



Oregon

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OREGON RURAL HEALTH SERVICES LOAN REPAYMENT PROGRAM

What is the Oregon Rural Health Services (RHS) Program?

The Oregon Rural Health Services Loan Repayment Program offers loan repayment to physicians, dentists, pharmacists, nurse practitioners, and physician assistants who agree to practice in a 'qualifying practice site' as defined in OAR 575-071-0000. The intent of the program is to attract health care providers to Oregon's rural "areas of unmet health care need".

In exchange for qualifying service, participants may receive funds to repay qualifying graduate-level, federal loan debt. The maximum total benefit from this program per participant is \$100,000. Once the first payment from this program is received and processed, the participant is obligated to satisfy the minimum practice requirement or pay a penalty equal to 150% of the program benefit received.

Physicians, dentists and pharmacists may receive annual payments equal to 20% of the total qualifying loan principal for a minimum service obligation of three years and maximum program participation of five years. Physicians, dentists and pharmacists must serve a minimum of three years employment in a qualifying site to avoid penalties.

Nurse practitioners and physician assistants may receive annual payments equal to 25% of the total qualifying loan principal for a minimum service obligation of two years and maximum program participation of four years. Nurse practitioners and physician assistants must serve a minimum of two years employment in a qualifying site to avoid penalties.

Where are the qualifying areas?

The Office of Rural Health is responsible for determining the qualifying practice sites for the purposes of this program. Please visit the Office of Rural Health Website at www.ohsu.edu/oregonruralhealth.

Which student loans qualify?

HEAL Loans
Health Professions Loans
Nursing Loans
Perkins Loans
Stafford Loans
SLS Loans
William D. Ford Direct Loans
Medical/Dental/Nursing Loans
Primary Care Loans (*MDs only*)

How do I apply?

Bookmark this site! OSAC posts a PDF version of the application in every October. The earliest a health professional may apply is during the last year of schooling leading to his or her professional degree.

The application period is normally open during October and November each year and awards are made in December. Applicants will be asked to provide information about professional education, certification, and student loan indebtedness. Specific information regarding application deadlines will be published on the application.

Is the number of participants limited?

Yes. A maximum of 10 nurse practitioners, 10 pharmacists, 10 physicians, 10 dentists, and 10 physician assistants may be added to the program each year. When funding is limited, there will be fewer new participants than the maximum allowed by law. Factors considered in the selection process may include: rural background and/or practice experience in a rural community, and information pointing to the likelihood of an applicant's eventual practice in a qualifying area.

What happens if I am selected?

Your qualifying loan debt will be verified and you and the Student Assistance Commission will sign an agreement that sets forth the following:

- Terms and conditions under which payments will be made toward the participant's student loans;
- The maximum which may be paid in any year, and
- The cumulative amount payable over the maximum period of practice in a qualifying area

Placement information and assistance is provided through the Healthcare Experts for Rural Oregon (HERO) program administered by the Office of Rural Health at Oregon Health and Science University.

Who actually pays the participant's student loans?

Participants are responsible for their own loan repayments. The RHS program will make a single payment to the participant after each year of qualifying practice. To remain in good standing with lenders, participants will need to make regular payments when they are due.

Are RHS payments taxable?

Yes, you must claim each annual payment as income on your taxes. The Student Assistance Commission will issue annual IRS 1099 forms to participants receiving payments. Participants are strongly advised to retain appropriate portions of RHS payments for the payment of U.S. income taxes. Health professionals in qualifying rural areas may also qualify for a State of Oregon income tax credit of up to \$5,000 per year. Check with the IRS.

Are there any circumstances that could lead to a waiver of the financial penalties for failure to complete the minimum service obligation?

Yes, penalties may be waived:

- Upon the death of a participant
- Upon the documented total and permanent disability of the participant
- Upon favorable ruling on an appeal to the Student Assistance Commission

I would like to apply and I have other questions. Who can I talk to?

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For more information about health care practice opportunities in rural Oregon, contact:

HERO Recruitment Services
Oregon Health & Science University
Office of Rural Health - L593
3181 SW Sam Jackson Park Road
Portland, OR 97201 3098

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Toll-free (866) 674-4376
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The Oregon Rural Health Services Loan Repayment Program is administered by the Oregon Student Assistance Commission. Information regarding the program is available on our web page:

http://www.getcollegefunds.org/ad_repay_rural_health.html