

Public Health Service, HHS

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Subpart C—Private Startup Loans

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AUTHORITY: Secs. 333, 338E(c), and 338C(e)(1), Public Health Service Act, 90 Stat. 2272, as amended, 95 Stat. 905, 97 Stat. 1345 (42 U.S.C. 254f *et seq.*), 95 Stat. 912 (42 U.S.C. 254p(c)), 95 Stat. 910 (42 U.S.C. 254n(e)(1)).

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) 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.

Assigned National Health Service Corps personnel or *Corps personnel* means health personnel of the Regular and Reserve Corps of the Public Health Service Commissioned Corps and civilian personnel as designated by the Secretary including, but not limited to, physicians, dentists, nurses, and other health professions personnel who are assigned under section 333 of the Act and this regulation.

Health manpower shortage area means the geographic area, the population group, the public or nonprofit private medical facility or any other public facility which has been determined by the Secretary to have a shortage of health manpower under section 332 of the Act and its implementing regulation (42 CFR part 5).

National Health Service Corps site means the entity to which personnel have been assigned under section 333 of the Act and this regulation to provide health services in or to health manpower shortage area.

Nonprofit private entity means an entity which may not lawfully hold or use any part of its net earnings to the benefit of any private shareholder or individual and which does not hold or use its net earnings for that purpose.

Secretary means the Secretary of Health and Human Services and any other officer or employee of that Department to whom the authority involved has been delegated.

§ 23.3 What entities are eligible to apply for assignment?

Any public or nonprofit private entity which is located in a health manpower shortage area, or has a demonstrated interest in the shortage area, may apply for the assignment of National Health Service Corps personnel.

§ 23.4 How must an entity apply for assignment?

(a) An application for the assignment of National Health Service Corps personnel must be submitted to the Secretary by an eligible applicant in the form and at the time prescribed by the

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Secretary.¹ The application must be signed by an individual authorized to act for the applicant and to assume on behalf of the applicant the obligations imposed by law, the Act, this regulation, and any additional conditions of assignment imposed under these authorities.

(b) In addition to other pertinent information required by the Secretary, an application for the assignment of Corps personnel must include—

(1) A description of the applicant's overall organizational structure;

(2) A justification of the request for the assignment of personnel based upon the needs of the health manpower shortage area;

(3) A description of the applicant's financial plan for operating the National Health Service Corps site including a proposed budget, sources of non-Federal support obtained, and the proposed expenditures for obtaining adequate support staff, equipment and supplies;

(4) A list of the proposed fees and discounted fees to be charged for the provision of health services; and

(5) If an entity wishes to request an interest free loan (not to exceed \$50,000) under section 335(c) of the Act to assist the applicant in establishing the practice of the assigned National Health Service Corps personnel, a detailed justification of the amount requested must be included.

(c) An application for assignment must include evidence that the applicant has provided a copy of the completed application for review to (1) each health systems agency designated under section 1515 of the Act for the health service area which includes all or part of the health manpower shortage area for which an assignment of National Health Service Corps personnel is sought or (2) if no health systems agency has been designated for such a health service area, to each State health planning and development agency designated under section 1521 of the Act for each State which includes all or part of the health manpower shortage area for which an assignment

of National Health Service Corps personnel is sought.

(d) If an application for assignment is filed by an applicant which had previously been assigned National Health Service Corps personnel under an agreement entered into under section 329 of the Act as in effect before October 1, 1977, or under section 334 of the Act, the applicant must provide the information the Secretary considers necessary to make the determinations required by section 333(a)(1)(D) of the Act.

[45 FR 12790, Feb. 27, 1980, as amended at 51 FR 31948, Sept. 8, 1986]

§ 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).

(6) Comments received from health professional societies serving the health manpower shortage area.

(b) Special consideration for the assignment of Corps personnel will be given to the entity which is located in a health manpower shortage area over an entity which is not located in a health manpower shortage area but 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

¹Applications 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).