

# **STUDENT FINANCIAL AID GUIDELINES**

## **HEALTH PROFESSIONS PROGRAMS**

### **Primary Care Loan Program (PCL)**

U.S. DEPARTMENT  
OF HEALTH AND HUMAN SERVICES  
Public Health Service  
Health Resources and Services Administration  
Bureau of Health Professions  
Division of Student Assistance

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**Chapter 1 INTRODUCTION**

The Health Professions Education Extension Amendments of 1992 (Public Law (P.L) 102-408) established new requirements for use of Health Professions Student Loan (HPSL) funds for allopathic and osteopathic medical schools. These changes, which do not affect other health professions disciplines, became effective July 1, 1993 and consist of:

- requiring medical and osteopathic students who receive HPSL funds to practice primary health care; and
- instituting a gradual redistribution of medical and osteopathic HPSL funds to schools that demonstrate a commitment to training primary health care physicians.

Aside from the criteria stated above, the PCL program is governed by most of the same requirements associated with the HPSL program. The remainder of the section describes the program requirements for PCL. Where requirements are identical to the HPSL program, readers are referred to HPSL.

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**Chapter 2 INSTITUTIONAL PARTICIPATION IN THE PCL PROGRAM****Section 1 ELIGIBILITY CRITERIA**

Schools in the PCL program must conform to the HPSL eligibility criteria. [HPSL, Chapter 2](#) describes the requirements for these criteria.

Certain PCL requirements differ from those under the HPSL program. These consist of:

- discipline and degree programs;
- accreditation; and
- participation of graduates in primary health care residencies and practices.

**A. DISCIPLINE AND DEGREE PROGRAMS**

Any public or other nonprofit institution that offers degrees to full-time students in disciplines as specified below may apply to participate in the PCL program:

- doctor of allopathic medicine; and
- doctor of osteopathic medicine.

*[Section 723(a)(1) of the Public Health Service Act]*

**B. ACCREDITATION**

Refer to [HPSL, Chapter 2](#) for information on accreditation.

**C. PARTICIPATION OF GRADUATES IN PRIMARY HEALTH CARE RESIDENCIES AND PRACTICES**

Beginning with the one-year period ending June 30, 1997, and for the one-year period ending on June 30 of each subsequent fiscal year, the school must meet at least one of the following conditions with respect to graduates of the school whose date of graduation from the school occurred approximately four years before the end of the one-year period:

- Not less than 50 percent of the school's designated graduates meet the criterion of either being in a primary health care residency training program, or being engaged in the practice of primary health care;

**OR**

- Not less than 25 percent of the school's designated graduates meet the above criterion, and this percentage is not less than 5 percentage points above the percentage of such graduates meeting such criterion for the preceding one-year period;

**OR**

- The school is in the top 25th percentile of participating HPSL schools relative to the proportion of designated graduates who meet the above criterion.

*[Section 723(b) of the Public Health Service Act]*

#### **D. REPORTS FROM SCHOOLS ABOUT THE STATUS OF THEIR GRADUATES**

Each participating allopathic and osteopathic medical school must submit an annual report to the Department of Health and Human Services. The report contains statistics that describe the areas of training and practice in which graduates have been engaged during the 12-month period ending June 30 of each year. The statistics are based on the pool of graduates whose graduation date occurred approximately four years prior to June 30 of the year addressed in the report.

#### **E. NOTIFICATION OF COMPLIANCE FROM THE DEPARTMENT OF HEALTH AND HUMAN SERVICES**

Within 90 days of each June 30, the Secretary of Health and Human Services determines whether schools are in compliance. Schools receive written notification about their status.

*on 723(b)(3) of the Public Health Service Act]*

#### **F. INSTITUTIONAL PENALTIES FOR NONCOMPLIANCE**

Schools that do not meet one of the criteria under Participation of Graduates in Primary Health Care Residencies and Practices, are subject to certain penalties. The penalties--which are described below--require schools to return a portion of their HPSL fund incomes, exclusive of any income derived from the Loans for Disadvantaged Students program.

- For the one-year period ending June 30, 1997, schools that are not in compliance must return 10 percent of the income received during the same period.
- For the one-year period ending June 30, 1998, schools that are not in compliance must return 20 percent of the income received during the same period.
- For each one-year period ending June 30, 1999 and thereafter, schools that are not in compliance must return 30 percent of the income received during the same period.

