



Washington Health Corps Reference Guide

Nurse Educator Loan

Repayment Program

The Program Reference Guide provides information about applicant and site eligibility requirements, qualification factors, compliance, roles, and responsibilities. It is the responsibility of the applicant and site to **review this document prior to completing the online application**. Please feel free to download or print a copy of this document to use as a reference throughout the contract period.

Website: <https://wsac.wa.gov/nelr>

Email: health@wsac.wa.gov

Phone: 1-888-535-0747, Option 5

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Section 1: General Information

Program Overview

The original Washington State Health Professional Loan Repayment and Scholarship program was established in 1989 to address health care workforce shortage issues in rural and underserved urban communities. Washington Health Corps was established by the 2019 Legislature as an umbrella under which the State, Federal and Behavioral Programs operate. Under Washington Health Corps, the Legislature established the Nurse Educator program in 2022, a state-funded loan repayment program. In exchange for service at an eligible nursing school, the program repays all or a portion of participants' outstanding educational loans up to \$75,000.

The Nurse Educator Loan Repayment Program (NELR) ([HB 2007](#)) is established under the umbrella of the Washington Health Corps. Nurse educators who teach for an approved nursing program are eligible for the NELR Program. "Nurse educator" is defined as an individual with an advanced nursing degree beyond a bachelor's degree that teaches nursing curriculum and is a faculty member for an approved nursing program. "Approved nursing program" is defined to mean a nursing educational program that leads to a degree or licensure in nursing that is approved by The Nursing Care Quality Assurance Commission and is located at an institution of higher education that is authorized to participate in state financial aid programs. The Washington Student Achievement Council (WSAC), in consultation with the planning committee, must determine selection criteria for nurse educators.

The Washington Student Achievement Council (WSAC) administers the programs in collaboration with the Department of Health (DOH), as authorized by [RCW 28B.115](#). A planning committee assists WSAC in developing criteria for selection of participants and expertise related to each member's professional field.

Nurse Educator Loan Repayment Program (NELR)

The Nurse Educator program is funded with state dollars. NELR participants are required to teach at least 1 class per semester or quarter at an approved nursing program. The service obligation term is three years for full-time employment or a prorated equivalent term of up to five years for less than full-time employment (or adjunct). Awards are a maximum of \$75,000 (not to exceed participant's loan debt).

Program Updates and Announcements

For the most up-to-date information about program changes, or the status of our application and awarding process, please visit the [WSAC](#) website.

If you have other questions, please contact health@wsac.wa.gov or 1-888-535-0747, Option 5 to discuss your options.

Nursing Program Requirements

Each participating nursing program site must sign a Memorandum of Agreement detailing the school's responsibilities:

- If a school has multiple locations, the participant cannot move or add an additional school without going through a preapproved school change process.
- The school is responsible for reporting if the participant falls below the required 1 class per semester or quarter.
- The site must monitor participants' leaves of absence (including holidays, sick leave, vacation, or any other leave) and notify WSAC if the participant exceeds their maximum days away per their NELR contract.
- The site is required to contact WSAC within seven business days if the participant is terminated for any reason, has their license suspended, has a disciplinary action brought against them, or no longer has a valid license to teach nursing.
- The site is required to submit a *Quarterly Service Verification Form* to verify the schedule the participant worked. It is the site's responsibility to verify the schedule and to retain the original copy of the form. The participant should also retain a copy of the original form.

Quarterly Service Verification Form: School Responsibility

- The *Quarterly Service Verification Form* is available on the [WSAC](#) website.
- The school is to verify the schedule worked by the participant. (Full-time vs part-time)
- A site administrator with authority must verify the participant's schedule and sign the form.
- WSAC will not accept forms signed or dated before the last day of the quarter.

Section 3: Nurse Educator Eligibility and Program Information

Provider Eligibility Requirements

To be eligible, Nurse Educators must meet the following criteria:

