

6. Participant Information and Requirements for Providers & Employers

This section contains information, requirements and procedures providers and employers will use once participating in the Michigan State Loan Repayment Program (MSLRP). Providers also will need to understand the content of this section in order to pass their telephone interviews once selected for the final phase of the application process.

Per their MSLRP agreements, providers and employers must read, understand, and comply with all requirements and procedures in this section. Participants should read this section before contacting the MSLRP Office regarding questions about the program. If questions remain after reading this and other relevant sections of the MSLRP website, they should contact Brittany Brookshire at BrookshireB1@michigan.gov or (517) 284-4986 or Ken Miller at MillerK3@michigan.gov or (517) 241-9946. Those not familiar with this material will be asked to complete their reading.

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1. Change of Personal Information Reporting Requirements

Name and Home Address Instructions: Providers must notify the MSLRP Office of name and home address changes and change their profiles on SIGMA Vendor Self Service (VSS) no less than 10 calendar days before they occur. Your name and home address must be the same at the MSLRP Office and on SIGMA VSS to receive MSLRP payments.

MSLRP Office: Providers must contact Brittany Brookshire at BrookshireB1@michigan.gov, or (517) 284-4986 to change their name and/or home address at the MSLRP Office.

SIGMA VSS: Providers must also change their name and/or home address on [SIGMA VSS](#).

Phone Numbers and Email Address Instructions: Providers must contact Brittany Brookshire at BrookshireB1@michigan.gov, or (517) 284-4986 to report phone number and email address changes to the MSLRP Office no more than 10 calendar days after they occur.

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2. Electronic Funds Transfer Registration on SIGMA Vendor Self Service (VSS)

All providers (vendors) selected for the final phase of the application process or already participating in the Michigan State Loan Repayment Program must immediately register for electronic funds transfer (EFT) on [SIGMA VSS](#). This will allow MSLRP payments to be electronically deposited into your personal checking or savings account.

3. Employer/Provider Relationship

Employer Responsibilities to Providers:

- Employers must employ providers throughout their MSLRP service obligations.

Employers applying to MSLRP are agreeing to employ the providers they sponsor throughout their service obligations to the program. Employers uncertain about continuing to employ providers should not sponsor them or sign their Revenue Agreements during the current application period. They should wait until issues with providers are resolved or sponsor other providers.

Employers who terminate their MSLRP participant's employment during their service obligations without *good cause* are in breach of their agreements and will receive a *Non-Compliance Assessment*. This means the sponsoring agency will not be eligible to participate in the next application period by sponsoring providers applying to the program for the first time as their employees. They will, however, be able to continue sponsoring those who are reapplying to the program as their employees.

- Loan repayment must not offset provider salaries.

The salaries of MSLRP participants must be based on prevailing rates for their disciplines and experience in their respective practice areas. Loan repayment is meant to be funds participants receive in addition to their normal salaries and benefits. Federal requirements do not allow MSLRP loan repayment agreements to be used as salary or benefit offsets. Providers who believe their salaries or benefits have been reduced because of loan repayment should discuss this with their employers and then, if necessary, with Ken Miller at (517) 241-9946.

Provider Responsibilities to Employers:

- Providers must complete service obligations with their original employers.

Providers applying to MSLRP are agreeing to stay with their employers during their two-year service obligations. Providers uncertain about remaining with their current employers during their entire two-year MSLRP service obligations should not apply

during the current application period. They should wait until issues with their current employers are resolved or start with other employers before applying. Once providers sign and return their Personal Service Agreements, they are committed to starting and completing their two-year service obligations with their current employers. Participant-initiated transfers to new employer practice sites with employment start dates other than the first day of their next MSLRP loan repayment agreements, if awarded, are breaches of their agreements.

Participants who initiate transfers to the practice sites of new employers with employment start dates other than the first day of their next loan repayment agreements will receive *Non-Compliance Assessments*. This means they will not be eligible to participate in the next application period during which they would normally apply for their next loan repayment agreements. Providers will not receive *Non-Compliance Assessments* when initiating transfers to new employer practice sites to complete current service obligations because their employment has been terminated by their original employers.

