



# NURSING SCHOLARSHIP PROGRAM

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**Fiscal Year 2010**

## **APPLICATION AND PROGRAM GUIDANCE**

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Health Resources and Services Administration  
Bureau of Clinician Recruitment and Service  
Division of Applications and Awards  
5600 Fishers Lane, Room 8-37  
Rockville, Maryland 20857

Have Questions? [CallCenter@hrsa.gov](mailto:CallCenter@hrsa.gov) or 1-800-221-9393 (TTY: 1-877-897-9910)  
Monday through Friday (except Federal holidays) 9 a.m. to 5:00 p.m. ET.

*Authority: Section 846(d) of the Public Health Service Act, as amended (42 USC 297n(d))*

***The Applicant and Program Guidance describes the Nursing Scholarship Program authorized by Section 846(d) of the Public Health Service Act, as amended (42 USC 297n(d)) and the administrative guidelines for Fiscal Year 2010. Future changes in the governing statute, the implementing regulations, and Program guidelines may also be applicable to your participation in this Program. The Nursing Scholarship Program is listed as number 93.303 in the Catalog of Federal Domestic Assistance.***

## **PRIVACY ACT NOTIFICATION STATEMENT**

### **General**

This information is provided pursuant to the Privacy Act of 1974 (Public Law 93-579), as amended, for individuals supplying information for inclusion in a system of records.

### **Statutory Authority and Program Administration**

Section 846(d) of the Public Health Service Act (42 United States Code, Section 297n(d)), as amended.

### **Purposes and Uses**

The purpose of the Nursing Scholarship Program (NSP or ‘Nursing Scholarship’) is to provide scholarships to nursing students in exchange for a minimum 2 year full time service commitment (or part time equivalent), at an eligible health care facility with a critical shortage of nurses. The information applicants provide will be used to evaluate their eligibility for participating in NSP. In addition, information from other sources will be considered (e.g., credit bureau reports).

A participant’s contract, application, required supplemental forms, supporting documentation, correspondences and related data are maintained in a system of records to be used within the U.S. Department of Health and Human Services to monitor NSP-related activities. The information may also be disclosed outside the Department, as permitted by the Privacy Act and Freedom of Information Act, to the Congress, the National Archives, the General Accountability Office, pursuant to court order and various routine uses (see <http://www.hrsa.gov/privacyact/sorn/09150037.htm>).

### **Effects of Nondisclosure**

Disclosure of the information sought is voluntary; however, if not submitted, except for the replies to ethnicity and race of the online application for the NSP (OMB control number 0915-0150), an application will be considered incomplete.

## **Paperwork Reduction Act Public Burden Statement**

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current OMB control number. The current OMB control number for information collected through this application process is 0915-0150. Public reporting burden for this collection is estimated to average 6 hours per response, including the time for reviewing instructions, researching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to HRSA Reports Clearance Office, 5600 Fishers Lane, Room 10-33, Rockville, Maryland 20857.

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## PROGRAM OVERVIEW

### INTRODUCTION

#### **What is the Nursing Scholarship Program (NSP)?**

The purpose of the Nursing Scholarship Program (NSP or “Nursing Scholarship”) is to provide scholarships to nursing students in exchange for a minimum 2 year full time service commitment (or part time equivalent), at an eligible health care facility with a critical shortage of nurses. Scholarships are awarded competitively, and consist of payment for tuition, fees, other reasonable costs and a monthly support stipend.

Nursing Scholarship recipients are required to fulfill their NSP service commitment within the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Territory of Guam, the Commonwealth of the Northern Marianas, the U.S. Virgin Islands, the Territory of American Samoa, the Republic of Palau, the Republic of the Marshall Islands, or the Federated States of Micronesia.

#### ***What are the benefits of the NSP?***

**1. Service**

NSP provides nurses with an opportunity to increase access to care by delivering nursing services in underserved communities.

**2. Scholarship**

NSP provides funds to support tuition, fees, and other reasonable costs associated with nursing programs.

**3. Stipend**

NSP recipients will receive a monthly stipend.

**Tax Notice:**

All NSP payments made to scholars, or on their behalf to nursing schools, are taxable (26 USC 117(c)).

### ELIGIBILITY REQUIREMENTS

#### ***Am I eligible?***

**1. To be eligible for a scholarship, by the application due date, all NSP applicants must be:**

- a. A U.S. citizen (either U.S. born or naturalized) or U.S. National; and Lawful Permanent Resident
- b. Enrolled or accepted as full or part time student in a nursing degree program from one of the following:
  - i. **AN ASSOCIATE DEGREE SCHOOL OF NURSING** - A department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree and is an accredited program;
  - ii. **A COLLEGIATE SCHOOL OF NURSING** - A department, division, or other administrative unit in a college or university which provides primarily or exclusively a

program of education in professional nursing and related subjects leading to a degree of bachelor of arts, bachelor of science, bachelor of nursing, graduate degree in nursing, or to an equivalent degree, and including advanced training related to such program of education provided by such school and is an accredited program; or

- iii. **A DIPLOMA SCHOOL OF NURSING** - A school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to equivalent training and is an accredited program, and

Individuals in a Reserve component of the Armed Forces or National Guard are eligible to participate in the NSP.

- c. Attend a nursing school or program located in a **State-**

The schools and educational programs for which scholarship support is requested must be in a State (includes the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, the U.S. Virgin Islands, the Territory of Guam, the Territory of American Samoa, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia). **Students attending schools outside of these geographic areas are not eligible for Nursing Scholarships, even though they may be citizens of the United States.**

- d. Starting the nursing degree program on or before September 30, 2010.

**2. You are ineligible if you:**

- a. Have **any** judgment liens against your property arising from a debt owed to the United States, and  
b. Have a breach of a prior service obligation, or  
c. Have judgment lien(s) arising from Federal debt, or  
d. Are excluded, debarred, suspended, or disqualified by a Federal Agency.

**PLEASE NOTE: STUDENTS ENROLLED IN LPN PROGRAMS, SELF-PACED STUDY PROGRAMS (ON-LINE), BRIDGE PROGRAMS AND DUAL DEGREE PROGRAMS ARE NOT ELIGIBLE FOR A SCHOLARSHIP AWARD.**

**3. NSP applicants who have a history of not honoring prior legal obligations, as evidenced by one or more of the following factors, may not be selected:**

- a. Default on a prior service obligation to the Federal government, a State or local government, or other entity, even if the applicant subsequently satisfied that obligation through service, monetary payment or other means;  
b. Default on any Federal payment obligations (e.g., Health Education Assistance Loans, FHA Loans, Federal income tax liabilities, federally guaranteed/insured loans such as student or home mortgage loans, etc.) or non-Federal payment obligations (e.g., court-ordered child support payments); or  
c. Write off of any Federal or non-Federal debt as uncollectible.

Please be advised that a credit and excluded parties list system check will be performed as part of the application process.

## FUNDING PREFERENCES

### *How does the NSP determine which applicants will receive scholarships?*

Funding is based on the student's expected family contribution which is provided on the student aid report.

The following funding preferences will be used to make NSP awards:

1. **First Funding Preference** will be given to qualified applicants who have a zero expected family contribution (EFC) and are enrolled or accepted for enrollment in an accredited **undergraduate** nursing program as **full-time** students.
2. **Second Funding Preference** will be given to qualified applicants who have a zero EFC and are enrolled or accepted for enrollment in an accredited **graduate** nursing program as **full-time** students.
3. **Third Funding Preference** will be given to qualified applicants who have a zero EFC and are enrolled or accepted for enrollment in an accredited **undergraduate or graduate** nursing program as **part-time** students.

To the extent that funds remain available, applicants in the third funding preference will be considered in the order of decreasing need.

## EXPECTED NUMBER OF AWARDS

The NSP for the 2010-2011 school year is expected to be very competitive. The Program anticipates more applicants for scholarship awards than there are funds available. **It is expected that 500 awards will be made for the 2010 – 2011 school year.**

## PAST AWARDS

**In FY 2009**, NSP received 425 eligible applications and made 189 initial awards and 15 continuation awards. Total obligated funds: \$9,618,000.

**In FY 2008**, NSP received 340 eligible applications and made 169 initial awards and 5 continuation awards. Total obligated funds: \$8,813,000.

## TUITION, REQUIRED FEES, OTHER REASONABLE COSTS, AND STIPEND

### *What costs are covered under NSP?*

1. **Payment of Tuition and Required Fees**
  - a. The NSP program year begins July 1, 2010.
  - b. Tuition and required fees will be paid **directly to the nursing school** that the awardee is attending.
  - c. NSP will only pay tuition and fees for required courses in summer school sessions when summer school is an academic term normally required by the school for all students in the same program.

**SUMMER SESSION:** NSP payment of tuition and required fees for summer sessions that begin before July 1<sup>st</sup>, and extend beyond July 1<sup>st</sup>, will be prorated.

