medically underserved areas with large minority populations; and

(12) The signature of an individual authorized to act for the State and to assume on behalf of the State the obligations imposed by the statute, the applicable regulations of this subpart and any additional conditions of the grant.

(Approved by the Office of Management and Budget under control number 0915–0131)

§ 62.55 What State Program Elements are required to ensure similarity with the NHSC Loan Repayment Program?

A State Loan Repayment Program supported under this subpart must:

(a) Establish priorities for loan repayment applicants consistent with the provisions of § 62.23 of this part;

(b) Contract only with a person who is (1) enrolled as a full-time student in the final year of a course of study or program in an accredited school in a State leading to a degree in allopathic or osteopathic medicine, dentistry or other health profession, or (2) enrolled in an accredited graduate training program in a State in allopathic or osteopathic medicine or dentistry or other health profession, or (3) a practitioner licensed by a State who has completed training in an accredited graduate training program in allopathic or osteopathic medicine, dentistry or other health profession;

(c) Provide that health professionals participating in a State Loan Repayment Program shall:

(1) Serve for at least 2 years in a medically underserved area identified pursuant to § 62.54(b)(3) of this subpart in the full-time clinical practice of their profession,

(2) Charge for his or her professional services at the usual and customary rate prevailing in the area in which such services are provided, except that if a person is unable to pay such charge, such person shall be charged at a reduced rate or not charged any fee,

(3) In providing health services, not discriminate against any person on the basis of such person's ability to pay for such services or because payment for the health services provided to such person will be made under the insurance program established under part A or B of title XVIII of the Social Security Act or under a State plan for medical assistance approved under title XIX of such Act, and

(4) Agree to accept an assignment under section 1842(b)(3)(B)(ii) of such Act for all services for which payment may be made under part B of title XVIII of such Act and enter into an appropriate agreement with the State agency which administers the State plan for medical assistance under title XIX of such Act to provide service to individuals entitled to medical assistance under the plan;

(d) Repay qualifying loans for participating health professionals;

(e) Provide that the loans of health professionals will be repaid on a periodic basis after the receipt of obligated services by such participant for such period; and

§ 62.56 How are the Federal grant funds and State matching funds to be used under this program?

The Federal share of any program shall not exceed 75 percent of the cost of the approved State program. The Federal share must be used to repay the qualifying loans of health professionals. No portion of the Federal share shall be used to pay for administrative costs of any State Loan Repayment Program. The State's share of the program may be used to repay qualifying loans of health professionals or administrative costs of the State's Loan Repayment Program, or a combination of both. All program administrative costs are to be borne by the State. No portion of the State's share of the program shall consist of Federal funds.

§ 62.57 How will States be selected to participate in this program?

Within the limits of funds available under section 338H of the Act, the Secretary may award grants to State applicants whose proposed Loan Repayment Programs will, in his or her judgment, best promote the purposes of section 338H of the Act, taking into account, among other pertinent factors:

(a) The need of the State for health professions manpower;

(b) The number and type of providers the State proposes to support through this program;

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