid Services Certified Rural Health Clinics
- Community Outpatient Facilities (including community mental health centers)
- CMS-Approved Critical Access Hospitals (with an affiliated outpatient clinic)
- Free Clinics
- Mobile Units (*that are not affiliated with a Federally Qualified Health Center or Look-Alike*)
- Private Practices
- Rural Emergency Hospitals (with an affiliated outpatient clinic)
- School-Based Clinics (*that are not affiliated with a Federally Qualified Health Center or Look-Alike*)
- State or Local Health Departments
- State Prisons

Special Considerations for Behavioral Health Providers

- NHSC sites that have not previously opted-in for behavioral health, must submit the [Comprehensive Behavioral Health Services Checklist](#) before their behavioral health providers can apply for the NHSC LRP.
- NHSC sites that have not previously opted-in for SUD services, must follow the [Site SUD Opt-in Instructions](#) before their SUD providers can apply for the NHSC SUD Workforce or RC LRPs. In addition, for applicants interested in applying for the RC LRP, the applicant's sites must be located in a rural community as defined by the [Federal Office](#)

[of Rural Health.](#)

Special Considerations for Providers at Critical Access Hospitals, American Indian Health Facility Hospitals, Tribally Operated 638 Hospitals and Rural Emergency Hospitals (Affiliated with an outpatient clinic)

- Critical Access Hospitals, American Indian Health Facility Hospitals, Tribally Operated 638 Hospitals, or Rural Emergency Hospitals must have an affiliated outpatient clinic approved before their providers can apply for the NHSC LRP.

Ineligible Site Types

The following are **not** eligible to become NHSC-approved sites, even if they are in a HPSA:

- Inpatient hospitals (except CMS-certified Critical Access Hospitals, Rural Emergency Hospitals, and American Indian Health Facility hospitals)
- Clinics that exclusively provide care to veterans and active-duty military personnel (for example, Veterans Health Administration medical centers, hospitals and clinics, and military treatment facilities)
- Other types of inpatient facilities and inpatient rehabilitation programs
- Residential facilities
- Local/county/city/private correctional facilities
- Home-based health care settings of patients or clinicians
- Specialty (except those specialty areas listed in the Discipline section) clinics and/or service specific sites limited by organ system, illness, categorical population or service (for example, clinics that only provide sexually transmitted diseases/human immunodeficiency virus/tuberculosis services)
- Facilities that only provide telehealth services
- Facilities that provide only general substance use disorder treatment services – such as addiction counseling – without integrated medication for opioid use disorder or comprehensive primary care medical, oral health or mental health care services on-site

For more information about site eligibility and necessary documentation, refer to the [Become an NHSC Site web page](#). Search the [Health Workforce Connector](#) for all NHSC-approved sites.

Practice Agreement Types

There are three (3) practice types available to NHSC participants:

- (1) **Federal Assignment (FA).** NHSC LRP participants serving as federal employees are either Federal Civil Service employees or active members of the U.S. Public Health Service Commissioned Corps and will typically be working at a federal site (for example, an American Indian Health Facility hospital). Participants assigned as civil servants may request to serve half-time (subject to federal personnel regulations); U.S. Public Health Service Commissioned Corps Commissioned Officers must serve full-time.

- (2) **Private Practice Assignment (PPA).** Under a Private Practice Assignment (PPA), an NHSC LRP participant is employed by a public or private entity and is subject to the personnel system (that means, employment policies) of the entity to which they are assigned. In addition, the site assures that the participant will receive a salary and malpractice coverage at least equal to what they would have received as a civilian employee of the U.S. Government. Malpractice insurance, including tail coverage, can be provided through a commercial carrier or through the Federal Tort Claims Act, if available to the site. The PPA service option is available to both full-time and half-time participants.
- (3) **Private Practice Option (PPO).** Under the PPO, an NHSC LRP participant is either (a) self-employed (for example, a solo practitioner or co-owner of the site at which the participant works); (b) part of a group practice; (c) an independent contractor; or (d) a salaried employee of an eligible, NHSC-approved site who is **not** receiving salary and malpractice coverage at least equal to what they would receive as a Federal Civil Servant. To serve under the PPO, the participant must submit a PPO request (application) and, if the NHSC approves the request, the participant must enter into a PPO Agreement that stipulates the special provisions that apply to those serving under the PPO. The PPO service option is open only to full-time participants.

NOTE: Federal Assignment and Private Practice Assignment require the NHSC-approved site to accept Medicare assignment, enter into the appropriate agreements under Medicaid and the Children’s Health Insurance Program, and utilize a schedule of discounts (including, as appropriate, waivers) of fees based on a patient’s ability to pay (see the Glossary in the Appendix section, for the definition of “NHSC-approved Site”). The PPO requires the individual to comply with the same billing requirements.

NOTE: For U.S. Public Health Service Commissioned Corps members, we understand that you may have limited options in regards to accepting a site assignment at another NHSC-approved site if you are no longer able to continue at the original site due to your orders with the U.S. Public Health Service Commissioned Corps. If you are selected for an NHSC award, you are required to complete your service at an NHSC-approved site according to the terms specified in your contract. Failure to do so will result in breach of your contractual obligation with the NHSC.

If an applicant is ...	and their salary and malpractice/tail coverage are...	they 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
NOT a federal employee but an employee of an NHSC-approved site	<i>at least equal to</i> what they would earn as a civilian employee of the U.S. Government and their malpractice/tail coverage are provided by the NHSC-approved site	Private Practice Assignment

If an applicant is ...	and their salary and malpractice/tail coverage are...	they will serve under a:
NOT a federal employee but an employee of an NHSC-approved site	<i>less than</i> what they would earn as a civilian employee of the U.S. Government and/or the NHSC-approved site does not provide malpractice/tail coverage	Private Practice Option
NOT a federal employee but an independent contractor to an NHSC-approved site, or a member of a group practice at an NHSC-approved site, or a solo practitioner in an NHSC-approved site	whatever income they earn or generate; whatever malpractice coverage they purchase or receive	Private Practice Option

Telehealth and Home Health Policies

Telehealth. NHSC participants must comply with all applicable telemedicine policies of their site as well as all applicable federal and state rules and policies regarding telemedicine services. NHSC participants who are performing telehealth are encouraged to visit the HRSA [Telehealth Resource Centers](#). These Centers provide free telehealth technical assistance and training for providers using telehealth.

Subject to the restrictions in the following section, the NHSC will consider telehealth as direct clinical care when both the **originating site** (location of the patient) and the **distant site** (location of the NHSC participant) are located in a HPSA and are NHSC-approved. All NHSC LRP participants who are providing telehealth services are subject to the following requirements:

- The NHSC participants must practice in accordance with applicable licensure and professional standards.
- Participants must be available, at the discretion of the site to provide in-person care at the direction of each telehealth site on the NHSC LRP application, regardless of whether such sites are distant or originating.
- Sites may permit telehealth to be conducted to or from an approved alternative setting; however, participants will receive credit only for telehealth services that comply with NHSC LRP guidelines. Approved alternative settings such as hospitals, nursing homes, and shelters, must be **in a HPSA** and must provide services that are appropriate for the discipline and specialty of the clinician and the services provided. Services at alternative sites must be an **extension** of the comprehensive primary care provided at the NHSC-approved site.
- Self-employed clinicians and other [PPO](#) providers are **not** eligible to earn NHSC service credit for telehealth services.
- If telehealth services are provided to patients in another state, the clinician must be licensed to practice (including compacts) in both the state where the clinician is

located (that means, the distant site) and the state where the patient is physically located (that means, the originating site).

- f. Telehealth services must use an interactive telecommunications system. Telephone and email systems do not meet the telehealth requirements.

Home Health. The NHSC does **not** recognize the homes of patients or providers as NHSC-approved sites. As such, home visits (including telehealth services provided to patients' homes) may only be conducted at the direction of the NHSC-approved site and may only be counted in the alternative setting allotment for direct clinical care (see the [Eligible Primary Care Providers and Clinical Practice Requirements](#) section).

HOW LOAN REPAYMENT AWARDS ARE DETERMINED

The NHSC LRP determines loan repayment awards using rankings of HPSA, MCTA, funding priorities, and other selection factors.

Health Professional Shortage Areas

The NHSC LRP statute requires that providers work in HPSAs of greatest need. The Secretary determines HPSAs for the following categories: *Primary Care, Dental Health, and Mental Health*.

Eligible applications are prioritized and awarded based on descending order of the HPSA score for the applicant's intended site of service (that means, your work site).

