South Carolina Behavioral Health Loan Repayment Program

Program Handbook | Updated April 2023

SOUTH CAROLINA AHEC
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Program Handbook

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SC Behavioral Health Loan Repayment Program Overview

About the Program

The South Carolina Behavioral Health Loan Repayment Program aims to address gaps in access to mental health care and disparities in health outcomes between rural and urban areas of South Carolina. This program helps repay educational loans up to $25,000 a year for two years for qualified behavioral health professionals who contract to practice in rural and/or underserved areas of South Carolina.

Program Purpose

The goal of this program is to address unmet needs and increase access to behavioral health and mental health services in South Carolina's rural and underserved communities by providing financial incentives in the form of educational loan repayment to qualified behavioral health professionals serving in Mental Health Health Professional Shortage Areas (HPSAs).

Funding Source

This program is funded by a grant from the Health Resources and Services Administration (HRSA grant #H56HP46820) and administered by South Carolina AHEC. Requirements for this program are structured in accordance with HRSA program requirements for the State Loan Repayment Program.

Advisory Group

The South Carolina Behavioral Health Loan Repayment Program Advisory Group has been established to review, score, rank and select participants for the program from the health professionals who apply.

Membership in the Advisory Group consists of the following representatives:

- Representative from the South Carolina Office of Rural Health
- Representative from the South Carolina Primary Care Office, South Carolina DHEC
- Representative from the South Carolina Behavioral Health Coalition
- Staff member from South Carolina AHEC

The South Carolina Behavioral Health Loan Repayment Program Advisory Group serves as the formal consulting and advisory body for the program including marketing, recruitment, applicant selection and evaluation.

Program Details

Eligibility

To qualify for Behavioral Health Loan Repayment Program, participants must meet the following program eligibility requirements:

1. Must be United States citizens or nationals.

2. Must **not** have an outstanding contractual obligation for health care professional service to the Federal Government (e.g., an National Health Service Corps (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 South Carolina Behavioral Health Loan Repayment Program 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).

   EXCEPTION Individuals in the Reserve Component of the U.S. Armed Forces or National Guard are eligible to participate in the South Carolina Behavioral Health Loan Repayment Program. In making awards to reservists, Behavioral Health Loan Repayment Program recipients must inform the potential participant that:
   - Placement opportunities may be limited by the program in order to minimize the impact that a deployment would have on the vulnerable populations served by the reservist.
   - Military training or service performed by reservists will not satisfy the South Carolina Behavioral Health Loan Repayment Program service commitment.
   - If participant's military training and/or service, in combination with the participant's other absences from the service site, exceed 35 workdays per service year, the Behavioral Health Loan Repayment Program service obligation must be extended to compensate for the break in service.
   - If the approved practice site where the reservist is serving at the time of his/her deployment is unable to reemploy that reservist, the Behavioral Health Loan Repayment Program will reassign the participant to another approved service site to complete his or her remaining program service commitment. Because it is sometimes difficult to identify short-term assignments, a participant may be asked by the service site to sign an employment contract that extends beyond the completion date of his or her Behavioral Health Loan Repayment Program service commitment.
   - 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 Behavioral Health Loan Repayment Program service) must be added to the length of the original obligation.

3. Must not have:
   a. Federal judgment liens.

b. 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 them to be in good standing;
c. Breached a prior service obligation to the federal/state/local government or other entity, even if they subsequently satisfied the obligation; and
d. Had any federal or non-federal debt written off as uncollectible or received a waiver of any federal service or payment obligation.

4. Must practice full-time or half-time in providing primary health care services at an eligible site.
   a. **"Full-time"** service is defined in the NHSC statute as a minimum of 40 hours per week, for a minimum 45 weeks per year.
   b. **"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.

5. 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.

6. Must agree to use South Carolina Behavioral Health Loan Repayment Program 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.

South Carolina Behavioral Health Loan Repayment Program Additional Requirements:

- Must provide behavioral or mental health care to patients at their approved site(s) or perform service as a behavioral or mental health professional in schools or other community-based settings when directed by the approved site(s).
- Must practice in a Mental Health HPSA in South Carolina
- Must not currently be funded through South Carolina Rural Incentive Grant Program
- Preference will be given to applicants who have practiced in the community less than 5 years at time of application

Qualifying Disciplines

Professionals must have completed an accredited graduate training program, hold a valid and active license, and be employed full- or half-time in the provision of behavioral or mental health care to patients. The following disciplines qualify for this program:

- Clinical nurse specialists in psychiatry/mental health (APRN, CNS)
- Nurse practitioners in psychiatry/mental health (APRN, NP)
- Physician assistants in psychiatry/mental health (PA, PA-C)
- Psychiatrists, all specialties (MD/DO)
- Psychologists (PhD, PsyD)
- Social workers (LMSW, LISW)
- Licensed professional counselors (LPC)
- Marriage and family therapists (LMFT)
- Addiction counselors (LAC, CACII, CCS, MAC, NCACII, ADC, AADC)
  **LPC-As are not eligible for this program.*

Practice Site Eligibility

Professionals participating in the Behavioral Health Loan Repayment Program must fulfill their service obligation at an eligible practice site. Practice sites must be located in a mental health HPSA in South Carolina in order to be eligible for the program. This program does not connect professionals with employment, applicants must be employed at an eligible site in order to participate. The types of sites that are eligible to be approved for program participants are:

- Federally Qualified Health Centers (FQHCs) including community health centers, migrant health centers, homeless programs, public housing programs
- FQHC Look-A-Likes
- Centers for Medicare & Medicaid Services Certified Rural Health Clinics
- Other Health Facilities including:
    - Community outpatient facilities
    - Community mental health facilities
    - State and county health department clinics
    - Immigration & Customs Enforcement Health Service Corps
    - Free clinics
    - Mobile units
    - School-based programs
    - Critical access hospitals affiliated with a qualified outpatient clinic
    - State mental health facilities
- Indian Health Service Facilities, Tribally Operated 638 Health Programs & Urban Indian Health Programs including:
    - Federal Indian Health Service (HIS) clinical practice sites
    - Tribal/638 health clinics
    - Urban Indian Health Program
    - HIS and Tribal hospitals
- Correctional or Detention Facilities (federal and state prisons)
- Private Practices (solo or group)

  **Only outpatient sites/services are eligible*

To be eligible, practice sites must also meet the following criteria:

1. Public and non-profit private entities located in and providing health care services in HPSA. Non-profit private entity means 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.
2. 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.
3. All practice sites must be located in federally-designated HPSA. Medically Underserved Areas or Populations and shortage areas designated by the state do not qualify.
4. Eligible practice sites must charge for professional services at the usual and customary prevailing rates except free clinics.
5. Eligible practice sites must provide discounts for individuals with limited incomes (i.e., use a sliding fee scale).
    - 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).
- Practice sites may charge for services to the extent that payment will be made by a third party which is authorized or under legal obligation to pay the charges.

Qualifying Loans

Participants must have a qualifying educational loan to be eligible for payments. Qualifying eligible loans are government and commercial loans for actual costs paid for tuition and reasonable education and living expenses related to their education.

As part of the application requirements, applicants will be required to upload an account statement from their lender(s) that includes total outstanding debt amount. Their application will not be considered complete, and they will be unable to submit it without this document included.

Applicants will be required to submit documentation from their lender(s) at the time they have been selected for funding and at the 12-month verification step confirming their amount of outstanding student debt and ensuring they have not subsequently paid it off with other funds.

At the subsequent 6- and 18-month verification process steps, participants will be required to submit documentation (i.e., account statement from lender and/or payment receipt/confirmation from lender) showing that they have paid down their loan(s) with the funding received from the South Carolina Behavioral Health Loan Repayment Program. This must be in the form of account statements from the lender(s) proving a change in loan/debt balance and/or payment receipts/confirmations provided by the lender indicating payments received. Payments will not be disbursed at any interval to participants not completing the full verification process.

For more information about the steps of the verification process for program participants, please see the Verification Process section.

Funding Amounts

Applicants must practice full-time or half-time in providing primary and health care services at an eligible site. This program uses National Health Service Corps (NHSC) definitions for full- and half-time service.

Full-Time Service

Program participants practicing full time are eligible for up to $50,000 total in loan repayment funding ($25,000 per year for two years). **Full-time service** is defined in the NHSC statute as a minimum of 40 hours per week, for a minimum 45 weeks per year. The minimum 40 hours per week may be compressed into no less than 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 count toward the 40-hour week, except to the extent that the applicant provides patient care during the “on-call” period. Time worked in excess of the minimum 40 hours per week cannot be applied to any other work week and will not count toward the service obligation.

Half-Time Service

Program participations practicing half-time are eligible for up to $25,000 total in loan repayment funding ($12,500 per year for two years). **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.

Other Service Requirements

For full-time behavioral and mental health providers, at least 20 of the minimum 40 hours/week must be spent providing patient care at the approved service site(s). Of the minimum 20 hours spent providing patient care, no more than 8 hours/week may be spent in a teaching capacity, performing clinical-related administrative activities, or in an alternate setting as directed by the approved site(s). The remaining 20 hours/week may be spent providing patient care at the approved service site(s) or performing service as a behavioral or mental health professional in schools or other community-based settings when directed by the approved site(s).