- Be a United States citizen or permanent resident or be eligible to work in Washington State.
- Must be a registered nurse who holds an advanced degree beyond a bachelor's degree. An advanced degree includes, but is not limited to, a Master of Nursing, Doctor of Nursing Practice, and a Doctor of Philosophy in Nursing.
- Serve as a faculty member and teach at an approved Washington nursing school(s), [Click here for a list of Washington approved nursing programs](#) by July 1st.
- Have and maintain a current, full, permanent, unrestricted, and unencumbered health professions license in Washington State for the entire duration of the service obligation period. An unencumbered license means that it has not been revoked, suspended, or made probationary or conditional by the State licensing authority as the result of disciplinary action.
- Be working at the application site at the time of contract start date (July 1). If the provider changes sites prior to award, they are no longer eligible for an award.
- Not have accepted an award through the Health Professional Conditional Scholarship Program or be a previous FHP/SHP participant, if program funds were received or if the contract was breached.
- Meet the minimum working requirements of the program of 1 class per quarter/semester for 3 quarters or 2 semesters. Summer quarter/semester is optional.
- Not have an outstanding contractual service obligation to the federal government, or to a state or other entity, unless that service obligation will be completely satisfied before the effective date of the contract (July 1st). Providers must have completed any service obligation by the time they begin a contract with WSAC, but they can be in contract when they apply.
- Not have a current default on any federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, federal income tax liabilities, Federal Housing Authority (FHA) loans, etc.), even if the creditor now considers them to be in good standing.
- Not have breached a prior service obligation to the federal/state/local government or other entity, even if the obligation was subsequently satisfied.
- Not have had any federal or non-federal debt written off as uncollectible or received a waiver of any federal service or payment obligation.
- Not have a judgment lien(s) against property for a debt to the United States.

Section 4: Obligations and Provider Awards

Award Amounts and Disbursement

Awards are based on the loan debt balance submitted on the application and verified by lender statements.

- The funds are intended to reduce the debt by the award amount. The award is not intended to pay the balance in full, as interest continues to accrue.
- Awards will be divided into quarterly payments each year during the contract service obligation period.
- Service credit is earned during the quarter. Payments are made after the completion of each quarter and upon receipt, review, and approval of each *Quarterly Service Verification Form*.
- If awarded, a participant must register for a [Statewide Payee Number](#) with the Office of Financial Management (OFM) to receive their quarterly payments.
- Participants are required to annually submit loan documentation verifying they have applied program funds to their eligible loan debt. The loan payment documentation must come from the lender and include the lender(s)'s name, the participant's name, the date and amount of each payment made. Participants who fail to adequately document that all program funds were applied as stipulated in their contract will enter repayment default status.
- The participant is responsible for continuing all lender payments after the contract begins.
- WSAC funds must be fully applied, starting from the contract begin date (July 1). The participant may not use funds to reimburse any payments made prior to this date.
- An interest subsidy benefit provided by the U.S. government will not count towards a payment toward your loans.
- Payments will be suspended during periods of approved deferment (e.g., FMLA, medical leave) and the service obligation will be extended accordingly.

Quarterly Service Verification Form: Educator Responsibility

At the end of each quarter, the participant must submit a *Quarterly Service Verification Form* available on the [WSAC website](#). reporting quarterly schedule. This form documents service details by quarter and begins the payment process.

- **Both the participant and the site administrator are responsible for verifying the worked schedule by signing the *Quarterly Service Verification Form*. The school and participant verify this information on the deadline of each period that the service form is documenting.**
- Quarters are Fall, Winter, Spring, Summer. The deadline for each is as follows: Fall deadline is October 1st, Winter Deadline is January 1st, Spring deadline is April 1st and summer deadline is July 1st. Quarters may be adjusted to reflect the college's academic schedule.
- Summer quarter/semester is optional.
- A service verification form cannot be processed if WSAC has not received the form from a prior quarter.
- When requested, participants must send payment history from the approved lender(s) to verify that all loan repayment funds have been applied by the end of the quarter in which the funds were received.

Deferment of Service

Participants must fulfill their service obligation without extended absences or significant interruptions in service. A deferment of the service obligation may be granted if the participant's compliance with the obligation is temporarily impossible or an extreme hardship (e.g., leave of absence for medical reasons, FMLA, or call to active duty). Deferments should be requested in advance and be preapproved. Periods of approved deferment will suspend payments and may extend the participant's service obligation end date.

Site Change Policy

All program participants must complete their entire service commitment at the preapproved school(s) under the submitted provider application. Participants must seek preapproval to request to transfer to a new school or to add a school, regardless of whether the school are within the same organization. **Failure to obtain approval prior to leaving the preapproved site may result in default on the loan repayment contract.**

Approval Criteria for a Site Change:

- Participant is in compliance with their contract.
- Participant's license or certification has not been revoked, suspended, or restricted, and no disciplinary action is pending.
- Participant has not been terminated by the school for documented cause.
- Participant has worked a minimum of one pay period at current school prior to request.
- New school is an approved location for loan repayment at the time of the transfer approval.

Approval of changes to the participant's eligible loan repayment school(s) by WSAC does not alter any local employment contract requirements in any manner.

