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## Final Regulation Agency Background Document

<b>Agency name</b>	Department of Health
<b>Virginia Administrative Code (VAC) citation</b>	12VAC5-507
<b>Regulation title</b>	Regulations for Nursing Scholarship and Loan Repayment Program Requiring Service in a Long-Term Care Facility
<b>Action title</b>	Implement Regulations on Scholarships and Loans Requiring Long Term-Nursing Care Service
<b>Date this document prepared</b>	February 26, 2014

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Orders 14 (2010) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

### Brief summary

*Please provide a brief summary (no more than 2 short paragraphs) of the proposed new regulation, proposed amendments to the existing regulation, or the regulation proposed to be repealed. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation. Also, please include a brief description of changes to the regulation from publication of the proposed regulation to the final regulation.*

Chapter 240 of the 2000 Virginia Acts of Assembly amended and reenacted § 32.1-122.6:01 of the Code of Virginia to require the establishment of a nursing scholarship and loan repayment program for registered nurses, licensed practical nurses and certified nurse aides who agree to perform a period of service in a Commonwealth long-term care facility and mandated the Board of Health in cooperation with the Board of Nursing to adopt regulations governing the implementation of such a scholarship and loan repayment program within 280 days of its enactment. For that reason, the Board utilized the emergency rulemaking process authorized by the Administrative Process Act for promulgating emergency regulations. Following that regulatory action, the Virginia Department of Health issued a Notice for Intended Regulatory Action and has developed final permanent regulations to replace the emergency regulations which expired on January 16th, 2002. There are no regulations currently in effect. Permanent regulations are necessary to support the implementation of the amendments to § 32.1-122.6:01 enacted by Chapter 240 (2000). The final regulations contain provisions pertaining to definitions, eligibility for scholarships and the loan repayment program, conditions of scholarships and the loan repayment program, the process to apply, deadlines, selection criteria and repayment information.

### Statement of final agency action

*Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency or board taking the action, and (3) the title of the regulation.*

The Final Regulations for Nursing Scholarship and Loan Repayment Program Requiring Service in a Long-Term Care Facility were approved by the Board of Health on March 20, 2014. Subsequent to the Board of Health approval, as part of the executive review process, the Office of the Attorney General recommended additional changes to the amendments. The changes consist of the addition of language more clearly defining the requirements of U.S. citizenship which mirrors the requirements set forth in the U.S. Code, as well as minor changes to wording to increase clarity. The Commissioner approved the subsequent changes to the amendments while the Board of Health was not in session.

### Legal basis

*Please identify the state and/or federal legal authority to promulgate this proposed regulation, including (1) the most relevant citations to the Code of Virginia or General Assembly chapter number(s), if applicable, and (2) promulgating entity, i.e., agency, board, or person. Your citation should include a specific provision authorizing the promulgating entity to regulate this specific subject or program, as well as a reference to the agency/board/person's overall regulatory authority.*

Section 32.1-122.6:01 of the Code of Virginia, as amended by Chapter 240 of 2000 Acts of Assembly, mandated the State Board of Health to promulgate regulations. Chapter 240 (2000) further authorized the Board of Health to continue to regulate the establishment of a nursing scholarship and loan repayment program for registered nurses, licensed practical nurses and certified nurse aides who agree to perform a period of service in a Commonwealth long-term care facility.

### Purpose

*Please explain the need for the new or amended regulation. Describe the rationale or justification of the proposed regulatory action. Detail the specific reasons it is essential to protect the health, safety or welfare of citizens. Discuss the goals of the proposal and the problems the proposal is intended to solve.*

The statutory language of § 32.1-122.6:01 of the Code of Virginia as amended by Chapter 240 (2000) mandates the creation of a nursing scholarship and loan repayment program for registered nurses, licensed practical nurses and certified nurse aids who are bona fide residents of Virginia and agree to perform a period of nursing service in a long-term care facility in the Commonwealth. The intent of this regulatory action is to implement the program required by § 32.1-122.6:01 and address the shortage of trained medical professionals in the Commonwealth. The Nursing Scholarship and Loan Repayment Program addresses the workforce shortage by providing financial assistance for education expenses for individuals who are enrolled in or have completed a registered nursing, licensed practical nursing or certified nurse aid program. Decreasing the workforce shortage of trained medical professionals in the Commonwealth helps protect the health of Virginians by increasing primary care services to underserved areas and populations.

### Substance

*Please identify and explain the new substantive provisions, the substantive changes to existing sections, or both where appropriate. A more detailed discussion is required under the "All changes made in this regulatory action" section.*

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The majority of the provisions in this regulatory action were contained in the Emergency Regulations. Changes were made to the proposed regulations to add clarification to the final regulations. The following is a summary of the key provisions of the final regulations:

#### General information

##### Definitions

Provides clarification on key or frequently used terms in the regulatory text.

##### Nursing Scholarship Advisory Committee

Establishes that the Nursing Scholarship Advisory Committee as appointed by the Board of Health shall make all scholarship and loan repayment award recommendations.

##### Administration of Nursing Scholarship Program

Provides guidance on the following sections in the regulation: Eligibility; Conditions of scholarships; Number of applications per student; Amounts of scholarships; How to apply; and Reporting Requirements.

##### Eligibility

Provides requirements regarding Virginia residency, approved educational background, program enrollment, a 2.5 cumulative GPA in core nursing classes if already enrolled in a program, school transcripts, financial need and no active military obligations.

##### Conditions of Scholarship

Provides guidance and provisions on the contract requirements, calculation of the service obligation, terms of service, employment requirements, reporting, transfer of practice site, default, waiver, partial fulfillment, hardship, and default payments.

##### Number of applications, Amounts of scholarships & How to apply

Provides information and provisions regarding applicant renewals, minimum and maximum award amounts, location of application form, and deadline dates for submission of applications.

##### Reporting Requirements of Scholarship Participants

Provides information on the reporting requirements of scholarship participants including verification of employment once every six months and prompt notification in the event of the following changes: name, address, practice site, intention to fulfill service obligation, or if the participant ceases to practice as a RN, LPN or CNA.

