COMMONWEALTH OF VIRGINIA

VDH VIRGINIA DEPARTMENT OF HEALTH
Promoting & Protecting the Health of All Virginians
www.vdh.virginia.gov

Virginia State Loan Repayment Program (VA-SLRP) Guidelines 2022-2025

Developed by:
Virginia Department of Health
Office of Health Equity



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INTRODUCTION

Health workforce is a significant element in population health, in any health care system and is critical in improving and increasing health care accessibility. Approaches to improve and increase shortages are fundamental in attaining adequate health services for all patient types in all areas of Virginia. Allocation of resources to enhance health workforce should be an important focus to improve the health outcomes and ensure that all Virginians have health equity opportunities.

PURPOSE

To improve and increase access to quality health care providers in Virginia's Health Professional Shortage Areas (HPSAs). The Virginia Department of Health, Office of Health Equity (VDH, OHE), will continue work to diversify the healthcare workforce, and ensure standards for on-going learning on cultural humility and equity.

FEDERALLY DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREA (HPSA)

HPSA is defined by the Federal Health Resources and Services Administration as a geographic area, population, or facility with a shortage of physicians, dentists, or mental health professionals that is designated by the Secretary of Health and Human Services. These include:

- Mental Health Professional Shortage Area
- Primary Care Health Professional Shortage Area
- Dental Care Health professional Shortage Area

Please visit the website to receive the most accurate designation information at:
http://datawarehouse.hrsa.gov/GeoAdvisor/ShortageDesignationAdvisor.aspx
Please enter: Street address + city + state or Street address + ZIP code "Submit"

APPLICATION CYC/ WHERE TO APPLY?: *New & Renewals*

Application Cycle: January 1 through March 31

(No guaranteed processing for incomplete applications received after March 25)

There are two applications: One for the applicant (Part one) and (Part two) for the employer

- Employer portion needs to be uploaded by the applicant

Online application link: **See website for updated link**

FUNDS:

Amount	Source	Match	Notes
$742K	Federal	Community Match Required	
$1,454,757.98	State	Community Match provided by the State to match federal funds	Applicants must complete the request for state match form

Virginia State Loan Repayment Program (VA-SLRP) Guidelines

Summary

The Commonwealth of Virginia (the Commonwealth) currently participates in The Health Resources and Services Administration, Bureau of Clinician Recruitment and Service (BCRS) Grants to States for Loan Repayment. This VA-SLRP is operated by the Virginia Department of Health-Office of Health Equity (VDH-OHE) providing a non-taxed incentive to qualified medical, dental, behavioral health and pharmaceutical (pharmacists) professionals in return for a minimum of two (2) years of service at an eligible practice site in one of the federally designated Health Professional Shortage Areas (HPSAs) in a qualified field of practice in Virginia. VA-SLRP requires a dollar-for-dollar match from the Community/ **(State funds)**. The maximum award for a four (4) year commitment is $140,000 and shall be for a qualifying educational loan. Federal funds and matching state funds, used to support the VA-SLRP funds are exempt from federal income and employment **taxes.** After the application deadline, a thorough review is conducted in order of application receipt date to determine initial eligibility; an advisory committee determines final eligibility. Priority VA-SLRP awards are made based on the HPSA scores for counties/cities/populations in Virginia and HRSA requirements as well as scoring rubric for equitable distribution. All approvals are based on availability of funds. The participant shall meet and fulfill all requirements listed below in order to be eligible for the VA-SLRP.

Who is eligible?