- d. The NSP **does not** pay tuition and fees for repeated coursework.
- e. The school is required to submit an invoice to the NSP for payment of tuition and fees each term.
  - If tuition and fees for the school year have been paid from another source of financial aid (e.g. Pell Grant, state grants or other scholarships) before a student receives a notice of an NSP award, the school may return payments to the funding source and then submit an invoice to the NSP for payment.
  - Once the term begins, if sources of financial aid other than NSP have been used to pay for tuition and fees, the school will be instructed not to submit an invoice to the NSP for costs that have already been covered, but to submit documentation stating that it will not be seeking payment for the term. However, if a balance remains, then the school may submit an invoice for the balance remaining.
  - Although payments of tuition and fees are made directly to the nursing school, the student is liable for paying taxes on these amounts.

## 2. Other Reasonable Costs (ORC)

Financial support will be provided **directly** to each NSP participant, **once per academic year**, for other reasonable educational expenses or costs (ORC) incurred by the student.

- a. The ORC payment for 2010-2011 is \$1,931.
- b. The ORC payment will be reduced proportionately for students who plan to attend less than a full school year (e.g., December graduates).
- c. For part-time students, the ORC payment will be proportionally reduced.
- d. The ORC payment is provided to assist in the payment of the following types of expenses such as:
  1. Books
  2. Clinical supplies
  3. Instruments
  4. Insurance (Life or Health Insurance)
  5. School ID Cards/ID Fees
  6. Travel
  7. Uniforms

## 3. Stipend Amount

During the 2010-2011 school year, the NSP will pay a full-time student a monthly amount of \$1,326.00 (before Federal taxes).

- a. A part-time student will receive a proportional stipend amount.
- b. **The stipend amount is stopped while a student is repeating coursework.**



Receipt of the stipend payment does not mean that the student is employed by the Federal Government or participates in any of the benefits available to Federal employees.

#### 4. Payment Information

The **first payment for new awardees** will be made no later than October 7, 2010 and will include **stipend payments retroactive to July 1 and the one time payment for Other Reasonable Costs.**

#### NSP TAX ADVISORY

- a. Although payments of tuition and fees are made directly to the nursing school, the student is liable for taxes owed on these amounts.
- b. The NSP withholds Federal income taxes from the stipend payments and ORC based on the entire amount of the NSP award (tuition, fees, ORC and stipends) and information provided on the W-4 by the scholar.
- c. State and local income taxes will not be withheld. We advise students to consult their local tax authority regarding State or local taxes for which they may be liable.
- d. It is the responsibility of the scholarship recipient to arrange for the payment of any additional Federal, State, and local taxes that may be owed.
- e. Each year, students will receive a 1099 tax form for amounts paid for tuition and fees and a W-2 tax form for amounts paid for stipend and ORC.

#### PROGRAM REQUIREMENTS

##### *What are the requirements for the NSP participants while in school?*

- a. **Enrollment Status**- The scholarship recipient's enrollment status at the time of award must be maintained throughout their participation in the program.
- b. **Good Academic Standing** - All scholarship recipients must be in good academic standing, as defined by the institution's academic policies, for the duration of the academic year.

**Please be advised that any non-required or unrelated courses will not count toward the required hours in determining full-time or part-time status for NSP.**

- c. **Notify NSP of Any Changes in Status** - A recipient is required to notify the Division of Scholar and Clinician Support promptly, by phone and in writing (see below), as soon as one of the following events is anticipated:
  - Repeat course work;
  - A change in the applicant's graduation date;
  - A leave of absence approved by the school;
  - Withdrawal or dismissal from school;

- A change from full-time student status to a less than full-time student status for participants who sign "Full-Time Student" Contracts (a change from part-time student status to less than part-time student status for participants who sign "Part-time Student" Contracts);
- Voluntary withdrawal from courses during an academic term; or
- A transfer to another school or program.

These events could have an adverse impact on a participant's receipt of NSP payments. See "Reasons for Changes in Scholarship Payments" Section of this Guidance.

**NSP**  
**Division of Scholar and Clinician Support**  
**5600 Fishers Lane, 8-15, Rockville, Maryland 20857**  
**1-800-221-9393 (TTY: 1-877-897-9910)**

***What are the service requirements after graduation?***

- a. **Obtain a License.** Prior to commencing service at a critical shortage facility (CSF), a scholarship recipient **must be permanently licensed to practice as a registered nurse (or if appropriate, as an advanced practice nurse) in the State where he/she will be serving.**
- Credit towards fulfillment of the scholarship commitment will not be given in the absence of a current, unencumbered permanent license in the State of service.
  - In addition, advanced practice nurses are expected to pass a national certification examination for their specialty (that is administered by a nationally recognized certifying body) prior to commencing service.
  - **No service credit will be given until the NSP has received documentation that all licensure and certification requirements have been met. Documents should be sent to:**

**NSP**  
**Division of Scholar and Clinician Support**  
**5600 Fishers Lane, 8-15, Rockville, Maryland 20857**

- Responsibility for obtaining the required State license (and national certification exam, if applicable) prior to the service start date rests with the scholarship recipient.
  - Scholars are expected to take the appropriate licensure/certification exams at the earliest possible date.
  - If the recipient is unsuccessful in obtaining a license or passing the certification exams within 6 months of his or her graduation date, the recipient should immediately contact the NSP in writing at the address above to request a suspension. See "Breaching the Contract, Suspension, and Waiver" section in this Guidance.
- b. ***Participants who sign "Full-Time Student" Contracts*** incur one (1) year of full-time obligated service for each full or partial school year of support received, with a minimum 2-year full-time service obligation. For example, a student who receives a full year of support (12 months) the first school year, a partial year of support (6 months) the second school year, and a full year of support the third school year will owe the equivalent of 3 years of full-time clinical service.
- c. ***Participants who sign "Part-Time Student"*** will have their part-time enrollment aggregated to determine its full-time equivalent. Such participants shall serve one year for each full or partial year of full-time

equivalent, or two years, whichever is greater. For example, a participant who receives 5 years of scholarship support as a half-time student will incur a 3-year clinical service obligation.

### **Full-Time or Part-Time Clinical Service**

Participants may satisfy their service obligations on either a full-time or part-time basis:

- a. Full-time clinical practice is defined as a minimum of 32 hours per week for a minimum of 45 weeks per year. At least 26 hours per week must be spent providing clinical services to patients.
- b. Part-time clinical practice is defined as a minimum of 16 hours per week and up to a maximum of 31 hours per week, for a minimum of 45 weeks per year.
  - i. At least 80% of the hours each week must be spent providing clinical services to patients. (For example, a nurse scheduled to work 20 hours per week must spend at least 16 hours per week providing clinical services).
  - ii. No more than 7 weeks (35 work days) per service year can be spent away from the approved practice site for vacation, holidays, continuing education, illness, maternity, or any other reason. For consecutive periods of absences greater than 7 weeks in a 52-week service year, the participant should request a suspension. See "Breaching the Contract, Suspension, and Waiver". A break in service will extend the service obligation end date.
  - iii. Participants wishing to serve part-time must obtain approval from the NSP and must agree to extend their service obligation so that the aggregate amount of service performed will equal the amount of a full-time service obligation. See "Ending Date of Obligated Service" below for an explanation of how the length of the part-time service obligation is determined. Requests to pursue part-time service at less than 16 hours per week will not be approved.

### **Participants who are serving in a Reserve of the Armed Forces or National Guard**

Reservists should understand the following:

- a. *First*, military training or service performed by reservists will not satisfy the NSP service commitment. If a participant's military training and/or service, in combination with the participant's other absences from the service site, exceed 7 weeks (35 work days) per service year, the participant should request a suspension. The NSP service commitment end date will be extended to compensate for the break in NSP service.
- b. *Second*, if the critical shortage facility where the reservist was serving at the time of his/her deployment is unable to re-employ that reservist, the participant must transfer to another critical shortage facility to complete his/her remaining NSP service commitment. Any expenses associated with the participant's transfer are wholly the responsibility of said participant. In some cases, a participant may be asked to sign an employment contract with the facility, which extends beyond the completion date of his/her NSP service commitment.

### **Absences**

- No more than 7 weeks (35 work days) per service year can be spent away from the approved NSP site for vacation, holidays, continuing professional education, illness, or any other reason.

- For absences of greater than 7 weeks in a service year, the participant must request a suspension of the NSP service obligation.
- HRSA cannot guarantee that a request for a suspension will be approved. If a suspension is approved, the participant's service obligation end date will be extended accordingly.