##### Administration of the Nursing Loan Repayment Program

Provides guidance on the following sections in the regulation: Eligibility; Application requirements; Selection criteria; Loan repayment amount; Loans qualified for repayment; Release of information; Effective date for start of service; Repayment policy; Compensation during service; Monitoring during service; Terms of service; Loan repayment contract; Breach of contract; Postponement or waiver of service; Cash reimbursement and penalty; and Reporting Requirements of loan repayment participants.

##### Eligibility

Provides requirements and provisions regarding Virginia residency, licensure, approved educational background, application submission, no other contractual service obligation, no active military obligation; the applicant's contract, no federal or state debt; no history of noncompliance or waiver and verifiable educational loan balance.

Application requirement & Selection criteria

Provides general information on the requirement for application, deadline dates, competitive review, preference, and selection for award in the loan repayment program.

Functional elements of the repayment program

Provides program information regarding amount of award, qualifying loans, release of information to the Department, effective date of service, repayment policy, compensation during service, monitoring during service, terms of service, contract requirements, breach of contract, waiver, postponement, disability, penalty, interest, and reporting requirements.

**Issues**

*Please identify the issues associated with the proposed regulatory action, including:*

- 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions;*
  - 2) the primary advantages and disadvantages to the agency or the Commonwealth; and*
  - 3) other pertinent matters of interest to the regulated community, government officials, and the public.*
- If there are no disadvantages to the public or the Commonwealth, please indicate.*

The primary advantage of the proposed regulatory action to the public will be an increase in the availability of adequate quality nursing care in long-term care facilities in the Commonwealth. Further, long term care facilities will be better positioned to retain qualified nurses because of the obligation created by accepting the scholarship or loan repayment funds. The Virginia Department of Health sees no disadvantage to the public, the agency or the Commonwealth associated with the proposed regulatory action.

**Changes made since the proposed stage**

*Please describe all changes made to the text of the proposed regulation since the publication of the proposed stage. For the Registrar’s office, please put an asterisk next to any substantive changes.*

In order to improve the clarity of final regulations the organization of certain sections of the regulatory chapter has been rearranged. These organizational changes constitute a majority of the changes in this regulatory action. Some other minor clarifying technical amendments have been made. No substantive changes have been made. These changes were approved by the Board of Health on March 20, 2014. Subsequent to the Board of Health approval, as part of the executive review process, the Office of the Attorney General recommended additional changes to the amendments. The changes consist of the addition of language more clearly defining the requirements of U.S. citizenship which mirrors the requirements set forth in the U.S. Code, as well as minor changes to wording to increase clarity. The Commissioner approved the subsequent changes to the amendments while the Board of Health was not in session.

Section number	Requirement at proposed stage	What has changed	Rationale for change
10 - <del>Legislative authority and general information - Definitions</del>	Sections 32.1-122.6:01 provides the Board of Health the authority to award certain nursing scholarships and loan repayment funds. Fee requirements are specified in	<p style="text-align: center;"><u>The following words and terms when used in this chapter shall have the following meanings:</u></p> <p style="text-align: center;"><u>“Approved nurse education program” means an</u></p>	<p>Removal of the unnecessary legislative authority section.</p> <p>Moved the Definitions</p>

	<p>§ 54.1-3011.1, and § 54.1-3011.2 to establish the nursing scholarship and loan repayment fund.</p> <p>All scholarship and loan repayment award recommendations will be made by the Nursing Scholarship Advisory Committee appointed by the State Board of Health. The Commissioner may act for the Board of Health when it is not in session. The committee shall consist of eight members: four deans or directors of schools of nursing, two former scholarship participants, and two members with experience in the administration of student financial aid programs. Committee appointments are for two-year terms and members may not serve for more than two successive terms.</p> <p>The Virginia Department of Health serves as the staff element to the Advisory Committee and plays no role in the determination of scholarship or loan repayment participants.</p> <p>After scholarships are awarded, depending upon availability of funds, nursing educational loans will be repaid for those registered nurses, licensed practical nurses, and certified nurse aides applying and meeting eligibility criteria as set forth in these regulations.</p> <p>These regulations set forth the criteria for eligibility for the scholarship and loan repayment program for registered nurses, licensed practical nurses, or certified nurse aides; the general terms and conditions</p>	<p><u>approved educational program pursuant to Chapter 30 (§54.1-3000 et seq.) of Title 54.1.</u></p> <p><u>"Board" or "Board of Health" means the State Board of Health.</u></p> <p><u>"Certified nurse aide" or "CNA" means a person who is certified by the Board of Nursing under the provisions of Chapter 30 of Title 54.1 of the Code of Virginia.</u></p> <p><u>"Commercial loans" means loans made by banks, credit unions, savings and loan associations, insurance companies, schools, and either 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.</u></p> <p><u>"Commissioner" means the State Health Commissioner.</u></p> <p><u>"Department" means Virginia Department of Health.</u></p> <p><u>"Full-time" means at least 32 hours per week for 45 weeks per year.</u></p> <p><u>"Interest" means the legal rate of interest pursuant to § 6.2-302 of the Code of Virginia.</u></p> <p><u>"Licensed practical nurse" or "LPN" means a person who is licensed or holds a multistate licensure privilege under the provisions of Chapter 30 of Title 54.1 of the Code of Virginia to practice practical nursing as defined in § 54.1-3000.</u></p> <p><u>"Long-term care facility" means a certified nursing facility or nursing home as defined by § 32.1-123 of the Code of Virginia.</u></p> <p><u>"Participant/recipient" means an eligible registered</u></p>	<p>section to the forefront of the regulations for clarity of the chapter. A few definitions have been modified to more closely reflect the definition of terms within the Code of Virginia and to provide clarity.</p>
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	<p>applicable to the obligation of each scholarship and loan repayment participant to practice in a long-term-care facility in the Commonwealth; and penalties for a participant's failure to fulfill the practice requirements.</p>	<p><u>nurse, licensed practical nurse, or certified nurse aide student or graduate of an approved nursing education program or an approved nurse aide education program who enters into a contract with the commissioner and participates in the scholarship or loan repayment program.</u></p> <p><u>"Penalty" means twice the amount of all monetary payments to the scholarship or loan repayment participant, less any service obligation completed.</u></p> <p><u>"Reasonable educational expenses" means the costs of education, exclusive of tuition, that are considered to be required by the school's degree program or an eligible program of study, such as fees for room, board, transportation and commuting costs, books, supplies, educational equipment and materials, and travel that was a part of the estimated student budget of the school in which the participant is or was enrolled.</u></p> <p><u>"Registered nurse" or "RN" means a person who is licensed or holds a multistate licensure privilege under the provisions Chapter 30 of Title 54.1 of the Code of Virginia to practice professional nursing as defined in § 54.1-3000.</u></p>	
<p>15</p>	<p>The following words and terms, when used in this chapter, shall have the following meaning unless the context clearly indicates otherwise:</p> <p>"Board" or "Board of Health" means the State Board of Health.</p> <p>"Certified Nurse Aide or CNA" means an individual that have completed a nurse aide education program that is approved by the Board of</p>		<p>Removed Section number 15 to ensure uniformity of numbering of the chapter and clarity of the regulations.</p>