Schools must pay the sums required within 90 days of receiving notification of non-compliance from the Secretary of Health and Human Services.

*[Section 723(b)(4) of the Public Health Service Act]*

For purposes of calculating the school penalty for not complying with the requirements regarding primary care output, income is defined in section 723(d)(4) of the PHS Act to mean payments of principal and interest on any loan made from the fund and any other earnings of the fund.

The law specifies that the amount of income *to be returned* must equal the specified percentage of income during that year. However, the school does have the option of withdrawing from the fund, in addition to the amount returned to the Department, the proportionate share of institutional matching funds that are associated with the amount of funds returned. For example, if fund income from July 1, 1996 through June 30, 1997 equals \$900,000, the school would be required to return 10 percent, or \$90,000, to the Department. A school that has matched with 1/9 institutional funds could then choose to withdraw an additional \$10,000 from the fund and return it to the institution, resulting in a total decrease in the fund of \$100,000. LDS funds are not subject to the primary care requirements and are not included when calculating the school penalty associated with the output of primary care practitioners.

*[Section 723(b) of the Public Health Service Act]*

### **G. REDISTRIBUTION OF RETURNED FUNDS**

The Secretary of Health and Human Services redistributes HPSL funds that allopathic and osteopathic medical schools have returned as a result of not meeting the criteria described under Participation of Graduates in Primary Health Care Residencies and Practices.

Returned funds received from allopathic and osteopathic medical schools will be reallocated to schools which met one of the criteria regarding the percentage of primary care graduates as of June 30 of the preceding year and demonstrate a need for further funding.

In reawarding PCL funds to schools, the Department is required to give preference to schools of the same discipline that return the funds (e.g., allopathic medical schools must receive preference in the reawarding of funds returned by allopathic medical schools). To implement the statutory preference for schools in the same discipline as those returning the funds, the number of primary care graduates at allopathic medical schools will be doubled for purposes of awarding allopathic medical funds. Osteopathic medical schools will be eligible for some portion of these funds, but their number of primary care graduates will not be doubled in determining their share.

Similarly, the number of primary care graduates at osteopathic medical schools will be doubled for purposes of reawarding any funds returned by osteopathic medical schools. Allopathic medical schools will be eligible for some portion of these funds, but their number of primary care graduates will not be doubled in determining their share.

*[Section 723(b)(5) of the Public Health Service Act]*

## **Section 2 FEDERAL CAPITAL CONTRIBUTIONS**

### **A. SOURCES AND DISTRIBUTION OF FEDERAL CAPITAL CONTRIBUTION FUNDS**

The sources of funding for the PCL program are the same as for the HPSL program. The sources may include congressional appropriations and redistribution of funds returned to the Secretary. [HPSL, Chapter 2](#) describes these sources in more detail.

### **B. INSTITUTIONAL APPLICATIONS FOR FEDERAL CAPITAL CONTRIBUTIONS**

See [HPSL, Chapter 2](#) for information on institutional applications for Federal Capital Contributions.

### **C. AWARDS TO INSTITUTIONS**

Most processes for awarding PCL funds are the same as the HPSL program. (See [HPSL, Chapter 2](#).) However, there is one exception for distributing newly authorized funds to allopathic and osteopathic medical schools. The law restricts these funds to schools:

- with at least 50 percent of their graduates entering primary health care;
- in the top 25 percent of schools with graduates entering primary health care; or
- with not less than 25% of the schools designated graduates entering primary care and this is not less than 5 percent points above the prior year percentage.



#### **D. OVERVIEW OF INSTITUTIONAL MANAGEMENT OF FUNDS**

The management of PCL funds is the same as the management of HPSL funds. Readers are directed to [HPSL, Chapter 2](#) to learn more about institutional management of funds.

#### **E. INSTITUTIONAL TERMINATION AND WITHDRAWAL**

The rules and procedures for termination and withdrawal of institutions participating in the PCL program are the same as those for schools that distribute HPSL funds to their health professions students. [HPSL, Chapter 2](#) addresses what happens to program funds for schools that are terminated or choose to withdraw from program participation.

