

Vermont Educational Loan Repayment Program for MDs, DOs, NDs, APRNs, and PAs

2025 PROGRAM OVERVIEW and PARTICIPANT ELIGIBILITY

The purpose of this educational loan repayment program is to increase access to 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
Description Up to \$50,000 maximum total funds annually (federal/state + match funds)	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 contractual 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 VOLUNTARY Employer Match <i>1:1 employer match requirement waived for the 2025 application cycle as a part of extended COVID financial recovery efforts.</i> <i>Per federal guidelines and the end of the COVID ARPA funding guidelines, required employer match will be reinstated in the 2026 cycle. Please plan with your employer and budget accordingly.</i>	Current educational loan debt must exceed \$25,000. Awards may include up to \$25,000 in federal funds per year. \$10,000 minimum in state/federal funds per year. State/federal awards can be matched by the employer or community funds. Awards go directly to pay educational loans. The historical required employer match is waived this application year as part of extended COVID-19 financial recovery efforts. Employer match is encouraged, but not required (see employer application for match minimum/maximum dollar amounts). Per federal guidelines and the end of the COVID American Rescue Plan Act (ARPA) funding, required employer match will be reinstated in the 2026 cycle. Please plan and budget accordingly. Once the Employer application (section E) is submitted to AHEC the employer match pledge <u>cannot be added or rescinded</u> at a later date. This is because changes impact efficient program administration and review processes.
Tax Liability	The federal Affordable Care Act passed on March 23, 2010 treats debt repayment under the AHEC administered Vermont Educational Loan Repayment Program for Healthcare Professionals as exempt for income tax purposes.
Prioritization for Awards HRSA-defined <i>Medically Underserved Community (MUC): Medically Underserved Area (MUA), and/or Medically Underserved Populations (MUP) are high priority.</i>	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 http://hpsafind.hrsa.gov). 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 Vermont health professions students; or other awarding parameters.
Prioritization for Awards: Data-driven For HRSA MUC/MUA/MUP data, visit: MUA Find (hrsa.gov)	Applicants are encouraged to review available data about Vermont's health care practitioner workforce prior to completing an application. These data inform the state's prioritization for awards: <ul style="list-style-type: none"> Vermont Relicensure Survey (source: VT Department of Health) http://www.healthvermont.gov/health-statistics-vital-records/health-care-systems-reporting/health-care-workforce Health Professional Shortage Area (HPSA) designations and scores: http://hpsafind.hrsa.gov/
Citizenship	Recipients of federal SLRP funds must be United States citizens or nationals (naturalized citizens). U.S. citizenship not required for state funds.
State of Residence	Per legislative statute, recipient must be a Vermont resident (and legally authorized to work in the U.S.); must serve in Vermont.
Eligible Specialties	Primary Care: Family Medicine, General Internal Medicine/Adult Primary Care, Pediatrics, Obstetrics/Gynecology, Geriatrics, Psychiatry (mental health/substance use disorder).

<p>Eligible Practitioners</p> <p>*Note: UVMHN physician eligibility</p>	<p>Employment as a primary care physician (MD, DO, or ND), geriatrician, psychiatrist, or an advanced practice registered nurse (APRN), certified nurse midwife (CNM), or physician assistant (PA) employed by and delivering care in a primary care practice (ambulatory/outpatient) or urgent care site or outpatient mental health/substance use disorder setting or inpatient mental health/substance use disorder setting. See Eligible Work Sites.</p> <p>*Note: The UVM Health Network (UVMHN) Medical Group offers loan repayment assistance to all physicians hired on or after May 1, 2019. Eligibility for the UVMHN physician loan assistance program is up to four years. Eligibility for AHEC loan repayment begins after eligibility for the UVMHN physician loan assistance program has ended. AHEC loan repayment and UVMHN loan assistance are not concurrent. See UVMHN Medical Group for details.</p>
<p>Eligible Practitioners: Hours</p>	<p>Must practice a minimum average of 20 direct patient care clinical hours per week (at one specific 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.</p> <p>Award decisions factor average clinical hours per week and awards vary on full-time vs. part-time status.</p>
<p>Educational Debt</p> <p>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). 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 non-educational loan.</p> <p>This program is a partnership between the recipient, the State of Vermont, U.S. Department of Health and Human Services, and communities/practices/employers/foundations to improve access to care through contractual service obligations in exchange for educational debt reduction.</p>
<p>Public Service Loan Forgiveness (PSLF)</p> <p>Those employed by nonprofit organizations and eligible for PSLF are strongly encouraged to enroll: www.studentaid.gov</p>	<p>Because of recent changes to the PSLF program and audits of individual loan accounts, some borrowers are being notified of retroactive educational loan forgiveness on federal Direct Loans. A retroactive loan forgiveness date may result in overpayment and reimbursement of the overpayment. As per federal guidance regarding PSLF's impact on educational loan repayment programs, such as those administered by AHEC, the expectation is that any reimbursement issued from an awardee's lender due to excess payments that resulted from disbursements from the Vermont Educational Loan Repayment program should be returned to the educational loan program that it originated from. Please notify AHEC immediately if you received AHEC administered funds in 2024 and/or 2025 and are eligible for PSLF reimbursement due to overpayment.</p> <p>Educational loan repayment and educational loan forgiveness are often used interchangeably. However, loan forgiveness and loan repayment are different types of programs; one program can impact the other.</p> <p>To learn more about PSLF please visit www.studentaid.gov</p> <p>To maximize the amount of these limited program funds please do not apply to this program if you are approaching educational loan pay off through Public Service Loan Forgiveness (PSLF).</p>
<p>Service Obligation Period and Public Service Loan Forgiveness (PSLF)</p>	<p>If PSLF assists with loan payoff prior to the service obligation period end date, it does not alter the service obligation period. If any funds have been disbursed by this program the service contract period remains active and in effect until fulfilled. Award funds are applied to outstanding loans up to the total amount of the award.</p>
<p>Finances</p>	<p>Applicant must not: have any federal judgment liens; have defaulted on any federal payment obligations including student loans; have any federal or non-federal debt written off as uncollectible; have received a waiver of any federal payment obligation.</p>