	<p>Nursing, successfully passed the competency evaluation, and has made application and been given certification by the Board of Nursing in the Commonwealth of Virginia.</p> <p>"Commercial loans" means loans made by banks, credit unions, savings and loan associations, insurance companies, schools, and either financial or credit institutions which 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.</p> <p>"Commissioner" means the State Health Commissioner.</p> <p>"Department" means Virginia Department of Health.</p> <p>"Full-time" means at least thirty-two (32) hours per week for forty-five (45) weeks per year.</p> <p>"Licensed Practical Nurse or LPN" means a nurse who has completed a practical nurse program and is licensed by the Commonwealth of Virginia to provide routine care under the supervision of a licensed medical practitioner, a professional nurse, registered nurse or registered professional nurse or other licensed health professional authorized by regulations of the Board of Nursing.</p> <p>"Long-Term Care Facility" means a licensed facility in the Commonwealth traditionally known as a nursing home, including both skilled nursing facilities and intermediate care facilities depending on the extent of nursing and related medical</p>		
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	<p>care provided.</p> <p>"Participant" or "loan repayment participant" means an eligible registered nurse, licensed practical nurse, or certified nurse aide student or graduate who enters into a contract with the commissioner and participates in the scholarship or loan repayment program.</p> <p>"Interest" means the legal rate of interest pursuant to the Code of Virginia.</p> <p>"Penalty" means the amount of money equal to twice the amount of all monetary payments to the scholarship or loan repayment participant, less any service obligation completed.</p> <p>"Reasonable educational expenses" means the costs of education, exclusive of tuition, which are considered to be required by the school's degree program or an eligible program of study, such as fees for room, board, transportation and commuting costs, books, supplies, educational equipment and materials, and travel, which was a part of the estimated student budget of the school in which the participant was enrolled.</p> <p>"Registered Nurse or RN" means a nurse who has passed a state registration examination and has been licensed to practice nursing by the Board of Nursing in the Commonwealth of Virginia.</p>		
<p>20 - Eligibility for scholarships Nursing Scholarship Advisory Committee</p>	<p>In order to be considered for a scholarship, applicants must meet the following criteria:</p> <ol style="list-style-type: none"> <li>1. Be a bona fide resident of Virginia for at least one year,</li> </ol>	<p><u>All scholarship and loan repayment awards shall be made by an Advisory Committee appointed pursuant to Va. Code § 23-35.9</u></p>	<p>Renumbering of sections to ensure uniformity of the chapter and clarity of the regulations.</p> <p>Removal of</p>



	<p>as determined by Va. Code § 23-7.4.</p> <p>2. Be accepted for enrollment or enrolled in approved nursing education programs preparing them for examination for licensure as practical nurses or registered nurses or accepted for enrollment or enrolled in approved nurse aide education programs preparing them for certification.</p> <p>3. Submit a completed application form and appropriate grade transcript prior to the established deadline dates.</p> <p>4. Demonstrate financial need which is verified by the Financial Aid Officer/authorized person.</p> <p>Failure to comply with all of these criteria will cause the applicant to be ineligible for a scholarship.</p>		<p>unnecessary language.</p>
<p>30 - <u>Conditions of scholarships Eligibility for scholarships</u></p>	<p>For each \$100 of scholarship money received, the participant agrees to engage in the equivalent of one month of full-time nursing practice in a long-term care facility in the Commonwealth. Employment must begin within 90 days of the participant's graduation date. Voluntary military service, even if stationed in Virginia, cannot be used to repay the service obligation required when a scholarship is awarded.</p> <p>The participant shall notify the Department in writing of his/her employment location within 30 days of his/her employment at a long-term care facility in the Commonwealth.</p>	<p><u>In order to be considered for a scholarship, an applicant shall:</u></p> <p>1. <u>Be a United States citizen, national, or a qualified alien pursuant to 8 U.S.C. § 1621;</u></p> <p>2. <u>Be a bona fide resident of Virginia by being domiciled in the Commonwealth for at least one year as defined by § 23-7.4 of the Code of Virginia;</u></p> <p>3. <u>Be accepted for enrollment or enrolled in an approved nursing education program in the Commonwealth of Virginia preparing him for examination for licensure as practical nurses or registered nurses, or accepted for enrollment or enrolled in an approved nurse aide education program in the</u></p>	<p>Renumbering to ensure uniformity of the chapter and clarity of the regulations. Minor rewording to ensure clarity. Addition of eligibility requirements.</p>