PRIMARY CARE PROVIDER	SPECIALTY
Physicians ▪ Allopathic Medicine (MDs) ▪ Osteopathic Medicine (DOs)	Pediatrics, Geriatrics, Psychiatry, Family or Internal Medicine and Women's Health
Nurse Practitioners ▪ Includes Certified Nurse Midwives	Adult, Family, Geriatric, Pediatric, Psychiatry/Mental Health and Women's Health
Physician Assistants	Adult, Family, Geriatric, Pediatric, Psychiatry/Mental Health and Women's Health
Dental Professionals ▪ Dentists ▪ Registered Dental Hygienists	General, Pediatric and Geriatric
Mental Health Professionals ▪ Health Service Psychologists ▪ Licensed Clinical Social Workers ▪ Marriage and Family Therapists ▪ Licensed Professional Counselors ▪ Alcohol and Abuse Counselors(Masters	Adult, Family, Geriatric, Pediatric and Psychiatry/Mental Health
Registered Nurses ▪ Includes Certified Nurse Midwives	Adult, Family, Geriatric, Pediatric, Psychiatry/Mental Health and Women's Health
Pharmacists *(Working at the following: Health Departments, Clinics, Health Centers, Long-Term Care*	Ambulatory Care, Hospital, Oncology, Pediatrics, Pharmacotherapy, Psychiatric, Critical Care, Nutrition Support, Nuclear and Community

Eligibility Requirements

Participant Eligibility

All applicants shall meet the following criteria to be eligible for the VA-SLRP:

- Shall sign and submit an online application packet to participate in the VA-SLRP.
  - ☐ **The applicant shall include the following in the online application packet:**
    1. Application with full legal name as it appears on the social security card
    2. Copy of a valid social security number
    3. Application with original signatures
    4. Professional experience narrative
    5. Proof of qualifying loan (original statement from the lender)
    6. Employment contract with original signatures and employment start date
    7. Complete certificates included in the application (release, loan & non-delinquent status)
    8. Copy of active and valid Virginia medical license
    9. Recommendation letters- Two required
    10. Criminal history check (form: SP-167 from the Virginia State Police) or most recent background check from your employer, not older that one year.
    11. Application for recruitment for the practice-site (to be filled out by the practice site)
    12. HPSA designation and HPSA score for the practice site (*http://www.hrsa.gov/shortage)*
    13. There is one way an applicant can be eligible and apply for funding.

    Cash match letter is required for State funds request – A cash match letter is not required.
    1. ***State funds are for everyone***
    2. ***Employers matching funds are no longer required***
- Shall be citizens or nationals of the United States
  - *Note: Virginia Residency is not required, but the daily traveling distance shall be no longer than two (2) hours each way.*
- Have completed residency training and be board eligible or board certified in an eligible specialty;
  - Have completed graduate or appropriate training from an accredited program
- Shall be licensed in Virginia in one of the approved specialties;
- Shall be eligible for federal employment;

Shall have a signed contract to begin full-time or half-time employment at an approved site; or

- Shall be currently practicing full-time at an approved eligible site;

  Full-time service equates to 40 hours per week for a minimum of 45 weeks per year
  - A maximum of eight (8) hours per week of practice-related administrative activities is allowed and at least 32 hours per week shall be direct patient care at an approved site or
- Shall be currently practicing half-time at an approved eligible site;

- Half-time service equates to 20 hours per week not to exceed 39 hours per week, for a minimum 45 weeks per year
    - A maximum of four (4) hours per week of practice-related administrative activities is allowed and at least 16 hours per week shall be direct patient care at an approved site

- Shall agree to use the VA-SLRP funds only to repay qualifying educational loans and show proof of debt reduction from VA-SLRP and the community **(State funds)** within 60 days of receipt of loan repayment check from VA-SLRP;
    - Qualifying educational loans are Government and commercial loans for actual costs paid for tuition and reasonable educational and living expenses related to the participant's education

Shall completely satisfy any other contractual service obligation for health professional service owed under an agreement with a federal, state, or other entity prior to beginning the period of service under the VA-SLRP; and

- Shall not have any federal judgment liens including the following:
    - A current default on any Federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, Federal income tax liabilities, Federal Housing Authority loans, etc.) even if the creditor now considers them to be in good standing;
    - Breach of a prior service obligation to the Federal/State/local government or other entity, even if they subsequently satisfied the obligation; and
    - A Federal or non-Federal debt written off as uncollectible or a waiver of any Federal service or payment obligation.