Participants who chose to leave their original employers or are terminated must complete their service obligation at the eligible practice sites of other employers. Participants who breach their loan repayment agreements by not completing their service obligations are subject to the default penalty described below under Service Obligation and Default Penalty.

4. Payment Process

It's important for participants to understand how and when they will be paid. Providers complete six months of their service obligations beginning with the October 1 start date of their MSLRP agreements and then initiate their first six-month payments. Providers initiate their six-month payment cycles each March 1 and September 1 during their participation in the program by submitting their properly dated *Work Verification Forms (WVFs)* to their employers. Providers must also submit their *Workdays Away from Practice Site (WDA)* forms to their employers with their final WVFs.

Providers receive their fully executed MSLRP agreements, WVFs, and Workdays Away Forms attached to emails announcing their fully executed MSLRP agreement packages. WVFs are dated with the year and month during which they must be submitted to employers. Again, providers must initiate the process for each of their MSLRP payments by providing their employers with the appropriate forms.

Providers must save the electronic version of their MSLRP Agreements, WVFs and Workdays Away Forms, print them, and keep the copies in a safe place because the MSLRP Office does not provide duplicates. Providers should also mark their calendars to remind themselves when their next WVF is due, because failing to submit WVFs on time will delay participants' payments until the next six-month payment cycle.

Employers have until the end of each March or September to do the following:

1. Complete, date, and sign semiannual WVFs to affirm each participating provider's completion of their preceding six-month service obligation by having been employed at least 40 hours per week.

2. Complete, date, and sign Workdays Away from Practice Sites Forms for providers' final WVFs to document whether they have exceeded the 35 workdays away limit during one or more agreement years.
3. Create **separate checks**, reflecting the employer contribution required, for each provider expected to receive an MSLRP payment.
4. Mail each provider's WVF, Workdays Away from Practice Sites Form, when required, along with a separate check for the semiannual employer contribution to the Michigan Department of Health and Human Services Cashier (not to the MSLRP Office) as described on the WVF.

Each WVF submitted by participants to their employers will include complete instructions on how to mail required forms and checks to:

Michigan Department of Health and Human
Services Cashier/Accounting Office
320 South Walnut, P.O. Box 30437
Lansing, MI 48913

Once MDHHS receives employer contributions, WVFs and Workdays Away Forms for final payments, it will credit participants with six months of completed service obligation and process their semiannual MSLRP payments.

Providers should receive their payments within eight weeks following the later of the:

1. End of the month during which their WVFs were due, or
2. Date their WVFs, employer contributions, and Workdays Away from Practice Sites Forms, when required, were received by the Department.

Providers who do not receive their payments within that eight-week period should contact Brittany Brookshire, MSLRP Coordinator at BrookshireB1@michigan.gov.
Special Requirement for Final Payment: Workdays Away from Practice

Sites Form

The Health Resources and Services Administration (HRSA), U.S. Department of Health and Human Services requires MSLRP participants to be away from their approved practice sites no more than 35 workdays per agreement year without making up days in excess of the limit at the end of their agreements. MSLRP agreement years begin each October 1 and end each September 30. The Workdays Away from Practice Sites Form is designed to ensure program compliance with this requirement.

Employer Requirements: Employers must complete, sign and date the Workdays Away from Practice Sites Forms forwarded to them by MSLRP participants along with their **final** Work Verification Forms (WVFs). Employers must:

- Count and record all workdays away during providers' first agreement year.
- Count and record all workdays away during the second year.
- Sign, date, and mail Workdays Away from Practice Sites Forms, along with final Work Verification Forms and their employer contributions, to the Michigan Department of Health and Human Services, Cashier/Accounting Office. Complete mailing instructions are included on each WVF.

Participants **will not receive their final payments** until their Workdays Away from Practice Site Forms are completed and submitted. Employers must complete the Workdays Away Forms. Providers may not complete their own Workdays Away Forms.