If an applicant is serving or will serve at multiple NHSC-approved sites with different HPSA scores, the lowest score will determine the order in which the application will be reviewed. HPSA data as of the application submission deadline will be used for the Fiscal Year 2026 award cycle. Some participants may be required to serve in a specific type of HPSA. For example, behavioral health providers will be evaluated, and slots allocated based on Mental Health HPSA scores.

Maternity Care Target Area (MCTA)

A MCTA is a geographic area within a Primary Care HPSA that has a shortage of maternity care health professionals. A higher MCTA score indicates greater need for maternity care health professionals. The NHSC LRP will review and approve applications from maternity care health professionals by descending Primary Care HPSA or MCTA score, whichever is higher, and based on the information in the Funding Priorities section of this document. **Maternity care health professionals, for the purposes of the NHSC LRP, are obstetricians/gynecologists, family medicine physicians who practice obstetrics, and certified nurse midwives.**

Note: Maternity care health professionals must serve in a MCTA within a Primary Care HPSA. Maternity care health professionals serving in an exclusively Mental Health HPSA are not eligible for an award.

Funding Priorities

Consistent with the NHSC enabling statute and policy, priorities in funding will be applied to eligible and qualified applicants as follows:

- **Current (or former) NHSC Participants with Remaining Eligible Loans**

Current or former NHSC members include scholarship recipients and participants of the various NHSC LRP who have completed or will complete (by the applicable deadline) their service obligation and have remaining eligible student loans.

- **Characteristics Likely to Remain Practicing in a HPSA**

The NHSC will also give priority to an applicant who has (and whose spouse, if any, has) characteristics that indicate a higher likelihood of continuing to practice in a HPSA after the service obligation is completed. The program will assess the applicant's education, training, and experience in working with underserved populations by considering the following factors to determine this priority:

- a. **Applicants who have completed** a postgraduate medical or dental training program funded by HRSA through the Teaching Health Center Graduate Medical Education (THCGME) Payment Program⁴ or a HRSA-funded Advanced Nursing Education (ANE) Nurse Practitioner Residency Program⁵, ANE Nurse Practitioner Residency Integration Program⁶, ANE Nurse Practitioner Residency Fellowship Program⁷.
- b. The duration of the applicant's tenure at the current NHSC-approved site; and
- c. The characteristics of the applicant's spouse, if applicable, that indicate they are likely to remain in a HPSA. If this funding priority is applicable, the NHSC may consider a spouse's employment status and their proximity to a HPSA. The NHSC will contact the applicant directly to retrieve documentation that determines the distance between the spouse's place of employment and the NHSC applicant's approved site. All information collected will be compiled and ranked to determine final issuance of an award.

- **Training in a Specialty Determined by the Secretary as an NHSC Need**

The NHSC will also give priority to an applicant who has training in a health profession or specialty determined by the Secretary to be needed by the NHSC. The Secretary has determined that completers of the following programs have training in a specialty needed by the NHSC:

⁴ The THCGME Program is authorized under Section 340H of the Public Health Service Act (42 U.S.C. § 256h). Most recent funding was awarded under Notice of Funding Opportunity (NOFO) number HRSA-25-091; however, individuals who completed this program under a previous NOFO number are eligible.

⁵ The ANE Nurse Practitioner Residency Program is authorized by Section 811 of the Public Health Service Act (42 U.S.C § 296j). Funding was awarded under NOFO number HRSA-19-001.

⁶ The ANE Nurse Practitioner Residency Integration Program is authorized by Section 811 of the Public Health Service Act (42 U.S.C § 296j). Funding was awarded under NOFO number HRSA-20-118.

⁷ The ANE Nurse Practitioner Residency Fellowship Program is authorized by Section 811 of the Public Health Service Act (42 U.S.C § 296j). Funding was awarded under NOFO number HRSA-23-009.

- a. **Applicants who have completed a HRSA-funded Addiction Medicine Fellowship Program⁸.** The NHSC has identified a need for addiction medicine specialists trained in community-based settings. Accordingly, the NHSC will give priority to applicants who have completed a HRSA-funded Addiction Medicine Fellowship (AMF) Program. The AMF Program trains addiction medicine specialists who work in underserved, community-based settings that integrate primary care with mental health disorders and SUD prevention and treatment services.
 - b. **Applicants who have completed a HRSA-funded Graduate Psychology Education (GPE) Program.** The NHSC has identified a need for specialists with addiction medicine training in community-based settings. Accordingly, the NHSC will give priority to applicants who have completed a HRSA-funded GPE Program⁹. The GPE Program trains addiction medicine specialists who work in underserved, community-based settings that integrate primary care with mental health disorders and SUD prevention and treatment services. Program completers will have completed at least 25 percent of the time in the experiential training site(s) delivering opioid use disorder and other SUD prevention, treatment, and recovery services.
 - **Disadvantaged Background (DAB)** (see DAB definition in the [Glossary](#) and [Required Supporting Documentation section](#)).
- Consistent with the governing statute, the NHSC will also give priority to an applicant who has (and whose spouse, if any, has) characteristics that indicate a higher likelihood of continuing to practice in a HPSA after the service obligation is completed and who comes from a DAB. The applicant may submit certification from their school on the NHSC-approved DAB form that they:
- a. were identified as having a “disadvantaged background” based on environmental and/or economic factors, or
 - b. received a federal Exceptional Financial Need Scholarship. Applicants may also self-attest to having a DAB by uploading a document that validates that they meet the criteria included on the DAB form (for example, a Federal Student Aid report).

Selection Factors

⁸ The AMF program is authorized under Section 760(a)(1) of the Public Health Service Act (42 U.S.C. § 294k(a)(1)). Most recent funding was awarded under NOFO number HRSA-25-069; however, individuals who completed this program under a previous NOFO number are eligible.

⁹ The GPE Program is authorized by Section 756(a)(2) of the Public Health Service Act (42 U.S.C. § 294e–1(a)(2)). Funding was awarded under NOFO number HRSA-25-067; however, individuals who completed this program under a previous NOFO number are eligible.

Applicants who meet the eligibility criteria outlined in the Funding Priorities section, must also demonstrate the following:

- (1) **History of honoring prior legal obligations.** The NHSC will perform a hard inquiry¹⁰ with credit bureaus prior to making the award decision. Applicants who do **not** have a history of honoring prior legal obligations, as evidenced by one or more of the following factors, will **not** be selected:
 - a. Default on any federal payment obligations; for example, Department of Education student loans, Health Education Assistance Loans, Nursing Student Loans, Federal Housing Administration Loans, federal income tax liabilities, federally guaranteed/insured loans (for example, student or home mortgage loans) or any non-federal payment obligations (for example, court-ordered child support payments or state tax liabilities), unless the obligation was subsequently satisfied.
 - b. Write-offs/charge-offs of any federal or non-federal debts as **uncollectible** or **waiver** of any federal service or payment obligation.
 - c. Default on a prior service obligation. Applicants who have defaulted on a prior service obligation to the federal government, a state or local government, or other entity, will not be selected, unless the obligation was subsequently satisfied.
 - d. Judgment liens arising from federal debt.
 - e. Failure/refusal to provide appropriate permission/consent for the NHSC to access the participant's credit report and failure/refusal to unlock and unfreeze a frozen credit report.
- (2) **Do not have negative report on the National Practitioner Data Bank (NPDB).** The NHSC will request and review the applicant's NPDB report.
- (3) **Are not in breach of any service obligation.** Applicants will **not** be selected for an award if they are currently in breach or default of a health professional service obligation to a federal, state, or other entity.
- (4) **Do not have an existing current service obligation and agree not to incur any service obligation that would be performed concurrently with, or overlap with, their NHSC LRP service obligation.** Participants who subsequently enter into other service obligations (for example, State Loan Repayment Program) will be subject to the breach of contract provision (see the [Breaching the NHSC LRP Contract](#) section).
Exceptions:
 - a. Applicants who are already obligated to a federal, state, or other entity (for example, a different NHSC LRP, Nurse Corps LRP, active military duty, State LRP, Indian Health Service LRP, or any other entity that obligates you to remain employed at a certain

¹⁰ According to the U.S. Consumer Financial Protection Bureau, these inquiries "are typically inquiries by lenders after you apply for credit. These inquiries will impact your credit score because most credit scoring models look at how recently and how frequently you apply for credit." (Source: <https://www.consumerfinance.gov/>).

geographical location) for professional practice or service may be eligible for the NHSC LRP, if they will completely satisfy that obligation by the following applicable dates:

- For NHSC Scholarship Program and Nurse Corps Scholarship Program: **July 31, 2026.**
 - For all others, including NHSC LRP participants, Nurse Corps LRP participants, active military duty, State LRP participants or Indian Health Service LRP participants: **July 18, 2026.**
- b. Members of a reserve component of the Armed Forces or National Guard who are **not** on active duty prior to receiving an LRP award **are** eligible for the program. If military obligations in combination with the participant's other absences from the site will exceed seven weeks per service year, the NHSC LRP service obligation end date will be extended. If the reservist is deployed, they are expected to return to the NHSC-approved site where they were serving prior to deployment or apply for a transfer to another NHSC-approved site.
- (5) **Are not currently excluded, debarred, suspended, or disqualified by a federal agency.** Applicants are required to report certain information, which is described in the "Certification Regarding Debarment, Suspension, Disqualification and Related Matters" section of the online application. The applicant must sign the certification that is applicable to their situation. As a condition of participating in the NHSC LRP, a participant must agree to provide immediate written notice to the NHSC LRP if the participant learns that they failed to make a required disclosure or that a disclosure is now required due to changed circumstances. The NHSC will verify each participant's status through the [U.S. Department of the Treasury's Do Not Pay](#) site.

