Summary:

The Patient Protection and Affordable Act (ACA) contained a total of $1.5 billion in new, dedicated funding for the National Health Service Corps (NHSC) over five years starting in FY2011 to FY2015 to the National Health Service Corps Trust Fund. The National Health Service Corps Trust Fund is in addition to any discretionary funding appropriated annually.

The NHSC was established in 1972 within the Public Health Service Act to provide support to medical, mental, and dental health professionals in exchange for service in areas identified as experiencing a health professions shortage. The NHSC provides support to qualified medical professionals in the way of scholarships and loan repayment.

Scholarships – The NHSC scholarship pays tuition, required fees, and some other education costs, tax free, for as many as four years. Education costs may include books, clinical supplies, laboratory expenses, instruments, two sets of uniforms and travel for one clinical rotation. Recipients also receive a monthly living stipend ($1,289 in 2011-2012). The stipend is taxable. Next application cycle for the Scholarship Program for School Year 2014-2015 opens spring 2014. Interested applicants can sign up to be notified when the 2014 application becomes available at https://public.govdelivery.com/accounts/USHHSHRSA/subscriber/new?topic_id=USHHSHRSA_A_69

Loan Repayment – The NHSC recruits primary care medical, dental and behavioral and mental health clinicians who are dedicated to providing care to the Nation's underserved people. In return, they can reduce or eliminate their health professions student debt by providing care at a National Health Service Corps-approved site. The Full-Time Program starts with an initial award of $50,000 for 2 years of service, which is an increase from the $35,000 that was available prior to enactment of the ACA. A new Half-Time Pilot Project starts with an initial award of $50,000 for 4 years of service. Participants may apply to extend their service until their debt is paid.

2014 Student Loan Repayment Application Open Until November 14, 7:30 pm ET

The ACA permanently reauthorized the NHSC and resulted in the following changes.

- **Changes to Loan Repayment**: The ACA increases the annual maximum loan repayment amount, beginning in FY 2011, from $35,000 to $50,000 including possible additional inflationary increases starting in FY2012 and allows NHSC participants to count up to 50 percent of time spent teaching toward their full-time service obligation. The NHSC offers an initial award of up to $60,000 for two years of full-time service. After the initial two-year commitment, providers may be eligible to receive additional support in exchange for continued service; up to $170,000 for five years of service.

- **Teaching as Eligible Service**: Teaching can count for up to 20 percent of the NHSC clinical practice service obligation and teaching under the new “teaching health center
graduate medical education program” can count for up to 50 percent of the NHSC clinical practice service obligation.

- **Part-time Clinical Practice:** Corps members may satisfy their service obligation through part-time clinical practice (a minimum of 20 hours per week). The Corps member must enter into a written agreement to either double the period of obligated service or receive 50 percent of the full-time loan repayment amount.

**ACTION:** Eligible ACP members should apply, if interested, to the appropriate program(s) for funding. ACP chapters should make members aware of these programs.

**Resources:**

**Loan Repayment Program**

- Applying for Full Time Service Award: The application form and program guidance can be found at [http://nhsc.hrsa.gov/loanrepayment/fulltimeprogram/index.html](http://nhsc.hrsa.gov/loanrepayment/fulltimeprogram/index.html)

- Applying for Part-time (Half-time) Service Award: The application form and program guidance can be found at [http://www.nhsc.hrsa.gov/loanrepayment/halftimeprogram/index.html](http://www.nhsc.hrsa.gov/loanrepayment/halftimeprogram/index.html)

- Frequently Ask Questions such as information on the NHSC’s policy on converting from full-time to part-time status can be found at [http://nhsc.hrsa.gov/currentmembers/loanrepaymentrecipients/faqs/index.html](http://nhsc.hrsa.gov/currentmembers/loanrepaymentrecipients/faqs/index.html)

**Scholarship Program**

- NHSC Scholarship Program application process and program guidance can be found at [http://nhsc.hrsa.gov/scholarship/](http://nhsc.hrsa.gov/scholarship/)