### ***Transfers***

- A transfer request should be submitted before the participant leaves his or her site. **All transfers must be approved by the NSP. Leaving the assigned site without prior written approval. Leaving the assigned site without prior written approval by the DSCS may result in a default recommendation.**

### ***Service Verification***

- Every NSP participant must submit a **service verification form** for each 6 months of service.
- The form must be completed and signed by the participant and an appropriate official at the approved NSP community site.
- By signing this form, the site will be certifying the participant's compliance or noncompliance with the full-time or part time clinical practice requirement during that 6-month period.
- The form will also record the participant's time spent away from the practice site during that 6-month period.
- Participants who fail to complete and submit their 6-month service obligation verification forms on time may be recommended for default and jeopardize receiving service credit and future amendment awards.

## **ELIGIBLE SITES UNDER NSP**

### ***What sites are eligible?***

NSP participants must provide full-time or part-time clinical service in a health care facility with a critical shortage of nurses located in a State. By statute, eligible health care facilities include:

#### **1. Types of Eligible Facilities**

- a. Ambulatory Surgical Centers;
- b. Federally Qualified Health Centers (including Look-Alike Health Centers) (see <http://bphc.hrsa.gov/about/>);
- c. Home Health Agencies;
- d. Hospice Programs;
- e. Hospitals;
- f. Indian Health Service Health Centers (see <http://www.ihs.gov/>);
- g. Native Hawaiian Health Centers (see <http://bphc.hrsa.gov/about/specialpopulations.htm>);
- h. Nursing Homes;
- i. Rural Health Clinics (see <http://www.cms.hhs.gov/center/rural.asp>);
- j. Skilled Nursing Facilities; and
- k. State or local Public Health Departments including Public Health Clinics within the Departments

See [appendix](#) for definitions of State and health care facility types set forth above.

## 2. Ineligible sites include but are not limited to:

- a. Assisted Living Facilities.
- b. Free Standing Clinics that do not qualify as one of the above critical shortage facilities;
- c. Private Practice Offices; and
- d. Renal Dialysis Centers.

### ***Where do I find a job that qualifies for the NSP?***

Recipients will have up to 6 months from their date of graduation to: 1) obtain a nursing license and 2) accept an offer of employment from an NSP-approved facility. Recipients will have up to 3 months following the date of the acceptance of such job offer to commence full-time (or if approved, part-time) clinical services at the facility.

Recipients should contact the Scholar Support Branch of the Division of Scholar and Clinician Support at 1-800-221-9393 prior to accepting employment to assure facility/position eligibility. The NSP reserves the right to grant final approval of all service locations, in order to insure a scholar's compliance with statutory requirements related to the service obligation. Once employment begins, scholars are required to submit an initial Employment Certification Form and submit an employment verification form every 6 months thereafter until the service obligation is completed.

Recipients may be recommended for default of their service obligation for failure to: 1) accept an offer of employment from an NSP-approved eligible facility within 6 months of their date of graduation, or 2) start service within 9 months of the applicant's date of graduation from nursing school, whichever occurs first. Recipients, who default on their NSP service obligation, incur the **damages** described in the "[Breaching the Contract, Suspension, and Waiver](#)" section in this *Guidance*.

## **CHANGES IN SCHOLARSHIP PAYMENTS**

### ***What situations impact the NSP payment of tuition and/or stipend?***

#### **1. Changes in Schools/Programs**

Changes in schools or nursing programs are strongly discouraged once the applicant has been accepted into the NSP. Changes in schools/programs must be approved, in advance by the Program, to ensure continued eligibility for funding. Funding will be based on the initial school of record for all academic year contracts executed during Fiscal Year 2010. For example, if the 2010-2011 tuition of the initial school of record is \$10,000 and the tuition of the proposed transfer school is \$15,000, then the NSP may not have the additional funding of \$5,000 to pay the scholar's full tuition at the proposed transfer school. Therefore, students should carefully consider the financial implications of school/program transfers.

#### **2. Delinquent Federal Debt**

Under the Treasury Offset Program, the Treasury Department is authorized to offset a student's Nursing Scholarship payments, if the student is delinquent on a Federal debt. In addition, the Treasury Department is authorized to offset Nursing Scholarship payments for application to the student's State debts, including delinquent child support payments.

#### **3. Delinquent Child Support**

In keeping with the President's Executive Orders concerning compliance with child support orders, the NSP stresses the importance of honoring any child support obligations the applicant may have. Federal payments to a participant may be offset due to delinquencies in court-ordered child support payments.

#### 4. NSP Overpayments

Scholarship Program payment(s) received by a recipient, including payment(s) made to a school on the recipient's behalf, during the periods while the recipient is on an approved leave of absence, is repeating course work, or is otherwise ineligible to receive payments, are considered overpayments. Overpayments may also occur due to administrative error. A participant receiving an overpayment should immediately telephone the Scholarship Program Branch and follow up in writing to make arrangements to promptly return all overpayment(s) to avoid interest accrual and debt collection procedures.

Debt collection procedures include sending delinquent overpayments to a debt collection agency, reporting the overpayments to credit reporting agencies, offsetting Federal and/or State payments due to the participant (e.g., IRS income tax refund) to collect the overpayments, recovery through Administrative Wage Garnishment, and referral of the overpayments to the Department of Justice for enforced collection. For scholars who receive subsequent funding under the NSP and who previously received any overpayments which have not been repaid, the overpayments will be collected through administrative offset. The NSP will withhold scholarship funds payable to, or on behalf of, the recipient (including stipends, ORC, and, if necessary, tuition payments) until the overpayment owed is paid in full. Administrative offset is not a repayment option for scholars who wish to terminate a contract.

#### 5. Resumption of Benefits

To resume benefits under existing scholarship contracts, the recipient must submit documentation from a school official confirming that he/she is now eligible to receive scholarship support (e.g., is no longer repeating course work, has returned from a leave of absence, has resumed full-time student status, etc.). Requests for the resumption of scholarship benefits should be sent to the Division of Scholar and Clinician Support. They will be considered on a case-by-case basis by the designee of the Secretary of the Health and Human Services, to determine the recipient's eligibility to receive continuing funds. For recipients who have not repaid overpayments previously received, the resumption of scholarship benefits will be subject to the administrative offset described in the "NSP Overpayments" section above. For recipients whose benefits were discontinued due to their withdrawal or dismissal from school or due to their transfer to an ineligible program or school, benefits will not be resumed.

#### 6. Effect on Veteran Benefits

Educational benefits from the Department of Veterans Affairs (G.I. Bill) continue along with NSP funds, since these benefits were earned by prior active duty in a uniformed service.

#### ***What happens if I have a change in enrollment status?***

A change in enrollment status can result in a reduction or discontinuation of benefits. A recipient is required to notify the Division of Scholar and Clinician Support promptly, by phone and in writing (see below), as soon as one of the following events is anticipated:

- Repeat course work;
- A change in the applicant's graduation date;
- A leave of absence approved by the school;
- Withdrawal or dismissal from school;
- A change from full-time student status to a less than full-time student status for participants who sign "Full-Time Student" Contracts (a change from part-time student status to less than part-time student status for participants who sign "Part-time Student" Contracts);
- Voluntary withdrawal from courses during an academic term; or
- A transfer to another school or program.

**NSP**  
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**5600 Fishers Lane, 8-15, Rockville, Maryland 20857**  
**1-800-221-9393 (TTY: 1-877-897-9910)**

**1. Discontinuation of Benefits**

The NSP will discontinue the payment of all benefits under the following circumstances:

- a. While the recipient is on a leave of absence (for personal, medical or other reasons) which has been approved by the school;
- b. While the recipient is repeating course work.
- c. If the recipient withdraws or is dismissed from school. Moreover, the recipient's withdrawal or dismissal from school is also a breach of the scholarship contract, and the recipient will be liable to repay the amount described in the "Breaching the Contract, Suspension, and Waiver– " section of this *Guidance*;
- d. If the recipient is enrolled as a less than full-time student (for participants who signed "Full-Time Student" Contracts) or as a less than part-time student (for students who sign "Part-time Student" Contracts). This includes participants who voluntarily withdraw from courses during a semester/quarter and no longer meet the definition of a full-time or part-time student under their applicable Contract;
- e. If the recipient transfers to an ineligible school or program or did not get prior approval from the program, the result may be a discontinuation of benefits and possible default. Prior to any transfer, it is the recipient's responsibility to contact the NSP in writing (see address below) to determine his or her eligibility and to receive approval to continue to receive benefits at the new school/program.