If working in a HRSA-funded Teaching Health Center, teaching activities performed by participants in the Teaching Health Center Graduate Medical Education program authorized under 42 U.S.C. § 256h, shall not exceed 20 hours/week. The remaining 20 hours must be spent providing patient care at a participant's approved site(s), in schools or other community-based settings. Only 8 hours/week may be spent providing patient care in an approved alternative setting (e.g., hospitals, nursing homes, shelters) or performing clinical related administrative activities (limited to 8 hours/week). If working in an IHS Hospital or CMS-approved CAH (only applies to psychiatrists or physician assistants and nurse practitioners with specialized training in mental health), at least 16 hours/week must be spent providing patient care in the IHS or CAH-affiliated outpatient clinic. Of the minimum 16 hours spent providing patient care, no more than 8 hours per week may be spent in a teaching capacity. The remaining 24 hours/week are spent providing patient care at the IHS Hospital or CAH or the IHS or CAH-affiliated outpatient clinic, providing patient care at the hospital-affiliated skilled nursing facility or swing bed unit, or performing clinical-related administrative activities (limited to 8 hours/week).

Service commitment

Applicants selected for award will sign a contract agreeing to practice at the eligible practice site(s) identified in their application for two years in return for the loan repayment incentive. This is considered the program commitment/service obligation. Failure to complete the contractual commitment due to change in employment status, change of employment/practice location, and/or other factors can render the participant in breach of service obligation. Penalties apply for individual in breach of service obligation, please see the Failure to Complete Service Obligation section for more information.

How to apply

Applications are submitted online via the Submittable portal. The link to the online application portal is available on the SC AHEC website during open application periods. Applicants will create an account and can save and come back to edit their in-progress applications prior to submission. All supporting documents are uploaded through the application portal. The application must be fully complete and submitted by the deadline in order to be considered.

Applicants will receive confirmation after submitting their application and can view application status at any time in their Submittable account. If providers do not receive a confirmation or cannot see the application in Submittable, please contact Kristin Cochran. Applications are open from November through the deadline posted on the website.

All applications must be complete and submitted through the online portal by the deadline posted on the website. Providers should submit applications early to avoid any late minute technical difficulties. No exceptions will be made for late or incomplete applications.

Steps to apply:

1. Complete Eligibility Form
2. If eligible, providers will be routed to the full application. If not eligible, you will see a message at the end of the eligibility form.
3. Please complete the online application in the Submittable portal. Providers can save the application as a draft and return to submit when completed.
4. Applicants will receive a confirmation email after submitting the application. If providers don't receive a confirmation email from Submittable within 24 hours, please contact Kristin Cochran.

Required Documentation and Forms

All application materials and forms must be submitted online through the Submittable portal by the deadline posted on the website in order to be considered for the program. The program will not accept any applications or documents via email, mail or fax. In order for the application to be considered complete, all of the required materials must be uploaded to the application in Submittable, including:

- Initial Eligibility Form
- Application, which includes:
  - Demographic, practice and licensure information
  - License and NPI number
  - Proof of U.S. citizenship or U.S. national status
  - Outstanding educational loan debt amount
  - Practice type, location and employment status
  - Attestation Form
- Site and Employment Verification Form (completed by practice manager/site representative and uploaded by applicant to application)
- Loan Eligibility Document(s)
  - An account statement of loan debt from lender uploaded to application portal by applicant
- Participant CV

Selection and Notification of Award

Applications are open from November through the deadline posted on the website. Funding decisions are made by the program advisory council and applicants are notified in May-July.

Payment Process

Once selected participants have submitted their signed service contracts, they become eligible to receive their loan repayment in two payments: one in November of each year of their service commitments (2 payments total while in the program). Loan repayment funds are disbursed as direct deposit to the contracted participant. Participants are responsible for using the deposited funds to pay of their qualified educational debt and will be required to submit proof of the loan payments as part of the loan repayment program verification process (see below). Failure to use funds as directed or comply with the verification process can result in disqualification for future payment and/or can result in breach of service obligation.

Verification process

The verification process is required for all participants receiving (or scheduled to receive) funding as part of this program. It is designed to monitor that program participants remain in compliance with program and state guidelines and service obligations are fully completed.

Information is initially gathered during the application process for selected participants. Participants selected for funding are then required to verify the information is still accurate at time of selection for the program and subsequently in 6-month intervals until their service obligation is complete. Information verified during the process includes:

- Documentation that the funds disbursed were used to pay down their reported educational debt
- Submission of a Site and Employment Verification form (completed by a practice representative)
- Reviewing and submitting an updated Attestation Form

As part of program administration, SC AHEC will ensure that all required documentation is submitted at each verification interval and is correct and validated before disbursing subsequent payment to any a participant. If the last verification step is completed at 24 months and all information and documentation confirms continued eligibility, the service obligation for the participant is considered complete.

