Program Purpose
The purpose of Minnesota’s Loan Forgiveness program is to recruit and retain health care professionals to needed areas and facilities in Minnesota. Loan Forgiveness is an important benefit for health care professionals as well as health care facilities and communities experiencing a shortage of access to primary care services.

Program Administration
The Office of Rural Health and Primary Care (ORHPC), Minnesota Department of Health, administers this program. It is funded by the State of Minnesota. Program eligibility requirements and benefits are established by Minnesota statute, 144.1501, authorizing the health professional loan forgiveness program.

Eligible Clinicians/Professions
Eligibility includes the following health professionals who have or will have a current permanent and unrestricted license to practice independently and unsupervised in the state of Minnesota, or as specified below:

- MDs/DOs  Primary Care Doctors of Allopathic or Osteopathic Medicine (Family Practice, Internal Medicine, OB/GYN, Pediatrics or Psychiatry)
- DDs  General Practice Dentists (D.D.S. or D.M.D.)
- DT/ADTs  Licensed Dental Therapists/Advanced Dental Therapists working under a collaborative agreement with a licensed dentist
- PHARMs  Pharmacists
- NPs  Primary Care Certified Nurse Practitioners
- CNMs  Certified Nurse-Midwives
- PAs  Primary Care Physician Assistants
- CRNAs  Certified Registered Nurse Anesthetists
- ACNSs  Advanced Clinical Nurse Specialists
- PHNs  Public Health Nurses
- LPN/RNs  Licensed Practical Nurses/Registered Nurses (in nursing homes/ICFs)
FACs  Nursing Educators/Allied Healthcare Educators who are teaching in a post-secondary institution
LCPs  Licensed Clinical or Counseling Psychologists (Ph.D. or equivalent)
LICSWs  Licensed Independent Clinical Social Workers (master’s or doctoral degree in social work, LGSW not eligible)
PNSs  Psychiatric Nurse Specialists/Nurse Practitioners
LPCCs  Licensed Professional Clinical Counselors (master’s or doctoral degree with a major study in counseling, licensed to practice independently and unsupervised)
LMFTs  Licensed Marriage and Family Therapists (master’s or doctoral degree with a major study in marriage and family therapy, LAMFT not eligible)

Loan Eligibility
The Minnesota Loan Forgiveness Program provides funds for repayment of qualified educational loans. Applicants are responsible for securing their own educational loans. Credit card or loans from family members do not qualify. Qualified loans include government, commercial, and foundation loans for actual costs paid for tuition, reasonable education and living expenses related to the graduate or undergraduate education of a health care professional.

Service Obligation
A. For all health professionals, except as noted in (B) and (C) below:

   1. Participants are required to practice full time, or at least 30 hours per week, for at least 45 weeks per year, for a minimum of three years, a maximum of four years.

   2. For Public Health Nurses, Dental Therapists/Advanced Dental Therapists, Midlevel Practitioners, Pharmacists, and Rural Physicians, you must work in a designated rural area. A designated rural area is defined by Minnesota statute 144.1501 as a statutory and home rule charter city or township that is (1) outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2 excluding the cities of Duluth, Mankato, Moorhead, Rochester and St. Cloud.

   3. For Urban Physicians and Mental Health Professionals, you must work in an underserved urban community. An underserved urban community in Minneapolis or St. Paul is defined by Minnesota statute 144.1501 as a health professional shortage area (HPSA), medically underserved area (MUA), or with medically underserved populations (MUP). Use the website from the federal Health Resources and Services Administration (HRSA) to verify that a clinic or facility is in one of these designations. If your work site address does not fall in one of these designations you are not eligible to participate in the Urban Physician or Mental Health Professional loan forgiveness program. For Urban Mental Health Professionals and Urban Psychiatrists only, other eligible cities include Duluth, Mankato, Moorhead and St. Cloud.
4. For Dentists, you are required to provide at least 25 percent of your annual patient encounters to state public program enrollees or patients receiving a sliding fee schedule in Minnesota.

B. For Nurses working in nursing homes or independent care facilities for the developmentally disabled, or a hospital that owns/operates a licensed nursing home where a minimum of 50 percent of the hours worked is in a nursing home in Minnesota, you are required to practice full time, or at least 30 hours per week, for at least 45 weeks per year, for a **minimum of two years**, with the option to extend your contract an additional two years.

C. For Nurse Faculty and Allied Health Care Faculty, you are required to teach at least twelve credit hours, or 720 hours per year (including prep time) in the nursing field/allied health care field in a postsecondary program in Minnesota.

## Funding

<table>
<thead>
<tr>
<th>Type of professional</th>
<th>Amount per year</th>
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<tbody>
<tr>
<td>Dentist</td>
<td>$30,000/year</td>
</tr>
<tr>
<td>Rural Dental Therapist/Advanced Dental Therapist</td>
<td>$10,000/year</td>
</tr>
<tr>
<td>Urban and Rural Physicians</td>
<td>$25,000/year</td>
</tr>
<tr>
<td>Rural Pharmacists</td>
<td>$20,000/year</td>
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<tr>
<td>Rural Midlevel Practitioners</td>
<td>$12,000/year</td>
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<tr>
<td>Nurse Faculty/Allied Health Care Faculty</td>
<td>$9,000/year</td>
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<tr>
<td>Nurses in Nursing Homes</td>
<td>$5,000/year</td>
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<tr>
<td>Rural Public Health Nurses</td>
<td>$5,000/year</td>
</tr>
<tr>
<td>Urban and Rural Mental Health Professionals</td>
<td>$12,000/year (Psychologists and Psychiatric NPs)</td>
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<td>$7,000/year (LICSW, LMFT, LPCC)</td>
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## Selection

This is a competitive selection process. Selections are made based on suitability for practice as indicated by personal and professional experience and training noted on an application, as well as preference given to those closest to completing their training. MDH also gives preference to applicants which can demonstrate cultural competencies. The number of applicants ORHPC may select for participation varies annually and is contingent upon the vacancy rate for each profession, and upon available state funding.
Annual Reporting

Annually, ORHPC requires participants to verify their continued employment and submit documentation that they have applied the loan forgiveness funds to their designated educational loan(s). This information will be verified prior to each annual disbursement. It is at the discretion of the participant to pay their loan servicer(s) with an annual lump sum payment, or make monthly payments that total the annual disbursement from ORHPC.

Income Tax Reporting

Loan forgiveness payments made to participants under the loan forgiveness program are considered exempt from federal and state income taxes. The State of Minnesota will not issue a 1099 form.

Temporary Suspension of Service

Service obligations may be suspended as a result of an illness, disability or temporary job transfer lasting less than a total of 12 months during a three- or four-year commitment. All requests for temporary suspension of service must be in writing in advance (if known) and substantiated by documentation deemed acceptable and approved by the state on a case-by-case basis. The agreement end date will be extended by the amount of time a participant is in suspension status. Suspensions cannot exceed 12 months.

Penalty for Non-fulfillment

If a participant does not fulfill the minimum obligation of the program, i.e., the required minimum years of practice in an underserved community, a nursing facility, or an educational program in Minnesota, or if the participant cannot verify that program funds were spent towards approved student loans, the participant will be required to repay the total amount received plus interest, at a rate established according to Minnesota Statutes 270C.40.

In the event a recipient accepts funding from the Nursing Facility Employee Scholarship Program administered by the Minnesota Department of Human Services, as defined in Minnesota Statute 256B.431, Subdivision 36, during participation with the MDH Nurse Loan Forgiveness Program, MDH will place the recipient in default, and the recipient will be required to pay back all funds received from the Nurse Loan Forgiveness program plus interest.