[Fiscal Management, Collections, Chapter 5](#) describes procedures for remittance of collections.

### Chapter 3 STUDENT AWARDS

The student eligibility requirements for PCL funds correspond to the requirements under the HPSL program. Readers should refer to [HPSL, Chapter 3](#) of this book.

#### Section 1 PRIMARY HEALTH CARE SERVICE OBLIGATION

In addition to the HPSL requirements, PCL recipients also must:

- enter and complete a residency training program in primary health care not later than four years after the date on which the borrower graduates from the institution; and
- practice primary health care through the date on which the loan is repaid in full, and to certify to the school on an annual basis that he or she is practicing primary health care.

Primary health care is defined as family medicine, general internal medicine, general pediatrics, preventative medicine, or osteopathic general practice.

#### A. ACCEPTABLE RESIDENCY TRAINING

- **Medicine/Osteopathic Medicine:** 3-year residency approved by ACGME or AOA in:
  - family medicine
  - internal medicine
  - pediatrics
  - combined medicine/pediatrics
  - preventive medicine
  - general practice

#### B. ACCEPTABLE PRACTICE ACTIVITIES

- **Medicine/Osteopathic Medicine:**
  - Primary Care Clinical Practice
  - Clinical Preventive Medicine
  - Occupational Medicine
  - Public Health
  - Senior/Chief Resident in primary care residency program

- 
- Faculty, Administrators, or Policy Makers certified in one of the primary health care disciplines
  - Geriatrics
  - Adolescent Medicine
  - Adolescent Pediatrics
  - Sports Medicine
  - Training for Primary Care Faculty Career
  - Training for Public Policy Career
  - Masters in Public Health
  - Public Policy Fellowship
  - Faculty Development Training
  - Primary Care Fellowship

### **C. UNACCEPTABLE RESIDENCY/PRACTICE ACTIVITIES**

- **Medicine/Osteopathic Medicine:**
  - Cardiology
  - Gastroenterology
  - Obstetrics/Gynecology
  - Surgery
  - Dermatology
  - Radiology
  - Rehab Medicine
  - Physical Medicine
  - Emergency Medicine
  - Other Subspecialty Training or Certification

The law requires that PCL recipients practice in primary care, but does not specify that the practice be full-time or that it involve a minimum number of hours per week. Even though part-time practice is acceptable, the recipient would be in breach of the service obligation if he or she were to obtain any type of subspecialty training that would allow him or her to subspecialize during his or her remaining service.

### **D. SELF-CERTIFICATION OF COMPLIANCE WITH THE SERVICE OBLIGATION**

The recipient is required to submit *self-certification* of compliance with the service obligation on an annual basis in a format determined by the school. A sample form is provided as [Exhibit B](#). This form is not required; each school has discretion in determining how it can most easily obtain the primary care practice certification for its PCL recipients. At a minimum, the certification

must state that the recipient is practicing primary care in accordance with the terms of the PCL promissory note and must be signed and dated by the recipient. The Department has modified the HPSL deferment form to include a section for PCL recipients to complete to certify that they are in an eligible residency program. This form is sufficient for documenting compliance with the agreement to enter primary care during residency training. Upon completing residency and entering primary care practice, the recipient can begin using the form described above or the school can develop its own form or documentation procedures for its recipients to use.

### **E. LOCALE FOR FULFILLING SERVICE OBLIGATION**

To assure that the PCL program is most effective in helping to achieve the national goal of making primary care more widely available, and in contributing to the success of health care reform, the Department requires that PCL recipients fulfill their primary care service obligation in the United States or one of its territories. Service outside of the United States is only permitted if the borrower is in military service and is assigned to serve at a location outside of the United States.

A service obligation with the military or a service obligation with PCL does not have precedence over the other. Both must be fulfilled in accord with the terms of the promissory note and may be fulfilled concurrently. For example, a student who has taken PCL and has a military service obligation would be required to practice primary care in accord with the PCL agreement and would also be required to comply with the military obligation.

[Fiscal Management, Collections, Chapter 2](#) also addresses primary health care service obligations for PCL recipients.