Practice Site Eligibility

All health care professionals who participate in the VA-SLRP shall fulfill their service obligation at an eligible practice site. The eligible practice site shall provide either primary care, mental or dental health care that is part of a system of care located in a federally designated HPSA. Practice sites shall meet the following requirements:

- Shall be a public, non-profit private entity, for-profit entities operated by a non-profit located in and providing health care services to individuals residing in HPSAs;
    - Non-profit private entity may not lawfully hold or use any part of its net earnings for the benefit of any private shareholder or individual.
    - For-profit health facilities operated by non-profit organizations shall accept reimbursement from Medicare, Medicaid, and the Children's Health Insurance Program, utilize a sliding scale fee schedule and see all patients regardless of their ability to pay.
    - For-profit health facilities operated by non-profit organizations shall follow the same guidelines as all other VA-SLRP sites. They shall accept reimbursement from Medicare, Medicaid, and the Children's Health Insurance Program, utilize a sliding scale fee schedule, and see all patients regardless of their ability to pay;
- Shall be located in federally designated HPSAs.
    - Please visit the website to receive the most accurate designation information at: http://datawarehouse.hrsa.gov/GeoAdvisor/ShortageDesignationAdvisor.aspx
      Please enter:
      Street address + city + state or Street address + ZIP code
      Check the box above "Submit"
      *Please be sure to use "Find Shortage by address

  - **Federally Designated Medically Underserved Areas (MUAs) or Populations (MUPs) and shortage areas designated by the State DO NOT qualify.**
- Shall ensure that providers work in and fulfill their service obligation in a HPSA that relates to their training and/or discipline;
- Shall not use VA-SLRP contracts as a salary offset. Salaries for health professionals participating in the VA-SLRP shall be based on prevailing rates in the area;
- Shall charge for professional services at the standard current rates;
- Shall follow the Health and Human Services (HHS) Poverty Guidelines and provide a discount fee schedule which allows a very nominal fee, or no fee for services and have a policy established for individuals with limited incomes;
  - For those with annual incomes at or below 100% of the HHS Poverty Guidelines, the practice sites shall provide services at no charge or at a nominal charge.
  - For individuals between 100% and 200% of the HHS Poverty Guidelines, practice sites shall provide a schedule of discounts, which should reflect a nominal charge covered by a third party (either public or private). Practice sites shall charge for services to the extent that payment will be made by a third party which is authorized or under legal obligation to pay the charges. Patients' charges shall be 0% at the 100% poverty level.

The following site types are eligible to be approved as practice sites for participants

VDH-OHE will continue to place health care professionals in the following practice sites:

1. Federally Qualified Health Centers (FQHCs)

- Community Health Centers (CHCs)
- Migrant Health Centers
- Homeless Programs
- Public Housing Programs

2. FQHC Look-A-Likes

3. Centers for Medicare & Medicaid Services Certified Rural Health Clinics (RHCs)

4. Other Health Facilities

- Community Outpatient Facilities
- Community Mental Health Facilities
- State and County Health Department Clinics
- Immigration and Customs Enforcement (ICE) Health Service Corps (IHSC)
- Free Clinics
- Mobile Units
- School-based Programs
- Critical Access Hospitals (CAHs) affiliated with a qualified outpatient clinic
- Long-term Care Facilities
- State Mental Health Facilities

5. Indian Health Service Facilities, Tribally-Operated 638 Health Programs, and Urban Indian Health Programs (ITU)

- Federal Indian Health Service (IHS) Clinical Practice Sites
- Tribal/638 Health Clinics
- Urban Indian Health Program

6. Correctional or Detention Facilities

- Federal Prisons
- State Prisons

7. Private Practices (Solo or Group)

- Shall be a public or private non-profit entity

Award and Distribution

Award

The minimum service obligation for the initial approval is two (2) years, and for that time, the maximum payment is **$100,000.** A maximum amount of **$50,000** is paid by the community/ **(State funds)** in the first two years of the agreement and up to **$50,000** paid by the VA-SLRP Program. For the third and fourth renewal years, extensions can be awarded each year for a total of up to **$40,000.** This includes a cash match (**$20,000** Federal and **$20,000** Community/ **(State funds)**. The amount of the Federal portion of the award will be determined by the advisory committee. The total amount of awards for all four years cannot exceed **$140,000 nor the current loan balance**. All approvals are based on availability of funds.

