Primary Care Practitioner Loan Redemption Program of New Jersey

PROGRAM GUIDANCE

The Primary Care Practitioner Loan Redemption Program of New Jersey (NJLRP) goal 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, 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. 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. Following a favorable review, eligible candidates will be contacted for an interview with 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 bi-monthly 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 work with approved applicants to identify a placement site appropriate to the skills and objectives of the provider. Once employment at an approved site has been obtained, a copy of the employment contract 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. For the third and fourth year 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 noted below at least 32 of the minimum 40 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 21 hours of the minimum 40 hours per week must be spent providing direct patient care at the approved placement site during normally scheduled office hours. The remaining 19 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. At the end of each full year of service, NJLRP participants are eligible for loan repayment as follows:

- 18% of the participant’s outstanding loan balance up to $21,600.00 maximum for the first full year of service;
- 26% of the outstanding loan balance up to $31,200.00-second full year of service;
- 28% of the outstanding loan balance up to $33,600.00-third full year of service;
- 28% of the outstanding loan balance up to $33,600.00-fourth full year of service.

The maximum loan repayment over a four year period of service is $120,000.00. Loan redemption payments are taxable income. Program participants are encouraged to seek the advice of a qualified tax advisor.

**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.