

OVERVIEW

Loan Repayment Programs

Loan repayment programs are authorized by the Texas Legislature to provide financial assistance to individuals who provide a specific service in professions that the State determines are critically needed. Administration of programs based on the "payment-after-service" model is more efficient, effective, and less costly than programs that disburse state funds in exchange for a promise to provide future service.

The Texas Higher Education Coordinating Board administers eight loan repayment programs. Repayment awards are paid annually upon completion of the required service, contingent upon availability of funds. The eight loan repayment programs are:

- ✓ Border County Doctoral Faculty Education Loan Repayment Program
- ✓ Children's Medicaid Loan Repayment Program
- ✓ Dental Education Loan Repayment Program
- ✓ Doctoral Incentive Loan Repayment Program
- ✓ Educational Loan Repayment Program for Attorneys Employed by the Office of the Attorney General
- ✓ John R. Justice Student Loan Repayment Program
- ✓ Physician Education Loan Repayment Program
- ✓ Teach for Texas Loan Repayment Program

Physician Education Loan Repayment Program (PELRP)

Purpose

The purpose of the PELRP is to encourage qualified physicians to practice medicine in federally designated Health Professional Shortage Areas (HPSAs) of Texas and to provide healthcare services to citizens enrolled in Medicaid and the Texas Children's Health Insurance Program (CHIP).

Eligibility Requirements

Physicians must agree to provide four consecutive years of service to be accepted into the program. To be eligible for loan repayment assistance, a physician must:

- ✓ Have completed one, two, three, or four consecutive service periods in a HPSA
- ✓ Have provided direct patient care to Medicaid and Children's Health Insurance Program enrollees during the service period

✓ By the fourth year of service, have earned certification from an American Specialty

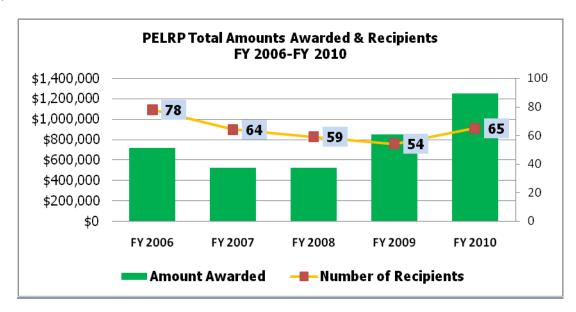
Board recognized by the American Board of Medical Specialties or the Bureau of Osteo-pathic Specialists in a primary care specialty, or in a specialty other than primary care if the Department of State Health Services has determined that there is a critical need for the applicant's specialty in the HPSA where the practice is located

PELRP Repayment Amounts					
Year	% of Total Eligible Debt	Maximum Award			
First	16%	\$25,000			
Second	22%	\$35,000			
Third	28%	\$45,000			
Fourth	34%	\$55,000			
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Award Amount

Before September 1, 2009 the PELRP was funded by state general revenue and tuition set asides. House Bill 2154, passed by the 81st Legislature, introduced changes to the PELRP, including increased maximum award amounts and additional funding to support the increased amounts. The maximum aggregate award amount is now \$160,000. The PELRP is now funded through a combination of state general revenue, tuition set-asides, and revenue from sales tax on smokeless tobacco. Repayment amounts are based on the number of years of service provided by the physicians and their total eligible student loan debt at the end of each year of service.

The total amounts awarded and the number of recipients in each fiscal year from 2006 thru 2010 are shown in the chart below. In 2009, the Coordinating Board increased the annual loan repayment amount from a fixed amount of \$9,000 to a graduated scale based on the number of years of service provided, ranging from \$13,000 to \$18,000. In 2010 the Coordinating Board disbursed loan repayments totaling \$1,247,652 to 65 physicians who were participating in the PELRP before the passage of HB 2154. Awards for approximately 112 new participants who signed four-year commitments in FY2010 will be disbursed upon completion of service periods ending on or before August 31, 2011.



Dental Education Loan Repayment Program (DELRP)

Purpose

The purpose of the DELRP is to recruit and retain qualified dentists to provide dental services in the areas of the state that are underserved with respect to dental care.