Match funding shall be made by eligible practice sites; public or private entities in an amount not less than $1 for each $1 of Federal Funds except for amounts over $50,000 (see explanation of exception below).

- **EXCEPTION**: Awards of more than $50,000 per year may be granted ***if*** the amount over and above the $50,000 authorized for VA-SLRP participants comes from non-Federal sources and the VA-SLRP contract participant will serve at a site in a high need HPSA that is authorized for placement of a VA-SLRP program participant.

VA- SLRP Distribution Table

Award year	Award Distribution	Years of Service Obligation
First two (2) years	**Up to $100,000 Maximum of: $50,000 from VDH $50,000 from Community (State funds)**	**Two (2) years**
Third (3rd) year	**Up to $40,000 Maximum of: $20,000 from VDH $20,000 from Community (State funds)**	**One (1) year**
Fourth (4th) year	**Up to $40,000 Maximum of: $20,000 from VDH $20,000 from Community (State funds)**	**One (1) year**
Total : Four (4) Years	**Up to $140,000**	**Four (4) years**

Additional Information

Length of Service Obligation
The initial award is for a two (2) year service obligation (first and second year). Renewal awards are for a single year service obligation (third and fourth).

Verification of Employment (VOE)
Once an applicant begins the required service obligation, VOE's are required as follows:

1. Submission of the first VOE is required to show proof of the first 30 days of employment after the VA-SLRP contract execution date determined by the date of the Commissioner of Health's signature.
2. After the first VOE, submission of a VOE is required every six (6) months thereafter until the end of the service obligation.

Leave
No more than 7.14 weeks (35.7 work days) per service year can be spent away from the approved service site for vacation, holidays, continuing professional education, illness, or any other reason. If the participant submits documentation supporting the need for absence of longer than 7.14 weeks, he/she may qualify for a suspension of the service obligation upon written approval from the Commissioner of Health. These requests shall be submitted in the form of a letter from the participant along with supporting documentation for consideration and final disposition by the Commissioner of Health.

Military Leave
Individuals in the Reserve Component of the U.S. Armed Forces or National Guard are eligible to participate in the VA-SLRP. If the VA-SLRP participant's military training and/or service, in combination with the participant's other absences from the service site, exceed 35 work days per service year, the VA- SLRP service obligation should be extended to compensate for the break in service.

Deferment, Cancelation and Waivers

A written request by the participant or his representative for a variation in the requirement for continuous engagement in full-time or half-time practice maybe considered by the Commissioner of Health in the following circumstances.

Deferment for Extreme Hardship
A suspension of the participant's VA-SLRP obligation may be granted at the Commissioner's discretion, for up to one year. In order to qualify for a suspension, the participant shall document a medical condition or personal situation that makes compliance with the obligation temporarily "impossible" or an "extreme hardship" such that enforcement would be against equity and good conscience. These requests shall be submitted in the form of a letter from the participant along with supporting documentation for consideration and final disposition by the Commissioner of Health.

Examples would be the terminal illness of an immediate family member for whom the participant is caretaker or extended maternity leave due to medical complications.

Cancellation of Contract
The only permissible basis for canceling a VA-SLRP contract is the death of the VA-SLRP participant. These requests shall be submitted in the form of a letter from the deceased participant's representative along with supporting documentation for consideration and final disposition by the Commissioner of Health.

Waiver
A waiver may be granted at the Commissioner's discretion. A waiver excuses the participant's performance of his/her VA-SLRP obligation, based on a written request and supporting documentation from the participant that he/she meets the waiver provision. In order to qualify for a waiver of the VA- SLRP obligation, a participant shall document a medical condition or a personal situation that makes compliance with the obligation permanently "impossible" or an "extreme hardship" such that enforcement would be against equity and good conscience. These requests shall be submitted in the form of a letter from the participant along with supporting documentation for consideration and final disposition by the Commissioner of Health.

An example would be an incapacitating illness that prevents the participant from practicing in his/her profession.