	<p>The participant may request approval of a change of employment. The Board in its discretion may approve such a request.</p> <p>If a participant fails to complete his/her studies, the full amount of scholarship(s) received, plus applicable interest charge, must be repaid.</p> <p>If upon graduation a participant leaves the State, or fails to engage or ceases to engage in nursing practice in a long-term care facility in Virginia before all employment conditions of the scholarship award are fulfilled, the participant must repay the award amount reduced by the proportion of obligated years served plus applicable interest and penalty.</p> <p>If the participant is in default due to death or permanent disability so as not to be able to engage in nursing practice in a long-term care facility, the participant, or his personal representative, may be relieved of this obligation under the contract to engage in nursing practice upon repayment of the total amount of scholarship or loan repayment funds received plus applicable interest. For participants completing part of the nursing obligation prior to becoming permanently disabled, or in the event of death, the total amount of scholarship or loan repayment funds owed shall be reduced by the proportion of obligated years served. The obligation to make restitution may be waived by the Board upon application of the participant or the participant's estate to</p>	<p><u>Commonwealth of Virginia preparing him for certification;</u></p> <p><u>4. If already enrolled in an approved nursing education program in the Commonwealth of Virginia or an approved nurse aide education program in the Commonwealth of Virginia the student must have a cumulative grade point average of 2.5 in core nursing classes;</u></p> <p><u>5. Submit a completed application form and appropriate grade transcript prior to the established deadline dates;</u></p> <p><u>6. Demonstrate financial need which is verified by the school's financial aid officer/authorized person as part of the application process; and</u></p> <p><u>7. Not have an active military obligation.</u></p> <p><u>An applicant who fails to meet all of these requirements shall be ineligible for a scholarship.</u></p>	
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	<p>the Board.</p> <p>Individual cases of hardship may be considered by the Board for forgiveness of payment or service.</p> <p>Partial fulfillment of the participant's obligation shall reduce the amount of restitution plus penalty and applicable interest due by an amount of money equal to the same percentage of time employed.</p> <p>All refund checks should be made payable to the Commonwealth of Virginia.</p> <p>Before any scholarship is awarded, the applicant must sign a written contract agreeing to the terms established by law and the Board of Health.</p>		
<p>40 - <del>Number of applications per student</del> <u>Conditions of scholarships.</u></p>	<p>Scholarships are awarded for single academic years. However, the same student may after demonstrating satisfactory progress in his studies, apply for and receive scholarship awards for any succeeding academic year or years. No student may receive scholarships for more than a total of four years.</p>	<p><u>A. Prior to becoming a participant in the nursing scholarship program, the applicant shall enter into a contract with the commissioner agreeing to the terms and conditions upon which the scholarship is granted.</u></p> <p><u>B. For each \$2000 <del>400</del> of scholarship money received, the participant agrees to engage in the equivalent of one <del>month</del> year of full-time nursing practice in a long-term care facility in the Commonwealth. The recipient shall notify the department, within 180 days of being awarded a nursing diploma or degree, of the type of nursing practice to be performed and give the name and address of the employer for approval. Voluntary military service, even if stationed in Virginia, cannot be used to repay the service obligation required when a scholarship is</u></p>	<p>Renumbering to ensure uniformity of the chapter and clarity of the regulations. Minor changes to remove unnecessary language, provide clarity and ensure proper terminology is utilized.</p> <p>Scholarship dollar amount and corresponding service requirement modified to match regulations of other similar nursing scholarship programs.</p>

		<p>awarded.</p> <p><u>The participant may request approval of a change of practice site. Such requests shall be made in writing. The department in its discretion may approve such a request.</u></p> <p><u>C. If a participant fails to complete his studies, the full amount of the scholarship or scholarships received, plus the applicable interest charge, shall be repaid.</u></p> <p><u>D. If upon graduation a participant leaves the Commonwealth or fails to engage or ceases to engage in nursing practice in a long-term care facility in Virginia before all employment conditions of the scholarship award are fulfilled, the participant shall repay the award amount reduced by the proportion of obligated years served plus the applicable interest and penalty.</u></p> <p><u>E. If the participant is in default due to death or permanent disability so as not to be able to engage in nursing practice in a long-term care facility, the participant or his personal representative may be relieved of his obligation under the contract to engage in nursing practice, upon repayment of the total amount of scholarship or loan repayment funds received plus applicable interest. For participants completing part of the nursing obligation prior to becoming permanently disabled or in the event of death, the total amount of scholarship or loan repayment funds owed shall be reduced by the proportion of obligated years served. The obligation to make restitution may be waived by the board upon application of the participant or the participant's personal</u></p>	
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		<p><u>representative to the board.</u></p> <p><u>F. The Board may grant a variance to service requirements or default repayments upon participant request Individual cases may be considered by the board for a variance of payment or service, pursuant to § 32.1-12 of the Code of Virginia, if it finds compliance with the applicable service requirements or default repayment would pose an undue hardship on the recipient.</u></p> <p><u>G. All default payments shall be made payable to the Commonwealth of Virginia.</u></p>	
<p><u>50 - Amounts of scholarships</u> <u>Number of applications per student.-</u></p>	<p>The amount of each scholarship award is dependent upon the amount of money appropriated by the General Assembly and the number of qualified applicants. No participant will receive an award for less than \$150.</p>	<p><u>Scholarships are awarded for single academic years. However, the same student may, after demonstrating satisfactory progress in his studies, which is demonstrated by a cumulative grade point average of 2.5 in core nursing classes, apply for and receive scholarship awards for a succeeding academic year or years. No student shall receive scholarships for more than a total of four years.</u></p>	<p>Renumbering to ensure uniformity of the chapter and clarity of the regulations. Clarifying language to elaborate what benchmark will qualify as demonstrating satisfactory progress in studies.</p>
<p><u>60 - How to apply</u> <u>Amounts of scholarships.</u></p>	<p>Application, guidelines and additional information may be available from the Dean/Director of a nursing program or from the Financial Aid Office or from the Department.</p> <p>It is preferred that applications are completed online by going to the Department's website.</p>	<p><u>The amount number of each scholarships awarded shall be dependent upon the amount of money appropriated by the General Assembly, the amount of the funds available within the Nursing Scholarship and Loan Repayment Fund administered by the Board of Nursing pursuant to § 54.1-3011.2 of the Code of Virginia, and the number of qualified applicants. No Each participant shall receive an award of less than \$150 or more than \$2,000 per year.</u></p>	<p>Renumbering to ensure uniformity of the chapter and clarity of the regulations. Minor language changes made for clarification.</p> <p>Scholarship dollar amount modified to match regulations of other similar nursing scholarship programs.</p>
<p><u>70 - Deadline dates</u> <u>How to apply for a scholarship.</u></p>	<p>Applications will not be accepted more than two months in advance of the deadline, which is June 30.</p>	<p><u>Eligible applicants shall submit a complete application on a form made available by the department on the</u></p>	<p>Renumbering to ensure uniformity of the chapter and clarity of the regulations.</p>