*[Sections 723(a) and 723(d) of the Public Health Service Act]*

### **F. PENALTIES FOR NOT FULFILLING THE PRIMARY HEALTH CARE SERVICE OBLIGATION**

PCL borrowers are subject to penalty when he/she either

- Enters subspecialty training; or
- Fails to be able to complete a primary care residency within 4 years of graduation; or
- Fails to practice primary care in accordance with the terms of the PCL promissory note; or
- Fails to provide the school with documentation of either residency status or primary care practice.

The first documentation of the recipient's annual activities is due at the time of graduation. Information on where graduates have matched would be sufficient to satisfy this documentation requirement for the first year and recipients are required to self certify activities annually thereafter. The school may allow the recipient to submit the required documentation up to 120 days after the due date without placing the recipient in default. If the required documentation is NOT submitted within 120 days of the due date, the school must place the recipient in default using the original due date.

The school has discretion in deciding whether to reverse the default status of a PCL recipient in cases where the recipient was placed in default for failing to provide certification of his or her practice activities, but later demonstrates that he or she has been in compliance with the service obligation.

[Fiscal Management, Collections, Chapter 2](#) also addresses penalties to PCL recipients who do not fulfill their primary health care service obligations.

### 1) PENALTY CALCULATION

The PCL promissory note states in section 3 that if the borrower fails to comply with the service obligation, "...the balance due on the loan involved will be immediately recomputed from the date of issuance (*using the original principal*) at an interest rate of 12 percent per year, compounded annually" for loans made prior to November 13, 1998. In accord with this provision, when a PCL recipient defaults on the service obligation, the school must recalculate the total amount owed on the debt by calculating interest at 12 percent per year, compounded annually, on the original principal amount of each disbursement, based on the date that each disbursement was made. If the recipient has already repaid a portion of the loan, these payments would be credited against the newly calculated indebtedness in accord with the time the payments were actually made.

For loans made on or after November 13, 1998, statute requires that if a PCL borrower fails to comply with the primary care service requirement, the PCL will begin to accrue interest at a rate of 18 percent per year beginning on the date of noncompliance. The penalty is calculated on the outstanding balance of the PCL on the date of noncompliance.

*[Sections 723(a)(1) and 723(a)(3) of the Public Health Service Act]*

### 2) BREAK IN SERVICE

A PCL recipient must complete residency training within 4 years of graduation. Upon completion of residency training, the recipient must enter and remain in primary care practice

unless: (1) he or she is in an allowable deferment; or (2) there are extenuating circumstances for which the school determines that a break in service is appropriate, such as extended illness, maternity/family leave, or time to establish a practice or secure employment.

The school must obtain documentation which supports the recipient's request for a break in service (e.g., a signed statement from the recipient stating the reason for the break in service). The school has discretion to approve a break in service that does not exceed 12 months. Any break in service exceeding 12 months must be approved by the Department. Requests for approval of such must be submitted to:

DHHS/HRSA/BHP  
Division of Student Assistance  
Office for Campus Based Programs  
5600 Fishers Lane, Room 8-34  
Rockville, MD 20857.

For PCL, a break in service is not a deferment, but merely allows the borrower to avoid default on the service obligation in the event of extenuating circumstances approved by the school or the Department. The repayment period continues to run, interest continues to accrue, and payments continue to come due during this time. If forbearance is also granted during a break in service, payments would be adjusted accordingly.

### 3) DEFERMENT

If the borrower is in a deferrable activity, as identified in the statute and the promissory note, payments on the loan would be deferred and interest would not accrue. If the activity does not qualify for deferment under the terms of the promissory note, the borrower's grace and/or repayment period would begin and, during periods of repayment, interest would accrue.

If the related educational activities interrupt the course of study, this would not reduce the 4-year period provided for completing residency training. The 4-year period for completing residency training begins upon graduation from medical school. The PCL statute requires that the primary care residency training must be completed within 4 years of graduation from medical school and deferment cannot interrupt that period. A deferment form is provided as [Exhibit C](#).