The NSP needs to know in advance that the above events may occur, so that timely action can be taken to discontinue or decrease payments (and avoid overpayments), where applicable. The recipient must also submit a letter from the school verifying that one of these events has occurred to:

NSP  
Division of Scholar and Clinician Support  
5600 Fishers Lane, 8-15,  
Rockville, Maryland 20857

**Please be advised that if the NSP has any questions concerning a participant's eligibility for continued support, the NSP may delay the payment of all benefits to that participant pending clarification of the participant's eligibility status.**

**TERMINATION OF THE CONTRACT**

The Secretary of Health and Human Services or his/her designee may terminate a NSP Contract for a school year if the recipient, on or before June 1 of the school year: 1) submits a written request to terminate his or her contract for that school year; and 2) repays all amounts paid to, or on behalf of, that recipient for that school year. If a scholarship recipient does not meet these requirements, he or she will incur a service commitment for the full or partial year of support received, as set forth in the "Program Requirements" Section of this *Guidance*.

## **BREACHING THE CONTRACT, SUSPENSION, AND WAIVER**

### ***What is a breach of the NSP Contract?***

A participant is in breach of the NSP contract if he or she:

1. Fails to maintain an acceptable level of academic standing in the nursing program;
2. Is dismissed from the nursing program for disciplinary reasons;
3. Voluntarily terminates the nursing program; or
4. Fails to provide health services in an NSP service site for the applicable period of time as specified in his or her NSP contract.

### ***What happens if I breach the NSP Contract?***

The participant will be liable to the Federal Government to repay all funds paid to the participant, or on the participant's behalf, under the NSP and pay interest on such amounts at the maximum legal prevailing rate from the date of default.

The amount owed, including interest, must be paid within 3 years of the date of the participant's default.

### ***What happens if a debt incurred by a breach of contract is not paid?***

1. Failure to repay the NSP debt within 3 years will result in delinquency and has the following consequences:
  - a. **The debt will be reported to credit reporting agencies.** — During the three-year repayment period, the debt will be reported to credit reporting agencies as “current.” If the debt becomes past due, it will be reported as “delinquent.”
  - b. **The debt will be referred to a debt collection agency and the Department of Justice.** — Any NSP debt past due for 45 days may be referred to a debt collection agency. If the debt collection agency is unsuccessful in receiving payment in full, the debt may be referred to the U.S. Department of Justice for enforced collection.
  - c. **Administrative offset** — Federal and/or State payments due to the participant (e.g., income tax refunds) may be offset by the U.S. Department of Treasury to repay a delinquent NSP debt. Also, recovery through Administrative Wage Garnishment may be enforced to repay a delinquent NSP debt.
  - d. **Medicare/Medicaid Exclusion.** — Delinquent defaulters who are unwilling to enter into, or stay in compliance with, an agreement to repay their scholarship debt can be excluded from participation in Medicare, Medicaid and other Federal health care programs. See section 1128 of the Social Security Act.

### ***How do I obtain a waiver or suspension of my obligation?***

Requests for waivers and suspensions are processed and reviewed by the Legal and Compliance Office (LCO). Waivers (or suspensions) of the service obligation may be granted by the LCO, whenever compliance by the individual with the obligation is impossible (or temporarily impossible), or would involve extreme hardship (or



temporary extreme hardship) to the individual and would be against equity and good conscience to enforce. The request must state the underlying circumstances and be supported by appropriate documentation.

Compliance would be considered impossible if the LCO determines that the participant suffers from a physical or mental disability resulting in his/her inability to perform the commitment incurred. To determine whether performance of the obligation would impose an extreme hardship and be against equity and good conscience, the LCO, will consider: (1) the recipient's present financial resources and obligations; (2) the recipient's estimated future financial resources and obligations; and (3) the extent to which the recipient has problems of a personal nature, such as physical or mental disability, or terminal illness in the immediate family, which so intrude on the recipient's present and future ability to perform as to raise a presumption that the individual would be unable to perform the obligation incurred.

Scholarship recipients seeking a waiver (for a permanent situation) or suspension (for a temporary situation) of the service obligation must submit a written request to the Scholar Support Branch of the Division of Scholar and Clinician Support at

NSP  
DSCS/SSB  
5600 Fishers Lane, Room 8-15  
Rockville, Maryland 20857

## REQUESTING AN ADDITIONAL YEAR OF SCHOLARSHIP

### Continuing Support after the 2010-2011 School Year

1. The NSP award and contract will be for the 2010-2011 school year and additional school years requested by the applicant and agreed to by the Secretary of Health and Human Services or his/her designee as indicated on the signed contracts. Additional years of scholarship support are optional. Support will be paid for the years agreed to in the contracts, based on the costs of the initial school of record, provided the student remains eligible to receive NSP support.
2. If a student signs a contract for only one (1) year of support (2010-2011 school year), his/her scholarship support will be terminated at the end of the 2010-2011 school year (on June 30, 2011). Should the student subsequently decide that he/she would like additional scholarship support for the next school year (2011-2012) and any subsequent school years through graduation, **the student must submit no later than May 7**, a new Verification Report/Data Collection Form and a signed contract for that school year and, if desired, Optional Contracts for subsequent school years through graduation-subject to the 4 year limit on school years of scholarship support. Awards are limited to 4 school years.

The granting of continuation awards depends upon the:

1. Availability of funds for the NSP;
2. Current or former participant's continued eligibility to participate in the NSP (good academic standing, not repeating coursework, etc.). *Please be advised that a credit check will be conducted as part of the eligibility process;*
3. Current or former participant's compliance with procedures established by the NSP for requesting continued support; and
4. Participant's past compliance with program policies and requirements. Participants who are requesting continued support must be able to financially support themselves until the scholarship benefits payment schedule can be reinstated.

**Continuation contracts must be mailed to the following address:**

Health Resources and Services Administration  
BCRS, Division of Applications and Awards, Scholarship Branch  
5600 Fishers Lane, Room 8-37  
Rockville, Maryland 20857  
ATTN: your state analyst

**Or**

**Faxed to:** (301) 594-4985

**APPLICATION HIGHLIGHTS**

**Application Status**

- a. The deadline for submitting an application is 5:00pm, ET, May 6, 2010.
- b. Due to the high volume of applications, statuses and confirmation receipt of documents will not be provided.
- c. The application process will take approximately four to five months.
- d. Applicants selected for a NSP award will be notified by email. Applicants may opt to accept or decline the NSP award. In order to accept a NSP award, awardees must sign the NSP contract, complete the online banking form for direct deposit and form W4.

## HOW TO APPLY: IMPORTANT DATES and INFORMATION

Please Print and Keep a Copy of this Guidance for Future Reference.

### APPLICATION AND PROGRAM GUIDANCE

Please read the Application and Program Guidance (APG) in its entirety before proceeding with an application. This *Guidance* explains in detail the contractual obligations of the Secretary of Health and Human Services or their designee and the participants in NSP. Be sure you have a complete understanding of the obligation to serve and the **financial consequences of failing to perform that obligation**.

### IMPORTANT DATES

**APPLICATION DEADLINE:** A complete electronic application must be submitted by 5:00 p.m. E.T. on May 6, 2010. All Required Supplemental Forms and appropriate Supporting Documentation must be faxed or postmarked by May 6, 2010.

Awards are subject to the availability of funds. Applicants selected for an award will receive notice no later than July 31, 2010. Applicants not selected for an award will be notified no later than September 30, 2010.

## HOW TO APPLY:

1. To apply to NSP, you must submit a complete application package consisting of:
  - a. The online electronic NSP application;
  - b. All required Supplemental Forms; and
  - c. All required Supporting Documentation;
  - d. NSP Application Checklist and Self Certification Form.
2. The following Supplemental Forms and Supporting Documentation are required of all applicants.
  - a. Completed NSP Application Checklist and Self-Certification Form;
  - b. Completed Authorization to Release Information;
  - c. Completed Certification Regarding Debarment, Suspension, Disqualification and Related Matters;
  - d. Proof of U.S. Citizenship or U.S. National; and Lawful Permanent Resident (e.g. copy of birth certificate, certificate of citizenship, passport, or naturalization certificate);
  - e. Completed Verification of Acceptance/Good Standing Report (**Original document must be mailed**);
  - f. Copy of student aid report;
  - g. Tuition and Fees Schedule for 2010-2011 School Year from school web site or catalog;
  - h. Completed Academic Official's Evaluation Letter;
  - i. Completed Non-Academic Evaluation Letter;
  - j. Completed Essay Questions;
  - k. Copy of Unofficial Transcript(s).
3. The following Supporting Documentation is required, if applicable:
  - a. Copy of the Notarized Agreement for Power-of-Attorney;
  - b. Letter, on business letterhead, from entity to which existing service obligation is owed indicating the date the service obligation will be complete.
4. Applicants are Responsible for Submitting a Complete Application Package

Application packages will be initially reviewed to determine their completeness. Application packages deemed incomplete (e.g. missing, illegible, or incomplete application materials) as of the May 6, 2010 deadline will not be considered for funding.

The information collected in the online application will provide an initial ranking of your application, with respect to funding preferences. It is required that the information in your online application match your supplemental forms and supporting documentation. Inaccurate information contained in the online application could result in your application receiving an inaccurate ranking and not being considered for funding.

