
BUDGET UNIT BRIEF – FY 2025

Fiscal Services Division

July 1, 2024



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Rural Iowa Primary Care Loan Repayment Program

Purpose

The Rural Iowa Primary Care Loan Repayment Program provides loan repayments for medical students who agree to practice as physicians in service commitment areas for five years.

A service commitment area is defined as a city in Iowa with a population of less than 26,000 that is located more than 20 miles from a city with a population of 50,000 or more. The service commitment area must provide match funding of \$20,000 for each physician participating in the Program. If the physician specializes in psychiatry, the city must be located in a federal mental health shortage area as designated by the Health Resources and Services Administration of the United States Department of Health and Human Services.

Eligibility and Requirements for Loan Repayment

To be eligible to apply for the Program, individuals must be enrolled full-time at the University of Iowa College of Medicine or Des Moines University in a curriculum leading to a doctor of medicine or osteopathy degree. The applicant must have received a recommendation from the university.

Under the Program agreement, the student must fulfill the following:

- Receive a doctor of medicine or osteopathy degree from an eligible university and complete a residency program approved by the College Student Aid Commission.
- Obtain a license to practice medicine and surgery or osteopathic medicine and surgery in Iowa.
- Within 9 months of graduating from the residency program and receiving a permanent license, engage in full-time practice specializing in family medicine, pediatrics, psychiatry, internal medicine, obstetrics, and gynecology, or general surgery for 60 consecutive months in an identified service commitment area.

Priority is given to eligible students who are residents of Iowa upon enrolling in the university.

Loan Repayment

Participants are eligible for loan repayment of up to \$40,000 annually for five consecutive years, with the maximum repayment limited to \$200,000. The Commission is authorized to enter into no more than 20 Program agreements annually.

Annual Program agreements are to be awarded evenly between students attending the University of Iowa and students attending Des Moines University. This requirement is waived in the event there are fewer than half the necessary applicants from one of the institutions.

More Information

College Student Aid Commission: www.iowacollegeaid.gov
LSA Staff Contact: Michael Peters (515.281.6934) michael.peters@legis.iowa.gov

If surplus funds are available, the Commission is authorized to enter into Program agreements with eligible applicants who have already completed degrees, met program requirements and are currently serving in service commitment areas.

Funding

In 2023 Iowa Acts, [Senate File 560](#) (FY 2024 Education Appropriations Act), an appropriation of \$2.5 million was made from the General Fund to the Department of Education for the College Student Aid Commission to administer the Rural Iowa Primary Care Loan Repayment Program. The average FY 2022 award was \$189,000, and there were 17 recipients.

Related Statutes and Administrative Rules

Iowa Code section [261.113](#)

Iowa Administrative Code [283—24](#)

Budget Unit Number

2820WA60001

Doc ID 1444856