PROGRAM COMPLIANCE

To qualify for the NHSC LRP, applicants must either 1) be working at an NHSC-approved site or 2) have accepted an offer of employment at an NHSC-approved site by the date they submit their application and will begin meeting the NHSC clinical practice requirements at the NHSC site they identified (in their application) by July 18, 2026. However, all applications regardless of employment start date must be submitted by the application closing F. For details on the deadline, go to the [NHSC LRP](#) page on the NHSC website.

Dates of the Service Obligation

The participant's award letter will note the beginning and projected end dates of the service obligation. In addition, this information is contained in the participant profile in the participant's [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) page on the NHSC website.

Participants will not receive service credit for any employment at an NHSC-approved site prior to the effective date of their NHSC LRP contract.

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 participant with a two-year full-time service obligation that began on July 15, 2026, would be July 14, 2029. The end date may be extended if a participant is away from the site for more than seven weeks (roughly 35 workdays) per service year (see the [Worksite Absences](#) section).

Role of the Site Point of Contact

To complete an application and track their work hours during their service, NHSC participants work closely with a site POC for each work site. The site POC is the on-site official who has agreed to and is qualified to perform the applicant's initial employment verification, as well as the participant's In-Service Verifications (see the [Service Verification](#) section) throughout the obligated service period.

Employment Status

Most NHSC LRP participants are employees or independent contractors of their work sites. Employment contract negotiations are solely the responsibility of the clinician and are between the clinician and the site. Applicants may want to seek legal guidance from private counsel before entering into an employment contract.

The participant's service contract with the NHSC LRP is separate and independent from the participant's employment contract with the site. The participant must meet the hours per week specified in their NHSC LRP contract even if their employment contract stipulates fewer hours (and their salary is based on those hours).

Worksite Absences

The information provided in the following section pertains to compliance with the NHSC LRP service obligation and is **not** a guarantee that a site will allow any particular amount of leave. Leave must be approved by the site; therefore, participants **cannot** receive credit for leave if they are not working at their NHSC-approved site.

- (1) Full-time participants are allowed to spend no more than seven weeks (35 full-time workdays or 280 full-time working hours) per service year away from the NHSC-approved site for vacation, holidays, continuing professional education, illness, or any other reason.
- (2) Half-time participants are allowed to spend no more than seven weeks (35 half-time workdays or 140 half-time working hours) per service year away from the NHSC-approved site for vacation, holidays, continuing professional education, illness, or any other reason.

If a participant works more than the minimum number of hours per week (40 for full-time participants, 20 for half-time participants), the only time spent away from the site that will need to be reported (see the [Service Verification](#) section) and deducted from the allowed absences per service year (as set forth in the Eligible Primary Care Providers and Clinical

Practice Requirements section) are the hours of absence that cause a participant's work hours to fall below the NHSC required minimum number of hours per week. For example, a half-time participant who works 32 hours a week would **not** need to report 12 hours of sick leave because the participant has still met the NHSC minimum service requirement of 20 hours a week.

Absences over 280 full-time working hours or 140 half-time working hours (which translates into seven weeks or 35 workdays) will result in the extension of the participant's service obligation. Participants who have a medical or personal emergency that will result in an extended period of absence *will need to request a suspension* of the NHSC service obligation in writing through the [My BHW Account](#) and provide supporting documentation. For details on accessing your [My BHW Account](#) to submit a request, go to the [NHSC LRP](#) page on the NHSC.

The NHSC **cannot** guarantee that a suspension request will be approved. If a suspension is requested and approved, the participant's service obligation end date will be extended accordingly (see the [Suspensions of Service Obligations](#) section).

Service Verification

Every six months, NHSC LRP participants must submit service verification documentation certifying their compliance or noncompliance with the clinical practice requirements. Participants can access the In-Service Verification through their [My BHW Account](#) and record the time spent away from the site during the six-month period and hours that fall below 40 (full-time) and 20 (half-time) hours/week. The site POC verifies the accuracy of these submissions. For details on accessing your [My BHW Account](#) to access In-Service Verification, go to the [NHSC LRP](#) page on the NHSC website. In addition to the standard six-month service verification cycle, participants who are completing extension periods of their service obligation due to missed service time must also submit an in-service verification covering that period. This verification should follow the same process as the standard in-service verification.

It is the participant's responsibility to ensure that the site POC completes the verification in a timely manner and that it is accurate.

Participants who fail to ensure that their In-Service Verification forms are completed and submitted on time risk not receiving service credit and being recommended for default. Participants who do not submit In-Service Verifications or who are consistently late in submitting them may not be selected for an [NHSC LRP Continuation Contract](#).

Transitioning from the NHSC Scholarship Program to the NHSC LRP

NHSC Scholars completing their service obligation who wish to be considered for a Fiscal Year 2026 NHSC LRP award will be able to complete an application by accessing their [My BHW Account](#) and submitting a complete application by the deadline. For details on accessing your [My BHW Account](#) to complete an application, go to the [NHSC LRP](#) web page. NHSC scholar applicants will receive funding priority (see the [Funding Priorities](#) section).

NHSC Scholarship Program scholars intending to *remain* at the same NHSC-approved site where they will complete their NHSC Scholarship Program service obligation are eligible to apply for the NHSC LRP, so long as the scholarship obligation will be fulfilled on or before July 31, 2026.

Scholars who intend to transfer to another NHSC-approved site must complete their NHSC Scholarship Program obligation at their current NHSC-approved site on or before July 31, 2026. When completing the NHSC LRP application, scholar applicants who intend to transfer to a new site will need to submit the new site for the NHSC LRP so that HRSA can verify future employment.

Continuing Service After Initial Two-year Contract

NHSC LRP participants may be eligible for a continuation contract, which extends an initial loan repayment contract, one year at a time, allowing eligible participants to pay off all qualifying educational loans. To remain eligible for a continuation contract, the individual must have unpaid qualifying educational loans, apply for the continuation contract before the initial two year loan repayment contract ends, have applied all previously received NHSC LRP payments to reduce their qualifying educational loans during the period of obligated service preceding the continuation, continue to serve at an NHSC-approved site, and meet all other program eligibility criteria in effect at the time the participant is being considered for a continuation contract. There is **no guarantee** that a participant will receive a continuation contract for continued participation in the program beyond the initial contract. Continuation contracts will be made at the government's discretion and are subject to the availability of appropriated funds. For more information on continuation awards, visit the [Apply for a Continuation Contract](#) page on the NHSC website.

NOTE: Participants who complete their initial two-year contract and will not be continuing their service with the NHSC will receive a **completion letter** after all In-Service Verifications are completed.

Changes and Disruptions to Your Service Obligation

The NHSC LRP provides detailed information about the responsibilities of program participants. The contract can only be terminated in specific and rare circumstances. See the Contract Termination section for information on terminating a contract.

APPLICATION WITHDRAWAL AND CONTRACT TERMINATION

Withdrawal Process

After submitting an application, and even after signing the contract through the Confirmation of Interest process, an applicant may withdraw their application by logging into their [My BHW](#) Account and requesting a withdrawal any time **before** the contract is countersigned by the Secretary or their designee (see the [Application Review and Award Process](#) section). Once the application has been withdrawn, the applicant will **not** incur a service or payment obligation.

