Public Health Service, HHS

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SOURCE: 45 FR 12790, Feb. 27, 1980, unless otherwise noted.

Subpart A—Assignment of National Health Service Corps Personnel

§ 23.1 To what entities does this regulation apply?

This regulation applies to the assignment of National Health Service Corps personnel under section 333 et seq. of the Public Health Service Act (42 U.S.C. 254f et seq.) to provide health services in or to health manpower shortage areas as designated under section 332 of the Public Health Service Act (42 U.S.C. 254e).

§ 23.2 Definitions.

As used in this subpart:

Act means the Public Health Service Act, as amended.
§ 23.5 What are the criteria for deciding which applications for assignment will be approved?

(a) In approving or disapproving an application for assignment of Corps personnel, the Secretary will consider, among other pertinent factors:

(1) The applicant’s ability and plans to meet the operational requirements in §23.8.

(2) The administrative and managerial capability of the applicant.

(3) The soundness of the applicant’s financial plan for operating the National Health Service Corps site.

(4) The extent to which community resources will be used in operating the National Health Service Corps site.

(5) Comments received from any designated health systems agency or any designated State health planning and development agency to which an application was submitted for review under §23.4(c).

(b) Special consideration for the assignment of Corps personnel will be given to the entity which is located in a health manpower shortage area or has a demonstrated interest in it.

§ 23.6 What are the criteria for determining the entities to which National Health Service Corps personnel will be assigned?

(a) The Secretary may, upon approving an application for the assignment of personnel and after entering into an

1 Applications and instructions may be obtained from Regional Offices of the Department of Health and Human Services at the addresses set forth at 45 CFR 5.31(b).
agreement with an applicant under §23.7, assign National Health Service Corps personnel to provide health services in or to a health manpower shortage area.

(b) In assigning National Health Service Corps personnel to serve in a health manpower shortage area, the Secretary will seek to assign personnel who have those characteristics which will increase the probability of their remaining to serve in the health manpower shortage area upon completion of the period of assignment. In addition, the Secretary will apply a weighted-value system in which the first factor listed below is assigned the greatest weight and the second, and third factors are assigned lesser weights in descending order:

1. The need of the health manpower shortage area as determined by criteria established under section 332(b) of the Act.
2. The willingness of individuals, government agencies, or health entities within the health manpower shortage area to cooperate with the National Health Service Corps in providing effective health services.
3. The comments of health professional societies serving the health manpower shortage area.

§23.7 What must an entity agree to do before the assignment is made?

(a) Requirements. To carry out the purposes of section 334 of the Act, each National Health Service Corps site must enter into an agreement with the Secretary under which the site agrees to:

1. Be responsible for charging for health services provided by assigned National Health Service Corps personnel;
2. Take reasonable action for the collection of the charges for those health services;
3. Reimburse the United States the sums required under section 334 of the Act; and
4. Prepare and submit an annual report. The agreement will set forth the period of assignment (not to exceed 4 years), the number and type of Corps personnel to be assigned to the site, and other requirements which the Secretary determines necessary to carry out the purposes of the Act.

(b) Termination. An agreement entered into under this section may be terminated by either party on 30-days written notice or modified by mutual consent consistent with section 333 of the Act.


§23.8 What operational requirements apply to an entity to which National Health Service Corps personnel are assigned?

Each National Health Service Corps site must:

(a) Operate a health care delivery system within a planned or existing community structure to assure:
1. The provision of high quality comprehensive health care;
2. To the extent feasible, full professional health care coverage for the health manpower shortage area;
3. Continuum of care; and
4. The availability and accessibility of secondary and tertiary health care (the two more sophisticated levels of health care beyond primary care);
(b) Establish and maintain a patient record system;
(c) Implement a system for maintaining the confidentiality of patient records;
(d) Meet the requirements of applicable fire and safety codes;
(e) Develop, to the extent feasible, linkages with other health care facilities for the provision of services which supplement or complement the services furnished by the assigned Corps personnel;
(f) Operate a quality assurance system which meets the requirements of 42 CFR 51c.303(c) for the establishment and operation of a quality assurance system in a community health center; and
(g) Establish basic data, cost accounting, and management information and reporting systems as prescribed by the Secretary.
§ 23.9 What must an entity to which National Health Service Corps personnel are assigned (i.e., a National Health Service Corps site) charge for the provision of health services by assigned personnel?