	<p>Applications and/or transcripts received after 5:00 p.m. on the above date will not be considered for scholarship awards.</p>	<p><u>department's website. A complete application shall include documentation of all eligibility requirements. The deadline for submission of the application shall be announced by the department on the department's website.</u></p>	<p>Minor changes of language for clarity and flexibility.</p>
<p><del>80- Administration of the nursing loan repayment program.</del> <u>Reporting Requirements of Scholarship Participants</u></p>	<p>The commissioner, as executive officer of the department shall administer this program. Any requests for variance from this chapter shall be considered on an individual basis by the board.</p>	<p><u>Reporting requirements of the scholarship participant are as follows:</u></p> <ol style="list-style-type: none"> <li><u>1. Each participant shall provide information as required by the department to verify compliance with the practice requirements of the nursing scholarship program (e.g., verification of employment in a long-term care facility by submitting a Verification of Employment form once every six months).</u></li> <li><u>2. Each participant shall promptly notify the department in writing within 30 days if any of the following events occur:</u> <ol style="list-style-type: none"> <li><u>a. Participant changes name:</u></li> <li><u>b. Participant changes address:</u></li> <li><u>c. Participant changes practice site. (Participant is required to request in writing and obtain prior approval of changes in practice site.):</u></li> <li><u>d. Participant no longer intends or is able to fulfill service obligation as a nurse in the Commonwealth in a long-term care facility:</u></li> <li><u>e. Participant ceases to practice as a registered nurse, licensed practical nurse, or certified nurse aide; or</u></li> <li><u>f. Participant ceases or no longer intends to complete his nursing school program.</u></li> </ol> </li> </ol>	<p>Renumbering to ensure uniformity of the chapter and clarity of the regulations.</p> <p>Section 80 of the proposed regulations was deleted due to the fact that it was unnecessary. The newly proposed section 80 is modeled on the reporting requirements of the loan repayment program.</p>
<p>90 - <del>Eligible</del></p>	<p>An eligible applicant for the</p>	<p>An eligible applicant for</p>	<p>Clarify that eligible</p>

<p><u>applicants Eligibility for the Nursing Loan Repayment Program.</u></p>	<p>Nursing Loan Repayment Program must:</p> <ol style="list-style-type: none"> <li>1. Be a bona fide resident of Virginia for at least one year, as determined by Va Code § 23-7.4.;</li> <li>2. Be a registered nurse, licensed practical nurse, or certified nurse aide;</li> <li>3. Have graduated from an approved educational program pursuant to Chapter 30 (§ 54.1-3000 et seq.) of Title 54.1;</li> <li>3. Have a valid unrestricted Virginia license to practice nursing or be certified as a nurse aide, a copy of which shall be furnished to the Nursing Loan Repayment Program;</li> <li>4. Have submitted a completed application to participate in the Nursing Loan Repayment Program; and</li> <li>5. Have signed and submitted, a written contract agreeing to repay educational loans and to serve in a long-term care facility for the applicable period of obligated service in the Commonwealth.</li> </ol>	<p>the nursing loan repayment program <del>must</del> <u>shall</u>:</p> <ol style="list-style-type: none"> <li>1. <u>Be a United States citizen, national, or a qualified alien pursuant to 8 U.S. Code § 1621;</u></li> <li>2. <u>Be domiciled in Virginia for at least one year as defined by § 23-7.4 of the Code of Virginia;</u></li> <li>3. <u>Be a registered nurse, licensed practical nurse, or certified nurse aide;</u></li> <li>4. <u>Have graduated from an approved nursing educational program pursuant to Chapter 30 (§ 54.1-3000 et seq.) of Title 54.1 of the Code of Virginia;</u></li> <li>5. <u>Have a valid unrestricted Virginia license to practice nursing as an RN, LPN or CNA, a copy of which shall be furnished to the nursing loan repayment program;</u></li> <li>6. Have submitted a completed application to participate in the nursing loan repayment program;</li> <li>7. <u>Have no other contractual service obligation unless completely satisfied before the nursing loan repayment program contract has been signed;</u></li> <li>8. <u>Not have an active military obligation;</u></li> <li>9. <u>Be employed or have a contract for employment in a long term care facility within a month of the application date;</u></li> <li>10. <u>Not have a history of failing to comply with, or</u></li> </ol>	<p>applicants must be US citizens. Update language of the regulations to reflect the language of the Code. Addition of several eligibility requirements such as the requirement that applicants have no other contractual service obligation, no active military obligation, be employed or have a contract for employment in a long term care facility within a month of the application date, have no federal or state debt, have no history of noncompliance or waiver within any other state or federal scholarship or loan repayment program and have a verifiable educational loan balance. These additional eligibility requirements will lead to greater functionality of the program.</p>
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		<p><u>inability to comply with, service or payment obligations;</u></p> <p><u>11. Not have a history of noncompliance within any other state or federal scholarship or loan repayment program; and</u></p> <p><u>12. Have an educational loan balance that can be verified.</u></p>	
100- Application requirement and restrictions	<p>The applicant must submit a completed application for loan repayment for the Nursing Loan Repayment Program, and the application must be received in the Department between the dates of January 1 and May 1 of the year in which the applicant intends to initiate practice in the Commonwealth. The applicant must agree to serve a minimum of one year for a loan amount up to \$1,200 to a maximum of four years for a loan amount up to \$4,800.</p>	<p>The applicant <del>must</del> <u>shall</u> submit a completed application <del>for loan repayment,</del> <u>including documentation of eligibility requirements,</u> <del>for to</del> the nursing loan repayment program, <u>and the application must be received in the department by the deadline date published on the department's website. The application form shall be available on the department's website. between</u> <del>the dates of January 1 and May 1 of the year in which the applicant intends to initiate practice in the Commonwealth. The applicant must agree to serve a minimum of one year for a loan amount up to \$1,200 to a maximum of four years for a loan amount up to \$4,800.</del></p>	<p>Clarifying language to conform with current practice and other agency regulations.</p>
110- Selection criteria	<p>Applicants shall be competitively reviewed and selected for participation in the nursing loan repayment program based upon the following criteria:</p> <ol style="list-style-type: none"> <li>1. Commitment to serve in a long-term care facility. The individual's stated commitment to serve in a long-term care facility in the Commonwealth.</li> <li>2. Virginia graduates. Preferential consideration will be given to individuals who are graduates of Virginia nursing school (verification will be obtained by the nursing loan repayment program).</li> <li>3. Availability for service.</li> </ol>	<p>Applicants shall be competitively reviewed and selected <u>by the Nursing Scholarship Advisory Committee for recommendation to the commissioner,</u> for participation in the nursing loan repayment program based upon the following criteria:</p> <p><del>1. Commitment to serve in a long term care facility. The individual's stated commitment to serve in a long term care facility in the Commonwealth.</del></p> <p><u>1. Qualifications. Decisions for determining loan repayment recipients shall be based on an evaluation of an individual's</u></p>	<p>Removal and relocation of eligibility criteria to Section 30. Language inserted to enumerate selection criteria. Greater clarity of the regulations.</p>