Contract Termination

An applicant becomes a participant in the NHSC LRP only upon entering into a contract with the Secretary of HHS. The contract becomes fully executed (and effective) on the date that the Secretary (or the Secretary's designee) countersigns the contract. The contract termination deadline is determined by statute and may be modified through annual appropriations (that means, funding) acts. At the time of publication of this APG, the full appropriations act for FY 2026 has not been signed into law. However, based on recent appropriations acts, the NHSC anticipates that the termination deadlines and termination request requirements for contracts entered into in FY26 will be as follows: the Secretary may terminate an NHSC LRP contract, if the participant meets one of the following conditions:

- (1) Submits a written request to terminate the contract within 60 days following the contract's execution date and repays all NHSC LRP funds paid to, or on behalf of, the participant under that contract; OR
- (2) At any time if the individual who has been awarded such contract has not received funds due under the contract and the individual submits a written request to terminate the contract.

A written request for contract termination must be submitted through their [My BHW](#) Account. If due to timing, the NHSC LRP funds have been disbursed to the participant, they will receive separate instructions in their [My BHW](#) Account or directly from an NHSC representative outlining the process for returning the awarded funds. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) page on the NHSC website.

Requests to terminate the contract after 60 days will not be considered unless the individual who has been awarded such contract has not received funds due under the contract. Participants who do not meet the conditions for contract termination will be expected to perform their obligations under the contract. Failure to fulfill the terms of the contract may be considered a breach of contract.

Conversion to Full-Time or Half-Time Status

At the discretion of the Secretary or their designee, and upon written request, a waiver may be granted to allow a full-time participant to complete the service obligation through half-time service by extending the time commitment of the service obligation. The following conditions must be met to be considered for half-time service:

- (1) A participant's NHSC-approved site agrees in writing that the participant may convert to half-time clinical practice (as defined by the NHSC);
- (2) A participant is a federal employee or a Private Practice Assignee (see the [Practice Agreement Types](#) section). The half-time option is **not** authorized for PPO practitioners; and
- (3) A participant agrees in writing (by signing an addendum to the NHSC LRP full-time contract) to complete the remaining service obligation through half-time clinical practice for twice as long as the full-time commitment.

Requests must be submitted through your [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) page on the NHSC website.

Once the conversion to half-time service becomes effective, the participant's service obligation end date and allowable leave will be adjusted accordingly. **Participants will not be allowed to switch back to full-time service once they have converted to half-time service.**

Half-time participants are only allowed to convert to full-time service at the point they enter a new full-time NHSC LRP Continuation Contract under the following conditions:

- (1) The participant has completed their existing half-time service obligation. Participants will **not** be allowed to switch from half-time to full-time status within a service contract period;
- (2) The participant's NHSC-approved site agrees via the online Employment Verification that the participant will convert to full-time clinical practice (as defined by the NHSC LRP); and
- (3) The participant agrees to perform one year of full-time clinical practice at their NHSC-approved site.

Leaving an Approved Site Prior to Completion of Service Obligation

If a participant feels they can no longer continue working at their NHSC-approved site(s), they should discuss the situation and/or concerns with site management and must contact the NHSC immediately through their [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) page on the NHSC website.

If the participant leaves their NHSC-approved site(s) without prior approval of the NHSC, they may be placed in default as of the date they stopped providing direct clinical care at the NHSC-approved site and become liable for the monetary damages specified in their NHSC LRP contract. **Participants who are terminated for cause by their site will be placed in default. For details, see the [Breaching the NHSC LRP Contract](#) section.**

Transferring to Another Approved Site

The NHSC expects that participants will fulfill their obligation at the NHSC-approved site(s) identified in their [My BHW](#) Account and in the NHSC LRP Application. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) page.

However, the NHSC understands that circumstances may arise that require a participant to leave the initial site and complete service at another NHSC-approved site. Participants who require a site change to another NHSC-approved site must request a transfer through their [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

Approval of all transfer requests is at the NHSC's discretion and may depend on the circumstances of the participant's resignation or termination from the current site.

The site change must be approved and processed by the NHSC prior to the participant beginning work at the new site. If a participant begins employment at a site before obtaining NHSC approval, they may **not** receive service credit for the time between their last day providing direct clinical care at the prior site and resumption of service at the transfer site following NHSC approval. If the proposed site is not approved by the NHSC and the participant refuses assignment to another NHSC-approved site, they may be placed in default. For details, see the [Breaching the NHSC LRP Contract](#) section.

Maternity/Paternity/Adoption Leave

HRSA will automatically approve requests for maternity/paternity/adoption leave of 12 weeks or less, if documented in the participant's [My BHW](#) Account. If participants plan to be away from their site for maternity/paternity/adoption leave, they are required to inform the NHSC before taking the leave. The NHSC will allow participants to be away from their site within the timeframes established by either the Family Medical Leave Act (up to 12 weeks) or the participant's state of residence; however, the participant must also adhere to the leave policies of their NHSC-approved site. If participants plan to take more than 12 weeks, they are required to request a medical suspension (see the [Suspensions of Service Obligations](#) section), which may or may not be approved by the NHSC. Requests should be submitted through their [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) page on the NHSC website.

Remember that a participant is required to serve a minimum of 45 weeks per service year and is allowed to be away from the NHSC-approved site for no more than seven weeks (35 workdays) per service year; therefore, a participant's obligation end date will be extended for each day of absence over the allowable seven weeks (35 workdays).

Suspensions Of Service Obligation and Payment Obligation

The NHSC requires participants to fulfill their service obligation without excessive absences or significant interruptions in service. Participants are allowed seven weeks (35 workdays) of leave per service year. If circumstances prevent a participant from staying within this timeframe, the Secretary may suspend or waive the NHSC LRP service obligation or payment obligation. For details, see the [Waivers and Cancellation of the Service Obligation](#) section.

Suspension. A suspension of the NHSC LRP commitment may be granted if compliance with the commitment by the participant: (i) is temporarily impossible, or (ii) would involve a temporary extreme hardship such that enforcement of the commitment would be unconscionable. Periods of approved suspension of service will extend the participant's service obligation end date. The major categories of suspension are set forth in the following section. Suspension requests are submitted through the [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

- a. **Leave of Absence for Medical or Personal Reasons.** A suspension may be granted for up to one 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 (for example, child or spouse), which results in the participant's temporary inability to perform the NHSC LRP service obligation.

- b. **Maternity/Paternity/Adoption Leave.** If the participant's maternity/paternity/adoption leave during a service year will exceed the time that is permitted under the Family Medical Leave Act (up to 12 weeks) or state law where the participant resides, a suspension may be granted by the NHSC based on documented medical need.
- c. **Call to Active Duty in the Armed Forces.** Participants who are military reservists and are called to active duty must submit a request for an NHSC service suspension through their [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

The period of active military duty will **not** be credited towards the NHSC service obligation. Suspensions for active-duty military assignment are granted for up to one year, beginning on the activation date described in the reservist's call to active-duty order. A copy of the order to active duty must be provided to the NHSC with the request for a suspension. In the event that the NHSC participant's period of active duty with the armed forces entity is extended beyond the approved suspension period, the participant must contact the NHSC through the [My BHW](#) Account for guidance on how to request an extension of the suspension period. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

Unemployment During Service Obligation

Participants who resign or are terminated from their NHSC-approved site(s) must contact the NHSC immediately through their [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

If the NHSC deems the participant is eligible for a transfer, the NHSC will give the participant a specific period of time in which to obtain employment at an approved site identified by the NHSC or at another suitable NHSC-approved site identified by the participant (see the [Transferring to Another Approved Site](#) section).

Although the NHSC may assist unemployed participants with identifying suitable positions at NHSC-approved sites (referred to as "site assistance"), **it is the participant's responsibility to obtain employment at an NHSC-approved site.** The NHSC LRP contract is **not** limited to service in a particular geographic area; the participant may need to relocate to fulfill their NHSC LRP service obligation.

- Approval of a transfer or reassignment is at the NHSC's discretion, and available service opportunities **may not** be in the participant's preferred geographic area.

- Participants who voluntarily resigned from their sites without prior approval from the NHSC, were terminated for cause, or are deemed ineligible for site assistance **may not** receive a transfer to another site, may be disqualified from continuation contract eligibility, and may be placed in default and become liable for the monetary damages specified in the participant's NHSC LRP contract. See [Breaching the NHSC Contract](#) and Section C of the NHSC LRP contract for a full explanation of liability provisions.

Work at an Unapproved Satellite Clinic

Participants who are asked by their site to work at a satellite clinic that is **not** listed in the provider's profile on their [My BHW](#) Account must immediately notify the NHSC through their [My BHW](#) Account. Time spent at unapproved clinics will **not** count towards the participant's service obligation. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

Breaching the NHSC LRP Contract

While the NHSC will work with participants to assist them to the extent possible to avoid a breach, failure to complete service for any reason is a **breach** of the NHSC LRP contract. Participants should make sure that they understand the following monetary damages that are required by federal law when an NHSC LRP contract is breached.

