

*****Michigan SLRP Opportunity Update*****
FY16 Application Period
11/17/2014

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Program Purpose:

The Michigan State Loan Repayment Program (MSLRP) assists employers in the recruitment and retention of medical, dental, and mental healthcare providers who continue to demonstrate their commitment to building long-term primary care practices in underserved communities designated as Health Professional Shortage Areas (HPSAs). MSLRP will assist those selected by providing up to \$200,000 in tax-free funds to repay their educational debt over a period of up to eight years. Participants will enter into consecutive two-year MSLRP service obligations requiring them to remain employed for a minimum of 40 hours per week for no less than 45 weeks per year at eligible nonprofit practice sites providing primary healthcare services to ambulatory populations.

1. New Application Period: January 1, 2015 to April 30, 2015:

The FY16 application period will begin on **January 1, 2015** and continue **through April 30, 2015**. To participate in this application period, a complete single-submission application package must be submitted **with a postmark no earlier than January 1 and no later than April 30, 2015**. The program is required to return applications that do not meet this requirement. New application forms will be available starting in November 2014 on the MSLRP Website at: www.michigan.gov/mslrp under 'MSLRP Application Forms'. You must use the new forms to apply. Briefly, providers must complete Provider Application Part A and Part B, and employers must complete the Practice Site Application and Declaration of Intent. **All application forms must be submitted together in a single envelope.**

Loan repayment agreements for successful applicants will begin on October 1, 2015 and continue through September 30, 2017. The employer contribution requirement for nonprofit employers is expected to remain at 20 percent of their providers' loan repayment contracts. For-profit employers placing providers in nonprofit practice sites, such as state prisons, will continue to contribute 50 percent.

***Please Note: Federal requirements do not allow MSLRP contracts to be used as a salary offset. Salaries for health professionals participating in MSLRP must be based on prevailing rates in their practice areas.**

2. Selection Preference for Prompt Submission of Complete Applications:

As an incentive for early submission, the program will batch complete applications received during each month for review and ranking for awarding provider loan repayment agreements. This means that eligible providers submitting complete applications during each application month will receive selection preference for loan repayment agreements over those submitting applications during subsequent months of the application period. This process will continue until all program funds are obligated. For example, providers who submit

complete and legible applications postmarked on or after January 1, 2015, but no later than January 31, 2015 will receive preference over providers who submit applications during February, March or April. Complete applications postmarked April 1 through April 30 will be awarded on a first-come, first-served basis. The program will not preview applications for completeness before they are submitted.

Although this opportunity extends to all eligible applicants, it should be of special interest to those otherwise less likely to receive loan repayment agreements. This includes those who have applied before and have not been awarded, particularly those working at non-priority practice sites. Providers interested in taking advantage of this opportunity should begin preparation of their application forms well before the January 1 application period start date. This applies especially to Provider Application Part B forms, which take the longest to complete. Applications **postmarked** before January 1 will be returned.

Under this new policy, the ability of providers and their employers to promptly submit complete and legible single-submission application packages will become an increasingly important basis upon which applicants will compete for MSLRP loan repayment agreements. Incomplete applications will not be included in the monthly batch of applications for review and selection indicated by their postmarks, but will be deferred to a future monthly batch after the applicant has met all requirements. Applications must meet all requirements described in this update, the MSLRP website and on individual application forms. In addition, providers and employers should use the list of 'Common Reasons Applications are Incomplete' found on the MSLRP website under 'Application Forms and Process' as a check list to review their application packages before **mailing** them to the MSLRP Office.

3. Participation Increases to Eight Years with Total Loan Repayment up to \$200,000:

The Michigan Legislature recently passed legislation and appropriated additional funds that allow MSLRP policy changes beneficial to participants, their employers, and to the communities they serve. Providers will now be able to participate for up to eight years and receive up to \$200,000 in loan repayment assistance.

