
BUDGET UNIT BRIEF – FY 2025

Fiscal Services Division

July 1, 2024



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Mental Health Practitioner Loan Repayment Program

Purpose and History

The Mental Health Professional Loan Repayment Program provides loan repayment benefits for practitioners who provide mental health services to high-need communities. The loan repayment is available for up to five consecutive years of full-time service and can be adjusted for part-time service.

A high-need community is a city in Iowa that is within a federal mental health shortage area as designated by the United States Department of Health and Human Services.

Eligibility Criteria

In order to be eligible for loan repayment, an applicant must:

- Graduate from an eligible Iowa college/university with at least a doctorate degree in psychology, or at least a master's degree in counseling and guidance, social work, marriage and family therapy, or mental health counseling.
- Complete at least two years of post-degree clinical experience in assessing and diagnosing mental health needs and providing mental health counseling services to individuals or groups while under the supervision of another individual in the mental health field.
- Hold a current, nonprescribing practitioner license issued by the Iowa Department of Public Health.

Award Amount

The maximum award for this program is \$40,000, which is paid in annual installments of \$8,000 toward outstanding Federal Stafford Loan, Federal Grad PLUS Loan, and Federal Perkins Loan balances.

A recipient who refinances an eligible federal loan to a private education loan after signing a contract may continue to receive loan repayment benefits as long as the recipient contacts Iowa College Aid and provides required documentation.

Funding

The program was first funded in FY 2023, when it received \$520,000.

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More Information

Iowa College Aid Application: iowacollegeaid.gov/MentalHealthLoanRepaymentProgram
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