A participant who breaches a commitment to serve in a full-time clinical practice will become liable to the United States for an amount equal to the sum of the following:

- (1) The amount of the loan repayments paid to the participant representing any period of obligated service *not* completed;
- (2) \$7,500 multiplied by the number of months of obligated service *not* completed; AND
- (3) Interest on the above amounts at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of breach.

Except the amount the United States is entitled to recover shall not be less than \$31,000.

A participant who breaches a commitment to serve in a half-time clinical practice will become liable to the United States for an amount equal to the sum of the following:

- (1) The amount of the loan repayments paid to the participant representing any period of obligated service *not* completed;
- (2) \$3,750 multiplied by the number of months of obligated service *not* completed; AND
- (3) Interest on the above amounts at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of breach.

Except the amount the United States is entitled to recover shall not be less than \$31,000.

In all cases, a participant who breaches a full-time or half-time service commitment will owe no less than \$31,000.

Any participant who breaches the contract will receive a default notice from the Debt Collection Center that specifies the amount the United States is entitled to recover, as set forth in the [NHSC LRP Contract](#) and in accordance with Public Health Service Act, sections 338E(c)(1); 331(i)(2)(F). The debt will be due to be paid within one year of the date of the default. During the one-year repayment period, the debt will be reported to the credit reporting agencies as “current.” Failure to pay the debt by the due date has the following consequences:

- (1) **The debt will be reported as delinquent to credit reporting agencies.** If the debt becomes past due (that means, remains unpaid at the end of the one-year repayment period), it will be reported as “delinquent.”
- (2) **The debt may be referred to a debt collection agency and the Department of Justice.** Any NHSC LRP debt past due for 45 days may be referred to a debt collection agency. If the debt collection agency is unsuccessful in collecting payment, the debt will be referred to the Department of Justice for filing of a lawsuit against the defaulter.
- (3) **Administrative Offset.** Federal or state payments due to the participant (for example, an Internal Revenue Service or state income tax refund) may be offset by the Department of Treasury to pay a delinquent NHSC LRP debt. Also, defaulters who are federal employees may have up to 15 percent of their take-home pay garnished to pay a delinquent NHSC LRP debt.
- (4) **Licensure Sanctions.** In some states, health professions licensing boards may impose sanctions, including suspension or revocation of a defaulter’s professional license, if the defaulter fails to satisfactorily address repayment of their NHSC LRP debt.

Bankruptcy and Default

The participant should also be aware that it is **not** easy to discharge an NHSC LRP debt by filing for bankruptcy. A financial obligation under the NHSC LRP is **not** dischargeable in bankruptcy for seven years after the debt becomes due (that means, for seven years from the end of the one-year repayment period). After the seven-year period of absolute non-discharge expires, the debt may be discharged in bankruptcy only if a bankruptcy court determines that it would be unconscionable **not** to discharge the debt.

Sample Default Scenarios

Scenario 1

Dr. Jane Smith entered into a two-year NHSC LRP full-time service contract effective January 14, 2026. Her service end date is January 13, 2028. She received \$75,000 in LRP financial support to apply toward her qualifying educational loans. She was terminated for cause by her site at the end of her workday on March 31, 2026. The NHSC determines that she defaulted on her LRP contract on April 1, 2026 and served 77 days of her two-year (730-day) service obligation.

Dr. Smith is liable to the United States for: (1) \$67,089 for the loan repayments received for obligated service **not** completed (653 days not completed/730-day service obligation x \$75,000) and (2) \$165,000 for the months of service **not** completed (\$7,500 x 22). Her total LRP debt of

\$232,089 will begin accruing interest at the maximum legal prevailing rate as of her default date (April 1, 2026). Dr. Smith will receive a default notice from the Debt Collection Center that specifies the amount the United States is entitled to recover, as set forth above. The debt will be due to be paid within one year of the date of the default.

Scenario 2:

Dr. Smith entered into a two-year NHSC LRP full-time service contract effective January 14, 2026. Her service end date is January 13, 2028. She received \$50,000 in LRP financial support to apply toward her qualifying educational loans. She resigned from her site at the end of her workday on March 31, 2026. The NHSC determines that she defaulted on her LRP contract on April 1, 2026 and served 77 days of her two-year (730-day) service obligation.

Dr. Smith is liable to the United States for: (1) \$44,726 for the loan repayments received for obligated service not completed ($653/730 \times \$50,000$) and (2) \$165,000 for the months of service not completed ($\$7,500 \times 22$). Her total LRP debt of \$209,726 will begin accruing interest at the maximum legal prevailing rate as of her default date (April 1, 2026). Dr. Smith will receive a default notice from the Debt Collection Center that specifies the amount the United States is entitled to recover, as set forth above. The debt will be due to be paid within one year of the date of the default.

Scenario 3:

Dr. Smith entered into a two-year NHSC LRP half-time service contract effective January 14, 2026. Her service end date is January 13, 2028. She received \$25,000 in LRP financial support to apply toward her qualifying educational loans. She was terminated for cause by her site at the end of her workday on March 31, 2026. The NHSC determines that she defaulted on her LRP contract on April 1, 2026 and served 77 days of her two-year (730-day) service obligation.

Dr. Smith is liable to the United States for: (1) \$22,363 for the loan repayments received for obligated service not completed ($653/730 \times \$25,000$) and (2) \$82,500 for the months of service not completed ($\$3,750 \times 22$). Her total LRP debt of \$104,863 will begin accruing interest at the maximum legal prevailing rate as of her default date (April 1, 2026). Dr. Smith will receive a default notice from the Debt Collection Center that specifies the amount the United States is entitled to recover, as set forth above. The debt will be due to be paid within one year of the date of the default.

Waivers and Cancellation of the Service or Payment Obligation

Waiver. A waiver permanently relieves the participant of all or part of the NHSC LRP service or payment obligation. A waiver may be granted **only** if the participant demonstrates that compliance with their commitment is permanently impossible or would involve an extreme hardship such that enforcement of the commitment would be unconscionable (*See 42 CFR §62.28*). A waiver request and supporting documents must be submitted electronically

through your [My BHW](#) Account. The participant will be contacted by HRSA if supplemental medical and/or financial documentation is necessary to complete the waiver request. All documents can be submitted through your [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

NOTE: Waivers are **not** routinely granted and require documentation of compelling circumstances.

Cancellation. The NHSC obligation will be cancelled in its entirety in the event of a program participant's death. No liability will be transferred to the participant's heirs.

Application Information

APPLICATION DEADLINE

A complete online application must be submitted using your [My BHW](#) Account. For details on the deadline, go to the [NHSC LRP](#) web page.

All supporting documentation for the application must be uploaded before an individual can submit a complete application package. Applicants must upload all documents; the NHSC will **not** accept documentation by fax or mail. The electronic Employment Verification (see the [Employment Verification](#) section) must also be completed before an applicant can submit their application.

Applicants should download and keep a copy of the completed application package for their records. Applicants are responsible for submitting a complete and accurate online application, including ALL required documentation in a legible format. If during the initial review of the application, the NHSC discovers that documentation is missing, or not legible, the application may be deemed "incomplete" and rejected. If the answers provided in the online application do not match the supporting/supplemental documents, or if the documentation provided does not accurately verify the answers provided, the application will be rejected.

COMPLETING AN APPLICATION

A **complete** NHSC LRP Online Application consists of:

- (1) Online application, including the electronic employment verification (completed by the site POC);
- (2) Required supporting documentation; and
- (3) Additional supplemental documentation (if applicable).

The NHSC LRP 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 LRP staff will **not** fill in any missing information or contact applicants regarding missing information.

