

**PROGRAM INFORMATION NOTICE (PIN)**  
for the  
**2024 MINNESOTA STATE LOAN REPAYMENT PROGRAM**

**Loan Repayment for Nurses and Mental Health Providers Practicing in  
Rural and Urban Health Professional Shortage Areas in Minnesota**

**PROGRAM PURPOSE**

The purpose of Minnesota's State Loan Repayment Program (MN SLRP) is to improve population access to outpatient clinic-based primary health care through loan repayment awards to health care providers in exchange for service in underserved communities.

The goal of the proposed project is to increase access to primary care and mental health services in geographically isolated, as well as diverse and economically challenged communities.

The impact of the program will be measured by the following indicators:

- Major Objective 1: Increase the number of nursing professionals working in high needs rural communities with severe nursing shortages to strengthen healthcare access.
- Major Objective 2: Increase the number of Black, Indigenous and People of Color (BIPOC) Licensed Mental Health Professionals serving within underserved diverse communities, increasing access to mental health services.

**PROGRAM ADMINISTRATION AND FUNDING**

This program is administered by the Office of Rural Health and Primary Care, Minnesota Department of Health. Program eligibility requirements and benefits are established by federal law authorizing the State Loan Repayment Program (Section 388I of the Public Health Service Act, as amended by Public Law 101-597 and Public Law 111-148). MN SLRP requirements are based on federal grant guidance published during competitive federal grant application cycles and Minnesota program administrative strategies.

This project is supported by the State of Minnesota and the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS) under grant HRSA-22-048, State Loan Repayment Program, CFDA 93.165. The program is funded by \$555,205 in federal grant funds and \$100,000 by state appropriation. This information or content and conclusions are those of the author and should not be construed as the official position or policy of, nor should any endorsements be inferred by HRSA, HHS or the U.S. Government.

**Program Benefits**

The MN SLRP provides funds for repayment of qualifying educational loans of up to \$20,000 annually for full-time primary care providers and up to \$10,000 annually for half-time primary care providers. In return for the loan repayment award, participants must complete a two-year service obligation in nonprofit private or public sites located in federally designated Health Professional Shortage Areas (HPSAs).

Qualifying educational loans are government and commercial loans for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses relating to the graduate or undergraduate education of a primary care provider. Awards are paid by the State of

Minnesota directly to the participant, who must then apply the award immediately to the eligible outstanding debt. Loan repayment awards under this program have been exempted as taxable income under federal and Minnesota state law.

## Awards

For Federal Year 2024, approximately fifteen (15) to seventeen (17) loan repayment awards will be available contingent upon continued funding from the Health Resources and Services Administration and the State of Minnesota. Awards will be made in early December 2024, with anticipated contract start dates mid-January 2025. This is a competitive process, and not all that apply will be awarded.

Preference will be given to nursing applicants working in (1) a *Designated Rural Area*, which is defined as a statutory and home rule charter city or township that is 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; and (2) a county where the **RN Nurse Rate** (provider count per 10,000 population) is below 100. [Dashboard Health Care Workforce - Minnesota Dept. of Health \(state.mn.us\)](https://www.health.state.mn.us/data/healthcareworkforce/).

Preference will be given to mental health professional applicants that are Black, Indigenous and People of Color (BIPOC).

## ELIGIBLE CLINICIANS

Eligibility includes the following health professionals who have a current **permanent and unrestricted** license to practice **independently and unsupervised** (if appropriate within scope of practice) in the state of Minnesota:

CPs	Clinical or Counseling Psychologists (Ph.D. or equivalent)
LICSWs	Licensed Independent Clinical Social Workers (master's or doctoral degree in social work)
NPs	Nurse Practitioner, Psychiatric ONLY
PNSs	Psychiatric Nurse Specialists
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)
RNs	Registered Nurse

Additionally, all applicants **must**:

1. Be a U.S. citizen (either U.S. born or naturalized) or U.S. national;
2. Have a current permanent and unrestricted Minnesota state license to practice *independently and unsupervised* (if appropriate to scope of practice) in Minnesota;
3. Be practicing, or ready to begin practicing, at a program-approved site once the loan repayment contract has been signed;
4. Provide primary care medical or mental health services (see Primary Care Practice below) during the required service obligation hours;
5. Participate or be eligible to participate as a provider in Medicare, Medicaid and MinnesotaCare, as appropriate;
6. Not have an outstanding contractual obligation for health professional service to the Federal government (e.g., an active military obligation, an NHSC Scholarship or Loan