Counting Workdays Away: When counting workdays away from approved practice sites, employers should not include normal days off during each work week. For example, if a participant works five eight-hour days, Monday through Friday, employers should not count Saturdays or Sundays as workdays away from their practice sites. Similarly, if a participant works four ten-hour days, Monday through Thursday, then Fridays, Saturdays, and Sundays should not be counted. Employers must, however, count all other days that participants are away from their approved practice sites, including:

- Vacation days - For example, if a participant takes a two-week vacation during which they would have normally worked five days each week, employers would count their vacation as 10 workdays away from their practice site.
- Holidays
- Sick days
- Days taken off to care for family members
- Family leave days, including maternity leave days
- Workdays at ineligible practice sites
- Other days – This includes all reasons for workdays away from practice sites, including building closures for any reason, including severe weather.

Extended Leaves of Absence from Practice Sites: Employers must record the number of participants' workdays away from their practice sites during extended leaves of absence on their Workdays Away forms, which are submitted with their final Work Verification Forms. Providers and employers are not required to contact the MSLRP office prior to or during extended leaves of absence for certain reasons, including:

- Sick days
- Days taken off to care for family members
- Family leave days, including maternity leave

However, providers or employers must notify the MSLRP Office of extended leaves of absence for other reasons. Once employers submit Workdays Away forms for providers with extended leaves, along with their final Work Verification Forms, the MSLRP office will review them and determine the number of days in excess of the 35-workday limit per agreement year and the date on which final payments will be approved. As discussed below, excess days will be either:

- Added to current contracts to extend their end dates, or
- Transferred to providers' next loan repayment agreements.

Extending the End Date of Current Agreements: Excess days will be added to the original end dates of current loan repayment agreements of providers who have not been awarded new contracts. Upon review of their Workdays Away forms, providers will receive an email stating the:

- Number of excess days added to their original end dates.
- New end dates upon which their final payments will be approved.

Transferring Excess Days to Next Agreement: When excess workdays away from approved practice sites occur to participants in good standing with the program, they may be transferred into their next loan repayment agreements, if awarded. This allows

providers to participate in the program for up to four consecutive years before their extended agreement end dates make them ineligible for the following application period. However, the Department reserves the right to not award new loan repayment agreements or transfer excess workdays away into new agreements if the number and nature of those excess days, or other issues, cause concern about a participants' ability to complete an additional two-year service obligation. When excess workdays are transferred into a new agreement, a provider will receive an email stating that:

- Their final payment on their current contract has been approved.
- The number of excess days transferred to their new agreement.
- The number of excess days transferred will be added to any excess days incurred during the new agreement to determine the extended end date of their new agreement.
- The delay in eligibility to reapply for their next agreement, as discussed below.

Extending End Date of Second Consecutive Agreement Will Delay Reapplication

Eligibility: The extended end date of a second two-year consecutive agreement will be determined once the program receives the Workdays Away from Practice Site Form, along with the final WVF for the second two-year agreement. This will allow the program to determine the number of excess workdays incurred during the second agreement and add them to those transferred from the initial agreement to determine the end date of the second two-year agreement. Providers will be notified of their extended end dates once they have been determined.

When the end date of a participant's second two-year agreement is extended because of excess days transferred from their initial agreement, it will prevent them from reapplying for their third consecutive two-year agreement during the application period in which they would normally do so. This occurs because any days added to their second agreement will overlap with new agreements starting on October 1 following their normal September 30 agreement end date. As a result, providers will need to wait until the following application period to reapply.

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5. Requesting Approval for Practice Sites

Providers and employers initially request approval for practice sites on their application forms. Please note that the **applications of those who request approval of additional practice sites after submitting their applications but before October 1 following the application period, will be screened out.** Starting October 1 following the application period, providers and employers may request approval of additional sites at any time by emailing the MSLRP Office.

1. When applying, list practice sites on Provider Application, Part A and Practice Site Application:
 - Include sites at which providers are expected to complete their service obligations starting October 1. These include:
 - i. Practice sites at which providers are currently working and expected to work during their two-year service obligations starting October 1, and
 - ii. Practice sites at which providers are not currently working but are expected to work after their service obligations start on October 1.
 - iii. Applicants' estimated work hours at the start of their service obligation on October 1 must be entered for each of the listed sites.
 - The number of hours providers are expected to work at all sites must add up to at least 40 hours per week.