Online Application

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

- (1) **National Health Service Corps Eligibility.** If an individual does not pass the initial screening portion of the online application, they will not be able to continue with the application. Refer to the [Required Credentials for Eligible Disciplines](#) section of the APG for further details.
- (2) **Program Eligibility.** Answers to this section will determine the NHSC LRP that is optimal for you to apply for an award.
- (3) **General Information.** Answers to this section pertain to the applicant's name, social security number, mailing and email addresses, and other contact information. Answers also pertain to individual background.
- (4) **Discipline, Training and Certification.** Answers to this section pertain to the applicant's education, training, and licensure/certification.
- (5) **Employment.** In this section, applicants will select the NHSC approved site(s) where they are providing or will provide direct clinical care. If any of the sites are not listed in the search results, applicants are required to select the option below the search tool, which states to "Click this box if your site is not listed in the search results." The applicant must confirm that the address selected or entered in the search box is an exact match to the street and suite number of their site(s). If selected, the applicant is provided instructions on how to resolve the site concern. The NHSC is not accepting Site Applications at this time. If any of the sites where the applicant provides care are not currently an NHSC-approved site, the provider is not eligible.
- (6) **Employment Verification.** Once an applicant selects the NHSC-approved site(s) at which they are or will be working, the applicant will need to initiate an electronic Employment Verification. Once initiated, the designated point(s) of contact at the NHSC-approved site will be notified electronically through their [My BHW](#) Account that an Employment Verification has been requested by the applicant. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

Once completed by the site(s) point(s) of contact (POC), the applicant will be notified. The site must complete the electronic Employment Verification before an applicant will be allowed to submit the application. If an Employment Verification is not submitted by every site identified by the applicant, the application cannot be submitted. It is the applicant's responsibility to ensure that the Employment Verification is completed by the site POC. The NHSC will make no exceptions.

NOTE: When serving at an Indian Health Service hospital, Rural Emergency Hospital or Critical Access Hospital all applicants must include the hospital-affiliated

outpatient clinic in their application. This allows the NHSC to verify that all service requirements are met at the time of submission.

Applicants who work at more than one site (for example, several satellite clinics) must include all service locations by selecting from the drop-down menu and initiating an electronic Employment Verification for each site when completing the LRP application.

Selecting a site where the applicant is not providing direct clinical care will disqualify the application. Applicants must provide the exact address, including any applicable suite number, of each site where they work or intend to work.

For the NHSC LRP, the site POC is the NHSC on-site official who has agreed to and is qualified to perform the applicant's initial employment verification, as well as the participant's In-Service Verifications – including verification that the participant is meeting their service obligations – throughout the obligated service period. Once initiated by the applicant, the point of contact must complete the online Employment Verification. If an applicant is working at multiple sites, each Employment Verification should reflect the hours worked at each site. The total hours from all the Employment Verifications must total 40 hours weekly for full-time employment and 20 hours weekly for half-time employment. After the site POC completes the Employment Verification, the applicant must submit the complete application by the application deadline. For details on the deadline, go to the [NHSC LRP](#) web page.

Please note: Applicants are encouraged to initiate Employment Verifications as early as possible. Serving in multiple sites may cause delays in submitting an application due to multiple points of contact being required to review employment.

The point of contact will receive periodic reminders to complete the Employment Verification; however, **it is the applicant's responsibility to ensure that the Employment Verification is complete and accurate, within a timeframe that will allow submission of the NHSC application by the application deadline.** The applicant will receive notification through their [My BHW](#) Account that the point of contact has completed the Employment Verification and should work to complete and submit the application as soon as possible. The applicant must contact the point of contact to resolve any concerns regarding the responses provided on the Employment Verification. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

Applicants will have the ability to edit their application prior to the application submission deadline and initiate a new Employment Verification if necessary (for example, the site mistakenly stated that the applicant was not employed at the site or that the start work date is later than July 18, 2026). However, the site must

complete the corrected Employment Verification before the applicant can resubmit the application, which must be done before the application deadline. The resubmitted application with corrected Employment Verification must be received by the deadline or the applicant will be ineligible for an award. For details on the deadline, go to the [NHSC LRP](#) web page. Errors made by applicants and/or site POC **cannot** be corrected after the application deadline.

Most NHSC LRP participants are employees or independent contractors of non-federal facilities in or serving Health Professional Shortage Areas that have been approved by the NHSC for performance of the service obligation. Employment contract negotiations are solely the responsibility of the clinician and are between the clinician and the site. The NHSC strongly discourages sites from considering the loan repayment funds as income to the clinician when negotiating the clinician's salary. The terms of the employment contract should be carefully reviewed and fully understood by the clinician before the employment contract is signed. Applicants may want to seek legal guidance from private counsel before entering into an employment contract.

It is important to remember that the participant's service contract with the NHSC LRP is separate and independent from the participant's employment contract with the site. The NHSC LRP requires a participant to work a specified minimum number of hours per week. If the participant's employment contract stipulates fewer hours (and their salary is based on those hours), the participant is still required to meet the NHSC LRP service obligation requirements.

The participant's site POC must verify (1) the participant's total work hours (paid and unpaid) and (2) NHSC full-time or half-time work status (see the [Service Verification](#) section) every six months during their period of obligated service.

- (7) **Loan Information.** Answers in this section pertain to each qualifying educational loan for which an applicant is seeking repayment. All loans submitted will be verified to determine whether they are eligible for repayment under the NHSC LRP through a review of the supporting documents, by contacting lenders/holders, and by checking the applicant's credit report. Applicants are strongly encouraged to view the link provided in the application for detailed instructions on the types of documents that need to be provided to help the NHSC verify loan information.

Applying for Spanish Language Award Enhancement

The NHSC will provide a one-time Spanish language award enhancement for eligible applicants of up to \$5,000, in addition to their base loan repayment award. The amount of the enhancement will depend on the amount of the applicant's outstanding qualifying loans balance and will only be awarded if the applicant's outstanding qualifying loans balance is greater than the applicant's base NHSC LRP award.

NHSC applicants interested in the one-time award enhancement must exhibit Spanish language proficiency. In addition, the applicant's site POC must verify on the employment verification form that the applicant directly provides oral Spanish speaking medical services to patients with limited English proficiency.

Once the application cycle has closed, applicants who were determined eligible will receive an e-mail with detailed instructions on how to access and take a verbal proficiency language skills assessment. The assessment can take up to 30 minutes. The applicant must score a three (3) or higher on the assessment to be eligible to receive the one-time supplemental award enhancement. Proficiency assessment results will be auto generated into the applicant's online application after completion of the assessment.

Required Supporting Documentation

It is the applicant's responsibility to provide/upload supporting documentation into the online application. All information in the supporting documentation must match the answers provided in the online application or the application will be deemed ineligible. An application will not be considered complete, unless it contains each of the following required supporting documents:

- (1) **Proof of Status as a U.S. Citizen or U.S. National.** This can be a copy of a birth certificate, the identification page of a current U.S. passport, or a certificate of citizenship or naturalization. **Copies of a driver's license or a Social Security card are NOT acceptable documents.**
- (2) **Health Professional License.** Applicants will be required to submit proof of their current, full, permanent, unencumbered, unrestricted health professional license, certificate, or registration (whichever is applicable), **with an expiration date**, in the state in which they intend to practice under the NHSC LRP or from any state if practicing in a federal facility.
- (3) **Loan Information Verification.** Applicants will be required to provide two types of documentation for each loan that is being submitted for consideration: (a) an account statement and (b) a disbursement report.
 - a **Account Statement.** This document provides current information on qualifying educational loans. Often borrowers receive monthly statements indicating the status of their loan balance. This document should:
 - i be on official letterhead or other clear verification that it comes from the lender/holder;
 - ii include the name of the borrower (that means, the NHSC LRP applicant);
 - iii contain the account number;
 - iv include the date of the statement (**cannot** be more than 30 days from the date of LRP application submission);
 - v include the current outstanding balance (principal and interest) or the current payoff balance; and
 - vi include the current interest rate.

- b **Disbursement Report.** This report is used to verify the originating loan information and should:
- i be on official letterhead or other clear verification that it comes from the lender/holder;
 - ii include the name of the borrower;
 - iii contain the account number;
 - iv include the type of loan;
 - v include the original loan date (must be prior to the date of the NHSC LRP application submission);
 - vi include the original loan amount; and
 - vii include the purpose of the loan.

NOTE: For all **federal** loans, the Student Aid Summary report on the [Federal Student Aid](#) website is used to verify the originating loan information. The applicant will need a Federal Student Aid Identification to log in to their secured area—[create a Federal Student Aid Identification](#) on the Federal Student Aid website. If the applicant has multiple federal loans, they will only need to access one Student Aid Summary report. The Student Aid Summary report will contain information on all their federal loans.

For all other loans, the disbursement report can be satisfied through various types of documents including a promissory note, a disclosure statement, and letters directly from the lender containing the required information (as indicated in (b) in the previous information). The applicant may be able to obtain this disbursement information on their lender's website; however, all documentation must be on official letterhead from the lender.

Additional Supplemental Documentation (if applicable)

The following additional documents will be required for submission only if the applicant's responses on the online application indicate that they are relevant. 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.