Repayment Program obligation, or a NURSE Corps Loan Repayment Program obligation), a state loan repayment program (other than the one receiving HRSA grant funds), or other entity unless that service obligation will be completely satisfied before the SLRP contract has been signed. Please note that certain provisions in employment contracts can create a service obligation (e.g., an employer offers a physician a recruitment bonus in return for the physician's agreement to work at that facility for a certain period of time or pay back the bonus). See below for an **exception** for members of a Reserve component of the Armed Forces or National Guard;

7. Not have breached a prior service obligation to the federal/state/local government or other entity, even if they subsequently satisfied the obligation;
8. Not be in a current default on any Federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, Federal income tax liabilities, Federal Housing Authority loans, etc.) even if the creditor now considers the defaulter to be in good standing;
9. Not had any Federal or non-Federal debt written off as uncollectible or received a waiver of any Federal service or payment obligation;
10. Not have any judgment liens arising from Federal debt; and,
11. Not be excluded, debarred, suspended or disqualified by a Federal agency.
12. Must practice full-time or half-time in providing primary health care services at an eligible site.
  - "Full-time" service is defined in the NHSC statute as a minimum of 40 hours per week, for a minimum 45 weeks per year.
  - "Half-time" service is defined in the NHSC statute as a minimum of 20 hours per week (not to exceed 39 hours per week) for a minimum 45 weeks per year.
13. Must work in a HPSA that corresponds to their training and/or discipline. For example, psychiatrists and other mental health care providers must serve in a mental health HPSA.
14. Must agree to use SLRP funds only to repay qualifying educational loans. Qualifying educational loans are Government and commercial loans for actual costs paid for tuition and reasonable educational and living expenses related to the education of the participant.

Currently practicing clinicians are eligible but no credit will be given for service prior to signing a contract with the state. No credit will be given for any practice while the provider is in a professional school or graduate training program.

**Military Reserve Exception:** Individuals in a Reserve component of the Armed Forces, including the National Guard, are eligible to participate in the MN SLRP. Reservists should understand the following:

1. Military training or service performed by reservists will not satisfy the MN SLRP service commitment. If a participant's military training and/or service, in combination with the participant's other absences from the service site, will exceed 35 workdays (7 weeks) per service year, the participant should request a suspension of his/her MN SLRP service obligation. The MN SLRP service obligation end date will be extended to compensate for the break in MN SLRP service.

2. If the participant is a reservist and is called to active duty, the amount of time he/she is on active duty (which does not count as SLRP service) must be added to the length of the original SLRP obligation.
3. If the reservist is deployed, following deployment he/she is expected to return to the MN SLRP service site where he/she was serving prior to deployment. If unable to do so, the reservist must complete his/her service obligation at another MN SLRP-approved site.

### **Primary Care Medical and Mental Health Practice**

All participants are expected to practice within the scope of practice for their eligible primary care discipline.

The approvable primary care specialties for nurses include general family medicine, pediatrics, and geriatrics *in an outpatient setting*\*. Nurses working in home health, assisted living, and/or long-term care are not eligible for funding under the MN SLRP.

General mental and behavioral health services are considered primary care for mental health clinicians. Services that target specific populations and/or specific diagnosis' are considered specialty services and are not eligible.

\*EXCEPTION: State Mental Hospitals, Critical Access Hospitals with a qualified outpatient clinic, and State or Federal Correctional Facilities.

### **Clinical Service Obligation**

In order to receive loan repayment, a clinician must agree to practice either full-time or part-time as a primary care clinician (see Eligible Clinicians) for a minimum of two years at a program-approved site located within a federally designated Health Professional Shortage Area (HPSA). During the second year of service obligation, participants may request extensions for a third and fourth year of loan repayment. Extensions will be granted depending on the availability of state and federal funds and program priorities. **Severe financial penalties** apply to participants who fail to complete their service obligation as specified in their contractual agreement (see Financial Penalties for Default.)

### **Full-time Service**

Full-time clinical practice in the Minnesota SLRP is defined as a minimum of 40 hours per week, for a minimum of 45 weeks each service year. The 40 hours per week may be compressed into no less than four (4) days per week, with no more than 12 hours of work to be performed in any 24-hour period. Time spent "on call" will not be counted towards the service requirement.