(a) Except as provided in paragraph (b) of this section, individuals receiving services from assigned National Health Service Corps personnel must be charged on a fee-for-service or other basis at a rate which is computed to permit recovery of the value of the services and is approved by the Secretary.

(b) In determining whether to approve fees to be charged for health services, the Secretary will consider: The costs to the National Health Service Corps of providing the health services; the costs to the health manpower shortage area for providing the services; and the charges for similar services by other practitioners or facilities in or nearby the health manpower shortage area. However, if assigned National Health Service Corps personnel are providing services within the framework of an established health services delivery system, the Secretary may approve the fees charged under that system without regard to the foregoing factors.

(c)(1) No charge or a nominal charge will be made for health services provided by assigned National Health Service Corps personnel to individuals within the health manpower shortage area with annual incomes at or below the “CSA Income Poverty Guidelines” (45 CFR 1060.2). However, no individual will be denied health services based upon inability to pay for the services. Any individual who has an annual income above the “CSA Income Poverty Guidelines,” but whose income does not exceed 200 percent of the CSA levels, will receive health services at a nominal charge. However, charges will be made for services to the extent that payment will be made by a third party which is authorized or under legal obligation to pay the charges.

(2) The provisions of this paragraph also apply with respect to services provided by an individual who is fulfilling an NHSC scholarship obligation under section 753 or who received a special grant under section 755.

§ 23.10 Under what circumstances may a National Health Service Corps site’s reimbursement obligation to the Federal Government be waived?

(a) The Secretary may waive in whole or in part the reimbursement requirements of section 334(a)(3) of the Act if he determines that:

(i) The costs necessary to adequately support the health services provided by the assigned National Health Service Corps personnel and the income and financial resources available to meet the costs;

(ii) The ability of the applicant to obtain credit from suppliers, lending institutions, private organizations and individuals;

(iii) The need of the health manpower shortage area for health services; and

(iv) The extent to which the National Health Service Corps site utilizes health professions personnel.

(2) A significant percentage of the individuals who are located in the health manpower shortage area and are receiving the health services of the assigned National Health Service Corps personnel are elderly, living in poverty, or have other characteristics which indicate an inability to pay. For purposes of this section, “elderly” means persons 65 years or older and the “CSA Income Poverty Guidelines” will be used as the standard for determining whether individuals are living in poverty. Other characteristics indicating inability to pay include, but are not to be limited to, the ratio of unemployment in the health manpower shortage area and the area’s cost-of-living index.

(b) The Secretary may waive in whole or in part the reimbursement requirements of section 334(f)(1) of the Act if he or she determines that the National Health Service Corps site is a small health center (as defined by section 334(f)(5) of the Act) that needs all
or part of the amount otherwise payable to—
(1) Expand or improve its provision of health services;
(2) Increase the number of individuals served;
(3) Renovate or modernize facilities for its provision of health services;
(4) Improve the administration of its health service programs; or
(5) Establish a financial reserve to assure its ability to continue providing health services;
(c) Where the Secretary determines that a National Health Service Corps site is eligible for a waiver under paragraph (a) (1) or (2) of this section, the Secretary may waive the application of the reimbursement requirements of section 334(a)(3) of the Act and apply the reimbursement requirements of section 334(f)(1) of the Act. The Secretary may waive in whole or in part the reimbursement requirements of section 334(f)(1) for such a site if he or she determines that the National Health Service Corps site meets the requirements of paragraph (a)(1) of this section. Funds retained by a National Health Service Corps site as a result of such waiver must be used for the purposes set forth in paragraphs (b) (1) through (5) of this section.
(d) Requests for a prospective or retroactive waiver must be made at the time and in the manner and contain the documentation prescribed by the Secretary.