- (1) **Primary Care Specialty Certification.** If an applicant selects a primary care, oral, behavioral, or maternal health specialty, they will be required to upload a copy of the certificate of completion or diploma from the training program where they matriculated.
- (2) **Geriatrics Certification.** If an applicant selects geriatrics as a specialty, they will be required to upload a copy of the certificate of completion or diploma from the geriatrics training program where they matriculated.
- (3) **Postgraduate Training Verification.** This document verifies that the applicant completed the AMF Program, ANE Nurse Practitioner Residency Program, ANE Nurse Practitioner Residency Integration Program, ANE Nurse Practitioner Residency Fellowship Program, or the GPE Program. This documentation is in addition to the postgraduate training related to

the applicant's practice area. Such documentation may include an official completion certificate.

- (4) **THCGME Identification Number.** Applicants who have completed a postgraduate medical or dental training program funded by HRSA through the **THCGME** Program are required to submit the residency identification number and residency completion certificate, if available. Use the [Accreditation Council for Graduate Medical Education](#) or [The Commission on Dental Accreditation](#) websites to look up your program identification number.
- (5) **Verification of Disadvantaged Background (DAB).** This document certifies that the applicant comes from a DAB and either participated in, or would have been eligible to participate in, federal programs such as Scholarships for Disadvantaged Students or Loans to Disadvantaged Students. This document may be completed by a school official. Applicants may also self-attest to having a DAB based on environmental and/or economic factors or having received a federal Exceptional Financial Need Scholarship by uploading a document that validates that they meet the criteria included on the NHSC-approved DAB Form (for example, a Federal Student Aid report).
- (6) **Verification of Existing Service Obligation.** If the applicant has an existing service obligation, they must submit verification from the entity to which the obligation is owed that the existing service obligation will be completed before the applicable deadline, as described in the [Selection Factors](#) section.
- (7) **Proof of Name Change.** Applicants will be required to provide legal documents (for example, a marriage license or divorce decree) if the name on the proof of citizenship document is different from the name in the application.
- (8) **Payment History.** Former NHSC LRP and NHSC Students to Service Loan Repayment Program (NHSC S2S LRP) participants seeking a new two-year LRP award must provide verification that all previous NHSC LRP funds were used to repay the approved qualifying educational loans as part of the applicant's most recent NHSC LRP contract. Generally, this information is in the form of a payment history, which varies in name (such as, Payment History, Financial Activity Summary, or Transaction History Report) that is provided by the lender servicer for each of the approved loans. The verification document must be uploaded to the application and clearly show that the entire award amount was applied to the approved loans during the most recent NHSC LRP service period. Documentation requirements include the following:
 - a. An official document or printed webpage that includes the lender's name, the account holder's name, the loan account number, and must reflect all payments made during the contract period.
 - b. The payment history must show that all NHSC LRP funds received have been paid toward their qualifying educational loans that were approved by the NHSC with the most recent contract.
 - c. For loans consolidated during the most recent contract period, loan documents, including the lending institution's list of the loans included in the consolidation and their original disbursement dates, are required. If the

applicant's loans were consolidated and the NHSC does **not** receive an itemized loan list, the applicant will **not** be given credit for payments made toward those loans. If the applicant consolidated their qualifying educational loans with non-qualifying debt, the NHSC **cannot give** credit for payments made toward the consolidated loans.

- d. **NOTE:** Cancelled checks, bank statements, and "Paid in Full letters" **will not** be accepted as proof that loan payments were properly applied.

Application Review and Award Process

Applicants receive a receipt in the form of a submission pop-up immediately upon submitting the online application. Applicants can view the overall status of their application, as well as a copy (as a PDF) of their submitted application, uploaded supporting documents, and completed Employment Verifications by logging into the application account that was set up when the applicant registered to apply. **It is the applicant's responsibility to ensure that the entirety of the application and required supporting documents (including Employment Verifications) and applicable supplemental documents are accurately submitted.**

Once the online application has been submitted, applicants will have an opportunity to make edits to their online application, including the ability to upload new documents, cancel and reinstate employment verifications, change answers to questions and loan data, and withdraw their applications from consideration. The applicant must make final edits and resubmissions before the close of the application cycle. For details on the deadline, go to the [NHSC LRP](#) web page.

Each time the application is reopened for editing, or to check specific elements of the application, the applicant must: 1) complete the "Self-Certifications" section, and 2) click the "Submit" button to resubmit their application, or the application will **not** be submitted. The NHSC advises that applicants submit their complete applications as early in the open application period as possible. Applicants who wait until the end of the application cycle risk submitting incomplete or ineligible applications if errors are found later during the open application cycle.

The "Edit" option is available in the applicant's account on the "Submitted" page, until the close of the application cycle. 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 may withdraw their application at any time prior to the contract being countersigned by the Secretary or their designee. To withdraw, applicants must log into their application account and select the "Withdraw" option on the "Submitted" page.

The NHSC will **not** begin to review applications for funding until the application deadline has passed (see the [Funding Priorities](#) section). For details on the deadline, go to the [NHSC LRP](#) web page.

If review of the electronic Employment Verification indicates that the applicant's position would be identified as a PPO (see the [Practice Agreement Types](#) section), the applicant will electronically certify a PPO Request, as required by law. In addition, the applicant will e-sign the *PPO Agreement*, also required by law, which sets forth the requirements and limitations for a PPO. If the individual is selected for an award and the NHSC determines that the practice meets PPO requirements, the Secretary or their designee will countersign the *PPO Agreement*.

All participants must notify the NHSC of changes in personal information. Applicants and participants must provide the NHSC with notification of any changes to their contact information (for example, name change, email, mailing address, or telephone number) prior to the change occurring, if possible, or immediately after the change occurs. Applicants can manage their contact information through their online application account on the "Account Settings" page. Once an applicant becomes a participant, they will be directed to the participant landing page after logging into their [My BHW](#) Account, where they can make any necessary updates to their information. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

CONFIRMATION OF INTEREST

The NHSC LRP frequently corresponds with applicants by email. Applicants should check their email during the application process for correspondence from the NHSC office and disable spam blockers (or check their spam folder).

Applicants selected as finalists will receive a **Confirmation of Interest email** with instructions to sign and return the NHSC LRP contract and to provide banking information to confirm their continued interest in the program and to facilitate the electronic transfer of the award funds, if their contract is countersigned by the Secretary (or designee) and funds are awarded.

Award finalists must log into their application account to confirm their continued interest in receiving an award by the given deadline. The applicant will sign the NHSC LRP contract and must verify the following:

- They are currently employed by (that means, are already working at) the NHSC-approved site(s) they selected when they submitted their application. Applicants who are **not** employed at the site(s) verified by the NHSC, must check "NO" where asked.
- They are currently meeting and will, to the best of their knowledge, continue to meet the clinical practice requirements for their discipline and specialty, as outlined in this APG, throughout the period of obligated service.
- The loans approved by the NHSC for repayment are correct.
- The loan and employment information provided to the NHSC on their application remains valid.

- They have read and understand the NHSC LRP contract.

Finalists must also provide their direct deposit banking information for award funds in the event the Secretary (or designee) countersigns their NHSC LRP contract.

This Confirmation of Interest is not a guarantee that the individual will receive an award, as awards are subject to the availability of funds.

If an applicant does **not** complete the Confirmation of Interest process by the deadline, they may be withdrawn from consideration and (if interested in participating in the program) will be required to submit a new application during a future application cycle for first-time participants and compete with other providers based on program requirements in effect at that time.

If an individual selected for an award decides not to accept the award **prior to signing the contract**, they may decline the award by selecting the “decline” option on the Confirmation of Interest document. This process is without penalty and permits the award to be offered to an alternate. Once an applicant declines the offer of award, there will not be any opportunities to reclaim the award.

All participants will receive final notification of an award, including the service obligation dates, no later than September 30, 2026.

THE NHSC LRP CONTRACT

Only the Secretary or their designee can grant an NHSC LRP award. Awards **cannot** be guaranteed or granted by the site personnel, NHSC staff, a Primary Care Office, a Primary Care Association or any other person or entity.

The NHSC LRP contract becomes effective and the participant’s NHSC LRP service obligation begins on the date the contract is countersigned by the Secretary or their designee, which is anticipated on or before **September 30, 2026**, although the contract can be countersigned at any time. An applicant’s signature alone on the NHSC LRP contract document does **not** constitute a contractual agreement.

RECEIVING YOUR AWARD

Once the NHSC LRP contract becomes effective, the applicant (now participant) will be directed to the participant landing page after logging into their [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page. This web-based system will allow each NHSC LRP participant to communicate with the NHSC and manage several customer service inquiries, such as contact information changes.

The award letter for the participant is located in the participant’s profile on the [My BHW](#) Account. The award letter will note the beginning and projected end dates of the service

obligation. A participant's end date may change depending on circumstances arising during the term of their service obligation.