	<p>Individuals who are immediately eligible and available for service in a long-term care facility will be given preferential consideration.</p> <p>4. Length of proposed commitment. Preferential consideration will be given to individuals who commit to longer periods of service in a long-term care facility.</p> <p>5. Selection for participation. All of an individual's professional qualifications and competency to practice will be considered, including but not limited to certification in a specialty, professional achievements, and other indicators of competency received from supervisors and program directors.</p> <p>6. No other obligation. Individuals shall have no other obligation for health professional service to the federal government or state government unless such obligation will be completely satisfied prior to the beginning of service under the nursing loan repayment program.</p>	<p><u>qualifications and competency to practice. These qualifications may include but are not limited to: attainment and maintenance of a Virginia nursing license/certification, additional certification in a specialty, professional achievements, and other indices of competency received from supervisors and program directors.</u></p> <p>2 Virginia graduates. Preferential consideration <del>will</del> <u>shall</u> be given to individuals who are graduates of Virginia nursing schools (verification will be obtained by the nursing loan repayment program).</p> <p>3. Availability for service. <u>Preferential consideration shall be given to</u> individuals who are immediately eligible and available for service in a long-term care facility <del>will be given preferential consideration.</del></p> <p>4. Length of proposed commitment. Preferential consideration <del>will</del> <u>shall</u> be given to individuals who commit to longer periods of service in a long-term care facility.</p> <p><del>5. Selection for participation. All of an individual's professional qualifications and competency to practice will be considered, including but not limited to certification in a specialty, professional achievements, and other indicators of competency received from supervisors and program directors.</del></p> <p><del>6. No other obligation. Individuals shall have no other obligation for health professional service to the federal government or state government unless such obligation will be completely satisfied prior to the beginning</del></p>	
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		of service under the nursing loan repayment program.	
120- Loan repayment amount	The amount that the State agrees to repay will depend upon availability of funds and the applicant's indebtedness, but no amount will exceed the total indebtedness. The Nursing Loan Repayment Program requires one year of service in a long-term care facility in the Commonwealth for up to \$1,200 in loans paid by this program	<u>The applicant shall agree to provide full-time nursing services in a long-term care facility in the Commonwealth a minimum of one year for a loan repayment amount up to \$2,000 with an option for renewal in the 2nd, 3rd, and 4th year upon submitting a new application, with a potential maximum award amount of \$8,000. Renewals shall only be granted if an applicant can show a reduction in his educational loan balances. The loan repayment amount shall depend upon availability of funds and the applicant's indebtedness, but no amount shall exceed the total indebtedness.</u>	Minor clarifying language. Correction of award amounts.
130 - Loans qualifying for repayment	Based on the availability of funds, the loan repayment program will pay for the cost of education necessary to obtain a nursing certificate, diploma or degree. The program will pay toward the outstanding principal, interest, and related expense of federal, state, or local government loans and commercial loans obtained by the participant for:  1. School tuition and required fees incurred by the participant;  2. Other reasonable educational expenses, and  3. Reasonable living expenses as determined by the Board.	<p><u>A. Based on the availability of funds, the loan repayment program shall pay toward the outstanding principal and interest of verifiable federal, state, or local government loans and commercial loans obtained by the participant for the following:</u></p> <p><u>1. Tuition expenses;</u></p> <p><u>2. Other reasonable educational expenses; and</u></p> <p><u>3. Reasonable living expenses as estimated by the school as part of the school's standard student budget and determined reasonable by the department.</u></p> <p><u>B. All loan award payments shall be applied only to outstanding educational loans secured while attending an approved nurse training</u></p>	Addition of clarifying language and removal of unnecessary language.

		<p><u>program which led to RN, LPN or CNA licensure. Qualifying outstanding education loans shall:</u></p> <p><u>1. Have sufficient documentation verifying the educational use of the loans;</u></p> <p><u>2. Not exceed the "reasonable" level as determined by the school's standard budget in the year the loan was made; and</u></p> <p><u>3. Not include loans from friends and relatives.</u></p> <p><u>C. The department shall be the final authority in determining qualifying educational loans.</u></p>	
<p>140 - <u>Repayment restrictions. Release of information</u></p>	<p>A. The following financial debts or service obligations are not qualified for repayment by the loan repayment program:</p> <ol style="list-style-type: none"> <li>1. Public Health Service Nursing Shortage Area Scholarship;</li> <li>2. Public Health and National Health Service Corps Scholarship Training Program;</li> <li>3. Indian Health Service Scholarship Program;</li> <li>4. Armed Forces Health Professions Scholarship Programs; and</li> <li>5. National Health Service Corps Scholarship Program financial damages or loans obtained to repay such damages;</li> <li>6. Indian Health Corps Scholarship or loan obtained to repay such damages;</li> <li>7. Financial damages or loans obtained to repay damages incurred as a result of breach of contract with any other federal, state, local agency or</li> </ol>	<p><u>Applicants shall agree to execute a release of information to allow the department access to loan records, credit information, and information from lenders necessary to verify eligibility and to determine loan repayments. To facilitate the process, applicants shall submit payment statements from each lending institution.</u></p> <p><u>Participants who have consolidated qualifying loans with other loans shall submit on request other documentation, such as copies of original loan applications, to verify the portion of the loan that qualifies for repayment.</u></p> <p><u>The applicant shall submit all requested loan documentation prior to approval by the department.</u></p>	<p>Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.</p>