- The number of practice sites, site names, addresses and estimated work hours must be the same on both Provider Application, Part A and the Practice Site Application.
 - **Please Note:** See *HPSA-Find address and county documentation is required for all practice sites, below.*
2. After applying but before October 1 following the application period, approval of additional practice sites may not be requested.
- Provider or employer requests to approve additional practice sites during this period will cause the application to be screened out, requiring the provider to reapply during the following application period.
 - Please note: Providers completing MSLRP service obligations who have reapplied during the current application period may request approval of additional practice sites necessary to complete their current service obligations at any time.
3. Starting October 1 following the application period employers and providers may request approval of additional practice sites at any time.
- If the practice sites at which providers are expected to work starting October 1 change after submitting their applications, employers or providers must request approval of the new sites on or after October 1 following the application period.
 - To request approval of additional practice sites, send an email to the MSLRP Office which includes the:
 - i. Practice site name, it's
 - ii. Address, including 9-digit zip code, and the
 - iii. County in which it is located.
 - The MSLRP Office will review the request for HPSA eligibility and respond as soon as possible. Those who do not follow this process risk having their loan repayment agreements extended to recapture workdays spent away from their approved sites because they were working at non-HPSA eligible practice sites.
 - Transfers among a provider's CHC practice sites do not require prior approval.
4. **HPSA-Find address and county documentation is required for all practice sites.** Employers must submit HPSA-Find documentation for each practice site listed on their Practice Site Applications. Employers must include printouts of the documents found by searching the HPSA-Find website at <https://data.hrsa.gov/tools/shortage-area> by both:
- **Practice site address**, and by the
 - **County** in which their practice sites or Community Health Center administrative offices are located.
- HPSA-Find Practice Site Address Documentation Printouts:** Employers must:
- **Search** the website by practice site address.
 - **Print** a HPSA address document for each of their practice sites, even if the printout indicates the practice site is not in a geographical HPSA.
 - **Label** practice sites **PS#1 – PS#5** on the printouts, as they appear on their Practice Site Applications.

- **Include** the printouts in their application packages.
- HPSA-Find County Documentation Printouts:** Employers must:
 - **Search** the website **by each county in which their practice sites are located.**
 - **Print** a HPSA county document for each of their practice sites, even if the practice site is not listed on the printout.
 - i. **County data must be printed in the PDF format** offered on the website.
 - ii. All documents must show the dates they were printed.
 - iii. Only submit one HPSA county document for multiple practice sites in the same county.
 - iv. Community Health Centers must submit the HPSA county printout for the county in which their administrative offices reside, not for each of their practice sites.
 - **Highlight** their practice sites on their HPSA county printouts
 - **Label** practice sites **PS#1 – PS#5** on their printouts, as they appear on their Practice Site Applications.
 - **Make sure** practice site names that appear on their Practice Site Applications are exactly the same as those on their HPSA county printouts.
 - **Write the names** used on their Practice Site Applications on their HPSA county printouts when site names are different and draw an arrow to the correct practice sites.
 - **Include** the printouts in their application packages.

5. **Discounted/Sliding Fee schedule and Discount Fee Policy Required for All Practice Sites.** Employers must submit Sliding Fee Schedule (SFS) charts and policies that meet NHSC guidelines, unless their practice site types appear in the list of those exempt in the Practice Site Application Instructions.

- Applications submitted without NHSC compliant SFS charts and policies will not be accepted. There will be no opportunity to resubmit or change SFS charts and policies during the application period.
- NHSC SFS and Policy Guidelines can be found at <https://nhsc.hrsa.gov/downloads/discountfeeschedule.pdf>. General requirements can be found on page 3, with sliding fee schedule and policy examples following on subsequent pages. MSLRP will be screening SFS charts and policies for the following requirements.
 - SFS charts and policies must be based on the Federal Poverty Level guidelines for the same year as the application period or the previous year. SFS charts and policies based on outdated FPL guidelines will not be accepted.
 - Patients at or below 100% FPL must receive a 100% discount or be charged no more than a nominal flat fee not to exceed \$25. Employers may not require payment of a percentage of charges, such as 10%, because it may exceed the \$25 limit.
 - There must be adjusted fees (partial sliding fee discount) based on family size and income for individuals and families with incomes above 100% and at or below 200% FPL.
 - Employers must highlight the portions of their SFS charts and policies that explain patient discounts.
 - Patient discounts shown on SFS charts must be clearly labeled as discounts.