Length and Amount of MSLRP Agreements:

MSLRP loan repayment agreements require two-year service obligations, which will begin October 1 following each application period. Applicants must have eligible debt sufficient to warrant an initial two-year, \$15,000 loan repayment agreement to participate. Providers and employers must discuss agreement amounts before applying, because employers are required to make contributions to their provider's agreements.

Providers and employers are encouraged to apply for a **two-year loan repayment amount** that addresses their mutual needs within the following guidelines.

- **Mid-level provider** two-year agreements (physician assistants, nurse practitioners, etc.) must range from \$30,000 up to a maximum of \$50,000; unless a provider's educational debt only supports a lower amount.
- **Primary provider** two-year agreements (physicians, dentists, etc.) must be for \$50,000; unless a provider's educational debt only supports a lower amount.
- **Northern Obstetric service provider** two-year agreements must range from \$50,000 to \$70,000; unless their debt supports only a lower amount.
- **In no case**, for any provider type, can the amount of a two-year agreement be less than \$15,000, and all initial agreements must be for two years.

Reapplying to MSLRP:

Participants will compete for each subsequent two-year loan repayment agreement during every other January through April application period. A participant's final agreement may be for one year if there is insufficient debt remaining to support a minimum \$15,000 two-year contract. When reapplying, applicants must provide Loan Repayment Documentation (LRD) to show they have paid down the loans listed on their Provider Application Part B form by an amount at least equal to the amount they have received from MSLRP. For details on LRD, go to the MSLRP website at http://www.michigan.gov/mdch/0,1607,7-132-2945_40012---.00.html and click on 'Information for Current MSLRP Participants'.

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

4. Providers Who've Completed Four Years of MSLRP Participation May Now Reapply

Because providers may now participate in MSLRP for up to eight years, the program encourages those who have already participated for four years, are currently working at eligible practice sites, and have remaining educational debt to apply for additional loan repayment assistance. Providers who have already participated for four years can calculate the approximate amount they could receive in additional loan repayment by determining the lesser of:

- \$200,000 maximum total MSLRP payments, minus the total amount of MSLRP payments received during four years of participation,
- Remaining educational debt, or
- \$100,000 (\$25,000 maximum annual agreement amount times four [4] additional years)

5. Program Requirements and Selection Criteria; Northern OB Providers Remain Priority

Like the National Health Service Corps Loan Repayment Program (NHSC LRP), MSLRP requires participants to be U.S. citizens and to work at HPSA-eligible practice sites providing primary care to an ambulatory population. Unlike the NHSC LRP, MSLRP doesn't consider HPSA scores when awarding loan repayment contracts. Instead, MSLRP's selection criteria give preference to priority providers and practice site types. While obstetric service providers working in northern Michigan will receive top priority, all medical, dental, and mental health primary care providers listed on the MSLRP website are eligible for loan repayment.

Providers receiving preference in the selection process will include:

- **Obstetric Service Providers** (top priority)

Obstetric service providers working in the northern Lower Peninsula and the Upper Peninsula will continue to be the program's top priority for loan repayment. This includes providers working in, or north of Mason, Lake, Osceola, Clare, Gladwin, and Arenac Counties. Annual agreement limits for these providers will remain at \$35,000. To be considered a top priority for this application period, graduating students and obstetric service providers not yet working in this area must enter into employment agreements to begin work no later than October 1, 2015.

Obstetrics is the branch of medicine that deals with the care of women during pregnancy and during and following childbirth. This includes OB/GYN physicians and certified nurse midwives (CNMs), as well as family medicine physicians, nurse practitioners (NPs), and physician assistants (PAs) who provide obstetric services on a regular basis at both hospital and non-hospital-based clinics. Clinicians who provide prenatal care, but do not perform deliveries, may also receive priority status. Employers may request obstetric service provider priority status for a provider's MSLRP application by checking 'Obstetric Provider Priority Status' on their Practice Site Application and submitting an Obstetric Provider Priority Request form with their application package. Employers will find the Obstetric Provider Priority Request form on the MSLRP Website under 'SLRP Application Forms'. The form requests employers to describe their geographical service area, any unmet need for obstetric services, and their plans to address any unmet obstetric service needs.