It is **STRONGLY** suggested that before you attempt to complete the online application you:

- a. Review the Guidance in its entirety.
- b. Download and complete the required supplemental forms and gather the appropriate supporting documentation.

**It is the applicant's responsibility to submit a complete application package by the application deadline.**

**SEND YOUR REQUIRED SUPPLEMENTAL FORMS AND SUPPORTING DOCUMENTATION TO:**

Nursing Scholarship Program (NSP)  
C/o HRSA Document Center  
12530 Parklawn Drive, Suite 350  
Rockville, MD 20852  
OR Fax To: 301-998-7377

**DO NOT Fax and Mail a copy of your application. Duplicate forms and/or supporting documentation may result in a delay in processing your application and possible non-award due to insufficient funds.**

**Direct Questions and Inquires to:**

[callcenter@hrsa.gov](mailto:callcenter@hrsa.gov) or Toll Free: 1-800-221-9393 (TTY: 1-877-897-9910)

Office Hours: 9:00 A.M. to 5:00 P.M., E.T.

Monday through Friday, except Federal holidays

Web site: <http://www.hrsa.gov/loanscholarships/scholarships/nursing>

***Supplemental Forms and Supporting Documentation***

Instructions for completing supplemental forms and supporting documentation are provided below. If any of the required forms/documents described below are not included with the application, are not signed or are otherwise incomplete, or if the forms and documents are not clearly printed on separate sheets of white 8 ½ inch x 11 inch paper, the application will be deemed incomplete and the applicant will not be considered for a NSP award.

SEND ORIGINAL FORMS OR DOCUMENTS AS REQUIRED IN THE INSTRUCTIONS BELOW. **All mailed required supplemental forms and supporting documentation MUST be received or postmarked by May 6, 2010.**

## A. INSTRUCTIONS FOR SUPPLEMENTAL FORMS

### 1. *Completed Checklist and Self-certification Form*

The Checklist assists applicants and the NSP staff in verifying the completeness of the application. Return the checklist along with all of the supplemental forms and supporting documentation. Carefully read the certification statement at the bottom of the checklist. The statement must be signed for the application to be considered complete and to certify the information you provided is accurate.

### 2. *Authorization to Release Information Form*

This form authorizes HHS, and/or its contractors, to release information that identifies the applicant for purposes of obtaining the applicant's credit report and checking whether the applicant appears on the Excluded Parties List System. It also authorizes the applicant's school and future service entity to release information to HHS and/or its contractors.

### 3. *Completed Certification Regarding Debarment, Suspension, Disqualification and Related Matters Form*

This form contains certifications related to "covered transactions" such as the receipt of funding under the NSP. Applicants should read the entire form and sign the Certification at the bottom of the form that is applicable to their situation.

## B. INSTRUCTIONS FOR SUPPORTING DOCUMENTATION

### 4. *Documentation of Status as a U.S. Citizen, U.S. National, or Lawful Permanent Resident*

Applicants must provide proof of U.S. citizenship or status as a U.S. National or Lawful Permanent Resident (e.g., a copy of a certificate of citizenship or naturalization, U.S. Passport ID page, or Green Card).

### 5. *Completed Verification of Acceptance/Good Standing Report (Original Document must be Mailed)*

This report requires the applicant to provide demographic information such as name and social security number. The NSP program uses the Verification of Acceptance/Good Standing Report to confirm the student's enrollment and status, the start date for the 2010-2011 academic year, expected date of graduation, grade point average, institution's name and address, and the official contact person for the school of nursing.

### 6. *Completed Academic Official's Evaluation Letter*

Applicants must obtain an evaluation letter from an academic official such as department chair, faculty advisor, or a faculty member of their current academic nursing program (or most recent academic program). The letter should be completed on the institution's official letterhead and sealed in an envelope with the evaluator's signature across the seal.

The academic official evaluation letter must contain the student's name, last four digits of the social security number and student's discipline. The evaluator must describe his or her relationship and length of time acquainted with the applicant. The evaluator's letter should address the three discussion points referenced in the instructions found in the "2010 Application Checklist and Supplemental Forms". The letter must have the evaluator's name printed, title, address, and signature.

7. *Completed Non-Academic Evaluation Letter*

The non-academic letter is used to assess the applicant's compatibility to serve populations in the areas of greatest need in facilities with a critical shortage of nurses. This letter must be sealed in an envelope with the evaluator's signature across the seal. The evaluator must complete the letter on official letterhead if representing an organization.

The non-academic evaluation letter must contain the student's name, last four digits of the social security number and student's discipline. The evaluator must describe his or her relationship and length of time acquainted with the applicant. The letter should contain the discussion points referenced in the instructions found in the "2010 Application Checklist and Supplement Forms".

8. *Completed Essay Questions*

The applicant must provide typed responses to the three essay questions. Each response must be limited to 2,500 characters or less (approximately 1/2 page). These questions are found in the "2010 Application Checklist and Supplemental Forms". The applicant must provide demographic information such as name, last four digits of the social number, and discipline at the top of the document.

9. *Unofficial Transcripts*

Applicants must submit unofficial transcript(s) from each College or University attended for all nursing education coursework toward an associate, collegiate, or diploma. Applicants who are completing their secondary education must submit a transcript from their high school. If this upcoming academic year is your first time attending a post-secondary institution (i.e. college or university) or an associate, collegiate, and diploma school of nursing, you must submit transcripts from your high school.

## C. APPLICATION STATUS

1. You will receive a receipt of submission notice once your application has been successfully submitted online.
2. The application process occurs over a four to five month period. We will not be able to provide status updates during this time.
3. If an applicant is selected to receive an award, he or she, will receive written notice no later than July 31, 2010. Applicants not selected for an award will be notified no later than September 30, 2010.
4. Applicants are urged to check their email daily after applying to the NSP. The NSP will notify applicants selected for an award by email. **You will have up to ten business days to reply via email indicating acceptance of the NSP award and submit any requested documents.**

### *Receiving an Award*

1. Tuition and eligible fees are paid directly to the institution after the invoice is received by the NSP.
2. The institution is responsible for invoicing the NSP. Instructions on how to invoice the NSP will be mailed to the institution.
3. The HHS disburses each monthly stipend and the one time Other Reasonable Costs payment through an electronic funds transfer to the participant's checking or savings account identified on the banking information submitted through the online process by the applicant. The banking information will be collected when the recipient accepts the NSP award.
4. The first direct deposit is made in October 2010.



Nursing Scholarship Program

U.S. Department of Health and Human Services  
Health Resources and Services Administration

**TUITION AND FEES WILL NOT BE PAID UNTIL THE SCHOOL SENDS AN INVOICE TO THE NSP.**

Download the Nursing Scholarship Program 2010 Application Checklist and Forms in fillable PDF at <http://www.hrsa.gov/loanscholarships/scholarships/nursing/forms.pdf>.





**NURSING SCHOLARSHIP PROGRAM'S**  
**ACADEMIC OFFICIAL'S EVALUATION LETTER - INSTRUCTIONS**

If the applicant is currently enrolled in the nursing program, the letter should be from the applicant's Department Chair, Faculty advisor or a faculty member of that academic program who is familiar with the student. If the applicant has not begun the nursing program associated with the scholarship, the letter should be from the Department Chair, Faculty advisor, or a faculty member of the applicant's most recent academic program who is familiar with the applicant.

The letter must be based on the academic official's observations or knowledge of the applicant.

The letter should include the following:

Student's name;

Last 4 Digits of Social Security Number;

Student's discipline;

A description of the Academic official's relationship to the applicant and the length of time the official as known the applicant;

A discussion of the following points:

1. The applicant's education/work achievements,
2. The applicant's ability to work and communicate constructively with other people, and
3. The official's assessment of the applicant's particular characteristics, interest and motivation to serve populations of greatest need. This assessment should include the evaluator's knowledge of the applicant's, work experiences, pertinent course work, special projects, research, or other activities that demonstrate an interest and commitment to serving underserved populations.

Evaluator's Name (Printed)

Title

Address (unless already on letterhead)

Signature

This letter should be on the institution's letterhead and must be submitted in a sealed envelope with the evaluator's signature across the seal.

This letter must be received or postmarked by May 06, 2010. It should be mailed to the following address:

Nursing Scholarship Program  
C/o HRSA Call Center  
12530 Parklawn Drive, Suite 350  
Rockville, Maryland 20852

**NURSING SCHOLARSHIP PROGRAM'S**  
**NON-ACADEMIC EVALUATION LETTER - INSTRUCTIONS**

The Non-Academic Evaluation Letter should be from an individual who is familiar with the applicant's professional, community, and/or civic activities, especially those related to underserved communities. The evaluator can be an employer or previous employer, community leader, colleague, or anyone who has knowledge of the applicant's interest and motivation to provide care to underserved communities.

