

Loan Repayment Program



Program Information

Members of federally recognized tribes and their descendants are eligible for service provided by the Indian Health Service (IHS). An agency of the U.S. Public Health Service, Department of Health and Human Services, the IHS operates a comprehensive health service delivery system for approximately 1.49 million of the nation's two million American Indians and Alaska Natives. Its annual appropriation is approximately \$2.8 billion. The IHS strives for maximum tribal involvement in meeting the health needs of its service population.

Division of Health Professions Support Loan Repayment Program

Purpose

The purpose of the Indian Health Service (IHS) Loan Repayment Program (LRP) is to recruit and retain highly qualified health professionals to meet the staffing needs of the IHS or other Indian health programs*.

Operations

Applicants sign contractual agreements for 2 years and fulfill their agreements through full time clinical practice at an IHS facility or approved Indian health program. In return, the LRP will repay all or a portion of the applicant's eligible health professionals educational loans (undergraduate and graduate) for tuition expenses. Applicants are eligible to have their educational loans repaid in amounts up to \$20,000 per year for each year of service. In addition, the LRP will pay up to 20% of Federal taxes directly to the Internal Revenue Service (IRS) – incurred as a result of payments made on behalf of recipients.

Note: Loan repayments are deemed taxable income.

Eligibility

Applicants must:

- have a degree in a health profession; and
- be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Public Health Service (PHS);

- meet the professional standards for civil service employment in the IHS; or
- be employed in an Indian health program without service obligation.

Eligible applicants also include health professionals in postgraduate training, or in their final year of health professions school.

Application and award deadlines

Monthly deadline dates are scheduled for the Friday of the second full week of each month.

Notice of awards will be mailed on the last working day of each month. Applicants selected for participation in the fiscal year (FY) program cycle must begin their service period no later than September 30, the end of the fiscal year.

Reapplying for Loan Repayment

Unsuccessful applicants will be notified by mail at the end of the FY. You may submit a written request to the LRP requesting that your application be kept on file for the following FY LRP award year.



* **Indian health program** refers to programs that are administered by the IHS; by an Indian organization pursuant to Title V of the Indian Health Care Improvement Act, Public Law 94-437, as amended; or by an Indian Tribe or Indian organization contracted under: 1) the Indian Self-Determination and Education Assistance Act, Public Law 93-638, as amended; or 2) the Buy Indian Act (25 U.S.C. 47).



Application Information

To obtain an application or request additional information, write or call the LRP at:

Indian Health Service
Loan Repayment Program
801 Thompson Avenue
Rockville MD 20852

Phone: (301) 443-3396
Fax: (301) 443-4815

Hours: 8:30 AM to 5:00 PM [EST]
Monday through Friday
(except Federal Holidays)

Educational Loan Repayment Program (LRP)

Participants in the LRP will be paid up to \$20,000 per year for signing a 2-year LRP Contract and agreeing to serve in full-time clinical practice at a designated Indian health program priority site in the United States. Qualified government and commercial educational loans are those obtained for the pursuit of health professions education.

It should be noted that IHS LRP benefits have been ruled to be subject to FICA (Social Security) taxes. This means that 7.65% of the loan repayment amount will be withheld and sent to the Social Security Administration for inclusion in the participant's account. A person receiving \$20,000 from the program would see \$18,470 in their bank account.

Additionally, 20% of the LRP contract amount (in addition to the amount paid to the participant) will be sent directly to the Internal Revenue Service to assist in paying the additional income taxes incurred as a result of participating in the LRP.

LRP Priority Sites

Sites are given scores using a 100-Point index and ranking criteria giving consideration to Indian health programs that have historically critical shortages caused by frequent staff turnover, current unmatched vacancies in a health profession discipline, and projected vacancies in a health profession discipline. Sites with higher scores will receive priority over sites that have lower scores. Consistent with this priority ranking, in determining which applications to approve and which contracts to accept, the IHS will give priority to applications made by American Indians and Alaska Natives and to individuals recruited through the efforts of Indian tribes, tribal or Indian organizations.

Payments

Loan repayments will be made in annual payments.

Program Funding

The LRP receives its funding from annual Congressional appropriations. All awards are subject to the availability of funding.