### G. EXCEPTION TO THE PRIMARY HEALTH CARE SERVICE OBLIGATION

The primary health care obligation *does not* apply to allopathic and osteopathic medical students who obtained HPSLs prior to July 1, 1993. New borrowers would include students who received an HPSL for the first time on or after July 1, 1993. Any student who has received an HPSL previously, as evidenced by a promissory note signed and dated prior to July 1, 1993, may

continue to receive HPSLs under the same terms as their previous loans until completion of professional training. The law gives the school discretion in determining whether to continue to fund prior HPSL recipients who are not committed to primary health care. However, consistent with the program's intent of targeting funds to prospective primary health care practitioners, schools are strongly encouraged to use other sources of financial aid for previous HPSL recipients who do not have a commitment to primary health care.

*[Section 723(a) of the Public Health Service Act]*

#### **H. WAIVER OR SUSPENSION OF THE PRIMARY HEALTH CARE SERVICE OBLIGATION**

The Secretary of Health and Human Services has the authority to waive or suspend the primary health care service obligation under two circumstances. These circumstances are described below:

- The Secretary can waive a PCL borrower's primary health care service obligation if the borrower terminates studies before graduating from the allopathic or osteopathic medical school and does not later resume studies at the same school or at another medical school.
- The Secretary can suspend a PCL borrower's primary health care obligation for the period when a borrower is not enrolled because he or she has terminated studies before graduating from the allopathic or osteopathic medical school; the obligation is resumed when the borrower returns to the same school or to another medical school to complete his or her studies.

Waiver of the service obligation will be determined by the Secretary on a case-by-case basis.

These provisions do not waive or suspend the borrower's obligation to repay the PCL. Any borrower who does not graduate from an allopathic or osteopathic medical school must still repay the PCL in accordance with its normal terms--that is, at five percent interest over a 25-year repayment period. This should be determined by the school on a case-by-case basis. The waiver and suspension absolves borrowers in certain circumstances from having to fulfill the primary health care service obligations and protects these borrowers from being subject to the financial penalties described under [Penalties for Not Fulfilling the Primary Health Care Service Obligation](#).

*[Section 723(a)(4) of the Public Health Service Act]*

**Chapter 4 TERMS AND CONDITIONS OF THE PCL PROGRAM**

The terms and conditions of the PCL program are identical to the terms and conditions of the HPSL program. Refer to [HPSL, Chapter 4](#).



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**Chapter 5 INSTITUTIONAL RESPONSIBILITIES IN THE REPAYMENT PROCESS**

Institutional responsibilities in the PCL repayment process are considerable. These responsibilities are often shared between the school's financial aid administrator and the fiscal officer. The exit interview is a primary example and is discussed in [HPSL, Chapter 5](#). Readers are also urged to review [Fiscal Management](#) for information on accounting requirements, debt collection requirements (e.g., due diligence), cash management requirements, program monitoring and audits.

**Exhibits**

**Exhibit A Promissory Note**

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 PUBLIC HEALTH SERVICE  
 HEALTH RESOURCES AND SERVICES ADMINISTRATION  
 Bureau of Health Professions

**HEALTH PROFESSIONS STUDENT LOAN PROGRAM  
 PROMISSORY NOTE  
 FOR LOANS MADE ON OR AFTER  
 NOVEMBER 13, 1998**

I, \_\_\_\_\_, hereinafter called the Borrower, promise to pay to \_\_\_\_\_, hereinafter  
 (Name of Institution)  
 called the Institution located at \_\_\_\_\_,  
 (City and State)

and endorsed in the Schedule of Advances below with interest at the rate of Five (5) percent per annum together with all attorney's fees, collection agent costs, and other related costs and charges for the collection of any amount not paid when in default according to the terms of this note.

SCHEDULE OF ADVANCES				
NUMBER	AMOUNT ADVANCED	TOTAL TO DATE	DATE	SIGNATURE OF BORROWER
1				
2				
3				
4				
5				
6				
7				

The Borrower and the Institution further understand and agree that:

1. **Consolidation:** If the Institution makes more than one loan with the same repayment terms to the Borrower under the Health Professions Student Loan program, the sum of the amounts advanced to the Borrower shall be consolidated for purposes of repayment. Each payment made by the Borrower to the Institution shall be applied first to interest which has accrued on the unpaid principal balance and then to the principal sum of the total loan.
2. **Repayment:**
  - a. Repayment shall be made in equal or graduated periodic installments over the repayment period, except that the Institution may require repayment to be made in an amount equal to not less than \$40 per month. The repayment period begins one year after the Borrower ceases to be a full-time student at a school eligible to participate in the Health Professions Student Loan program. The repayment period shall not be less than ten years, nor more than 25 years, at the discretion of the Institution. Periods of authorized deferment are not included as part of the repayment period.
  - b. The terms and conditions of repayment shall be set forth in a separate repayment schedule which is approved by the Institution and agreed to by the Borrower. Payments under the repayment schedule shall be made no less often than quarterly, except that if the Borrower is more than 60 days past due on a payment, the remaining balance of the loan shall be repaid on a monthly basis.
3. **Interest:** Interest shall accrue from the beginning of the repayment period.
4. **Deferment:** Periodic installments of principal and interest need not be paid, and interest shall not accrue, while the Borrower:
  - (a) serves on active duty as a member of a uniformed service of the United States, for up to three years;
  - (b) serves as a volunteer under the Peace Corps Act, for up to three years;
  - (c) pursues advanced professional training, including internships and residencies;
  - (d) pursues a full-time course of study at a health professions school eligible for participation in the Health Professions Student Loan program;
  - (e) leaves the Institution, with the intent to return to the Institution as a full-time student, to engage in a full-time educational activity which is directly related to the health profession for which the Borrower is preparing,

as determined by the Secretary of Health and Human Services (the Secretary), for up to two years; and (f) participates in a fellowship training program or a full-time educational activity which is directly related to the health profession for which the Borrower prepared at the Institution, and is engaged in by the Borrower within 12 months after the completion of the Borrower's participation in advanced professional training described in 4.(c) above or prior to the completion of the Borrower's participation in such training, for up to two years.

5. Prepayment: The Borrower may, at his or her option and without penalty, prepay all or any part of the principal and accrued interest at any time.
6. Exit Interview: The Borrower agrees to attend an exit interview prior to completing or terminating full-time student status at the Institution.
7. Default: If the Borrower fails to make an installment payment when due or fails to comply with any other term of this Promissory Note, the loan will be considered in default.
8. Late Charge: The Institution shall assess a late penalty charge for failure of the Borrower to pay all or any part of an installment, or for failure to file satisfactory evidence of entitlement to deferment, if so entitled, at a rate, not to exceed an amount equal to 6 percent of the amount of such installment, on loans more than 60 days past due.
9. Acceleration: If the Borrower fails to make a scheduled repayment or fails to comply with any other term of this Promissory Note, the entire unpaid balance of the loan, including interest due and accrued and any applicable penalty charges, will, at the option of the Institution, become immediately due and payable.
10. Credit Bureaus: The Institution may disclose the Borrower's loan, and any other relevant information, to credit bureaus. If the Borrower is more than 120 days past due in making a scheduled repayment, the Institution will disclose the Borrower's delinquent status, and any other relevant information, to credit bureaus.
11. Collection Agents, Litigation, and Withholding of Services: If the Borrower fails to make a scheduled repayment, or fails to comply with any other term of this Promissory Note, the Institution may: (a) refer the Borrower's loan to a collection agent for further collection efforts; (b) initiate legal proceedings against the Borrower; (c) withhold Institutional services, such as transcripts and letters of recommendation, from the Borrower; (d) refer the Borrower's loan to the Secretary for collection assistance, including offset of Federal salaries; and (e) obtain the Borrower's address from the Internal Revenue Service, through the Secretary, if the Institution has no current address for the Borrower.
12. Death or Disability: In the event of the Borrower's total and permanent disability or death, the unpaid indebtedness remaining on the Note shall be canceled. Subject to the regulations of the Secretary, the Institution may assess a charge on the Borrower's loan to cover the costs of insuring against death or disability cancellations.
13. General: The Borrower will promptly inform the Institution of any change in name or address after he or she ceases to be a full-time student at the Institution. The terms of this Note shall be construed according to the Federal statute (42 U.S.C. 292q-292y) and regulations (42 CFR section 57.201 et seq.) governing the administration of the Health Professions Student Loan program, copies of which shall be kept by the Institution.

In Witness Hereof, My Hand and Seal

(Seal)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Borrower)

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NOTICE: The Institution must require security or endorsement if the Borrower is a minor and if, under the applicable State law, the Note signed by him or her would not create a binding obligation. The Institution may not require security or endorsement in any other circumstances. The Institution shall supply a copy of this Note to the Borrower.

