

California State Loan Repayment Program (SLRP) Frequently Asked Questions (FAQs)



1. What is the California State Loan Repayment Program (SLRP)?

SLRP is a federally funded, state-run program that provides funding to healthcare professionals who commit to practicing in Health Professional Shortage Areas (HPSAs) in California; the funds awarded by SLRP must be applied to an awardee’s student loan debt.

2. What are the minimum requirements that must be met in order to apply for SLRP?

In order for a provider to be considered for a SLRP award, s/he must:

- Possess a current/unrestricted CA license to practice as one of the following:

Medical Doctor (MD) [Primary Care/Family Medicine]	Doctor of Osteopathic Medicine (DO) [Primary Care/Family Medicine]
Psychiatric Nurse Specialist (PNS)	Dentist (DDS or DMD)
Mental Health Counselor (MHC)	Registered Dental Hygienist (RDH)
Health Service Psychologist (HSP)	Nurse Practitioner (NP)[Primary Care]
Licensed Clinical Social Worker (LCSW)	Physician Assistant (PA) [Primary Care]
Licensed Professional Counselor (LPC)	Certified Nurse Midwife (CNW)
Marriage and Family Therapist (MFT)	Pharmacist (PharmD)

- Be a U.S. or naturalized citizen
- Be free from judgments arising from federal debt
- Not have any other existing service obligations with other entities
- Not be in breach of any other health professional service obligation
- Be current on any child support payments for which s/he is responsible
- Be employed at or have accepted a job at a SLRP Certified Eligible Site (CES)
- Commit to a two-year full-time or four-year half-time initial service obligation

3. If a provider is awarded by SLRP, what are his/her agreement obligations?

- Awardee must meet the weekly hour requirements for his/her commitment
- Awardee must apply entire award amount (SLRP funds and the matching funds provided by the site) to student loan debt during the awardee’s service dates
- Awardee must supply official lender statements, at the end of his/her service obligation, to enable verification that the entire award was applied to qualifying student debt

4. What are the maximum award amounts for SLRP?

Below are the maximum award amounts offered to SLRP awardees:

Current Obligation Year	Full-Time Maximum Award (2-year initial obligation)	Half-Time Maximum Award (4-year initial obligation)
Initial 2 or 4 year obligation	\$50,000.00	\$25,000.00
Extension Year 1	\$20,000.00	\$10,000.00
Extension Year 2	\$20,000.00	\$10,000.00
Extension Year 3	\$10,000.00	\$5,000.00
Extension Year 4	\$10,000.00	\$5,000.00

Awards include the SLRP payments and the sites' matching amounts. Awardees may receive maximum award amounts, but smaller awards are frequently offered.

5. Can a provider apply for more than one scholarship or loan repayment program at once?

A provider is free to **apply** for more than one scholarship/loan repayment program at a time. However, a provider, if awarded, can only contract for one service obligation at a time.

6. How many applicants are awarded each cycle by SLRP?

The number of applicants awarded each year by SLRP varies, depending upon the number of applications received. SLRP aims to award as many applicants as possible, but is limited to the amount granted by the National Health Service Corps (NHSC).

7. What types of loans qualify as eligible educational debt under SLRP?

Government and commercial loans incurred for the pursuit of a health profession education qualify for the program. Qualifying commercial lending institutions are those subject to examination and supervision by an agency of the United States, or by the State in which the institutions have their place of business. SLRP does not include interest on educational loans as eligible sources of loan repayment. The following types of debt are not considered eligible under the program: loans that are in default, credit card debt, Primary Care Loans, personal lines of credit, and loans repaid in full. Eligible educational loans consolidated with loans owed by any other person, such as a spouse, are ineligible for repayment. For loans to remain eligible, applicant/participants must keep their eligible educational loans segregated from other debts.

8. What types of service obligations are available under SLRP?

SLRP offers both full-time and half-time commitments. Full-time service requires a minimum of 40 hours per week; at least 32 of those hours must be spent providing direct patient care in an outpatient setting, during regular business hours. Half-time service requires a minimum of 20 hours per week, with at least 16 hours being spent providing qualifying direct patient care. All providers are allotted 35 days off per service year. Clinicians who exclusively provide OB/GYN, mental health, geriatric, or pediatric dental care have fewer required outpatient care hours.

9. How does a facility become certified as eligible for participation in SLRP?

In order to become a SLRP Certified Eligible Site (CES), a site must:

- Be publicly-funded or a private non-profit organization
- Be located in a California Health Professional Shortage Area (HPSA) or be an Automatic Facility HPSA
- Be willing to match state awards to providers while still paying prevailing wages
- Commit to a two-year minimum employment agreement with providers

If a site meets the above requirements, a site representative can complete an application via CalREACH (<https://calreach.oshpd.ca.gov/>), which is then reviewed by SLRP. Sites must renew their CES applications every three years to remain certified.

