

## HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM (HPSP) AGREEMENT

**INSTRUCTIONS: Do Not Make Alterations to this Document. Only Use Ballpoint Pen to Complete.**

**SECTION A** - The Department of Veterans Affairs (VA) Health Professional Scholarship Program (HPSP) is described in 38 United States Code, Sections §7601-§7619 and §7631-§7636.

**SECTION B** - Obligation of the Under Secretary for Health (USH).

1. Provide the undersigned participant with an HPSP award consisting of the payment of tuition, reasonable educational expenses, and a monthly stipend, as authorized by 38 U.S.C. §7613.
2. Ensure that each participant selected for the HPSP is an eligible applicant, pursuing a degree in a qualifying field of education or training designated by the USH for participation in the program.
3. Appoint the participant to a full-time position providing health services in accordance with Section C13 of this agreement. This employment will begin within 90 days after the participant completes the HPSP-supported education or training and meets all the applicable qualification and licensure requirements for appointment to the position. This time period may be extended at the USH's discretion. At least 60 days prior to the appointment date, the participant will be notified of location and beginning date of obligated service.
4. Assign a mentor to the scholarship participant when it is determined when and where the participant will be performing the obligated service. The mentor will be employed at the same facility where the participant will complete the obligated service.

**SECTION C** - Obligation of the Participant. In return for payments under the HPSP, the participant agrees to:

1. Accept the HPSP award provided by the USH under Section B1 of this agreement.
2. Pursue a degree in a qualifying field of education or training designated by the USH for participation in the scholarship program and the degree designated in the application for the scholarship program.
3. Maintain enrollment as specified in the scholarship application until completion of the course of study for which the scholarship award is provided.
4. Maintain an acceptable level of academic standing, as determined by the educational institution, while enrolled in the course of study for which the scholarship award is provided.
5. Notify the Scholarship Program office in writing, of any of the following changes within 10 days: change in name, address, telephone number, enrollment status, plan of study, or academic standing.
6. Scholarship recipients may not change school or program without prior approval from the HPSP Program Office.
7. In the case of a participant who is enrolled in a program or education or training leading to employment as a physician, the participant must successfully complete postgraduate training leading to eligibility for board certification in a specialty identified by the Secretary.

8. (Current VA employees only) Maintain VA employment while enrolled part-time in the course of education or training for which the scholarship is provided if selected for the part-time scholarship program as a full-time VA employee.
9. (Current VA employees only) Maintain an acceptable level of work performance and conduct prior to beginning their service obligation period.
10. Submit required documentation periodically to the Scholarship Office at times determined by VA in order to continue receiving the scholarship award. Notify HPSP program officials of changes in address, phone numbers, and enrollment status.
11. Complete all coursework within the time frame indicated on the application or any change in dates approved by the Scholarship Program.
12. Ensure that the HPSP program officials have access to educational or training institution official transcripts, and other information and documents required to assess the academic standing, status, and progress of the scholarship recipient.
13. Sign a mobility agreement in which the participant agrees to relocate, if necessary, at his or her own expense, to complete a clinical tour or service obligation period in accordance with Sections C13 and C14 of this agreement.
14. Perform a clinical tour in a VA assignment or location determined by the USH while enrolled in the course of study for which the scholarship was awarded.
15. Serve a period of obligated service.
  - a. All scholarship participants in the HPSP must serve a period of obligated service as a full-time employee in the Veterans Health Administration (VHA) in an assignment and location determined by the USH.
  - b. This employment will begin within 90 days after the participant completes the HPSP-supported education or training and meets all the applicable qualification requirements for appointment to the position.
  - c. If the participant requests a deferment, an additional period of service obligation may be required, at the discretion of the USH. No credit of time for any advanced clinical training or residency will be counted toward satisfying the obligated service period.
  - d. With the exception of Physicians, a full-time student will incur a service obligation of one year for each school year or part thereof, but for not less than two years. Physicians will incur an 18-month service obligation for each school year or part thereof.
  - e. (Current VA employees only) Per 38 U.S.C. §7672, "In the case of a participant who is a part-time student, the period of obligated service shall be reduced in accordance with the proportion that the number of credit hours carried by such participant in any such school year bears to the number of credit hours required to be carried by a full-time student in the course of training being pursued by the participant, but in no event to less than one year."