#### **A. For all health professionals:**

1. At least 32 of the minimum 40 hours per week must be spent providing patient care at the approved service site(s) specified in the Application, during normally scheduled office hours.
2. The remaining eight (8) hours of the minimum 40 hours per week may be spent as follows: providing clinical services for patients; teaching in the approved service site(s); providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved service site(s); or performing practice-related administrative activities.

## **Part-time Service**

Part-time clinical practice in the Minnesota SLRP is defined as a minimum of 20 hours per week, for a minimum of 45 weeks each service year. The 20 hours per week may be compressed into no less than two (2) days per week, with no more than 12 hours of work to be performed in any 24-hour period. Full-time work done by a half-time participant will not change the participant's half-time status (and will not entitle the clinician to full-time service credit). Time spent "on call" will not be counted towards the service requirement.

- A. For all health professionals:
  1. At least 16 of the minimum 20 hours per week must be spent providing patient care at the approved service site(s) specified in the Application, during normally scheduled office hours.
  2. The remaining four (4) hours of the minimum 20 hours per week may be spent as follows: providing clinical services for patients; teaching in the approved service site(s); providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved service site(s); or performing practice-related administrative activities.

## **Financial Penalties for Default**

Participants who fail to complete the period of obligated service or fulfill the terms of the Minnesota SLRP award contract will be placed in default. In addition, he/she will be liable to the State of Minnesota for an amount equal to the total award amount paid to the participant **plus** an unserved-obligation penalty (see below), or \$31,000, whichever is greater.

The unserved-obligation penalty is an amount equal to the number of months of obligated service that were not completed by the participant multiplied by \$7,500. Total financial penalties should be paid to the State within one (1) year of the date of default. If the participant fails to repay the full amount owed within one (1) year, the State will add interest accruing from the date of the default.

The State may also release participant information to a consumer credit reporting agency until the amount owed to the State is paid in full. It may also report a defaulted provider to the appropriate health-related licensing board, which may suspend or revoke the participant's license to practice.

## **PRACTICE SITE ELIGIBILITY**

Health care professionals participating in SLRP must fulfill their service obligation at an eligible practice site. The following site types are eligible to be approved as practice sites for participants:

- Federally Qualified Health Centers (FQHCs)
- FQHC Look-Alikes
- Certified Rural Health Clinics
- State and County Health Department providing clinical ambulatory services
- State Mental Health Hospitals
- Community Mental Health Centers
- Certified Community Behavioral Health Clinics
- Mobile Clinical Units
- School-based Programs

- Critical Access Hospitals affiliated with a qualified outpatient clinic (***must work 32 hours Full-Time/16 hours Part-Time in outpatient clinic***)
- Indian Health Service Clinics
- Tribal Health Clinics
- Urban Indian Health Program Clinical Practice Sites
- State or Federal Correctional Facilities
- Other Community Outpatient Clinics that provide a full range of primary and preventative health services (medical, dental and/or mental health)

To be eligible to participate in the MN SLRP, **all sites** must:

- Be nonprofit private or public entities (“Nonprofit private entity” is defined in the federal grant guidance as “an entity which may not lawfully hold or use any part of its net earnings to the benefit of any private shareholder or individual and which does not hold or use its net earnings for that purpose.” Since a provider in a solo or group practice presumably uses some or all of the net earnings from that private practice for his/her benefit, such practices do not qualify as a “nonprofit private entity,” and therefore are not eligible to participate in the loan repayment program);
- For-profit health care facilities operated by non-profit organizations must accept reimbursement from Medicare, Medicaid, and the Children’s Health Insurance Program, utilize a sliding fee scale, and see all patients regardless of their ability to pay.
- Be located in a federally designated Health Professional Shortage Area (HPSA) appropriate to the discipline of the candidate applicant (e.g., Primary Care HPSA for a Registered Nurse candidate applicant). Medically Underserved Areas or Populations and shortage areas designated by the state do not qualify;
- Provide assurances that funds are available to support the salary of the clinician applicant, salaries are based on prevailing rates in the area and that a SLRP award to the clinician will not be used as a salary offset;
- Eligible practice sites must charge for professional services at the usual and customary prevailing rates except free clinics.