10. If a facility is not currently located in a HPSA, how does it receive a HPSA designation?

To receive a HPSA designation, a site representative must contact the Shortage Designation Program. Visit http://www.oshpd.ca.gov/hwdd/shortage_designation_prog.html for details.

11. Does SLRP staff aid with job placement at Certified Eligible Sites?

No. SLRP staff does not provide job placement assistance. However, a list of Certified Eligible Sites is available online at <http://www.oshpd.ca.gov/hwdd/slrp.html>. To secure employment, applicants should contact sites to discuss employment opportunities. To search specifically for opportunities in rural areas, please visit <https://www.3rnet.org/locations/california>.

12. How does a provider submit an application to be considered for SLRP?

A provider can submit an application by visiting <https://calreach.oshpd.ca.gov/>, creating an account, and providing all required information during SLRP's application cycle.

13. When does the annual application cycle take place?

The SLRP application cycle varies slightly from year to year, but usually begins in the fall of each year; visit the links below for current information regarding the application cycles.

<http://www.oshpd.ca.gov/hwdd/slrp.html>

<https://www.facebook.com/CalHealthWorkforce>

14. When does a current SLRP provider apply for an extension agreement?

A current SLRP provider may apply for an extension agreement during the regular annual application cycle. However, an awardee may be unable to apply for an extension if his/her current service dates overlap with the dates set for the new agreements.

15. What criteria are used to select award recipients for SLRP?

Application scores depend on the following: applicant work experience with medically underserved communities, cultural and linguistic competence, and career goals. Although applicants are not required to be bilingual, bilingual applicants are favored. SLRP also favors extension agreements from compliant awardees.

16. When will applicants be notified about their award statuses?

Applicants will be notified about their award statuses after the application cycle has closed and all applications have been scored. The application cycle lasts 60 days, and the scoring process time can vary depending upon the number of applications received.

17. How soon are payments disbursed to awardees following the start of their agreements?

SLRP award payment plans vary from year to year. The disbursement of the first SLRP check will depend upon the awardee's agreement dates and terms.

18. Are SLRP awards considered to be taxable income?

No. Loan repayment awards are not considered taxable income. As provided by Public Law 111-148, the Patient Protection and Affordable Health Care Act (HPP-A), payments made under the National Health Service Corps and certain State Loan Repayment Programs are **tax exempt**. Effective date as of December 31, 2008.

"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, 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).”

19. Must an awardee apply all award funds to loan debt immediately upon receiving them?

No. An awardee is required to apply all award funds (those awarded by SLRP, and the site’s matching amount) to student loan debt by the end of his/her service obligation. S/he can chose to allocate those funds however s/he wishes (e.g. in one lump sum or by monthly payments). Regardless of how an awardee allocates his/her award funds, it is the provider’s sole responsibility to ensure that s/he makes the required monthly payments to lenders; provider must remain current on all payment schedules required by his/her lender(s).

20. What happens if loans are consolidated during a provider’s SLRP agreement term?

If an awardee’s loans are consolidated during his/her SLRP agreement term, s/he must notify SLRP immediately, and provide all of the new corresponding loan information.

21. What happens if an awardee needs to move to another site during his/her service dates?

An awardee may change sites during his/her agreement dates. S/he must notify SLRP at least 30 days prior to leaving his/her original site, and the new site must meet all of SLRP’s criteria.

22. What happens if an awardee needs additional time off (maternity/paternity leave, emergency medical leave, FMLA, etc.)?

If an awardee needs additional time off (other than that provided under the agreement), the awardee must contact SLRP immediately; awardees’ requests can be accommodated, by extending agreement end dates to ensure that the original service obligation is still met.

23. What happens if an awardee is unable to fulfill the terms of his/her agreement?

An awardee that breaches his/her agreement with SLRP will be responsible for repaying an amount equal to the sum of the following:

- All loan payments received
- \$7,500.00 for each month of full-time service not completed under the agreement
- \$3,750 for each month of half-time service not completed under the agreement
- Interest on the above amounts (the amount OSHPD is entitled to recover shall not be less than \$31,000.00, even if the breach formula results in a lower amount due)

24. If an applicant has been working in a qualified facility for several years already, can credit be received for time already served if s/he is awarded?

No. An awardee will only receive credit for time served after a service obligation has begun.

25. If an applicant is selected to be a SLRP awardee, how many times can s/he reapply?

An awardee is eligible to participate in SLRP for as long as s/he has student loan debt. SLRP favors retention at our Certified Eligible Sites, so extension agreements are encouraged.

26. Do applicants need to submit entirely new applications each time they apply for SLRP, or can materials from previous submissions be reused?

Yes. Applicants are required to submit entirely new applications every time they apply for a new agreement or extension agreement with SLRP.