- If employers collect patient financial information, it cannot be used as part of an asset test to determine eligibility for services under their SFS policies.

6. Practice Site Transfers

Transfers to Practice Sites of Current Employers: MSLRP participants may transfer to practice sites already approved on their current loan repayment agreements. They do not need to request approval again from the MSLRP Office. Approval must be requested, however, for transfers to employer practice sites not included in loan repayment agreements. These requests may not be made before the start of the providers service obligation on October 1, following the application period. See the Requesting Approval for Practice Sites section for details.

- Provider and employer requests to approve additional practice after applying but before October 1 following the application period will cause the application to be screened out, requiring the provider to reapply during the next application period.

Provider Transfers Among their Community Health Center's Practice Sites: In recognition of the unique circumstances of Community Health Centers (CHCs), prior approval is not required for provider transfers among practice sites within the scope of their CHC. CHCs must meet rigorous federal requirements and receive Health Professional Shortage Area facility designations for primary medical, mental health and dental services. Because a CHC's facility HPSA designations extend to all practice sites within its scope, there is no need for MSLRP approval of a participant's transfers among their CHC's practice sites. This policy affects only CHCs. All other types of sponsoring agencies must continue to receive prior approval for transfers to practice sites not included on their loan repayment agreements.

Provider Transfers to Practice Sites of New Employers: Providers applying to MSLRP are agreeing to stay with their employers during their two-year service obligations. Participants who initiate transfers to the practice sites of new employers with employment start dates other than the first day of their next loan repayment agreements are in breach of their agreements and will receive a Non-Compliance Assessment. This means they will not be eligible to participate in the next application period during which they would normally apply for their next loan repayment agreements. Providers will not receive Non-Compliance Assessments when initiating transfers to new employer practice sites to complete current service obligations because their original employers have terminated their employment. Participants must follow the process described below when transferring to practice sites of new employers.

Transfer Process:

1. Providers should first ask potential new employers if their practice sites operate on a nonprofit or on a for-profit basis. Only nonprofit practice sites can be approved as eligible practice sites at which participants can complete their service obligations.
2. Providers must use the resources available on this website to make sure new practice sites are located in Health Professional Shortage Areas (HPSAs) or have HPSA facility designations for their disciplines, either primary medical, dental, or mental health. Providers do this by going to [Employment Search](#)

[Resources](#), clicking on the link for the HPSA-Find website and following directions to search for geographical and facility HPSA designations.

3. Once providers determine practice sites are HPSA eligible, they must ask their new employer to complete the Practice Site Application found in the [Application Forms and Process](#) section of this website and email it to Ken Miller at MillerK3@michigan.gov before transferring to the new practice sites. The MSLRP Office will review the form as quickly as possible and respond to the provider and the employer.
4. Once Practice Site Applications and transfers are approved, providers may move to their new practice sites. Providers may, however, want to consider the timing of their transfers to simplify negotiations regarding employer contributions with their current and new employer.

Providers are responsible for reaching an agreement with their current and new employers on which employer is going to pay what portion of the employer contribution required for their next MSLRP payment. The MSLRP Office strongly encourages participants to carefully plan transfers to become effective on the first day of their next six-month MSLRP payment cycle, either April 1 or October 1. Participants who plan transfers on these days will avoid complications regarding the portion of the of the next employer contribution that will be paid by each employer.

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7. Reapplying to MSLRP

Under current legislation, providers may participate in MSLRP for up to eight years and receive up to \$200,000 in loan repayment. Participants with sufficient educational debt may continue to compete for additional two-year loan repayment agreements during every other annual application period.

Participants will NOT receive reminders and are encouraged to mark their calendars to remind themselves when to reapply.

MSLRP loan repayment agreements require two-year service obligations and begin October 1 following each application period. Only participants' final agreements may be for one year if they have insufficient debt to support a minimum \$20,000 two-year agreement. Final one-year agreements may range from \$10,000 to \$19,000.

