

## **HEALTH CARE PROFESSIONS LOAN/SCHOLARSHIP PROGRAM ELIGIBILITY REQUIREMENTS**

These Rules and Regulations are subject to change by the Board of Trustees of State Institutions of Higher Learning (hereinafter referred to as the "Board"). The number of awards and recipients are dependent upon availability of funds and selection shall be based on a first-come, first-served basis of all eligible applicants; however, priority consideration shall be given to persons previously receiving awards under the Health Care Professions Loan/Scholarship Program. Completed applications and all required documents received on or before March 31 each year, will be given first consideration in the award process.

### **I. ELIGIBILITY**

- A. Must be a current legal resident of Mississippi. Applicants over twenty-one years of age who are actually domiciled out of the State of Mississippi may not claim the residency of their parent or parents unless they have been living out of the State of Mississippi for the previous twelve months to attend school or fulfill military obligations. Questions of residency will be decided by the Board.
- B. Must either be enrolled full time as a junior or senior in an accredited training program of critical need in Mississippi, which includes approved programs of study in speech pathology, psychology, or must be enrolled full time as a graduate student in physical therapy or occupational therapy at the University of Mississippi Medical Center. All undergraduate recipients must maintain a 2.5/4.0 or higher grade point average each semester/trimester in order to continue to receive funds under the renewal process. All graduate recipients must maintain a 3.0/4.0 or higher grade point average each semester/trimester in order to continue to receive funds under the renewal process.
- C. Dependent on availability of funds, selection shall be based on a first-come, first-served basis of all eligible applicants; however, priority consideration shall be given to persons previously receiving awards under the Health Care Professions Loan/Scholarship Program.
- D. Must enter into a Contract with the Board pursuant to these Rules and Regulations and all applicable state law.
- E. Must not presently or previously be in default on an educational loan.

### **II. REQUIREMENTS FOR LOAN/SCHOLARSHIP APPLICANT**

Along with the application, the following documents must be submitted:

- A. Official academic transcript from the school/college/university last attended. The transcript must report grades from all schools/colleges/universities attended. If the transcript does not report grades from all schools/colleges/universities attended, then individual transcripts must be submitted.
- B. Proof of current Mississippi residency. Proof may be any two of the following, photo copies of current Mississippi valid driver's license, pages one (1) and two (2) of the State of Mississippi Tax Return for the current tax filing year, or the electronic results from filing the Free Application for Federal Student Aid.
- C. An official letter of acceptance from the chosen educational institution, showing date admitted and entering classification or an enrollment verification letter from the registrar at the school applicant is enrolled, showing major and classification.
- D. One executed, dated and notarized copy of the Contract.
- E. One executed copy of the Rules and Regulations.

### **III. AMOUNT AND LENGTH OF LOAN/SCHOLARSHIP**

- A. The Loan/Scholarship may be made in any amount not to exceed three thousand (\$3,000.00) to any undergraduate recipient, not to exceed two years. The Loan/Scholarship may be made in any amount not to exceed six thousand (\$6,000.00) to any graduate recipient enrolled in physical therapy, not to exceed two years, or in any amount not to

exceed three thousand dollars (3,000.00) to any graduate recipient enrolled in occupational therapy, not to exceed one year.

- B. The Loan/Scholarship is paid in installments not to exceed fifteen hundred dollars (\$1,500.00) per annum to an undergraduate recipient enrolled in psychology or speech pathology, three thousand dollars (3,000) per annum to a graduate recipient enrolled in physical therapy or occupational therapy.
- C. Checks shall be made payable to the school and mailed directly to the school.

#### **IV. RECIPIENTS IN SCHOOL**

- A. Recipient must maintain good standing in the chosen educational institution at all times.
- B. All undergraduate recipients must maintain a 2.5/4.0 or higher grade point average each semester/trimester in order to continue to receive funds under the renewal process.
- C. All graduate recipients must maintain a 3.0/4.0 or higher grade point average each semester/trimester in order to continue to receive funds under the renewal process.
- D. Should a recipient fail, withdraw, or have to repeat any course, he/she is suspended from participation in the program and his/her awards are stopped until such time as the proper official at his/her institution informs the Board that he/she is ready to advance.
- E. Recipient must at all times keep the Student Financial Aid Office informed of any change of address and phone number. Recipient will furnish a correct, complete home address and telephone number, and will immediately inform this office of any change of address or phone number.

#### **V. MILITARY SERVICE**

In terms of military service the following definitions shall apply:

**REQUIRED** military service is that service which is required of an individual in the service of the Armed Forces of the United States; it does not include a military service obligation incurred to repay a grant, stipend or scholarship granted the individual prior to, during, or after the award of the Health Care Professions Loan/Scholarship.