The letter must be based on the academic official's observations or knowledge of the applicant.

The letter should include the following:

Student's name;  
Last 4 Digits of Social Security Number;  
Student's discipline;

A description of the Individual's relationship to the applicant and the length of time he or she has known the applicant;

A discussion of the following points:

1. The applicant's community/civic or other non-academic achievements,
2. The applicant's ability to work and communicate constructively with other people, and
3. The official's assessment of the applicant's particular characteristics, interest and motivation to serve populations of greatest need. This assessment should include the evaluator's knowledge of the applicant's, work experiences, pertinent course work, special projects, research, or other activities that demonstrate an interest and commitment to serving underserved populations.

Evaluator's Name (Printed)  
Title or Organization  
Address (unless already on letterhead)  
Signature

If the letter is from an individual representing a particular organization or institution, the letter should be on official letterhead. All letters must be submitted in a sealed envelope with the evaluator's signature across the seal.

This letter must be received or postmarked by May 6, 2010. It should be mailed to the following address:

Nursing Scholarship Program  
C/o HRSA Call Center  
12530 Parklawn Drive, Suite 350  
Rockville, Maryland 20852

## APPENDIX

### *Definitions of Terms*

#### **ACADEMIC YEAR**

All NSP scholarship contracts are for a specific year. Under the NSP, all school years run from July 1 through June 30. If for example, a student is in a 24-month program that begins on August 3, 2009, and he/she signs contracts for 2 school years, the student will receive stipend, ORC and tuition payments through June 30, 2011. Funding for the extra months of the program beyond June 30, 2011, would require a request for a third year of scholarship funding, and if granted, obligates the recipient to 3 full years of service commitment. If a student is in a 24-month program that begins on May 3, 2009, and he/she signs contracts for 2 school years, the student will receive a stipend, ORC and tuition payments from July 1, 2009, through June 30, 2011, or the month the recipient completes the required classes for graduation, whichever comes first.

**CONTRACT** - A written contract under Section 846(d) of the Public Health Service Act, as amended, for an academic year pursuant to which (1) the individual agrees to serve as a nurse for a period of not less than 2 years at a health care facility with a critical shortage of nurses and (2) the Federal government agrees to provide the individual with a scholarship, for attendance at a school of nursing during that academic year.

**DEFAULT OF SERVICE OBLIGATION** – Failure for any reason to begin or complete a contractual service obligation.

**ELIGIBLE FEES-** Eligible fees include

- Academic Support Services Fee
- Administrative Fee
- Building Use or Facility Fee
- Campus Life Fee
- Computer Lab Fee
- Curriculum Fee
- Disability Insurance (Must be required of all students regardless of source of funding)
- Education Fee
- Graduation Fee in last year of program
- Health Insurance (for students only) (Must be required of all students regardless of source of funding)
- Health Services Fee and Immunizations
- Laboratory Fees
- Library Fee
- Malpractice Insurance if it is mandatory that it be purchased through the school by all nursing students
- Matriculation Fee
- Processing Fee
- Recreation Fee
- Student Activities Fee
- Student Services Fee
- Technology Fee
- University Fee

**EXCLUDED PARTIES LISTING SYSTEM-** A Web site, [www.epls.gov](http://www.epls.gov), maintained by the General Services Administration for the purpose of disseminating information on parties that are excluded from receiving federal contracts, subcontracts, and federal financial and non-financial assistance and benefits, pursuant to E.O. 12549, E.O. 12689, and implementing regulations.

**EXPECTED FAMILY CONTRIBUTION-** The Expected Family Contribution (EFC) is the amount of money your family is expected to contribute to your college education for one year, as determined by the Department of Education in your Student Aid Report.

**FULL-TIME CLINICAL PRACTICE** - Full-time clinical practice is defined as a minimum of 32 hours per week for a minimum of 45 weeks per year. At least 26 hours per week must be spent providing clinical services to patients. No more than 7 weeks (35 work days) per service year can be spent away from the approved practice site for vacation, holidays, continuing education, illness, maternity, or any other reason. Absences of greater than 7 weeks in a 52-week service year will extend the service obligation end date.

**FULL-TIME STUDENT** - A student will be considered full-time if the student meets the nursing school program's definition of a full-time student.

**FUNDING PREFERENCE** - Funding preference is defined as the funding of a specific category or group of approved applicants ahead of other categories or groups of approved applicants.

**GOOD ACADEMIC STANDING-** A student who meets or exceeds the minimum cumulative grade point average set by the school in order to be in good academic standing as defined by the institution's academic policy.

**GRADUATE NURSING PROGRAM** – Any department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and related subjects leading to a graduate degree in nursing, or to an equivalent degree, and including advanced training related to such program of education provided by such school, but only if such program, or such unit, college or university is accredited

**HEALTH CARE FACILITY** - A health care facility is one of the following:

- A) **Ambulatory Surgical Center** - An entity in a State that provides surgical services to individuals on an outpatient basis and is not owned or operated by a hospital.
- B) **Federally Qualified Health Center** - An entity receiving a grant, or funding from a grant, or meets the requirements for receiving (but does not receive) a grant, under section 330 of the Public Health Service Act, as amended, to provide primary health services and other related services to a population that is medically underserved. FQHCs include Community Health Centers, Migrant Health Centers, Health Care for the Homeless Health Centers, Public Housing Primary Health Care Centers and "FQHC Look-Alikes."
- C) **Home Health Agency** - A public agency or private organization, certified under section 1861(o) of the Social Security Act, which is primarily engaged in providing skilled nursing care and other therapeutic services.
- D) **Hospice Program** - A public agency or private organization, certified under section 1861(dd)(2) of the Social Security Act, which provides 24-hour care and treatment services (as needed) to terminally ill individuals and their families. This care is provided in individuals' homes, on an outpatient basis, and on a short-term inpatient basis, directly or under arrangements made by the agency or organization.
- E) **Hospital** - Any public or nonprofit private or for profit private entity in a State that is primarily engaged in providing, by or under the supervision of physicians, to inpatients (a) diagnostic services and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, or sick persons, or (b) rehabilitation of injured, disabled, or sick persons. Hospital-based outpatient services are included under this definition.
- F) **Indian Health Service Health Center** - A health care facility (whether operated directly by the Indian

Health Service or operated by a tribe or tribal organization, contractor or grantee under the Indian Self-Determination Act, as described in 42 Code of Federal Regulations (CFR) Part 136, Subparts C and H, or by an urban Indian organization receiving funds under Title V of the Indian Health Care Improvement Act), which is physically separated from a hospital, and which provides clinical treatment services on an outpatient basis to persons of Indian or Alaskan Native descent as described in 42 CFR Section 136.12.

- G) **Native Hawaiian Health Center** - An entity (a) which is organized under the laws of the State of Hawaii; (b) which provides or arranges for health care services through practitioners licensed by the State of Hawaii, where licensure requirements are applicable; (c) which is a public or nonprofit private entity; and (d) in which Native Hawaiian health practitioners significantly participate in the planning, management, monitoring, and evaluation of health services. See the Native Hawaiian Health Care Act of 1988 (P.L. 100-579), as amended by P.L. 102-396.
- H) **Nursing Home** - An institution (or a distinct part of an institution), certified under section 1919(a) of the Social Security Act, which is primarily engaged in providing, on a regular basis, health-related care and service to individuals who because of their mental or physical condition require care and service (above the level of room and board) which can be made available to them only through institutional facilities, and is not primarily for the care and treatment of mental diseases
- I) **Rural Health Clinic** - An entity which the Centers for Medicare and Medicaid Services has certified as a rural health clinic under section 1861(aa)(2) of the Social Security Act. A rural health clinic provides outpatient services to a non-urban area with an insufficient number of health care practitioners.
- J) **Skilled Nursing Facility** - An institution (or a distinct part of an institution), certified under section 1819(a) of the Social Security Act, which is primarily engaged in providing skilled nursing care and related services to residents requiring medical, rehabilitation or nursing care and is not primary for the care and treatment of mental diseases.
- K) **State or Local Public Health Department including a Public Health Clinic within the Departments** - The State, county, parish or district entity in a State that is responsible for providing population focused health services which include health promotion, disease prevention and intervention services provided in clinics or other health care facilities that are operated by the health department.