Eligibility Requirements

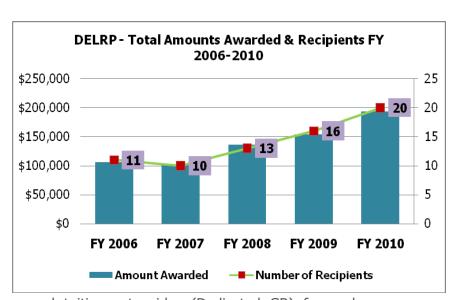
To be eligible for participation in the DELRP, individuals must:

- ✓ Be licensed by the Texas State Board of Dental Examiners
- ✓ Practice general or pediatric dentistry
- ✓ Work at an approved practice site
- ✓ Accept Medicaid assignments as full payment for services and not deny services based on a patient's inability to pay

To be eligible for loan repayment assistance, dentists must practice for at least 12 consecutive months in federally designated Dental Health Professional Shortage Areas (DHPSAs) in Texas, federally funded community health centers, or other practices that provide services to populations that the State determines are critically underserved with respect to dental care.

Award Amounts

The maximum annual loan repayment for an eligible dentist providing fulltime service is \$10,000. A total of \$194,000 awarded was applicants in 2010. The DELRP has been fully subscribed almost every year since its inception. The program is funded by state general revenue and tuition set-asides. Funding for the DELRP from the Legislature remained constant at \$106,477 each year from fiscal year 2006 through 2009. General revenue appropriation increased to \$216,477 for each year of the 2010-2011 biennium. This amount is in addition to the estimated \$3,000



unexpended balance and \$110,000 in annual tuition set asides (Dedicated GR) for each year, bringing the total amount appropriated to \$329,477 for each year of the 2010-2011 biennium.

Children's Medicaid Loan Repayment Program (CMLRP)

Purpose

The purpose of the CMLRP is to increase access to healthcare for Medicaid-enrolled beneficiaries under the age of 21 by encouraging qualified primary care, specialty, and subspecialty physicians and dentists to participate in the Medicaid program.

Eligibility Requirements

To be eligible for participation in the CMLRP, an applicant must:

- ✓ Hold an unrestricted license from the appropriate licensing board; in the case of specialists and subspecialists, must be board certified or be eligible to sit for the applicable specialty or subspecialty board
- ✓ Have a Medicaid provider number
- ✓ Agree to provide services for four continuous years and meet the appropriate target number of Medicaid visits to children under the age of 21 for each 12-month service period as indicated in the chart below

Target Number of Medicaid Visits for Children Under the Age of 21 (Average per month over a 2 month period)

Specialty/Subspecialty	Year 1	Year 2	Year 3	Year 4
Family Physician, Internal Medicine and Ob/GYNs	50	80	150	150
Pediatrician	50	80	150	150
Subspecialists	15	24	45	45
General Dentists	50	75	100	100
Pediatric Dentists	50	75	100	100

Note: The above target numbers must be met to qualify for the maximum annual award amounts. Providers may receive 50% of the maximum annual award amounts if they meet 50% of the target numbers.

Award Amounts

The maximum aggregate award per recipient is \$140,000. The CMLRP is funded by general revenue appropriation to the Health and Human Services Commission. The Texas Higher Education Coordinating Board disburses the loan repayments annually, upon completion of each year of service, to the selected applicants' lenders. A total of \$12 million will be available for up to 300 awards for the program's first cohort of providers in the fall of 2010.

Border County Doctoral Faculty Education Loan Repayment Program (BCDFELRP)

Purpose

The purpose of the BCDFELRP is to recruit and retain persons holding a doctoral degree as full-time faculty with instructional duties at Texas institutions of higher education located in counties that border Mexico.

Eligibility Requirements

To be eligible for loan repayment assistance, an individual must:

- ✓ Have received a doctoral degree on or after September 1, 1994, from a public or independent institution of higher education or from an out-of-state institution that is accredited by a recognized accrediting agency
- ✓ Work full-time as a doctoral faculty member with instructional duties at an eligible institution located in a Texas county that borders Mexico (list of eligible institutions below)
- ✓ Work full-time as doctoral faculty with instructional duties in the approved institution for one academic year