**OBLIGATED** or **VOLUNTARY** military service is that service which is performed by the individual in repayment of a debt owed the United States government as a result of military scholarships, ROTC scholarships, etc. received by the individual. Service is **VOLUNTARY** if the individual is not obligated to incur a period of military service, but chooses to incur the service obligation.

- A. Loans/Scholarships shall be eligible for deferment of the accrual of interest and the repayment of principal during the time of required military service:
  - 1. In the event of **REQUIRED** military service, the recipient must apply in writing to the Board for a leave of absence, stating beginning and ending dates.
  - 2. Recipient must supply the Board with a copy of military orders.
  - 3. Deferment of the obligation to repay due to military service must be requested and approved by the Board on a year-to-year basis (annually).
  - 4. Immediately upon completion of **REQUIRED** military service, recipient must elect among the options for repayment or service repayment and notify the Board of such election.
  - 5. If a recipient continues **REQUIRED** military service for any reason beyond the required time, then that person shall be declared ineligible for deferment and the remaining unpaid principal and interest due and payable shall become due and payable on demand to the Board in consecutive monthly installments as determined by the Board with interest calculated at the current Federal Stafford Loan rate at the time of the breach of the Contract.

- B. If a recipient obligates himself/herself to VOLUNTARY military service prior to, during, or after the award of the Health Care Professions Loan/Scholarship, then that person shall be declared ineligible for deferment and the remaining unpaid principal and interest due and payable shall become due and payable on demand to the Board in consecutive monthly installments, as determined by the Board, with interest calculated at the current Federal Stafford Loan rate at the time of the breach of the Contract.

## **VI. SERVICE OPTION**

- A. When education is completed, a recipient is required to commence full time employment at a state health institution until contractual obligations have been totally fulfilled, except in the instance of Board approved **REQUIRED** military service.
- B. Within sixty (60) days prior to completion of health education, the recipient will furnish to the Board the proposed site of employment with a state health institution within the State of Mississippi and expected date to begin employment. It is fully understood that it is the responsibility of the loan/scholarship recipient to seek and secure an approved institution for his/her proposed employment. The Board assumes no obligation to perform that function.
- C. If the approved state health institution proves to be unsatisfactory, the recipient may request change of state health institution approval from the Board. **NO CHANGE IS TO BE MADE PRIOR TO BOARD APPROVAL.**
- D. Loans/Scholarships made to recipients shall be made and based upon the following options for repayment or conversion to interest-free scholarships (**REQUIRED military service excepted**):
1. In lieu of payment in full of both principal and interest, a loan/scholarship recipient may elect to repay by entry into full-time<sup>1</sup> public health work immediately upon completion of education at a state health institution<sup>2</sup>. Repayment under this option shall convert loan to scholarship, and discharge the same, on the basis of one (1) year's service for one (1) year's loan amount, or the appropriate proportion of the total outstanding balance of principal and interest, all as shall be established by rule and regulation of the Board. If at any time prior to the repayment in full of the total obligation the recipient abandons or abrogates repayment by this option, the provisions of Section 2 shall apply:
  2. In the event of abandonment or abrogation of the options for repayment as provided for in Section 1, the remaining balance of unpaid or undischarged principal and interest shall become due and payable over the remaining period of time made in thirty-six (36) or less equal consecutive monthly installments, as determined by the Board, commencing one (1) month after graduation, or termination of attendance as a full-time student or termination of full-time employment or termination of other deferment.
- E. Loans shall either be converted to whole or partial scholarships in accordance with this subsection and the provisions of Section VII, below.
- F. If a recipient chooses an ineligible institution in which to work as a health care professional, then that person shall be declared in breach of Contract and the remaining unpaid principal and interest due and payable shall become due and payable on demand to the Board in consecutive monthly installments, as determined by the Board, with interest calculated at the current Federal Stafford Loan rate at the time of the breach of the Contract.
- G. If a recipient chooses an ineligible field in which to work as a health care professional, then that person shall be declared in breach of Contract and the remaining unpaid principal and interest due and payable shall become due and payable on demand to the Board in consecutive monthly installments, as determined by the Board, with interest calculated at the current Federal Stafford Loan rate at the time of the breach of the Contract.

## **VII. LOAN OPTION**

- A. Recipient is allowed to repay his/her loan (principal and interest thereon) in thirty-six (36) or less equal consecutive

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<sup>1</sup> Full time as used in paragraph 1 is understood by the parties to mean that the health care professional shall maintain the normal full-time work schedule of the agency where the health care professional is employed.