**INELIGIBLE FEES** -Ineligible Fees include

- Accident Insurance
- Attorney Fee
- Automobiles and Automobile Maintenance Expenses and Accident Insurance
- Books (as they are covered by the Other Reasonable Cost payment)
- Certification Boards
- Class Dues
- Counseling Fees
- Dental Insurance
- Educational Associations
- Financial Aid Trust Funds
- ID Maintenance
- Late Charges
- Life Insurance
- NCLEX Review
- Parking Fee
- Penalty Fee

- Personal Laundry
- Post Office Box Rental
- Refundable Property Deposit
- Room and Board Expenses
- Student Association and Union Fee
- Study Abroad Fees
- Testing Fee
- Transportation Fee

**LEAVE OF ABSENCE** - A period of approved absence from a course of study granted to a student by his or her nursing school for medical, personal, and other reasons. The leave of absence is usually granted for a period of 1 year or less. When a leave of absence is expected, a scholar is required to notify the Division of Scholar and Clinician Support, Scholar Support Branch immediately, in writing, and submit a letter from the school approving the leave of absence and indicating the start and end dates for the period of the absence. Payment of all benefits are discontinued when a scholar is on an approved leave of absence, and may be resumed when the student returns to the course of study for which the scholarship was awarded.

**PART-TIME CLINICAL PRACTICE** - Part-time clinical practice is defined as a minimum of 16 hours per week and up to a maximum of 31 hours per week, for a minimum of 45 weeks per year. At least 80% of the hours each week must be spent providing clinical services to patients. No more than 7 weeks (35 work days) per service year can be spent away from the approved practice site for vacation, holidays, continuing education, illness, maternity, or any other reason. Absences of greater than 7 weeks in a 52-week service year will extend the service obligation end date.

**PART-TIME STUDENT** - A less than full-time student will be considered part-time if the student is enrolled on at least a half-time basis (i.e., the student is taking a sufficient number of credit hours to meet or exceed 50% of the credit hours required by the nursing school program to be a full-time student).

**QUALIFIED APPLICANT** - A person who meets all of the eligibility requirements set forth in this Applicant Information Guidance.

**SCHOOL OF NURSING** - The term 'school of nursing' means an accredited collegiate, associate degree, or diploma school of nursing in a State.

**STATE** - Includes the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, the U.S. Virgin Islands, the Territory of Guam, the Territory of American Samoa, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia.

**SUSPENSION** - A temporary status. A suspension of the of the service or payment obligation will be granted if compliance with the obligation by the participant (1) is temporarily impossible or (2) would involve a temporary extreme hardship such that enforcement of the obligation would be unconscionable.. All requests for a suspension must be submitted, in writing, to the Division of Scholar and Clinician Support and be supported by full medical and/or financial documentation.

**THE SECRETARY** - The Secretary of Health and Human Services, and any other officer or employee of the U.S. Department of Health and Human Services to whom the authority to administer the NSP has been delegated.

**UNDERGRADUATE NURSING PROGRAM** – Any school of nursing program in which the student will receive a Diploma, Associate, or Baccalaureate degree (see a description of these programs in Section “Eligibility Requirements”).

**UNENCUMBERED LICENSE** – A license is unencumbered if it is not revoked, suspended, or made probationary or conditional by a licensing or registering authority in the applicable jurisdiction as the result of disciplinary action.



**WAIVER** - Is a permanent status. A waiver of the service or payment obligation will only be granted if compliance with the obligation by the participant (1) is permanently impossible or (2) would involve a permanent extreme hardship such that enforcement of the obligation would be unconscionable. All requests for a waiver must be submitted in writing to the Division of Scholar and Clinician Support and be supported by full medical and financial documentation.

## FREQUENTLY ASKED QUESTIONS

### 1. **How do I apply to the Nursing Scholarship Program?**

The Nursing Scholarship Program application period is open. The application deadline for the 2010-2011 academic year is May 6, 2010. Those interested in applying to the Nursing Scholarship Program should read the application and program guidance for eligibility at <http://www.hrsa.gov/loanscholarships/scholarship/nursing/>. To apply for the Nursing Scholarship Program, complete the online application at <https://nis.hra.gov/>. Each applicant must download and complete the supplemental forms at <http://www.hrsa.gov/loanscholarships/nursing/forms.pdf>. Please read How to Apply: Important Dates and Information at <http://www.hrsa.gov/loanscholarships/scholarships/nursing/guidance.pdf> for instructions on completing the application and supplemental forms.

### 2. **What if I change my mind about going into nursing after I have accepted the Nursing Scholarship?**

Accepting a Nursing Scholarship is a serious commitment to serve as a registered nurse in a facility with a critical shortage of nurses. If you accept the scholarship and change your mind about nursing before you have completed your service commitment, you have breached your contract with the U.S. Government and must pay back all monies paid to you directly and to the school on your behalf, with interest. The amount owed, including interest, must be paid within 3 years of the date of your default. For more information, see Breaching the Contract, Suspension, and Waiver (Application and Program Guidance).

### 3. **Are there any sites where I could be employed as a nurse that would not fulfill the Nursing Scholarship service obligation?**

Renal Dialysis Centers  
Private Practice Offices  
Assisted Living Facilities  
Free Standing Clinics that do not qualify as one of the facilities listed in the Application and Program Guidance under Types of Eligible Facilities.

For more information, see Program Requirements; in the Application and Program Guidance.

### 4. **What type of nursing degree program must I be accepted or enrolled in to apply for to the Nursing Scholarship Program?**

Nursing Scholars may be enrolled or accepted for enrollment in an accredited associate, baccalaureate, graduate degree, or diploma school of nursing. First preference for funding is given to students who have a zero expected family contribution and are enrolled or accepted for enrollment in undergraduate programs as full-time students.

Students enrolled in LPN programs, bridge programs, self-paced study programs, dual degree programs and RN to BSN programs are not eligible to apply.

For more eligibility information, see Funding Preferences; in the Application and Program Guidance.

### 5. **Does HRSA have a scholarship program for LPN students?**

HRSA does not have a scholarship program for LPN students. For information on Nursing Scholarship Program eligibility requirements, see Eligibility Requirements in the Application and Program Guidance.

### 6. **How many hours must I work at a health care facility with a critical shortage of nurses to be considered full-time?**

Full-time employment is considered to be no less than 32 hours of nursing services per week for a minimum of 45 weeks per year. At least 26 hours per week must be spent providing clinical services to patients.



Under certain circumstances, a Nursing Scholar may complete the service obligation on a part-time basis. Scholars wishing to serve part-time must obtain prior approval from the NSP and must agree to extend the service obligation to equal the full-time commitment.

For more information, see Program Requirements; in the Application and Program Guidance.

**7. When does the Nursing Scholarship service obligation begin?**

Nursing Scholars have up to 6 months from the date of graduation to

- 1) obtain a nursing license and
- 2) accept an offer of employment from an NSP approved facility.

Recipients have up to 3 months following the day of their acceptance of such job offer to commence full-time (or if approved part-time) clinical services at the facility.

For more information, see Program Requirements in the Application and Program Guidance.

**8. How much is the Nursing Scholarship Program monthly stipend and when is the payment made?**

For the 2010-2011 academic year the monthly stipend will be \$1,326. The stipend is disbursed by the end of each month; payments are not considered late until the 7th of the following month.

The first stipend payment is issued in October and includes a lump sum payment for all months of the Fall term (July through October) in which the student has spent 15 days or more attending classes in the scholarship-supported nursing program. For more information, please see Tuition, Required Fees, Other Reasonable Costs, and Stipend in the Application and Program Guidance.

**9. Is the entire Nursing Scholarship taxable?**

All Nursing Scholarship Program payments made to and on behalf of the scholar (tuition, fees, other reasonable costs, and stipend) are considered taxable income.

For more information, see Introduction and Tuition, Required Fees, Other Reasonable Costs, and Stipend in the Application and Program Guidance.

**10. If I am selected to receive a Nursing Scholarship, when will I receive tuition payment?**

Payment of tuition and fees are made directly to the school on the scholar's behalf.

The Notice of Award Letter issued by the Nursing Scholarship Program serves as authorization to the school to bill the Nursing Scholarship Program directly for tuition and required fees.

It is the scholar's responsibility to take the letter to appropriate school officials.

It takes approximately 6 weeks from date of receipt of the invoice by the Nursing Scholarship Program for the school to receive payment. For more information, see Tuition, Required Fees, Other Reasonable Costs, and Stipend in the Application Information and Program Guidance.

**11. If I am selected to receive a Nursing Scholarship, will the program cover tuition and fees if my program started prior to July 1?**

Yes, the Nursing Scholarship Program will prorate the tuition and required fees for summer sessions that begin before July 1<sup>st</sup>, and extend beyond July 1<sup>st</sup>. For more information, see Tuition, Required Fees, Other Reasonable Costs, and Stipend; in the Application and Program Guidance.

**12. How are Nursing Scholarship stipend and other reasonable cost payments issued?**

Nursing Scholarship stipend and other reasonable cost payments are transferred electronically to each scholar's financial institution through direct deposit. Direct deposit is mandatory.

For more information, see Tuition, Required Fees, Other Reasonable Costs, and Stipend; in the Application and Program Guidance.