CMLRP Loan Repayment by Year

Year 1: \$40,000

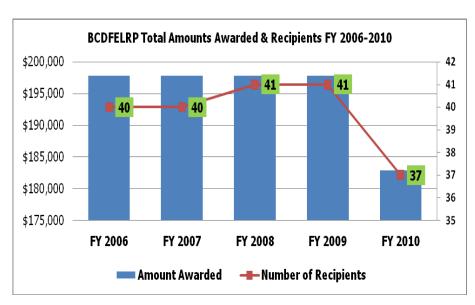
Year 2: **\$30,000**

Year 3: **\$40,000**

Year 4: \$30,000

Award Amounts

The maximum annual loan repayment for an eligible faculty member is \$5,000 for up to 10 years. Loan repayment awards are disbursed annually upon completion of the academic year of service by selected faculty. In 2010, 37 of the 106 applications submitted to the Coordinating Board bv border county institutions received loan repayment assistance totaling \$182,813. The **BCDELRP** funded through state general revenue.



Eligible Institutions Located in Counties that Border Mexico					
El Paso Community College	El Paso	El Paso County			
Laredo Community College	Laredo	Webb County			
South Texas College	McAllen	Hidalgo County			
Sul Ross State University	Alpine	Brewster County			
Texas State Technical College- Harlingen	Harlingen	Cameron County			
Texas Southmost College	Brownsville	Cameron County			
Texas A&M International University	Laredo	Webb County			
The University of Texas – Browns- ville	Brownsville	Cameron County			
The University of Texas – El Paso	El Paso	El Paso County			
The University of Texas – Pan American	Edinburg	Hidalgo County			

Doctoral Incentive Loan Repayment Program (DILRP)

Purpose

The purpose of the DILRP is to attract members of underrepresented groups to full-time service on the faculties or administrations of public and independent institutions of higher education in Texas.

Eligibility Requirements

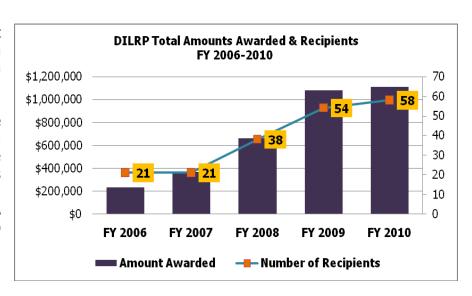
To be eligible for loan repayment assistance an individual must:

✓ Have received a doctoral degree from a college or university that is accredited by a recognized accrediting agency

- ✓ Have either graduated from or resided in an area in which the nearest high school (a) was one from which only 50 percent or less of the graduating class enrolled in an institution of higher education following graduation or (b) was classified as a low-income school.
- ✓ Have qualified for need-based financial assistance while enrolled in a graduate-level degree program
- ✓ Not have been employed full-time as a faculty member or administrator with supervisory duties in an eligible institution for more than 12 months
- ✓ Have a full-time job offer as a faculty member or an administrator with supervisory duties from, or be negotiating a contract with, an eligible institution

Award Amounts

The maximum annual repayment amount is \$20,000 for the DILRP, with a \$100,000 lifetime total. Participation in the program is limited to five years. Annual loan repayments are disbursed following service for a complete academic year and are made copayable to the participant and the holder of the loan. The DILRP is funded by tuition set-asides and general revenue appropriations. A total of \$1,109,693 was disbursed to 58 participants in FY2010.



Teach for Texas Loan Repayment Program (TFTLRP)

Purpose

The purpose of the TFTLRP is to recruit and retain classroom teachers in communities and subjects for which there is an acute shortage of teachers in Texas. The TFTLRP was first created by the Texas Legislature as the Teach for Texas Conditional Grant Program (2000) and the Teach for Texas Alternative Certification Conditional Grant Program (2002). Both programs were phased out by FY 2005 and converted to the TFTLRP. Legislation resulting from the Sunset Advisory Commission's review of the Coordinating Board in 2003 directed THECB to restructure conditional grant programs (also known as loan forgiveness programs) administered by the agency into loan repayment programs.