Breach of Contract

The following may constitute a breach of contract:

Transfer and or Break in Service
A VA-SLRP participant who stops serving prior to the completion of his/her obligation or otherwise breaches the terms of the contract, shall no longer receive loan repayment. If a participant requires a transfer and there is a break in service between the initial eligible site and the transfer site, loan repayment should not resume (if applicable) until the participant returns to the agreed full-time or half- time service obligation at the eligible site.

The participant shall submit a formal request to the VDH-OHE for a contract modification in cases of transfer or break in service. Where a break in service occurs, the participant's service end date shall be extended and there should be a contract amendment reflecting the new end date. If a participant does
not accept his or her reassignment/transfer, the VA-SLRP shall place the individual in default of his or her VA-SLRP contract. These requests shall be submitted in the form of a letter from the participant along with supporting documentation for consideration and final disposition by the Commissioner of Health.

Default
The following may constitute as a default:

The participant fails to complete the term of obligated service under the terms and conditions of the VA-SLRP contract;
- The participant falsifies or misrepresents information on the program application, the verification of employment forms, or other required document;
- The participant's employment contract is terminated for good cause as determined by the employer and confirmed by the employer and the department. If the employment is terminated for reasons other than reasons beyond the participant's control (e.g., closure of site), the participant shall transfer to another site approved by the board in the Commonwealth within six month of termination. Failure of participant to transfer to another site shall be deemed to be breached of the contract.

Default triggers a financial liability to the Commonwealth of Virginia.
In the event of a breach of contract and in accordance with terms of the contract the participant shall make default payments as described in 42 U.S.C. § 254o(c)(1). In the event of a breach in contract where the recipient has partially fulfilled his obligation, the total amount of reimbursement shall be prorated by portion of obligation completed. The participant shall be liable to the Commonwealth of Virginia for an amount equal to the sum of:

a. **The total of the amounts paid** by the United States to, or on behalf of, the participant for loan repayments for any period of obligated service not served.
b. **Penalty** of an amount equal to the number of months of obligated service not served multiplied by $7,500.
c. **Interest per annum** on (a) and (b) at the maximum legal prevailing rate, as determined by the Treasurer of the United States from the date of breach, except that the amount the United States is entitled to recover shall not be less than $31,000 (in-kind repayment is not allowed).
d. If the amount resulting from the above formula in (c) equals less than $31,000, then the defaulter owes **$31,000**. The amount owed is due to be paid within one (1) year of breach.
e. The amount of Commonwealth of Virginia **collection fees,** court costs and reasonable attorneys' fees incurred or any of its agents in enforcing any of its rights herein.

If a participant is in default due to death, so as not to be able to engage in practice in a HPSA in the Commonwealth, the participant or his personal representative may be relieved of his obligation under the contract (see cancellation of contract, pg. 9).

The participant shall agree to reimburse any financial damages owed to the Commonwealth of Virginia that are delinquent for more than thirty (30) days. The Commissioner may refer the debt to one or all of the following: Collection Agency, Debt Set-Off Program through the Department of Taxation, Office of the Attorney General, and the Appropriate Credit Reporting Agencies.

Bankruptcy

Bankruptcy
In case of default, the Commonwealth of Virginia shall be entitled to collect from the participant in addition to the amount then due and unpaid on this note, all legal costs of collection including attorney's fees of **30%** of such amount; therefore, debt cannot be written off with bankruptcy.

