

# Vermont Educational Loan Repayment Program for Dentists

## 2021 PROGRAM OVERVIEW and PARTICIPANT ELIGIBILITY

The purpose of this state loan repayment program is to increase access to primary health and dental care in underserved communities and to address the health professional shortages that cause disparities in access to health care in Vermont.

| Category  | Eligibility Standard   |
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| Description   | Funded by federal State Loan Repayment Program (SLRP), state, and local funds. AHEC, on behalf of the state, shall make loan repayment awards in exchange for service commitments by eligible health care professionals. Recipient must have outstanding educational debt acquired in the pursuit of an undergraduate or graduate degree from an accredited college or university that exceeds the amount of the loan repayment award (see award amount minimum).  |
| Award Amount and <b>REQUIRED</b> Employer Match (required for RETENTION and RECRUITMENT applications; not required for JOB SEEKERS) | Up to \$20,000 in state/federal funds per year. \$10,000 minimum in state/federal funds per year. State/federal awards <u>must be matched</u> (1:1) by employer or community funds. Effective starting with the 2018 application cycle, requests to waive the required match funds can no longer be considered. Match is not required for Job Seeker applicants; employers may voluntarily contribute match for these award recipients. Awards go directly to pay educational loans (lender will be requested to apply payment directly to loan principal to have the greatest impact on debt reduction).  |
| Tax Liability   | The federal Affordable Care Act passed on March 23, 2010 treats debt repayment under the Vermont Educational Loan Repayment Program for Healthcare Professionals as exempt for income tax purposes.  |
| Prioritization for Awards   | Program objectives/selection criteria are established annually by the Vermont Department of Health in consultation with AHEC, in accordance with Vermont laws, and the federal Public Health Service Act, to strategically respond to the most pressing health care workforce needs in the state. Priorities are those areas which are underserved with special consideration for Vermont's most rural, underserved and undersupplied areas (see federally designated Health Professional Shortage Areas (HPSAs) at <a href="http://hpsafind.hrsa.gov">http://hpsafind.hrsa.gov</a> ). Other factors <i>may</i> include local goals for improved service through workforce recruitment/retention; applicant educational loan debt level; number of hours per week that applicant works; serving as a preceptor to health professions students; or other awarding parameters. |
| Prioritization for Awards: Data-driven  | Applicants are encouraged to review available data about Vermont's dental workforce prior to completing an application. These data inform the state's prioritization for awards. <ul style="list-style-type: none"> <li>Vermont Relicensure Survey (source: VT Department of Health): <a href="http://www.healthvermont.gov/health-statistics-vital-records/health-care-systems-reporting/health-care-workforce">http://www.healthvermont.gov/health-statistics-vital-records/health-care-systems-reporting/health-care-workforce</a></li> <li>Health Professional Shortage Area (HPSA) designations and scores: <a href="http://hpsafind.hrsa.gov/">http://hpsafind.hrsa.gov/</a></li> </ul>  |
| Citizenship   | Recipients of federal SLRP funds must be United States citizens or nationals (naturalized citizens).   |
| State of Residence  | Recipient must be a Vermont resident (and legally authorized to work in the U.S.); must serve in Vermont.  |
| Eligible Practitioners  | Employment as a Vermont licensed dentist (DDS or DMD).   |
| Eligible Practitioners: Hours   | Must practice a minimum average of 20 clinical hours per week (at an eligible worksite) during the year of service and at least 45 weeks per year; participants who take more than 7.14 weeks of leave in a service year (for any reason), fail to meet the 45 week minimum.   |

