

**283—14.2(261) Health care professional loan repayment program.**

**14.2(1) Recruitment.** The eligible institution shall communicate the availability of the health care professional loan repayment program to current students training to become health care professionals and alumni who are health care professionals. The commission will ensure, to the extent possible, that an equal number of new agreements are available to health care professionals in each occupation category. Selection of new applicants within each occupation category will be prioritized as follows:

- a. Students in their final year of a degree program leading to a license to practice as a health care professional;
- b. The most recent graduates of a degree program leading to a license to practice as a health care professional, with the most recent academic year graduates given priority;
- c. Date of application.

**14.2(2) Health care professional service requirement.** The health care professional service requirement for the health care professional loan repayment program is four years. The health care professional must annually verify, in a format acceptable to the commission, that the health care professional practiced in an eligible rural community for 12 consecutive months for each year of required service. An award will be prorated based on the months of service provided in a state fiscal year if less than 12 months. An award will also be prorated if the individual is employed on a less than full-time basis.

**14.2(3) Award.** The health care professional may receive up to \$50,000 in state-funded repayment benefits when an eligible rural community agrees to provide matching funds of an equal or greater amount. At least a dollar-for-dollar match must be provided. Matching funds from an eligible rural community totaling less than \$50,000 will result in an equally lower state health care professional recruitment program award.

**14.2(4) Eligible loans.** Eligible loans include subsidized and unsubsidized Stafford loans, Grad PLUS loans and consolidated loans. Only the outstanding portion of a Federal Consolidation Loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan, an eligible Direct Subsidized Loan, an eligible Direct Unsubsidized Loan, or an eligible Grad PLUS Loan qualifies for loan repayment. A health care professional who receives loan repayment under this program and who refinances an eligible loan by obtaining a private educational loan may continue to receive loan repayment awards.

**14.2(5) Disbursement.** The commission shall disburse the loan payment to the health care professional's loan holder in return for completion of the service requirements in an eligible rural community.

**14.2(6) Restrictions.** A recipient of a loan repayment award under Iowa Code section 261.113, 261.114, or 261.115 shall not be eligible for an award under this chapter. A health care professional who is in default on a Stafford loan, SLS loan, Grad PLUS loan, or a Perkins/National Direct/National Defense student loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for repayment benefits. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapter 5.

**14.2(7) Repayment.**

a. If loan repayment funds are applied prior to the health care professional's completion of the service requirement and the health care professional fails to complete the service requirement, repayment shall begin 30 days following termination of practice in an eligible rural community.

b. The commission shall prorate the award balance based on the months of service provided.

c. The health care professional shall repay the prorated balance of the loan repayment benefits and accrued interest at 12 percent per annum. Interest shall accrue on the unpaid principal balance of each loan from the effective date of the loan repayment agreement until the loan is paid in full.

d. The prorated balance owed by the health care professional must be paid in full within three years from the date the service ends.

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