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## BUDGET UNIT BRIEF – FY 2027

Fiscal Services Division

July 1, 2026



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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

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## Health Care Professional Incentive Program

### Purpose and History

2025 Iowa Acts, [House File 972](#) (Rural Health Care Act), created the Health Care Professional Incentive Program (HCPIP) to recruit and retain health care professionals in high-need areas in Iowa. The Program provides an award to individuals who agree to practice in specified locations for up to five full-time years. Eligible health care professionals can elect to receive the award as an income bonus or as a federal student loan payment. The award is paid at the end of each successive year of qualifying employment. The College Student Aid Commission, in coordination with the Iowa Department of Health and Human Services (HHS), is required to determine the number of FY 2026 awards that will be made in each eligible health care profession under the program prior to the beginning of FY 2026.

The Act repealed the following five programs, which received a total of \$4.4 million from the General Fund in estimated net FY 2025 and replaces them with the Health Care Professional Incentive Program:

- \$214,000 Primary Care Provider Recruitment and Retention Endeavor (PRIMECARRE)
- \$2.6 million Rural Iowa Primary Care Loan Repayment Program
- \$500,000 Health Care Professional Recruitment Program
- \$500,000 Health Care Award Program
- \$520,000 Mental Health Professional Loan Repayment Program

Any funds must remain available for the duration of any outstanding loan repayment contracts. The Act required any unencumbered or unobligated moneys remaining in the account upon expiration of all loan repayment contract periods be transferred to the HCPIP Fund. The Department of Education (DE) and the HHS estimate approximately \$1.4 million in unobligated or unencumbered moneys will be available for deposit into the HCPIP Fund.

### Funding — State General Fund

The HCPIP is funded through a General Fund appropriation made in the Education Appropriations Subcommittee. In 2025 Iowa Acts, [Senate File 647](#) (FY 2026 Education Appropriations Act), an appropriation of \$8.0 million was made to the Department of Education in FY 2026 for this purpose.

### Budget Unit Number

2820WB30001

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### More Information

Website: [educate.iowa.gov/higher-ed/financial-aid/loan-repayment/health-care-professional-incentive-program](https://educate.iowa.gov/higher-ed/financial-aid/loan-repayment/health-care-professional-incentive-program)

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