Award funds are disbursed in the form of a one-time lump sum payment and will be electronically issued to the bank account provided by the participant approximately 90 days after the contract start date. Where the award amount is less than the maximum amount set forth in this APG, the payment will be calculated to include interest accrued during the period between the contract start date and the disbursement of funds.

NOTE: Under the Treasury Offset Program, the Treasury Department is authorized to offset NHSC LRP payments for delinquent federal and state debts, including delinquent child support payments.

Once a contract is in place, the NHSC LRP participant is strongly encouraged to participate in a New NHSC LRP Awardee webinar that will review program requirements. Participants will be notified by email of upcoming webinars and other training opportunities.

Additional Information

PAPERWORK REDUCTION ACT PUBLIC BURDEN STATEMENT

The purpose of this information collection is to obtain information through the NHSC LRP that is used to assess an LRP applicant's eligibility and qualifications for the LRP, or for NHSC-approved Site Application and Recertification purposes. Clinicians interested in participating in the NHSC LRP must submit an application to the NHSC through the My BHW online portal. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The OMB control number for this information collection is 0915-0127 and it is valid until 5/31/2027. This information collection is required to obtain or retain a benefit (Section 338B of the Public Health Service Act (42 U.S.C. § 254I-1), and Section 331(i) of the Public Health Service Act (42 U.S.C. § 254d(i))). The information is protected by the Privacy Act, but it may be disclosed outside the U.S. Department of Health and Human Services, as permitted by the Privacy Act and Freedom of Information Act, to Congress, the National Archives, and the Government Accountability Office, and pursuant to court order and various routine uses as described in the System of Record Notice 09-15-0037. Public reporting burden for this collection of information is estimated to average 0.5 hours per response, including the time for reviewing instructions, searching existing data sources, 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 Officer, 5600 Fishers Lane, Room 13N82, Rockville, Maryland, 20857.

RESOURCES FOR APPLICANTS

Customer Care Center

Any individual with questions about NHSC programs may contact the Customer Care Center Monday through Friday (except federal holidays) from 8 a.m. to 8 p.m. ET.

- 1-800-221-9393
- TTY: 1-877-897-9910

Glossary

Review the [Appendix](#) to review the glossary of terms, which contains the general definitions for BHW terms used throughout this APG.

Health Professional Shortage Area Find

All NHSC LRP participants must serve at an NHSC-approved site in a Health Professional Shortage Area appropriate to their discipline. You may find the locations of current Health Professional Shortage Areas by using the following tools:

- [Health Professional Shortage Area Find](#)
- [Find Shortage Areas by Address](#)

Health Workforce Connector

- HRSA's [Health Workforce Connector](#) is a searchable database of open job opportunities and information.

[My BHW](#) Account

Once an applicant has been selected for an award, they will be directed to the participant landing page after logging into their [My BHW](#) Account. The system allows NHSC LRP participants to access pertinent program materials and their participant profile, make service requests, and to communicate with the NHSC directly.

NHSC Website and Social Media

Stay informed with NHSC updates via its [website](#) and email [signup](#).

Like and follow us on social media:

- [National Health Service Corps Facebook](#)
- [National Health Service Corps X \(Twitter\)](#)
- [National Health Service Corps LinkedIn](#)
- [National Health Service Corps Instagram](#)

NOTE: You should send specific questions or issues regarding your service obligation using your [My BHW](#) Account. For details on accessing your [My BHW](#) Account, go to the [NHSC LRP](#) web page.

Appendix: Glossary

[FY 2026 NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAM APPLICATION AND PROGRAM GUIDANCE GLOSSARY](#)

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San Diego Pay It Forward Loan Program

Access zero-interest loans to cover tuition, fees, and living expenses while you participate in an eligible behavioral health education program.

ABOUT THE PROGRAM

Pursuing a degree or certificate to start or advance your career in behavioral health can be an exciting opportunity and a challenge. You might be wondering, how can I afford the cost of going back to school?

Through the San Diego Pay It Forward Loan Program, you can apply for a 0% interest loan to help cover tuition, fees, and living expenses at a participating behavioral health educational program.

HOW DOES IT WORK?

- 1 **Enroll** in one of the participating educational programs.
- 2 **Apply** for and receive a loan from the San Diego Pay It Forward Loan Program (between \$10,000 and \$20,000 per academic year, up to a total maximum amount of \$40,000).
- 3 **Graduate from your program!**
- 4 Start or continue your career in public behavioral health.
- 5 **Repay** your loan through fixed monthly payments for up to 10 years.
- 6 Know that your loan payments go back into the San Diego Pay It Forward Loan Program to support future students and that you are **"paying it forward"** for others like you.

EDUCATIONAL PROGRAMS

The 2025-26 academic year eligible educational programs include:

1. Master of Social Work at San Diego State University
2. Master of Science in Early Childhood and Family Clinical Counseling at San Diego State University
3. Master of Science in Marriage and Family Therapy at San Diego State University
4. Master of Social Work at California State University San Marcos

This list will be updated as the Loan Program partners with additional educational programs.



WHO IS ELIGIBLE?

You may be eligible for the San Diego Pay It Forward Loan Program if you meet ALL of the following criteria:

- Enrolled in an eligible educational program
- Authorized to work in the U.S.
- At least 18 years of age
- Resident of California
- Family income* that is less than 125% of the median income in San Diego County based on your family size (see table)

**Based on the most recent U.S. Census Bureau data available. Thresholds may be updated from time to time. For graduate students, family income is defined as your individual gross income and your spouse's gross income, if you are married.*

Family Size	125% of Median Income
1-earner family	\$103,094
2-person family	\$134,861
3-person family	\$151,271
4+ person family	\$187,121



In partnership with



A STUDENT-FRIENDLY LOAN OPTION

The San Diego Pay It Forward Loan Program is funded by the County of San Diego through a Mental Health Services Act Innovation grant and is managed by Social Finance, a national non-profit and registered investment adviser.

Our priority is supporting students and unlocking pathways to economic mobility. We believe you have the right to finance your education in a way that's directly linked to your career success.



0% INTEREST

You never pay back more than the starting balance of your loan.



90 DAY GRACE PERIOD

Your repayment term begins 90 days after you graduate or exit school.



LOAN FORGIVENESS

If you work at an eligible employer for five years after graduating, you may be eligible for loan forgiveness.



INCOME-BASED DEFERMENT

If you earn less than \$50,000 per year, you can apply for an income-based deferment, during which your monthly payment obligation would be \$0.



INCUMBENT WORKER BENEFIT

If you worked at a qualifying public behavioral health employer prior to your program and return to the field after completion, you may be eligible for periodic credits to your outstanding loan balance.

EXAMPLE LOAN REPAYMENT SCENARIOS



Student A

Student A borrows \$40,000 at 0% interest to finance a Master of Science in Marriage and Family Therapy educational program.

They go on to work as a clinician in public behavioral health after completing their educational program, **earning \$70,000 per year.**

They make fixed monthly payments, and any remaining loan balance is forgiven after 5 years of service in public behavioral health at an eligible employer.



Student B

Student B borrows \$20,000 at 0% interest to finance a Master of Social Work educational program.

They work as a case manager, earning \$45,000 per year. They apply for income-based deferment, and their monthly loan repayment amount is \$0.

After one year, they begin working as a clinician in public behavioral health, **earning \$60,000 per year.**

They now start making fixed monthly payments, and any remaining loan balance is forgiven after 5 years of service in public behavioral health at an eligible employer.



Student C

Student C borrows \$30,000 at 0% interest to finance a Master of Social Work educational program.

They go into private practice, **earning \$100,000 per year.**

They make fixed monthly payments until the loan is repaid in full. They do not qualify for loan forgiveness.

QUESTIONS?

Visit socialfinance.org/sd-pay-it-forward to learn more or email us at sdpayitforward@socialfinance.org. The San Diego Pay It Forward Loan Program is managed by Social Finance as part of the ELEVATE Behavioral Health Workforce Fund.



The information provided in this FAQ document is for informational purposes only and does not constitute legal, financial, or tax advice. Social Finance, Inc. and its affiliates make no representations or warranties regarding the completeness, accuracy, or reliability of the information contained herein. Program and loan terms, eligibility criteria, and related policies are subject to change without notice. Participation in the San Diego Pay It Forward Loan Program does not guarantee loan approval or employment outcomes.

Disability-related accommodations, language interpretation (including American Sign Language), and written materials in alternative languages and formats are available upon request. Please submit your request at least 72 hours in advance of the event to ELEVATE@thinkpic.org or by calling (619) 468-5228.