



Primary Care Practitioner Loan Redemption Program of New Jersey

PROGRAM AND PROVIDER APPLICATION GUIDANCE

PROGRAM GUIDANCE

The goal of the Primary Care Practitioner Loan Redemption Program of New Jersey (NJLRP) is to promote access to primary care services in State designated underserved areas by improving the maldistribution of primary care personnel. As an incentive, the NJLRP provides for the redemption of eligible graduate education loans for its participants in exchange for service in underserved areas. Eligible participants must be a resident of New Jersey, licensed to practice in New Jersey, have completed a discipline as a primary care Physician (Internal Medicine, Pediatrics, Family Practice, Obstetrics/Gynecology), Dentist (General Dentist, Pedodontist), Certified Nurse Practitioner, Certified Physician Assistant, or Certified Nurse Midwife.

Please read the program and provider application guidance before proceeding with the provider application. The guidance provides an explanation of program criteria and requirements. The NJLRP requires providers to serve a full-time obligation for a minimum of two (2) years at an NJLRP approved placement site. Subject to available appropriation, after completion of the initial two years, participants may continue a service obligation for a third year and/or fourth year.

- 1. Eligibility Screening.** Applications are reviewed by NJLRP staff. Candidates who are ineligible upon review of submission will be notified via written correspondence where the reason will be specified. Qualified candidates are presented to the NJLRP Selection Committee for approval into the program at its next meeting. The Selection Committee meets quarterly to review provider and placement site applications. Application submissions are accepted on an on-going basis.
- 2. Placement Site Process.** If an applicant does not have a placement site at time of application submission, the NJLRP will distribute the applicant's resume to approved placement sites, however placement is not guaranteed. Once employment at an approved site has been obtained, a copy of the employment contact and work schedule must be forwarded to the NJLRP office. The NJLRP will issue a separate contract outlining the provider service obligation. Service obligation will begin on the sequential order as it relates to each provider; (a) the date the Selection Committee approves the provider; (b) the date employment began; or (c) the date the Selection Committee approves the placement site. All NJLRP placement sites must be approved by the Committee and meet program requirements. Hours worked prior to acceptance in the NJLRP cannot be used toward NJLRP service obligation.
- 3. Provider Service Commitment.** Once approved to participate in the NJLRP, providers are required to work on a full-time basis (40 hours per week) during the initial two years on the program. If funding is available for providers to participate in the NJLRP for the third and fourth years of service, NJLRP providers may opt to work part-time, extending their service obligation over a period of two years each year.

Full-time practice is defined as:

- For all providers, except as noted below, at least 28 of the minimum 35 hours per week must be spent providing direct patient care at the approved placement site during normally scheduled office hours. The remaining 8 hours per week may be spent in practice related administrative duties.
- For providers of obstetrics/gynecology at least 18 hours of the minimum 35 hours per week must be spent providing direct patient care at the approved placement site during normally scheduled office hours. The remaining 17 hours per week may be spent in practice related administrative duties.

Part-time practice is defined as:

- For all providers, except noted below, at least 16 of the minimum 20 hours per week must be spent providing direct patient care at the approved placement site during normally scheduled office hours. The remaining 4 hours per week may be spent in practice related administrative duties.

