

## Health Care Professional Loan Repayment Program FACT SHEET

### 1. Are the HPRP payments taxed?

- There is nothing in the law providing an exemption from state taxation for these benefits. Ultimately, a tax advisor should be consulted.

### 2. How do I know if my community qualifies?

- Eligible rural communities must be on the HPSA or Governor's Designated Health Clinic County list. After that, preference is given to Iowa residents and communities under 10,000.

### 3. When can I apply?

- You can apply during the application cycle which runs from January to March 31<sup>st</sup>. Applications can be found on the DMU website. You can apply if you have a community that has agreed to match by the application deadline. If not, apply next year.

### 4. What happens if I do not have a match by the application deadline, but I find a match later?

- Apply during the next application cycle.

### 5. What if my employer is in one county and has clinics in other counties?

- It depends on where the work will be performed. If all work is performed in an eligible community, the individual would qualify for full annual benefit (for up to 4 years). If only part of the work is performed in an eligible community, a prorated amount of the maximum annual award would be earned.

### 6. Can I do HPRP if I already had RMEP?

- Yes, the HPRP can be used to repay Federal Stafford, Grad PLUS, and amounts of Stafford and Grad PLUS loans that were included in a consolidation loan.

### 7. What if I am part time at two different clinics for one employer?

- It depends on where the work will be performed. If all work is performed in an eligible community, the individual would qualify for full annual benefit (for up to 4 years). If only part of the work is performed in an eligible community, a prorated amount of the maximum annual award would be earned.

**8. Can payments to my lender be sent at the beginning of the year instead of the end of each year?**

- No, payment can only be made after the Commission verifies that the recipient worked for 12 consecutive months in an eligible rural community.

**9. Does the community match get paid to the Commission?**

- No, the community match is not processed or paid through the Commission. Although, the Commission does require verification that the match is in place.

**10. What is the timing of the community match payment?**

- In most instances, this will be defined through an agreement between you and your employer. Ultimately, for each dollar paid by the State of Iowa toward your eligible student loans, \$1 must be paid in community match.

**11. What is full-time employment equivalent to in hours worked per week?**

- 40 hours per week.

**12. What if I only have \$40,000 in loan debt?**

- You can only receive \$40,000 in combined loan repayment, \$20,000 from your community/employer and \$20,000 from the State of Iowa. You cannot receive loan repayment in excess of your federal student loan debt.