Required Forms: To reapply, providers must submit the updated versions of the forms they submitted when they applied for their initial agreements, including an updated:

1. Provider Application-Part A;
2. Provider Application-Part B; and the
3. Practice Site Application, completed by the employer, including all required attachments.

Providers should follow the instructions found on this website under [Application Periods, Forms and Process](#). Because those reapplying must meet all current requirements, they are urged to read the entire updated website, including the MSLRP

Application Period Update, the Common Mistakes sections under Application Periods, Forms and Process, as well as instructions for all updated application forms.

Loan Repayment Documentation (LRD): Those reapplying must also provide Loan Repayment Documentation (LRD) as part of their application package to show they have paid down loans listed on their Provider, Part B forms by an amount at least equal to that described under Required Amount of LRD below. Applicants, who have never received MSLRP payments are not required to submit loan repayment documentation.

Providers who have not met their LRD requirements should not reapply to MSLRP until after their LRD requirements have been met. When reapplying for MSLRP, those not meeting their LRD requirements will be notified that they have been screened out of the current application period and will be encouraged to reapply during a future application period once their LRD requirements have been met. Due to increased application volume, providers are no longer able to submit additional documentation to meet their LRD requirements during the same application period.

PLEASE NOTE: The Provider Application, Part B form is designed to collect information on current eligible loan balances and on providers' repayment of those loans while participating in MSLRP. Current participants reapplying to the program, as well as those who have participated in the past, are required to submit Loan Repayment Documentation (LRD) to show they have paid down the loans included on their Part B forms by an amount at least equal to that described under Required Amount of LRD below. Those reapplying should check the Total Borrower Repayments column of the Part B forms returned to them by their loan servicers to make sure the information provided meets their LRD requirements. The amount of LRD must add up to the required amount, as described below under Required Amount of LRD, or the application will be screened out. Additional LRD requirements:

- On loans for which loan servicers do not provide LRD on applicants' Part B forms, applicants must provide LRD by printing their loan repayment histories from loan servicers' websites.
- Applicants must only provide LRD in the form of printed histories on loans for which their loan servicers do not provide LRD or provide insufficient LRD on their Part B forms.

Required Amount of LRD: Applicants must provide documentation of all payments made on their loans beginning with the start date of the loan repayment agreement indicated below up to the time they reapply to the program. Their LRD total must equal or exceed the sum of all MSLRP payments received since that agreement start date. Applicants should first determine their MSLRP status, then follow the instructions for their status type.

1. You are applying for your first MSLRP loan repayment agreement.

- You have never received MSLRP Payments.
- You may have applied in the past but were not awarded a loan repayment agreement.

Instructions:

- If you have never received MSLRP payments, you are not required to submit loan repayment documentation (LRD).

2. Your current agreement started 10/1/18 and you are now reapplying for your second agreement that will start on 10/1/20.
 - Your first agreement started 10/1/18 and continues through 9/30/20.
 - You will receive at least one additional payment under that agreement.
 - You are applying for your second loan repayment agreement that will start 10/1/20, if awarded.

Instructions:

- You must provide LRD from the 10/1/18 start date of your current agreement to the most recent payments you have made on your loans.
- Your LRD must show that you have paid down the loans listed on your Provider Application, Part B forms by an amount at least equal to the MSLRP payments you have received from the start date of that agreement up to the date you reapplied.

3. Neither status type number 1 nor 2 above describes your MSLRP status.

- You have been awarded a loan repayment agreement and have received MSLRP Payments.
- You have completed at least one loan repayment agreement.
- If you have a current agreement that started 10/1/18 and ends 9/30/20, this is not the first loan repayment agreement under which you've received MSLRP payments.

Instructions:

- You must provide LRD from the start date of your most recently-completed agreement to the most recent payments you have made on your loans.
- Your LRD must show that you have paid down the loans listed on your Provider Application, Part B forms by an amount at least equal to the MSLRP payments you have received by the date you reapplied.