**13. If the Nursing Scholarship Program scholarship support is not awarded by the start of school, how should a scholar handle tuition?**

Tuition and fees are paid directly to the educational institution that the scholarship recipient is attending. The Nursing Scholarship Program will pay tuition and fees for each academic term that will be completed within the academic year.

If tuition and fees for the initial Fall term of the academic year have been paid from another source of financial aid (e.g. Pell Grant, state grants or other scholarships), pending notice of an NSP award, the school may return payments to the source of funding and then submit an invoice to the NSP for payment.

If a recipient has to take a loan to cover tuition and fees prior to receiving NSP payment, the loan is the scholar's responsibility. The Scholar is responsible for payment of the interest; Nursing Scholarship Program funds will not be awarded to cover interest charges. For more information, see Tuition, Required Fees, Other Reasonable Costs, and Stipend; in the Application and Program Guidance.

**14. How does the Nursing Scholarship Program know the amount of tuition, fees and other reasonable costs when making a scholarship award?**

The tuition, fees and other reasonable cost amounts used by the Nursing Scholarship Program are based on information provided by the school when the student completes the application. Support is based on the expected graduation date reported by the school.

**15. Does the Nursing Scholarship cover additional books or materials a scholar is required to purchase during the school year?**

During the fall of the school year, the Nursing Scholarship Program makes a single "other reasonable cost" payment to the scholar. This payment is to assist in covering all eligible "other reasonable cost" expenses during that school year. If additional expenses for books and other materials arise, those expenses are not covered by the Nursing Scholarship Program. The scholar is responsible for paying those expenses.

**16. Is health insurance coverage included in the fees paid for by the Nursing Scholarship Program?**

If health insurance is required and purchase through the school is mandatory, the cost is included in fees and paid by the Nursing Scholarship Program to the school. Insurance for family members is not covered.

If the insurance is purchased through any other source, then the school will not be allowed to submit the costs for the insurance fee.

**17. Can the rules change after an individual selected to receive the Nursing Scholarship has accepted the scholarship?**

Recipients of the Nursing Scholarship may be subject to changes in the statute, regulations, and/or policies of the Nursing Scholarship Program that occur after they have received their awards. For more information, see the Application and Program Guidance.

**18. What happens if a Nursing Scholarship Program participant takes a leave of absence and/or repeats course work while completing the nursing program?**

The Nursing Scholarship Program will discontinue the payment of all benefits in the following situations:

a. when the school has approved a scholar's leave of absence (for personal, medical or other reasons)

or

b. the scholar is repeating course work for which the NSP has already paid.

For more information, see Change in Enrollment Status; in the Application and Program Guidance.

**19. What happens if the Nursing Scholarship Program runs out of money or is discontinued?**

When a scholarship is awarded, funds are set aside and available based on the number of years requested by the participant in the application and agreed to by the Secretary of the U.S. Department of Health and Human Services, as indicated by the signed contract(s).

If the participant did not sign contracts through the date of graduation, he/she will be given priority for continued funding when the initial contract expires. For more information, see Requesting an Additional Year of Scholarship section in the Application and Program Guidance.

**20. When can a Nursing Scholar start applying for positions to fulfill the service commitment?**

Approximately two months prior to a scholar's graduation date, the Nursing Scholarship Program sends information about the job search process. Scholars have up to six months from the date of graduation to obtain a nursing license and accept an offer of employment from an NSP-approved facility.

Scholars have up to three months following the day of their acceptance of such a job offer to commence full-time (or, if approved, part-time) work providing clinical services at the facility.

**21. Who pays the salary of a Nursing Scholar fulfilling the service commitment?**

The health care facility that employs the Nursing Scholar pays the scholar's salary. Each Nursing Scholarship recipient negotiates his/her own salary and benefits packages with the critical shortage facility where he/she is employed after graduation. There is no "typical" salary. Salaries vary by employing facility and location.

**22. What is the Expected Family Contribution (EFC) and what if mine needs to be updated?**

The EFC (Expected Family Contribution) is part of the Student Aid Report (SAR) that you receive when you complete the Free Application for Federal Student Aid (FAFSA).

The EFC measures a student's expected family contribution in terms the ability to pay for educational costs. It is used to determine eligibility for Federal student aid. The Nursing Scholarship Program awards first preference for funding to qualified applicants with an EFC of zero.

The Nursing Scholarship Program uses the EFC listed on the Student Aid Report. If your EFC has changed due to special circumstances, the Student Aid Report must be corrected. See Instructions on Updating the FAFSA; or phone 1-800-433-3243 to speak with someone about your situation and help updating your FAFSA. If your EFC changes before a Nursing Scholarship Program award is made, the NSP will reconsider your application based on this change.

**23. What does the Nursing Scholarship Program mean when it says participants must make "at least a two-year service commitment"?**

Individuals selected to receive the Nursing Scholarship are required to serve, at a minimum a two-year service contract. The service obligation is extended by one year for each year of Nursing Scholarship support received beyond two years. If a scholar receives support for one year or less, there is still an obligation to serve two years.

The Nursing Scholarship Program hopes that scholars will remain at their service sites and continue serving those in need even after the service commitment is fulfilled.

Scholars who have satisfactorily completed their service commitment and are working at eligible nonprofit facilities may apply to the Nursing Education Loan Repayment program to obtain funds to repay a portion of the outstanding balance on qualifying education loans. For more information, see Program Requirements; in the Application and Program Guidance.

**24. What are the computer requirements for the on-line portion of the Nursing Scholarship Program application?**

The Nursing Scholarship Program requires either Internet Explorer version 6.0 or higher or Netscape Navigator version 6.1 or higher.

**25. Are students accepted for enrollment or enrolled in bridge/dual degree programs eligible for the Nursing Scholarship Program?**

Students enrolled in bridge programs (also called dual degree programs) are not eligible to apply to the Nursing Scholarship Program. Bridge programs include all dual degree programs in which a nursing student is enrolled in a combined associates/bachelors program or combined bachelors/masters program. For complete eligibility information, see Eligibility Requirements; in the Application and Program Guidance.

**26. Where do I send my Nursing Scholarship Program supporting documentation?**

Send your Nursing Scholarship Program supplemental forms and supporting documentation (see the Checklist) to:

HRSA Document Center - Nursing Scholarship Program  
12530 Parklawn Drive, Suite 350  
Rockville, MD 20852

Materials must be received or postmarked by the application deadline.

**27. How may I check the status of my Nursing Scholarship Application?**

When you submit your on-line application, you will receive an e-mail acknowledgement of receipt. Applicants should keep their email addresses up-to-date during the application process. Applicants must log in to their accounts on the NSP website to update this information.

Individuals selected for awards will be notified by letter no later than July 31, 2010. Individuals not selected for an NSP award will be notified via e-mail by no later than September 30, 2010.

**28. Can Nursing Scholarship Program recipients transfer schools and still receive NSP support?**

Transferring to another school or changing programs is strongly discouraged once the applicant has been accepted into the Nursing Scholarship Program.

Transferring to another school or changing programs must be approved in advance to ensure continued eligibility for funding.

Funding will be based on the initial school of record for all academic year contracts executed this fiscal year. For example, if the 2010-2011 tuition of the initial school of record is \$10,000 and the tuition of the proposed transfer school is \$15,000, then the Nursing Scholarship Program may not have the additional funding of \$5,000 to pay for the scholar's full tuition at the proposed transfer school.

**29. What is an eligible health facility or critical shortage facility where Nursing Scholarship Program recipients can fulfill the service obligation?**

The Nursing Scholarship Program does not decide where participants fulfill their service obligation to the program. Scholars are free to select any facility, in any U.S. State, District of Columbia or U.S. territory that is one of the following:

Federally Qualified Health Center (including Look Alike Health Center)  
Rural Health Clinic  
Indian Health Service Health Center  
Native Hawaiian Health Center  
Hospital  
Nursing Home  
Home Health Agency  
Hospice Program  
State or local Public Health Department including Public Health Clinic within the Department  
Skilled Nursing Facility  
Ambulatory Surgical Center

For the purposes of the Nursing Scholarship Program, all of these types of facilities have critical shortages of nurses and are eligible health facilities where Nursing Scholarship recipients can fulfill their minimum two-year service obligations. Nursing Scholarship recipients are responsible for finding their own employment site and confirming its eligibility with the Program. The NSP reserves the right of final approval to ensure a scholar's compliance with statutory requirements related to the service obligation.

**30. Can I make changes to my banking information after it has been submitted?**

No, only the HRSA staff can enter any relevant changes to the online banking information once it has been submitted and a "Receipt of Submission" is received by the applicant. However, the applicant can request a change to their banking information by completing the Banking Update Form, and mailing the completed form to: Division of Applications and Awards, 5600 Fishers Lane, Room 8-37, Rockville, MD 20857.

Please note: Only those applicants being awarded NSP scholarships will be requested to submit banking information.