Participant Preapproval Process

To request to transfer to a new school or to add a school:

1. Participant must submit a request for the change, in advance.
2. If a signed Memorandum of Agreement (MOA) is not already on file, WSAC will require one for the new school.
3. WSAC will require a signed Contract Amendment for the participant.

Participants who have concerns about fulfilling their service obligation at their current school are encouraged to contact program staff immediately to discuss options and receive prior approval to add or transfer to another approved nursing school. It is the participant's responsibility to obtain employment at an approved nursing school.

Default Repayment

When a participant defaults on the terms of their service obligation as detailed in their signed contract, a penalty is assessed. **A default or breach for purposes of these programs is defined as failure to complete the service obligation, meet service requirements, or apply program funds to repayment of approved educational loan balances and provide documentation.**

NELR Default Repayment

Participants who breach their obligation will owe the State an amount equal to the unsatisfied portion of the service obligation or the total amount paid on their behalf, whichever is less, plus interest, in addition to costs associated with collection of the debt.

SHP & BHP Repayment Cost Examples

	Original Award Amount	Amount Received by Participant	Remaining Service Obligation Amount	Interest Rate	Total Amount Due for Repayment (Includes interest)
Ex. 1	\$15,000	\$8,000	\$7,000	6.39%	\$7,447
Ex. 2	\$35,000	\$25,000	\$10,000	6.39%	\$10,639
Ex. 3	\$50,000	\$10,000	\$40,000	6.39%	\$10,639
Ex. 4	\$75,000	\$50,000	\$25,000	6.39%	\$26,598

The examples shown above are in the case of the participant entering repayment. Interest begins accruing on the principal balance when the participant enters repayment status. The beginning interest rate will be determined at that point in time. The interest rate will be the rate set for primary federal student loans for undergraduate students. The interest rate will be on the notification letter sent at the time of entering default repayment. The interest rate is variable. This means the interest rate can be adjusted lower or higher than the beginning interest rate. The interest rate is updated each year on July 1. Contact WSAC for annual interest rates.

Other Fees

Late Fee: A late charge of 5% of the payment due may be charged on any payment received later than 20 days after the due date.

Insufficient Funds: Up to \$50 (does not include any fees charged by banks or other institutions). This applies to credit card, electronic fund transfers, ACH, checks, and any other type of payments made on the account that fail to clear due to insufficient funds.

Collection and Legal Fees: Any necessary expenses for collection of any amount not paid when due (to the extent permitted by law) including attorney fees, regardless of whether legal proceedings have begun.

Other Information

- The program is not responsible for principal or interest paid to any lender. A participant's loan debt may continue to accrue interest during the contract period. Program funds are intended to reduce educational debt and may not pay the balance in full.

- Participants may pay off loans in full before the end of the service obligation and continue receiving quarterly payments during the contract period so long as documentation is provided that payments made to the loan are greater than or equal to the contract amount.
- A participant may request a contract termination by submitting a written request for termination and repaying all funds disbursed under the contract no later than 45 days prior to the end of the fiscal year in which the contract was entered. Terminating the contract may disqualify the participant from reapplying or participating in other loan repayment programs.
- Outside of the limited termination opportunity, the only permissible basis for canceling a contract is 100% total and permanent disability or death of the participant.
- Participants who enlist in any of the Armed Forces and incur an active-duty military obligation before completing their contract obligation are subject to the default provision of their contracts.
- Individuals in a Reserve component of the Armed Forces, including the National Guard, are eligible to participate in the program. Military training or other duty performed by reservists will not satisfy the NELR service commitment.

Section 5: Application Process

The programs use an application process consisting of three connected steps: provider application; applicant eligibility certification, and selection and awarding. The process, outlined below, requires only minimum qualification information from sites until a provider application associated with the site is submitted.

1. **Providers apply** during the provider application cycle. To be eligible for consideration, providers must be working at an [approved Washington Nursing school](#), or have an employment contract to start work at an approved school on or before July 1.
2. **Sites certify** the information submitted on the nurse educator's application and provide additional details about the school.
3. **Selection and awarding**

Tentative Application Timeline

Check your application homepage for current status and timeline updates.

January – March	Providers apply.
March – May	Sites certify information for nurse educators who applied from their school. WSAC notifies schools to provide further detail.
June	WSAC completes selection and begins notifying providers of award status.
July 1	Providers begin contracts.

Provider Application

Complete and submit the online application by 5:00 p.m. (Pacific Time) on the established deadline.

- Any applications that are missing documents or have incomplete information will be considered incomplete after the deadline and will not be reviewed.
- Notifications of award and non-award, as well as all general program communication, will be sent by email. If the email address provided changes after completion of the application, it is the provider's responsibility to notify program staff.