LRD must show that participants have paid down the loans listed on their Provider Application Part B forms by an amount at least equal to that described under Required Amount of LRD above. When loan servicers do not provide LRD or provide insufficient LRD on applicants' Part B forms, applicants must provide LRD by printing their loan repayment histories from loan servicers' websites. When required to be printed from the loan servicer's website, LRD must include:

- Printouts from each lender's website showing their payment history, beginning with the start date determined under Required Amounts of LRD, above, up to and including their most recent payment. Information for each payment made by providers must include: Payment Date, Payment Amount and Remaining Balance.
- Subtotals written on the top of first page of each lender's payment history to show the provider has totaled the payments made to that lender.

- Calculator tapes totaling all of the payments for each of the above subtotals
- Brief explanations of payments which would otherwise be confusing.

Providers who have not met their LRD requirement should not reapply to MSLRP.

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8. Service Obligation and Default Penalty

Service Obligation: Providers awarded MSLRP agreements enter into service obligations that correspond to the start and end dates of their loan repayment agreements. MSLRP service obligations are legal responsibilities that should be taken seriously. Applicants should carefully read their MSLRP agreements before signing them and understand that participants who fail to start or complete their service obligations face significant default penalties. Once a participant signs and returns their MSLRP loan repayment agreement, their two-year service obligation goes into effect as of October 1 following the application period and must be completed.

Providers must complete their service obligations even if they are no longer working for the same employer at their originally approved practice sites. This means participants no longer working for their original employers will need to find new employers with HPSA-eligible practice sites at which to complete the remainder of their service obligations. New employers must also be willing to make the required employer contributions remaining on participants' agreements. Applicants with concerns about their current employment situations should not apply or sign MSLRP loan repayment agreements. This is especially true for those who believe they might have to move to find another eligible practice site at which to complete their service obligations.

Providers should read the entire Practice Site Transfers section, above, to understand the implications of transfers they may be considering.

Default Penalty: Severe federal penalties, mandated by the Health Resource and Services Administration (HRSA), will be imposed on healthcare providers who default on MSLRP agreements. Participants who chose to leave their original employers, or are terminated, must complete their service obligation at another eligible practice site. Participants who default on their loan repayment agreements by not completing their service obligations are subject to the default penalty described below.

Upon default of the MSLRP agreement by not completing their service obligation in addition to forfeiting the right to any future MSLRP payments, they will owe the Department an amount equal to the sum of the following:

1. The total of the amounts paid by the Department to the participant for loan repayment for any period of obligated service not served; and,
2. An amount equal to the number of months of obligated service not completed, multiplied by \$7,500; and,
3. Interest on the amounts described above at the maximum legal prevailing rate as determined by the Michigan Department of Treasury, except that:
4. The amount the Department is entitled to recover shall not be less than \$31,000.

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9. Non-Compliance Assessments

Employer Non-Compliance Assessments: When employers receive a Non-Compliance Assessment, their sponsoring agencies will be ineligible to participate in the next MSLRP application period by sponsoring providers applying to the program for the first time as their employees. They will, however, be able to continue sponsoring employees who are reapplying to the program as their employees.

- Reason Assessed: Terminating an MSLRP participant's employment before the end date of their loan repayment agreement, as amended, without good cause. Employers applying for MSLRP are agreeing to employ the providers they sponsor throughout their service obligations to the program. Employers uncertain about continuing to employ providers should not sponsor them or sign and return their Revenue Arguments during the current application period. They should wait until issues with providers are resolved or sponsor other providers.

Provider Non-Compliance Assessments: Providers who receive Non-Compliance Assessments are ineligible to participate in the application period during which they would normally reapply for their next loan repayment agreements.

- Reason Assessed: Initiating transfers to the practice sites of new employers with employment start dates other than the first day of their next loan repayment agreements. Providers applying for MSLRP are agreeing to stay with their employers during their two-year service obligations, as amended. Providers uncertain about remaining with their current employers should not apply for loan repayment or sign and return their Personal Services Agreements during the current application period. They should wait until issues with their current employers are resolved or start with other employers before applying. However, providers will not receive Non-Compliance Assessments when initiating transfers to new employer practice sites to complete current service obligations because their original employers have terminated their employment.

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