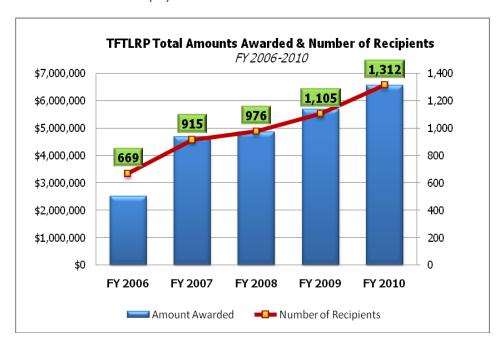
Eligibility Requirements

To be eligible for loan repayment assistance, an individual must:

- ✓ Be currently teaching full-time at the preschool, primary, or secondary level in a Texas public school and
- ✓ Be certified in and teach full-time in a field identified by the Texas Education Agency (TEA) as experiencing a teacher shortage during the academic year for which the application is submitted or
- ✓ Be certified and teach full-time at a campus identified by TEA as having a teacher shortage during the academic year for which the application is submitted

Award Amounts

The maximum annual repayment amount is \$5,000, and the aggregate maximum is \$20,000. Participants are limited to five years of repayment assistance. Currently, the TFTLRP is funded by state general revenue and payments remitted on TFT Conditional Grants and TFT Alternative Certification Conditional Grants that have been converted to loans in a repayment status. Amounts shown below include funds from these payments.



Shortage campuses are based on annual data provided by the TEA. Currently, the TEA has identified the following as designated shortage fields:

- ✓ Mathematics
- ✓ Science
- ✓ Special Education
- ✓ Languages other than English
- ✓ Bilingual/English as a Second Language
- ✓ Technology Applications
- ✓ Digital Graphics

- ✓ Multimedia
- ✓ Video Technology
- ✓ Web Mastering
- ✓ Independent Study in Technology Applications
- ✓ Computer Science I and II
- ✓ Desktop Publishing

In 2009, 1,105 of 4,843 applicants received loan repayment assistance through the TFTLRP. The total amount awarded was \$5,638,729. An estimated 4,900 applications have been received for 2010, and \$6,574,912 will be disbursed to approximately 1315 teachers. This program has been oversubscribed since its inception and the number of eligible applicants that are denied repayment assistance due to insufficient funds has grown each year.

<u>Educational Loan Repayment Program for Attorneys Employed by the Office of the</u> Attorney General

Purpose

The purpose of this loan repayment program is to recruit and retain attorneys in the Office of the Attorney General (OAG) of the State of Texas.

Award Amounts

The maximum annual award for this program is \$6,000, and \$18,000 is the maximum aggregate award. In 2010, a total of \$312,309 was awarded to 108 attorneys. The first awards for this program were made in 2008. Candidates apply online using the OAG intranet. The OAG selects the recipients and provides THECB the necessary data to verify loan information and disburse the awards directly to lenders. This program is funded through tuition set-asides.

John R. Justice Student Loan Repayment Program (JRJ SLRP)

Purpose

The purpose of the newly funded John R. Justice Student Loan Repayment Program (JRJLRP) is to attract and retain qualified attorneys as prosecutors and public defenders. The program is funded for the current year by a grant from the U.S. Department of Justice. The amount allocated to the State of Texas for FY2011 is \$701,233. The Coordinating Board's grant application has been approved but final authorization to spend the funds is pending federal budget review. The Coordinating Board is accepting applications for loan repayment from November 15, 2010 thru January 7, 2011.

To qualify for loan repayment assistance, an applicant must:

- 1) have been employed for at least 12 months as an eligible prosecutor or public defender
- 2) be currently employed as an eligible prosecutor or public defender, and
- 3) sign a service agreement committing to remain employed as an eligible public defender and prosecutor for at least three years

Selection Process

The application ranking process for public defenders and prosecutors will occur separately for each group. After the 2010-2011 state fiscal year, priority will be given to renewal applications. New applications will be ranked according to objective criteria established to identify candidates who are the least able to repay their student loans. A predetermined number of prosecutor applications within each of eight geographic regions will be selected; the remainder of the prosecutor applications will be ranked without regard to geographic location. Geographic location will not be a factor in the ranking of public defender applications.

Award Amounts

Selected prosecutors will receive up to \$2,500 for one year of service, and selected public defenders will receive up to \$5,000 for one year of service. The aggregate amount of loan repayment awards disbursed for prosecutors and public defenders must be equal.

Resources

College for All Texans: http://www.collegeforalltexans.com

Loan Repayment Program Information:

http://collegeforalltexans.com/apps/financialaid/tofa.cfm?Kind=LRP

For more information: Office of External Relations

Texas Higher Education Coordinating Board

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