<p>Ineligible Practitioners</p> <p>Those with breach of contract for a previous service obligation.</p> <p>A recipient cannot have more than one incentive program contractual service obligation for a specified timeframe.</p>	<p>Those not listed as “eligible practitioners.” Other ineligible practitioners: locums, per diem, contractors, travelers, and temporary practitioners. Practitioners holding J-1 visa waivers. Practitioners with a current incentive program contractual service obligation with federal government, state, employer, 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. Note: certain provisions in employment contracts can create a service obligation (e.g., employer offers a physician a bonus in return for the physician’s agreement to work at that facility for a certain period of time or pay back the bonus). Individuals who have Primary Care Loans through the Department of Health & Human Services, Health Resources & Services Administration, Bureau of Health Professions are not eligible. Practitioners actively training in a residency/fellowship program and not in their final year of training (see Job Seeker application type).</p>
<p>Eligible Work Sites</p>	<p>Primary Care practices (ambulatory/outpatient) or urgent care sites or outpatient mental health/substance use disorder settings or inpatient mental health settings or employees (paid) who work at a Free Health Care Clinic in Vermont that offer primary/substance use disorder care and chronic condition prevention/management. Planned Parenthood health centers.</p> <p>Federal SLRP funds are focused on practitioners employed at federally qualified health centers (FQHCs); these sites are in federally designated Health Professional Shortage Areas (HPSA). 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 supporting this program can be used more broadly than the SLRP funds.</p>
<p>Eligible Work Sites: Patient Policies</p>	<p>Employs practitioners eligible to accept patients with coverage under Medicare, Medicaid, Vermont’s Children’s Health Insurance Program (Dr. Dynasaur), or other state-funded health care benefit programs.</p>
<p>Ineligible Work Sites: Patient Policies</p>	<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 not eligible practice sites/practitioners for the VT Educational Loan Repayment Program. A high priority for the VT ELR program is to increase access for Medicaid, rural, and underserved patient populations; membership fees can be a barrier for this program’s primary target population.</p>
<p>Reapplication & Lifetime Maximum</p> <p>Up to \$300,000 maximum total funds over 6 years</p>	<p>Some award recipients will have a 1-year (12 months) service commitment. Retention award recipients may have up to 2-year (24 month) service commitments; awards will be identified as Disbursement 1 and Disbursement 2. If a 2-year award, re-application is not needed for the second year. The duration of a 2-year service commitment is for 2 complete years, not 1 + 1. Employment will be verified prior to disbursement of funds. Job Seeker and Recruitment awards will have 1-year service commitments and reapplication is required for consideration in future years.</p> <p>May receive loan repayment funds for a maximum of six years per individual.</p>
<p>Service Obligation Period</p>	<p>Some contracts are for 1 year (12 months) of service. Retention contracts may be up to 2 years (24 months) of service. If a 2-year award, one disbursement per year of service; recipients will have an auto renewal for a second year’s disbursement following employment verification. The Service period will be defined in the 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>Service Obligation Worksite</p> <p>A new job opportunity does not “cancel” this obligation</p>	<p>An award is for one specific worksite and time frame (i.e., recipient “locks in” to a job for the duration of the contract) as defined in the service contract. Awards/contracts are not transferable. Changing worksites (within VT) during a service obligation is rarely authorized except for internal worksite transfers within the same organization. A request for a worksite transfer exception must be made prior to changing worksites. Participants who voluntarily resign from their worksite(s) or are terminated by their worksite(s) for cause may be placed in breach of contract.</p> <p>If you want flexibility to change jobs at any time, this program is <u>not</u> a fit for you.</p>

<p>Award Cancellation or Contract Termination</p>	<p>Award offers can be cancelled without penalty prior to a fully executed (i.e., signed) contract and/or prior to the first disbursement.</p> <p>The award and service contract are cancelled in its entirety in the event of a participant’s death.</p> <p>Contracts may have service and repayment obligations waived or postponed (temporary leave) if there occurs incapacity of the participant due to serious illness. Decisions are at the discretion of the program and require medical documentation.</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>Contract termination due to extenuating, unforeseen, and documented circumstances may be requested by a participant, in writing, and <u>with repayment</u> 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, and the participant <u>repays all</u> 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 prior to award disbursement, the contractual service agreement will be terminated or revised.</p> <p>Changes in employment after a contract has been executed and following the first disbursement may result in a breach of service obligation.</p>
<p>Breach of Service Obligation</p> <p>This is serious.</p> <p>The financial penalties are significant.</p> <p>Think carefully before entering a service contract</p>	<p>A breach of service can occur after a service contract has been fully executed (i.e., signed) and a disbursement made. If the participant fails to complete service, the participant 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 http://nhsc.hrsa.gov/. Damages include financial penalty and interest.</p> <p>Participant 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 and its goal to support access to care.</p>