§ 23.12 Who will supervise and control the assigned personnel?

Assigned National Health Service Corps personnel will at all times remain under the direct supervision and control of the Secretary. Observance of institutional rules and regulations by the assigned personnel is a mere incident of the performance of their Federal functions and does not alter their direct professional and administrative responsibility to the Secretary.

§ 23.13 What nondiscrimination requirements apply to National Health Service Corps sites?

National Health Service Corps sites are advised that in addition to complying with the terms and conditions of this regulation, the following laws and regulations are applicable—
(a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and its implementing regulations, 45 CFR part 80 (prohibiting discrimination in federally assisted programs on the grounds of race, color, or national origin); and
(b) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and its implementing regulations, 45 CFR part 84 (prohibiting discrimination in federally assisted programs on the basis of handicap).
§ 23.21

(c) The Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) and its implementing regulations, 45 CFR part 91 (prohibiting nondiscrimination on the basis of age in HHS programs or activities receiving Federal financial assistance).

[45 FR 12790, Feb. 27, 1980, as amended at 49 FR 38109, Sept. 27, 1984]

Subpart B—Private Practice Special Loans for Former Corps Members

SOURCE: 51 FR 31948, Sept. 8, 1986, unless otherwise noted.

§ 23.21 Definitions.

As used in this subpart, terms have the same meanings as those given to them in subpart A, § 23.2. In addition:

National Health Service Corps scholarship recipient means an individual receiving a scholarship under the Public Health and National Health Service Corps Scholarship Training Program authorized by section 225 of the Act as in effect on September 30, 1977, and repealed on October 1, 1977, or a scholarship under the NHSC Scholarship Program authorized by section 338A of the Act, formerly section 751 of the Act.

Private full-time clinical practice means the provision of ambulatory clinical services for a minimum of 40 hours per week for at least 45 weeks a year, including the provision of hospital coverage services appropriate to meet the needs of patients treated and to assure continuity of care. The 40 hours per week must be performed in no less than 4 days per week with no more than 12 hours of work being performed in any 24-hour period.

§ 23.22 What is the purpose of a private practice loan?

The purpose of the private practice loan is to assist NHSC scholarship recipients in establishing private full-time clinical practices in designated health manpower shortage areas.

§ 23.23 Who is eligible to receive a private practice option loan?

(a) Eligibility for loans is limited to NHSC scholarship recipients who have completed at least 2 years of their service obligations at a NHSC site. NHSC scholarship recipients remain eligible for loans under this subpart for 1 year after they have completed their service obligations at a NHSC site.

(b) Scholarship recipients who are in arrears 31 days or more on a Health Professions Student Loan (42 U.S.C. 294m et seq.), Health Education Assistance Loan (42 U.S.C. 294, et seq.), Nursing Student Loan (42 U.S.C. 297a et seq.), or any other Federally guaranteed or direct student loan are ineligible for this loan program.

(c) NHSC scholarship recipients who have received loans under either this subpart or subpart C of this part are ineligible for loans under this subpart.

§ 23.24 In what amounts are loans made?

The Secretary may make loans either in the amount of $12,500, if the recipient agrees to practice in accordance with the loan agreement for a period of at least 1 year but less than 2 years, or $25,000, if the recipient agrees to practice in accordance with the loan agreement for a period of at least 2 years.

§ 23.25 How will interest rates for loans be determined?

Interest will be charged at the Treasury Current Value of Funds (CVF) rate in effect on April 1 immediately preceding the date on which the loan is approved and will accrue from the date the loan funds are disbursed to the borrower.

§ 23.26 How is the loan repaid?

Payments shall be made at monthly intervals, beginning 1 month from the date of the loan disbursement, in accordance with the repayment schedule established by the Secretary and set forth in the loan agreement. Only interest payments are required during the first 2 years. The repayment schedule may be extended in accordance with § 23.31(a).

§ 23.27 What happens if scheduled payments are late?

(a) Failure to make full payment of principal and/or interest when due will subject the borrower to the assessment of administrative costs and penalty.