

**283—14.2 (261) Health care professional loan repayment program.**

**14.2(1) *Recruitment.*** The university shall recruit and place health care professionals in eligible rural communities that agree to provide matching funds for the health care professional loan repayment program.

**14.2(2) *Health care professional service requirement.*** The health care professional service requirement for the health care professional loan repayment program is four years. The health care professional must annually verify, in a format acceptable to the commission, that the health care professional practiced in an eligible rural community for 12 consecutive months for each year of required service. An award will be prorated based on the months of service provided in a state fiscal year if less than 12 months.

**14.2(3) *Award.*** The health care professional may receive up to \$50,000 in state-funded repayment benefits when a community agrees to fund matching benefits of an equal or greater amount.

**14.2(4) *Eligible loans.*** Eligible loans include subsidized and unsubsidized Stafford loans, Grad PLUS loans and consolidated loans. Only the outstanding portion of a Federal Consolidation Loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan, an eligible Direct Subsidized Loan, an eligible Direct Unsubsidized Loan, or an eligible Grad PLUS Loan qualifies for loan repayment.

**14.2(5) *Disbursement.*** The commission shall disburse the loan payment to the health care professional's loan holder in return for completion of the service requirements in an eligible rural community.

**14.2(6) *Restrictions.*** A health care professional who is in default on a Stafford loan, SLS loan, Grad PLUS loan, or a Perkins/National Direct/National Defense student loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for repayment benefits. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapter 5, Iowa Administrative Code.

**14.2(7) *Repayment.***

*a.* If loan repayment funds are applied prior to the health care professional's completion of the service requirement and the health care professional fails to complete the service requirement, repayment shall begin 30 days following termination of practice in an eligible rural community.

*b.* The commission shall prorate the award balance based on the months of service provided.

*c.* The health care professional shall repay the prorated balance of the loan repayment benefits and accrued interest at 12 percent per annum. Interest shall accrue on the unpaid principal balance of each loan from the effective date of the loan repayment agreement until the loan is paid in full.

*d.* The prorated balance owed by the health care professional must be paid in full within three years from the date the service ends.