<sup>2</sup> "State health institution" shall mean any of the following: Mississippi State Hospital, Ellisville State School, East Mississippi State Hospital, Mississippi Children's Rehabilitation Center, North Mississippi Regional Center, Hudspeth Regional Center, South Mississippi Regional Center, University of Mississippi Hospital, the Boswell Regional Center, the State Board of Health, the Department of Mental Health and health care facilities under the Department of Corrections.

monthly installments, commencing one (1) month after graduation or termination of attendance as a full-time student or termination of full-time employment or termination of other deferment.

- B. The rate of interest charged a loan recipient on the unpaid balance shall be at the current Federal Stafford Loan rate at the time of the breach of the Contract, commencing one (1) month after graduation or termination of attendance as a full-time student or termination of full-time employment or termination of other deferment.
- C. If the recipient fails to repay his/her loan (principal and interest thereon) in thirty-six (36) or less equal consecutive monthly installments, commencing one (1) month after graduation or termination of attendance as a full-time student or termination of full-time employment or termination of other deferment, all principal and interest outstanding, together with costs of collection shall become immediately due and payable and demand shall be made by mailing the same to the obligor at the last address furnished by said obligor. Should payment of the sum due not be made in full within thirty (30) days, on the 30th day following the date demand was made, the Contracts and Notes executed by the obligor shall be placed with an attorney for collection. At this point the obligor shall become liable for reasonable attorneys' fees and court costs, in addition to the other sums due and owing.

## **VIII. DEATH/TOTAL AND PERMANENT DISABILITY/BANKRUPTCY**

### **A. Death**

- 1. If an individual recipient dies and that recipient has elected to repay by service as specified in Section VI, (D), in Sections 1 and 2, then the recipient's obligation to make any further payments of principal and interest on the loan is canceled.
- 2. The Board may determine that such a recipient has died on the basis of a death certificate or other proof of death that is acceptable under applicable State law. If a death certificate or other acceptable proof of death is not available, the recipient's obligation on the loan is canceled only upon a determination by the Board on the basis of other evidence that the Board finds conclusive.
- 3. Once the Board has determined that such a recipient has died, the Board may not attempt to collect on the loan from the recipient's estate.

### **B. Total and Permanent Disability**

- 1. If the Board determines that an individual recipient is totally and permanently disabled, the recipient's obligation to make any further payments of principal and interest on the loan is canceled. A recipient is not considered totally and permanently disabled on the basis of a condition that existed before he/she applied for the loan, unless the recipient's condition has substantially deteriorated since he/she submitted the loan application, so as to render the recipient totally and permanently disabled.
- 2. After being notified by the recipient or the recipient's representative that the recipient claims to be totally and permanently disabled, the Board shall promptly request that the recipient or the recipient's representative obtain a certification from a physician who is a doctor of medicine or osteopathy and legally authorized to practice, on a form provided or approved by the Board, that the recipient is totally and permanently disabled. The Board shall continue collection until it receives the certification or receives a letter from a physician stating that the certification has been requested and that additional time is needed to determine if the recipient is totally and permanently disabled. After receiving the physician's certification or letter, the Board may not attempt to collect from the recipient.
- 3. If the Board determines that a loan owed by a recipient who claims to be totally and permanently disabled is not eligible for cancellation for that reason, or if the Board has not received the physician's certification, described in paragraph [B](2) of this section, within 60 days of the receipt of the physician's letter described in paragraph [B](2) of this section, the Board shall resume collection and shall be deemed to have exercised forbearance of payment of both principal and interest from the date the Board received the physician's letter described in paragraph [B](2) of this section.

### **C. Bankruptcy**

Loans made pursuant to the Health Care Professions Loan/Scholarship program are nondischargeable in bankruptcy.

**IX. WARRANTY**

The acceptance of the Health Care Professions Loan/Scholarship shall be deemed equivalent to an appointment by each recipient of the Secretary of State of the State of Mississippi to be his/her true and lawful attorney, upon whom may be served all lawful processes and summons in any action or proceeding against him/her in the event he/she removes himself/herself from this State and the processes of its courts, and growing out of any breach of Contract by the recipient for failure to fulfill his/her contract with the Board or to repay the Health Care Professions Loan/Scholarship including interest pursuant to the law and contract, and said acceptance of the loan rights and privileges shall be a signification of the applicant's agreement that any such process or summons against him/her which is so served upon the Secretary of State, shall be of the same legal force and validity as if served on him/her personally. The venue of all causes of action against such nonresidents shall be Hinds County, Mississippi.