Information Needed for the Provider Application

The list below is information that will be required to complete the provider application.

- Copy of current lender statements (see detailed instructions in this section).
- Colleges attended, including names, dates, and degrees.
- Licensure information, date of license, and license number under which provider will be practicing.
- The date (year/month/day) provider began or will begin teaching.
- Length of Contract. Number of classes. Estimated number of students. An estimation of the number of office hours and hours worked outside the classroom.

Required Attachments

The provider will be asked to upload these documents to complete the application:

- Current loan statement(s) with outstanding educational debt amount.
 - Please submit the most current lender statement, no older than 30 days. Statement must show the lender name, the provider's name, account balance, and date.
 - Be sure to **include all eligible debt** (loan eligibility is detailed in the following section). Additional lenders or debt cannot be added after the application is submitted.
 - Do not submit promissory notes, school statements, etc.

WSAC may, at its discretion, request and consider additional documentation regarding any response provided on this application. Failure to provide the requested additional documentation in the time requested may result in disqualification of the application.

Eligible Loans

Qualifying educational loans include:

- U.S. federal government and commercial loans for actual costs paid for tuition, and reasonable educational and living expenses related to the education of the applicant for this licensure.
- Loans related to obtaining licensure **for this profession only**.

Loans that are not eligible include:

- Non-U.S. federal government loans.
- Loans for which the associated documentation cannot identify that the loan was solely applicable to the undergraduate or graduate education of the applicant.
- Loans for other educational degrees that were not required to obtain licensure in the profession under which the provider is applying.
- Loans for which the provider incurred a service obligation that will not be satisfied prior to the start of the contract.
- Primary Care Loans, as they have an obligation for health professional service to the federal government.
- Loans that have been consolidated with personal debt.
- Parent Plus Loans.
- Loans that have no current balance.
- Credit card debt or personal lines of credit.
- WSAC will not pay for otherwise ineligible loans that been consolidated with eligible loans.

Applicant & School Eligibility Certification

The applicant certification steps are to be completed by a school representative. Schools will be asked to verify employment specifics for each educator who applies from the school. School representatives will also provide some school information that might aid in the selection process.

Section 6: Selection and Notification

The selection of program participants is designed to ensure that the program is meeting its intent. The NELR are intended to address shortages across the State of Washington by recruiting and retaining nurse educators working at an approved Washington nursing program(s). The Washington Health Corps programs have a statewide planning committee whose responsibilities include assisting with the selection of participants and annually revisiting the selection priorities to reflect the current needs of the state.

WSAC will notify all applicants about the status of their selection for the program. Selection is tentatively scheduled to begin in May, and the process of awarding generally takes a few months to complete. The timeframe can vary depending upon the volume of applications received, the time it takes providers to accept, or decline offers, and the number of rounds it takes to fully expend the funds.

Section 7: Definitions

Approved Washington Nursing Schools

Means a nursing educational program that leads to a degree or licensure in nursing that is approved by the Nursing Care Quality Assurance Commission under [RCW 18.79.070](#) and is located at an institution of higher education that is authorized to participate in state financial aid programs under chapter [28B.92 RCW](#).

Memorandum of Agreement

For the purposes of NELR, it is the document that outlines the roles and responsibilities of the Nursing School location and WSAC. It is signed and agreed to by both parties.

Washington State Department of Health

The Department of Health was formed in 1989 to promote and protect public health, monitor health care costs, maintain standards for quality health care delivery, and plan activities related to the health of Washington citizens. The Secretary of Health is appointed by the Governor. The statutory authority for the Department of Health is in [RCW 43.70.020](#).

Nursing Care Quality Assurance Commission

The Nursing Care Quality Assurance Commission (NCQAC) protects the public's health and safety by regulating the competency and quality of licensed practical nurses, registered nurses, advanced registered nurse practitioners and nursing technicians. The purpose of the NCQAC includes establishing, monitoring and enforcing licensing, consistent standards of practice, continuing competency mechanisms, and discipline.

Commercial or Private Student Loans

Also known as college loans, educational loans, or alternative student loans. These are nongovernmental loans made by a private lender specifically for graduate or undergraduate education expenses, such as tuition, room, board, books, and other associated educational costs. These loans are made by banks, credit unions, savings and loan associations, insurance companies, schools, and other financial or credit institutions that are subject to examination and supervision in their capacity as lenders by an agency of the United States or of the State in which the lender has its principal place of business. These are unsecured loans with various options for repayment and may offer forbearance and deferral options.