## HEALTH PROFESSIONALS SCHOLARSHIP PROGRAM (HPSP) AGREEMENT *(continued)*

**SECTION D - Breach of HPSP Agreement.** If a participant, defined as an applicant who has been selected for and accepted a scholarship award:

1. Fails to accept payment or instructs the educational institution to which the scholarship payments are to be made not to accept payments under this agreement, the participant (other than a participant under paragraph 2 of this section) shall, in addition to the service or other obligations incurred under this agreement, pay to the United States the sum of \$1,500 as liquidated damages. Payment of this amount must be made within one year of the date on which the participant fails to accept payment of the HPSP award or instructs the school not to accept payment.

2. Fails to maintain an acceptable level of academic standing in the course of study for which the award is provided; is dismissed from the educational institution for disciplinary reasons; voluntarily terminates, for any reason, the course of study or program for which the award was granted including a reduction of course load from full-time to part-time before completing the course of study; fails to become licensed and/or certified in the occupation for which the education and training was provided within one year from the date such person becomes eligible to apply for the licensure, or fails to meet any applicable licensure requirement in the case of any other healthcare personnel who provide either direct patient-care services or services incident to direct patient-care services, during a period of time determined under regulations prescribed by the USH; or, fails to maintain employment, while enrolled as a part-time student in the course of training being pursued under the HPSP as a Department employee. In such cases the participant shall, instead of performing the service obligation incurred under this agreement, repay to the United States all funds paid to the participant under this agreement. Payment of this amount must be made within one year from the date of breach.

3. Breaches the agreement by failing for any reason to begin or complete such participant's period of obligated service, or by failure to comply with the terms and conditions of deferment. The United States shall be entitled to recover from the participant an amount of triple damages determined in accordance with the following formula:

$$A=3P((t-s)/t) \text{ in which}$$

"A" is the amount the United States is entitled to recover;

"P" is the sum of:

- a. The amounts paid under this agreement, to or on behalf of the participant; and
- b. The interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

"t" is the total number of months in the participant's period of obligated service, including any additional period of obligated service in accordance with Section 7616(b)(4), Title 38, United States Code.

"s" is the number of months of such period served by the participant in accordance with Section 7613, Title 38, United States Code. The amount the United States is entitled to recover shall be paid within one year of the date the USH determines that the participant has failed to begin or complete the period of obligated service.

The amount the United States is entitled to recover may be offset against any salary, wages, accrued leave or retirement annuity which the participant is owed at the time the participant was terminated or failed to complete the required obligated service.

**SECTION E - Cancellation, Suspension, and Waiver of Obligation.**

1. Any service or payment obligation incurred under this agreement will be canceled upon the death of the participant.
2. The USH may waive or suspend the participant's service or payment obligation incurred under this agreement if:
  - a. Compliance by the participant with the terms and conditions of the agreement is impossible due to circumstances beyond the control of the participant, or
  - b. In cases not related to paragraph 2.a. of this Section, when considered in the best interest of the VA. Such decisions will be made by the USH on an individual basis.
3. Requests for waiver of obligation must be submitted to the USH within one year of the date the participant is determined, by the USH, to be in breach of the agreement.

**SECTION F - Consent for Release of Information.**

The undersigned participant consents to allow the educational institution to report status and academic standing including grade point average at the time of application and, if selected, during the period of award participation. The participant understands that this authorization is voluntary and the participant may revoke the consent at any time. However, the participant further understands that if this authorization is voluntarily revoked after the award of the scholarship, the scholarship award may be terminated and the participant may be liable for damages in accordance with provisions of Section §7617, Title 38, United States Code.

**SECTION G - General Provisions.**

The Under Secretary for Health or authorized representative must accept this agreement before it becomes effective. The regulations and other documents issued by the Under Secretary for Health to implement the HPSP are incorporated into and made a part of this agreement.

I understand the period of obligated service for this agreement is

**I have read and understand the above agreement. I agree to comply with the published statutes, regulations and policies governing the Health Professional Scholarship Program and to be subject to any changes in program policy.**

\_\_\_\_\_  
Applicant's Name (Print)

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Under Secretary for Health (USH)  
or, Authorized Representative

\_\_\_\_\_  
Date