- For providers of obstetrics/gynecology at least 11 hours of the minimum 20 hours per week must be spent providing direct patient care at the approved placement site during normally scheduled office hours. The remaining 9 hours per week may be spent in practice related administrative duties.
4. **Breaching the NJLRP Contract and Penalty Clause.** Participating NJLRP providers that do not fulfill the initial two-year commitment are subject to pay 50% of the redeemed portion of indebtedness in not more than one year after breaching the NJLRP contract.
 5. **Evaluations and Productivity Standards.** Approved providers are subject to an initial six-month probationary period during the first contract year with the NJLRP which includes an assessment of the provider’s performance and suitability of the placement. Quarterly service reports indicating services rendered to patients by NJLRP providers and annual evaluations are a required submission by placement site directors to the NJLRP throughout the service obligation. Reports are monitored and maintained in the provider’s file.
 6. **Loan Redemption Payment Process.** Loan repayment checks will be issued at the end of the provider’s full year of service. NJLRP will release checks once the provider’s paperwork (evaluations and quarterly service reports) for the year of service have been submitted. The loan redemption amounts are based on the participant’s total outstanding balance at the time the participant enters the first NJLRP agreement (the “Loan”). At the end of each full year of service, NJLRP participants are eligible for loan repayment as follows:
 - 18% of the Loan up to \$21,600.00 maximum for the first full year of service;
 - 26% of the Loan up to \$31,200.00 for the second full year of service;
 - Up to 28% of the Loan up to \$33,600.00 for the third full year of service;
 - Up to 28% of the Loan up to \$33,600.00 for the fourth full year of service.

The maximum loan repayment over a four year period of service is \$120,000.00. All loan repayments must be used to repay the approved qualifying educational loans. Every NJLRP participant must complete a full year of full-time clinical service in order to be eligible for loan repayment for the first and second year of service. If funding is available for the third and fourth years of service, part-time clinical service is an option extending the service obligation over a period of two years for each year. Loan repayments will not be made on a pro rata basis for completion of less than a full year of service. Payments for part-time service will be made at the completion of the equivalent of a full year of service.

If the Loan is less than \$120,000, a pro-rated amount of interest costs for the Loan will be added to each annual payment. Other than the pro-rated interest costs, loan repayments cannot exceed the outstanding balance on qualifying educational loans at the time of payment. Program participants are encouraged to seek the advice of a qualified tax advisor regarding the taxability of loan redemption payments.

COMPLETING NJLRP PROVIDER APPLICATION

The NJLRP provider application consists of two parts: 1. Completion of a provider application and, 2. Submission of required supporting documents. Applicants are required to complete each of the sections and submit the provider application to the NJLRP along with supporting documents. Interested candidates are encouraged to submit a provider application at least six months prior to completing their last year of graduate professional training or residency.

A. Provider Application

Answers to this section include the applicant’s name, mailing and email addresses, specialty, and other contact information.

B. Graduate Education/Residency Information

This section should pertain to the applicant’s graduate educational background and degree program. Complete sections that are applicable only if New Jersey professional license not issued; indicate “Pending” and application date. A copy of graduate school diploma, residency completion certificate, specialty board certification, New Jersey professional license, a letter of recommendation and resume must be submitted with application.

C. Graduate Loan Information

Answers to this section should include loan information for **graduate** school education only. Loan information must include the lender name, loan name, original loan date, original loan amount, and the current outstanding loan balance. If graduate education loans have been consolidated, the original loan information that was included in the consolidation can be submitted as verification. A copy of each loan included in this application for redemption must be submitted with the provider application. Undergraduate education loans are not eligible for loan redemption. Eligible loans include government and commercial loans obtained for actual costs paid for tuition and expenses towards a graduate health profession program.

D. Placement Site Selection

Applicants should refer to the New Jersey Medically Underserved Index (NJMUI) when completing this section. The NJMUI lists State designated underserved areas (SDUA) in New Jersey. Placements sites approved to participate in the NJLRP must be located in SDUAs and meet other program criteria. A site located in a SDUA does not guarantee site approval. Non-approved sites must submit a NJLRP placement site application for consideration. If a site is not located in a SDUA, then the site must complete a patient origin study that demonstrates that eighty (80) percent of its patients come from contiguous areas on the NJMUI. Applicants should refer to the NJMUI and complete this section with underserved areas of interest to work.

E. Release from Liability/Certification & Authorization

This section should be completed certifying and authorizing that you are in agreement with the information.

F. Supporting Documents

Review and be sure the required supporting documents are attached. The NJLRP requires the information written on the application to correspond with the supporting documents. Application packages will be initially reviewed to determine completeness. Application packages deemed incomplete (e.g., missing or incomplete materials) must be completed prior to enrollment in the NJLRP.