During the verification process, participants will be reminded at regular intervals before the verification is due to complete and submit their verification documentation. If the required documentation for a given verification step is not submitted and/or complete by 11:59pm Eastern Time on the due date, the participant is considered in failure to complete their obligation. Alternatively, if all verification information is submitted but the details disclose a change that renders the participant or their site ineligible, they will likewise be considered in failure to complete their obligation. SC AHEC will notify the participant within 10 business days by certified letter and an email to their program contact email address of risk of breach and participants will have 30 days from the letter date to reconcile their outstanding verification steps (i.e., submitting missing documentation). If the participant fails to complete within 30 days, the service obligation default provision becomes active.

Table 1: SC Behavioral Health Loan Repayment Program Verification Process

Verification Step	Required Submissions from Participants and Sites	If Completed Successfully
Application	• Complete online application • Documentation from lender verifying indebtedness • Completed Site and Employment Verification Form from employer/site • Completed Attestation Form	Participant is considered for participation in program
Selection for Award	• Documentation from lender verifying indebtedness • Completed Site and Employment Verification Form from employer/site • Completed Attestation Form • Submit a completed Self-Query from the National Practitioner Data Bank	Contract is issued and Payment 1 made (90 days after contract start)
6 months from contract start	• Documentation from lender verifying pay down of debt • Completed Site and Employment Verification Form from employer/site • Completed Attestation Form (verify/update profile info & salary information)	Participant continues in program in good standing
12 months from contract start	• Documentation from lender verifying remaining debt • Completed Site and Employment Verification Form from employer/site • Completed Attestation Form (verify/update profile info & salary information)	Payment 2 made (90 days after verification completed)
18 months from contract start	• Documentation from lender verifying pay down of debt • Completed Site and Employment Verification Form from employer/site • Completed Attestation Form (verify/update profile info & salary information)	Participant continues in program in good standing
24 months from contract start/completion of program	• Completed Site and Employment Verification Form from employer/site • Completed Attestation Form (verify/update profile info & salary information)	Service obligation considered complete

Accepted Documentation from Lender(s)

Applicants will be required to submit documentation from their lender(s) at the time they have been selected for funding and at the 12-month verification step confirming their amount of outstanding student debt and ensuring they have not subsequently paid it off with other funds.

At the subsequent 6- and 18-month verification process steps, participants will be required to submit documentation (i.e., account statement from lender and/or payment receipt/confirmation from lender) showing that they have paid down their loan(s) with the funding received from the Behavioral Health Loan Repayment Program. This must be in the form of account statements from the lender(s) proving a change in loan/debt balance and/or payment receipts/confirmations provided by the lender indicating payments received. Payments will not be disbursed at any interval to participants not completing the full verification process.

Failure to Complete Service Obligation

This program is a two-year service commitment. South Carolina Behavioral Health Loan Repayment Program recipients must adhere to the National Health Service Corps Loan Repayment (NHSC LRP) default provision found at 42 U.S.C. § 254o(c)(1). Participants are considered to be in default if they do not complete the period of obligated service at an eligible site in accordance with their Behavioral Health Loan Repayment Program contract, or otherwise fail to comply with the terms of the contract, even if no monies have yet been disbursed to the participant. That is, if the state does not release South Carolina Behavioral Health Loan Repayment Program funds to a participant until the service obligation is completed, the participant's failure to complete service would still be considered a default that is reportable to HRSA, and he/she would still incur a debt to South Carolina. The amount owed is due to be paid within one year of breach.

Default Provision: If an individual breaches the written contract of the individual by failing either to begin such individual's service obligation or to complete such service obligation, South Carolina AHEC shall be entitled to recover from the individual an amount equal to the sum of—

(A) the total of the amounts paid by South Carolina on behalf of the individual for any period of obligated service not served;

(B) an amount equal to the product of the number of months of obligated service that were not completed by the individual, multiplied by $7,500; and

(C) the interest on the amounts described in subparagraphs (A) and (B), at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of the breach; except that the amount the state is entitled to recover under this paragraph shall not be less than $31,000.

Additional Policies

Termination of contract

South Carolina AHEC may allow participants to request termination of their Behavioral Health Loan Repayment contract. The participant must make a written request for termination and if applicable return any funds disbursed to him/her, **no later than 30 days before the end of the fiscal year in which the contract was awarded (end of federal fiscal year: August 31).**

Leave of absence, program waiver, and other policies will be available and are pending approval by the SC Behavioral Health Loan Repayment Advisory Group.