- **Psychiatrists**
- **M-SEARCH Participants**

Primary care providers, who have completed an M-SEARCH clinical rotation, including a Community Project in an underserved area, will receive preference in the selection process.

Practice sites receiving preference in the selection process will include:

- **Local Health Departments**
- **State-funded Institutions**
 - State Psychiatric Hospitals
 - Forensic Medicine Centers

- CMH Agencies
- State Correctional Facilities
- State-funded Primary Care Clinics
- **Federally Qualified Health Centers (FQHCs) and FQHC Look-Alikes**
- **Critical Access Hospital (CAH) - Administered Primary Care Clinics**
- **Certified Rural Health Clinics (CRHCs) Designated as Facility HPSAs**
- **Michigan Community Dental Clinics**

Applicants who are either priority providers or work at priority practice sites will be considered single-priority applicants, while priority providers working at priority practice sites will be considered double-priority applicants. Double-priority applicants will receive preference over single-priority applicants, and single-priority applicants will receive preference over applicants not receiving preference for either their provider or practice site type.

The MSLRP Office assigns a randomly-generated lottery number to each application it receives. These lottery numbers are used to determine the order of awards for providers within each priority category. For example, once ‘top priority’ providers have been awarded loan repayment agreements, the double-priority applicant with the lowest lottery number will be given the opportunity to begin the contracting process. Then, each double-priority applicant with the next lowest lottery number will be contacted regarding a loan repayment agreement. Once all double-priority applicants have been contacted, the process will continue with single-priority applicants and then with non-priority applicants until all program funds are awarded.

6. MSLRP Continues to Encourage Employers to Use Provider Retention Plans:

MSLRP and its partners continue to encourage practice sites to use provider retention plans. The approval of retention plans has not, however, proven to be an effective method of differentiating among applicants, because all providers at priority practice sites were awarded. The Department will not use approved retention plans as part of its selection criteria for the 2015 application period, but may reconsider the policy as application volume increases.

Employers who wish to implement provider retention plans to reduce employee turnover are encouraged to order the Provider Retention Planning Tool Kit from the Michigan Center for Rural Health by emailing **Steve Shotwell** at Steve.Shotwell@hc.msu.edu. Employers may also work with the following consultants to customize the Provider Retention Planning Tool Kit for their individual practice sites.

For Assistance Contact the Person Listed Below for Your Practice Site Type	
Rural Health Clinics and Critical Access Hospital-affiliated Primary Care Clinics	Steve Shotwell , Michigan Center for Rural Health: Steve.Shotwell@hc.msu.edu or (517) 355-7758.
Community Health Centers and FQHC Look-Alikes	Ryan Grinnell , Michigan Primary Care Association: rgrinnell@mpca.net or (517) 827-0884.
All Other Not-for Profit Practice Sites: Located in a HPSA, Providing Primary Medical, Dental, or Mental Health Care to an Ambulatory Population	Leon Hudson Michigan Area Health Education Center (M-AHEC): lehudson@med.wayne.edu or (313) 577-5190

7. Providers also Applying to the National Health Services Corps:

Federal guidelines require program funds to be obligated soon after the application period ends on April 30, 2015. This means that providers and employers must be ready to either **accept** or **decline** an MSLRP loan repayment agreement when first contacted by the program. This includes applicants waiting for notification from the NHSC as to whether or not they will be awarded a loan repayment contract. Employers and providers with NHSC applications pending must discuss whether they will accept an MSLRP agreement before they receive their first call from MSLRP to initiate the contracting process. **Once the MSLRP**

contracting process begins, applications of those not ready to contract will be withdrawn, and they will be invited to reapply during the following program year.

Additional MSLRP Information:

You will find additional information regarding MSLRP eligibility requirements and application forms on the MSLRP Website at: www.michigan.gov/mslrp.

If you have further questions about the program, please **call or email Ken Miller at (517) 241-9946 or millerk3@michigan.gov**.