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| <p>Educational Debt<br/>(current debt must exceed \$25,000)</p>  | <p>Educational debt is verified. Loan(s) must be in good standing. The current loan balance must be greater than the total amount of an educational loan repayment award (see minimum award amount).</p> <p>Qualifying debt are educational loans obtained through a U.S. student loan program and may not include any loans consolidated with another person or borrowed for another person's educational pursuit, nor may they include mortgage, car, credit card, personal, family, business, or any other type of loan.</p> <p>If awarded funds, each recipient is required to continue making their own monthly payment(s) in addition to this award to further reduce overall educational debt; the recipient's own debt reduction effort is viewed favorably in future applications. A goal of this program is to work in a partnership between the recipient, the State of Vermont, U.S. Department of Health and Human Services, and communities/practices/employers/foundations to reduce educational debt; these funds are a direct investment in Vermont's workforce and achieving debt reduction must be demonstrated to show impact and ensure the program's continuation.</p> |
| <p>Finances</p>  | <p>Applicant must <u>not</u>: have any federal judgment liens; have defaulted on any federal payment obligations; have any federal or non-federal debt written off as uncollectible; have received a waiver of any federal payment obligation.</p>   |
| <p>Ineligible Practitioners<br/>(those with breach of contract for a previous service obligation)</p>        | <p>Those not listed as "eligible practitioners." Those who fail to meet or show growth toward Medicaid target(s) in past loan repayment contract. Practitioners holding J-1 visa waivers. Practitioners with a current contractual service obligation with the federal government, state, or other entity, including loan repayment contractual obligation from other sources, unless that service obligation will be completely satisfied before this program's contract has been signed. Please note that certain provisions in employment contracts can create a service obligation (e.g., an employer offers a bonus in return for an agreement to work at that facility for a certain period of time or pay back the bonus.) Individuals who have loans through the Department of Health and Human Services, HRSA, are not eligible.</p>  |
| <p>Eligible Work Sites</p>   | <p>Dental practices in Vermont.</p> <p>Federal SLRP funds will be limited to practitioners employed at federally qualified health centers (FQHCs), and rural health centers (RHCs); these sites are located in federally-designated Health Professional Shortage Areas (HPSAs). Providers must work in a HPSA that corresponds to their training and/or discipline. For example, a psychiatrist must serve in a mental health HPSA.</p> <p>State funds can be used more broadly than the SLRP funds.</p>   |
| <p>Eligible Work Sites:<br/>Patient Policies</p>   | <p>Accepts patients with coverage under Medicare, Medicaid, Vermont's Children's Health Insurance Program (Dr. Dinosaur), or other state-funded health care benefit programs. A minimum number (i.e., target) of unique Medicaid patients to be served during the contract period will be determined at the time of award and noted in the service contract.</p>   |
| <p>Reapplication &amp; Lifetime Maximum</p>  | <p>Retention award recipients will have <i>up to</i> 2-year service commitments; awards identify Disbursement 1 and Disbursement 2. Re-application is not needed for the second year. Employment will be verified prior to disbursement of funds. Job Seeker and Recruitment awards will have 1-year service commitments and must reapply for consideration in future years. May receive loan repayment for a maximum of six years per individual.</p>   |
| <p>Service Obligation Period</p>   | <p>Retention contracts are for <i>up to</i> 2 years (24 months) of service (effective 2016). One disbursement per year of service; recipients will have an auto renewal for a second year's disbursement following employment verification. Service period will be defined in award contract and cannot start prior to a fully executed contract or work start date, whichever is later. No credit for practice prior to executed contract. No credit for practice while in school or training. No credit during a leave of absence. Recipients who take a leave of absence (for any reason) are required to extend the service contract end date. Job Seeker and Recruitment contracts are for 1 year (12 months) of service.</p>   |
| <p>Changing Job Site/Request to Transfer<br/><br/>(a new job opportunity does not meet this requirement)</p> | <p>An award is for a specific worksite and timeframe. Awards/contracts are not transferable. Changing worksites (within VT) during a service obligation is rarely authorized. Authorization of a worksite transfer requires extenuating, and unforeseen compelling circumstances. If allowed by the funding source(s), exceptions may be granted at the discretion of the program director. A request for a worksite transfer exception must be made prior to changing worksites. A breach of service contract may result if the participant leaves the job without prior approval. Participants who voluntarily resign from their worksite(s) without prior approval from the program director or are terminated by their worksite(s) for cause may not receive a transfer to another worksite and may be placed in breach of contract.</p>   |

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| Award Cancellation or Contract Termination | <p>Award offers can be cancelled without penalty <u>prior</u> to a fully executed (i.e., signed) contract.</p> <p>The award and service contract is cancelled in its entirety in the event of a participant’s death.</p> <p>Fully executed contracts may have service and repayment obligations waived if there occurs incapacity of the participant due to serious illness, or other compelling personal circumstances arise. Waiver decisions are at the discretion of the program director.</p> <p>Contract termination due to extenuating and unforeseen circumstances may be requested by a participant, in writing, and with repayment of loan repayment funds disbursed under that contract. The contract termination will not be effective unless the participant submits a written request, the request is approved by the program director, and the participant repays all loan repayment funds paid under the contract within 30 days.</p> <p>Awards are dependent on funding from the State of Vermont and/or U.S. Department of Health and Human Services. Should the program funding be withdrawn or reduced <u>prior</u> to award disbursement, the agreement will be terminated or revised.</p> <p>Temporary leave (up to one year) may be granted and the service period amended (i.e., extended) if compliance with the obligation is temporarily impossible or an extreme hardship.</p> <p>Changes in employment after a contract has been executed may result in a breach of service obligation.</p> |
| Breach of Service Obligation               | <p>A breach of service can occur after a service contract has been fully executed (i.e., signed), whether funds have been disbursed or not.</p> <p>If the participant fails to begin or complete service following a fully executed contract, he/she will incur a debt to the State in an amount not less than the damages that would be owed under the NHSC Loan Repayment default provision. See <a href="http://nhsc.hrsa.gov/">http://nhsc.hrsa.gov/</a></p> <p>Must repay as defined in the service contract, plus interest and collection costs. The interest rate is the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of the breach.</p> <p>Applicants are ineligible if they have ever breached, or received a waiver of a prior service obligation to the federal/state/local government or other entity, even if they subsequently satisfied the repayment obligation.</p> <p>Breach of service obligations are reported to funders and may result in reduced funding to the program. A breach of service has serious consequences for the individual as well as the VT State Educational Loan Repayment program as a whole.</p>  |
| Eligible Work Sites: Patient Policies      | <p>Practice sites/practitioners that charge patient membership/enrollment fees (under any name, i.e. health fee, direct-to-patient fee, concierge fee, etc.) are <u>not</u> eligible practice sites/practitioners for the VT Educational Loan Repayment (ELR) Program. A high priority for the VT ELR is to increase access for Medicaid, vulnerable, rural, and underserved patient populations; membership fees are a barrier for the primary target population.</p>   |