WARNING: Any person who knowingly makes a false statement or misrepresentation in obtaining these funds is subject to penalties which may include fines and imprisonment under Federal statute.

**Exhibit B Self Certification**

SAMPLE

EXCEPTIONAL FINANCIAL NEED (EFN), FINANCIAL ASSISTANCE FOR  
DISADVANTAGED HEALTH PROFESSIONS STUDENTS (FADHPS)  
AND PRIMARY CARE LOAN (PCL) PROGRAMS  
POST-RESIDENCY CERTIFICATION FORM

~~~~~  
As an EFN and FADHPS recipient you are required to practice primary health care for 5 years after completion of residency.  
As a PCL recipient you are required to practice primary health care until your loan is repaid in full. Please complete and return this form to  
us in the enclosed envelope.  
~~~~~

NAME

\_\_\_\_\_

HOME ADDRESS

\_\_\_\_\_  
\_\_\_\_\_

PHONE NUMBERS

( ) \_\_\_\_\_ (WORK)  
( ) \_\_\_\_\_ (HOME)

WORK ADDRESS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CURRENT PRACTICE STATUS:

FAMILY MEDICINE

GENERAL INTERNAL MEDICINE

GENERAL PEDIATRICS

PREVENTIVE MEDICINE

OSTEOPATHIC GENERAL PRACTICE

GENERAL DENTISTRY

COMMENTS: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

I CERTIFY THAT THE INFORMATION CONTAINED ON THIS CERTIFICATION FORM IS ACCURATE AND THAT I AM IN COMPLIANCE WITH THE OBLIGATIONS SPECIFIED IN MY EFN/FADHPS AGREEMENT(S) AND/OR PRIMARY CARE LOAN PROMISSORY NOTE FOR PRIMARY HEALTH CARE SERVICE.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

RETURN COMPLETED FORM TO:

**Exhibit C Certification of Deferment**

HEALTH PROFESSIONS STUDENT LOAN (HPSL), PRIMARY CARE LOAN (PCL), EXCEPTIONAL FINANCIAL NEED (EFN) SCHOLARSHIPS,  
FINANCIAL ASSISTANCE FOR DISADVANTAGED HEALTH PROFESSIONS STUDENTS (FADHPS), LOANS FOR DISADVANTAGED STUDENTS (LDS) AND  
NURSING STUDENT LOAN (NSL) PROGRAMS

**INSTRUCTIONS:** You as a borrower of a HPSL, PCL, LDS, or NSL, are responsible for the completion and return of this form to the institution from which you received loans. If you fail to submit this form to your school by the payment due date, your school is required to consider your loan past due, and must take actions to collect as required by program regulations, including the use of collection agents, credit bureaus, and litigation.

To request deferment of repayment on your HPSL, PCL, LDS, or NSL, this form must be filed with the school which made the loan at each of the following times:

- (1) when your first repayment installment is due,
- (2) annually thereafter as long as you are eligible for such deferment, and
- (3) when you cease to be in eligible deferment status.

Recipients of EFN or FADHPS scholarships with a primary care service obligation must complete this form annually during residency training to notify the school of their training activities.

A copy of the completed form should be retained for your own record.

NAME AND ADDRESS OF SCHOOL FROM WHICH FUNDS WERE RECEIVED:	NAME AND ADDRESS OF LOAN/SCHOLARSHIP RECIPIENT:
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PART I - SIGNATURE OF LOAN/SCHOLARSHIP RECIPIENT

I request deferment of repayment of principal and interest on my (Check all that apply):

\_\_\_Health Professions Student Loan(s)\_\_\_ Primary Care Loan(s)\_\_\_ Loans for Disadvantaged Students \_\_\_Nursing Student Loan(s)  
for the period indicated under \_\_\_A1 \_\_\_A2 \_\_\_B \_\_\_C1 \_\_\_C2 \_\_\_ D or \_\_\_ E below

I received \_\_\_EFN \_\_\_FADHPS funds and am notifying the school of my residency training activities.

I further agree to notify the school from which I received assistance immediately upon termination of my status as indicated below.