Eligible **sites that charge\* for services must** provide discounts for individuals with limited incomes:

- A sliding-fee discount schedule for uninsured patients based ONLY on family size and income status. Policies may not include assets for determining patient eligibility for sliding-fee discounts. Discounts must be available to patients at 200 percent Federal Poverty Guidelines and below with a nominal rate (or free) available to patients at 100 percent Federal Poverty Guidelines and below;
  - For those with annual incomes at or below 100 percent of the HHS Poverty Guidelines, states must ensure that practice sites provide services at no charge or at a nominal charge.
  - For individuals between 100 and 200 percent of the HHS Poverty Guidelines, states must ensure that practice sites provide a schedule of discounts, which must reflect a nominal charge covered by a third party (either public or private).
- Have a written and posted policy that patients will not be denied services due to inability to pay;
- Have a written and posted policy that patients will be not be denied services due to an individual’s race, ethnicity, gender, national origin, disability, religion, age\*\*, sexual orientation, or gender identity; and

- Accept Medicare assignment and have entered into the appropriate agreement with Minnesota Public Insurance Programs.

\*EXCEPTION: Tribal clinics, Indian Health Service clinics and Minnesota Department of Human Services outpatient clinics are not considered “charging” sites for purposes of this program and are, therefore, exempt from the requirements under this section.

\*\*EXCEPTION: “Age” is not an applicable discriminatory factor for pediatric or geriatric sites.

## REQUIRED APPLICATION COMPONENTS

- A. Candidate Application
- B. Candidate Application Supporting Documents
  1. Certificate of Naturalization (if born outside of the United States)
  2. Minnesota Health Profession License (current, permanent, unrestricted)
  3. Resume
  4. Reference Letters
  5. Essay Response
- C. Site Application (**required with every candidate application** even if the site has been previously approved for this program or the National Health Service Corps)
- D. Site Supporting Documents (**only required for eligible sites that charge\* for services**)
  1. Copy of policy indicating that services are provided regardless of race, ethnicity, gender, national origin, disability, religion, age, sexual orientation, or gender identity.
  2. Copy of policy indicating that services are provided regardless of ability to pay. (This is a separate policy from the Discount Fee Schedule.)
  3. Copy of Discount Fee Schedule for uninsured patients at and under 200 percent Federal Poverty Guidelines.

\*EXCEPTION: Tribal clinics, Indian Health Service clinics and Minnesota Department of Human Services outpatient clinics are not considered “charging” sites for purposes of this program and are, therefore, exempt from the requirements under this section.

**The Site Application MUST be completed and submitted prior to the closing date of the application cycle, otherwise the clinician’s application will be considered incomplete.**

## TO APPLY:

1. Go to the [Grants Portal](https://www.grantinterface.com/Home/Logon?urlkey=mdh) (<https://www.grantinterface.com/Home/Logon?urlkey=mdh>)
2. Click 'Create an Account' **\*\*Please note that the language for creating an account in the system is currently targeted towards organizations, not individuals. There are notes along the way to help you complete the form as an individual vs. an organization.**
3. Once you have created an account, you will be taken to the Grants Portal where you will be able to do the online application. The application and supporting documents are all submitted in the portal. You can save the application at any time and come back to finish later. You will receive a confirmation e-mail once the application is submitted.

## Helpful Hints:

1. We recommend that you bookmark the [Grants Portal](#) for ease of access.
2. Please remove the following email: 'MN Department of Health' from your spam filters to ensure you receive emails from the system.
3. Your internet browser should be updated to the most recent version for an optimal system experience. (Internet Explorer version 11, for example)

## TUTORIALS & HELP

Click on the following links for short videos on [creating an account](#), [applying for funding](#), or [managing your applicant dashboard](#), or click here for [detailed written instructions](#) on these topics.

Not Sure? Please contact [Health.LoanForgiveness@state.mn.us](mailto:Health.LoanForgiveness@state.mn.us) for questions.

## TECHNICAL ASSISTANCE

Approved sites are responsible for recruiting their own providers within these guidelines. The Office of Rural Health and Primary Care can provide a limited amount of technical assistance through its state-funded recruitment and retention program. For technical assistance on eligibility or the applications, contact Brenda Flattum of the Office of Rural Health and Primary Care at (651) 201-3870 or (800) 366-5424 (Minnesota only) or [Brenda.Flattum@state.mn.us](mailto:Brenda.Flattum@state.mn.us).