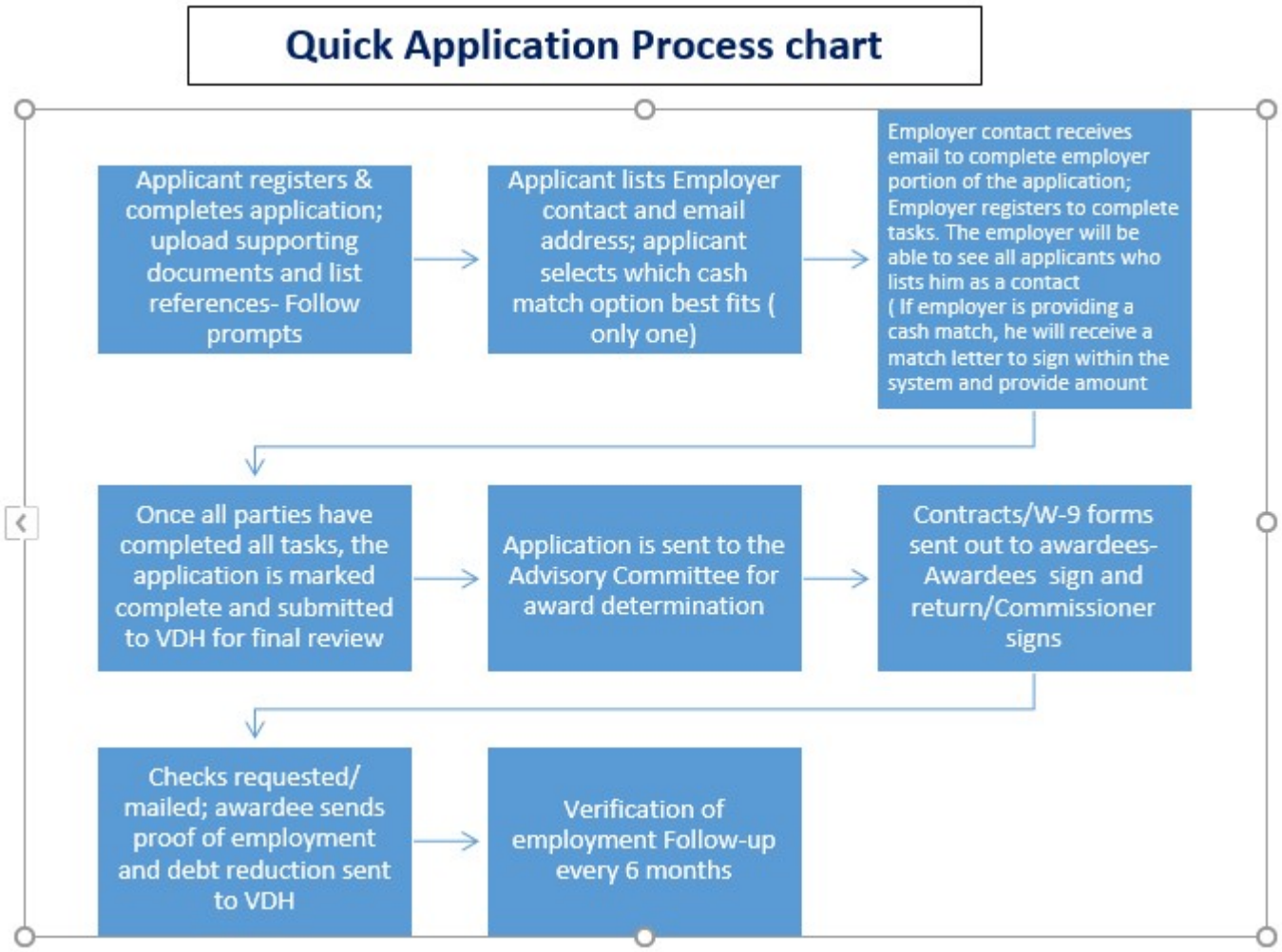
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Contact

Questions/Comments

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Where to Apply?
Website: http://www.vdh.virginia.gov
Online application: See website for more information.


Quick Application Process chart
Applicant registers & completes application; upload supporting documents and list references- Follow prompts
Applicant lists Employer contact and email address; applicant selects which cash match option best fits (only one)
Employer contact receives email to complete employer portion of the application; Employer registers to complete tasks. The employer will be able to see all applicants who lists him as a contact
(If employer is providing a cash match, he will receive a match letter to sign within the system and provide amount
Once all parties have completed all tasks, the application is marked complete and submitted to VDH for final review
Application is sent to the Advisory Committee for award determination
Contracts/W-9 forms sent out to awardees- Awardees sign and return/Commissioner signs
Checks requested/ mailed; awardee sends proof of employment and debt reduction sent to VDH
Verification of employment Follow-up every 6 months