	<p>commercial institution;</p> <p>8. Loans for which documentation verifying the educational use of the loans is not available or is not sufficient;</p> <p>9. Loans, or part of loans, obtained for educational or personal expenses during the participant's education, which exceed the reasonable level, as determined by the school's standard budget in the year the loan was made;</p> <p>10. Loans that have been repaid in full; and loans that incur their own obligation for service which has not yet been performed;</p> <p>11. Loans from friends and relatives;</p> <p>12. The Mary Marshall Nursing Scholarship Program; and.</p> <p>13. The Nursing Scholarship Program with a commitment to service in a long-term care facility.</p> <p>B. The Board will be the final authority in determining qualifying educational loans.</p>		
<p>150 - <u>Release of information Effective date for start of service.</u></p>	<p>Applicants shall agree to execute a release to allow the Board access to loan records, credit information, and information from lenders necessary to verify eligibility and to determine loan repayments. To facilitate the process, applicants should submit pay-off statements from each lending institution.</p> <p>Participants who have consolidated qualifying loans with other loans may be asked to submit other documentation, such as copies of original loan applications, to verify the portion of the loan that qualifies for repayment.</p> <p>The applicant is required to submit all requested loan</p>	<p><u>Applicants shall become participants in the loan repayment program only when the applicant and the commissioner or his designee has signed the loan repayment program contract. The effective start date of the obligated service under contract shall begin on or after the date of the commissioner's signature.</u></p>	<p>Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.</p>

	documentation prior to approval by the Board.		
160 - <u>Effective date for start of service. Repayment procedure</u>	Applicants become participants in the loan repayment program only when the applicant and the Commissioner or his/her designee have signed the loan repayment program contract. The effective start date of the obligated service under contract is the date of employment in a long-term care facility or the date of the Commissioner's signature, whichever is later.	<u>Loan repayment shall be limited to qualified loans as determined by 12 VAC 5-507-130. Repayment of loans shall begin after the commissioner has received notification that the participant has officially accepted placement and has begun the required service obligation. Payment shall be a lump-sum payment based on availability of funds. Payment shall be made to the recipient. Verification of payment made to the lender shall be required and submitted to the Department by the recipient. It shall be the responsibility of the participant to negotiate with each lending institution the terms of the educational loan repayments.</u>	Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.
170 - <u>Repayment policy Compensation during service</u>	It will be the responsibility of the participant to negotiate with each lending institution for the terms of the educational loan repayments. Each lending institution must certify that the participant's debt is a valid educational loan prior to payment by the loan repayment program. Any penalties associated with early repayment shall be the responsibility of the participant.	<u>Each participant is responsible for negotiating his own compensation package directly with the site where he will provide nursing services in a long-term care facility.</u>	Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.
180 - <u>Disbursement procedure Monitoring during service</u>	The financial institution holding the educational loan will be paid one lump sum payment. This payment will be credited to the account of the participant in an amount up to \$1,200 for a one year commitment within forty-five days of the contract being signed by the applicant and the Commissioner or her/his designee. If a participant wishes to commit to another year of service, he will be required to sign another contract. Depending on availability of funds, the Nursing Loan Repayment Program will pay the applicable	<u>Monitoring of the recipient's service obligation shall be conducted on an ongoing basis by department staff. Service verification forms shall be submitted by the participant to the department semi-annually (every six months) and countersigned by a representative of the service site (e.g., the medical director, human resource coordinator, chief executive officer, etc.) certifying continuous full-time service by participants.</u> <u>The participant shall</u>	Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.

	financial institution another lump sum payment up to \$1,200 for the additional year commitment. Payment will be made approximately forty-five days after the beginning of the subsequent year. The maximum number of loans a participant can receive is four.	<u>maintain practice records in a manner that will allow the department to readily determine if the individual has complied with or is complying with the terms and conditions of the contract.</u>	
190 – <u>Compensation during service</u> <u>Terms of service</u>	Each participant is responsible for negotiating his own compensation package directly with the site where he will provide nursing services in a long-term care facility.	<p><u>The following are the terms of service for the loan repayment program:</u></p> <p><u>1. The applicant shall agree to provide full time nursing services in a long-term care facility in the Commonwealth for a minimum of one year with an option for renewal in the 2nd, 3rd, and 4th year upon submitting a new application, with a potential to serve up to 4 years. Additional years of loan repayment beyond the one year commitment are dependent upon the availability of state funds for the nursing loan repayment program.</u></p> <p><u>2. The participant shall provide full-time service; and</u></p> <p><u>3. No period of advanced training shall count toward satisfying a period of obligated service under this loan repayment program.</u></p>	Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.
200 - <u>Monitoring during service.</u> <u>Loan repayment contract.</u>	<p>Monitoring of the service by participants shall be conducted on an on-going basis by Department staff. Service verification forms shall be submitted by the participant to the Department semi-annually (every six months), countersigned by a representative of the service site, e.g., the Medical Director, Human Resource Coordinator, Chief Executive Officer, etc., certifying continuous full-time service by participants.</p> <p>The participant is required to</p>	<p><u>Prior to becoming a participant in the nursing loan repayment program, the applicant shall enter into a contract with the commissioner agreeing to the terms and conditions upon which the loan repayment is granted. The contract shall:</u></p> <p><u>1. Include the terms and conditions to carry out the purposes and intent of this program;</u></p>	Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.