\_\_\_\_\_  
SIGNATURE OF BORROWER: DATE

PART II - REQUEST FOR DEFERMENT OF REPAYMENT - To be completed by borrower if he/she:

- A. 1. For Health Professions Student Loan and Loans for Disadvantaged Students Borrowers:  
Pursues advanced professional training, including internships and residencies or participates in a fellowship training program or full-time educational activity, as defined by regulations of the Secretary of Health and Human Services.
- 2. For Nursing Student Loan Borrowers:  
Pursues a full-time course of study at a collegiate school of nursing leading to a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing.

This is to certify that I am/was pursuing advanced professional training in \_\_\_\_\_  
(type of training)

at \_\_\_\_\_

from \_\_\_\_\_ to \_\_\_\_\_

B. For Primary Care Loan Borrowers and EFN and FADHPS Recipients:

- 1. Participates in a 3 year residency program in allopathic or osteopathic family medicine, internal medicine, pediatrics, combined medicine/pediatrics, or preventive medicine approved by the Accreditation Council of Graduate Medical Education (ACGME) or by the American Osteopathic Association (AOA), or in a rotating or primary health care internship and general practice residency program approved by the AOA.
- 2. Participates in a residency program in General Dentistry.

This is to certify that I am/was pursuing advanced professional training in \_\_\_\_\_  
(type of residency training)

at \_\_\_\_\_

from \_\_\_\_\_ to \_\_\_\_\_



C. Ceases to pursue the course of study at

1. A school of medicine, osteopathy, dentistry, pharmacy, podiatric medicine, optometry, or veterinary medicine, but (1) re-enters the same or another such school within the applicable grace period (1 year); or (2) engages in a full-time educational activity as defined by regulations of the Secretary of Health and Human Services, with the intent to return to the school as a full-time student.
2. A school of nursing leading to a diploma or associate degree in nursing, a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, but re-enters the same or another such school within the grace period (9 months).

This is to certify that I am/was a full-time health professions or full or half-time nursing student at \_\_\_\_\_

from \_\_\_\_\_ to \_\_\_\_\_ pursuing a course of study leading to a \_\_\_\_\_ (Degree).

D. Performs active duty as a member of a uniformed service or as a volunteer under the Peace Corps Act.

This is to certify that I was in the (enter Peace Corps or name of uniformed service) \_\_\_\_\_

\_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_

E. Pursues training as a nurse anesthetist at: \_\_\_\_\_

from \_\_\_\_\_ to \_\_\_\_\_.

PART III - CERTIFICATION OF DEFERMENT STATUS - To be completed by Official Authorizing Borrower's status. (NOTE: Completion PART III is not required for internship or residency training activity.)

Please complete this Certificate of Deferment form and return to the borrower.

A. To be completed by official of institution where borrower is/was enrolled:

I certify that the information stated in (Check appropriate space) Part II:  
 A1  A2  C1  C2 (or)  E above, is true and correct.

NAME AND ADDRESS OF SCHOOL OR HOSPITAL:	NAME AND TITLE OF AUTHORIZED OFFICIAL
	SIGNATURE OF AUTHORIZED OFFICIAL/DATE

B. To be completed by the Commanding Officer or Peace Corps Official.

I certify that the information stated in Part II - D, above is true and correct.

Borrower's Uniformed Service\* Serial Number: \_\_\_\_\_

NAME AND ADDRESS OF UNIFORMED SERVICE OR PEACE CORPS OFFICIAL:	NAME AND TITLE/RANK OF COMMANDING OFFICER OR PEACE CORPS HEADQUARTERS:
	SIGNATURE OF COMMANDING OFFICER OR PEACE CORPS OFFICIAL/DATE

PART IV - INSTITUTIONAL ACTION - To be completed by school (or its agent) from which loan was made

APPROVED  DISAPPROVED REASONS FOR DISAPPROVAL \_\_\_\_\_

NAME AND TITLE OF OFFICIAL:	SIGNATURE OF AUTHORIZED OFFICIAL AND DATE
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\*The uniformed services of the United States are the Army, Navy, Marine Corps, Air Force, Coast Guard, National Oceanic and Atmospheric Administrations Corps, and the U.S. Public Health Service Commissioned Corps.

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form is subject to penalties which may include fines and imprisonment under Federal Statute.