	<p>maintain practice records in a manner that will allow the Department to readily determine if the individual has complied with or is complying with the terms and conditions of the participation agreement.</p>	<p><u>2. Provide that the participant shall provide full-time nursing services as an RN, LPN or CNA in a long-term care facility in the Commonwealth for a minimum period of one year;</u></p> <p><u>3. Provide for repayment of all amounts paid by the board, plus interest and penalties, less any service time if the participant is found to be in breach of contract;</u></p> <p><u>4. Be signed by the applicant;</u></p> <p><u>5. Be signed by the commissioner or his designee; and</u></p> <p><u>6. Include other provisions as the commissioner may deem appropriate.</u></p>	
<p><u>210 - Terms of service-Breach of contract for loan repayment program.</u></p>	<p>The following are the terms of service for the loan repayment program:</p> <ol style="list-style-type: none"> <li>1. The participant shall contract to provide one year of service with a maximum of up to four years in whole year increments. Additional service beyond the one year commitment is dependent upon the availability of state funds for the Nursing Loan Repayment Program. An existing contract may be renewed for one year at a time up to a maximum of four years, as funds become available;</li> <li>2. The participant shall begin service within 90 days from entering into the contract;</li> <li>3. The participant shall provide full-time service. Time spent in an "on-call" status will not count toward the number of hours worked per week. Any exceptions to the "on-call" provisions of this policy must be approved in advance by the Board prior to acceptance in</li> </ol>	<p><u>The following may constitute breach of contract:</u></p> <ol style="list-style-type: none"> <li>1. <u>Participant's failure to begin or complete his term of obligated service in a long-term care facility under the terms and conditions of the nursing loan repayment contract;</u></li> <li>2. <u>Participant's falsification or misrepresentation of information on the program application or verification forms or other required documents;</u></li> <li>3. <u>Participant's employment is terminated for good cause as determined by the employer and confirmed by the department. If employment is terminated for reasons beyond the participant's control (e.g., closure of site), the participant shall transfer to another long-term care facility site approved by the board in the</u></li> </ol>	<p>Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.</p>

	<p>the Loan Repayment Program.</p> <p>4. No period of advanced training may count toward satisfying a period of obligated service under this loan repayment program;</p>	<p><u>Commonwealth within six months of termination. Failure of participant to transfer to another site shall be deemed to be a breach of the contract; and</u></p> <p><u>4. Participant's failure to provide the required nursing service in a long-term care facility.</u></p>	
<p><u>220- Loan repayment contract Postponement or waiver of service for loan repayment program. <del>or both.</del></u></p>	<p>Prior to becoming a participant in the Nursing Loan Repayment Program, the applicant shall enter into a contract with the Board agreeing to the terms and conditions upon which the loan repayment is granted. The contract shall:</p> <ol style="list-style-type: none"> <li>1. Include the terms and conditions to carry out the purposes and intent of this program;</li> <li>2. Provide that the participant will be required to provide nursing services in a long-term care facility in the Commonwealth for a minimum period of one year.</li> <li>3. Provide for repayment of all amounts paid, plus interest, and penalties, less any service time, if the participant is found to be in breach of contract;</li> <li>4. Be signed by the applicant;</li> <li>5. Be signed by the Commissioner or her/his designee.</li> </ol>	<p><u>Participants have the obligation to complete full-time continuous service for the period of their entire commitment. Under unusual circumstances (e.g., illness), a participant may request that the board agree to a postponement of the service obligation. This postponement, if granted, shall not relieve the participant of the responsibility to complete the remaining portion of the obligation. Such postponement shall not be permitted as a matter of course, but may be allowed in cases of undue hardship.</u></p> <p><u>The Board may grant a variance to service requirements or default repayments upon participant request if it finds compliance with the applicable service requirements or default repayment would pose an undue hardship on the recipient.</u></p>	<p>Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.</p>
<p><u>230 - Breach of contract Cash reimbursement and penalty for loan repayment program.</u></p>	<p>The following may constitute breach of contract:</p> <ol style="list-style-type: none"> <li>1. Participant's failure to begin or complete his/her term of obligated service in a long-term care facility under the terms and conditions of the Nursing Loan Repayment contract, regardless of the length of the agreed period of obligated</li> </ol>	<p><u>Participants who serve less than their obligated service shall make repayment, including interest and penalty to the Commonwealth as stated in the contract, reduced by the proportion of obligated years served.</u></p>	<p>Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.</p>



	<p>service;</p> <p>2. Participant's falsification or misrepresentation of information or misrepresentation of information on the program application or verification forms or other required document;</p> <p>3. Participant's employment being terminated for good cause, as determined by the employer and confirmed by the Department. If employment is terminated for reasons beyond the participant's control (e.g., closure of site), the participant must transfer to another long-term care facility site in the Commonwealth within six months of termination. Failure of participant to transfer to another site shall be deemed to be a breach of the contract; and</p> <p>4. Participant's failure to provide all reasonable, usual and customary full-time health care service in a long-term care facility for at least forty-five (45) weeks per year.</p>		
<p><del>240 Waiver and suspension of both.</del>  <u>Reporting requirements of loan repayment participants.</u></p>	<p>Participants have the obligation to complete full-time continuous service for the period of their entire commitment. Under unusual circumstances (e.g., illness), a participant may request that the Board agree to a postponement of the service obligation. This postponement, if granted, will not relieve the participant of the responsibility to complete the remaining portion of the obligation. Such postponement will not be permitted as a matter of course, but may be allowed in the most compelling cases.</p> <p>If the participant is in default due to death or permanent disability, the obligation to make restitution may be</p>	<p><u>Reporting requirements of the loan repayment participant are as follows:</u></p> <p><u>1. Each participant shall provide information as required by the department to verify compliance with the practice requirements of the nursing loan repayment program (e.g., verification of employment in a long-term care facility by submitting a Verification of Employment form once every six months).</u></p> <p><u>2. Each participant shall promptly notify the department in writing within 30 days if any of the following events occur:</u></p> <p><u>a. Participant changes name;</u></p>	<p>Renumbering to ensure uniformity of the chapter. Insertion of clarifying language.</p>

	<p>waived by the Board upon application of the participant or the participant's estate to the Board.</p>	<p><u>b. Participant changes address;</u>  <u>c. Participant changes practice site. (Participant is required to request and obtain in writing prior approval of changes in practice site.);</u>  <u>d. Participant no longer intends to fulfill service obligation as a nurse in the Commonwealth in a long-term care facility; or</u>  <u>e. Participant ceases to practice as a registered nurse, licensed practical nurse, or certified nurse aide.</u></p>	
<p>250. <del>Cash reimbursement and penalty</del></p>	<p>Participants who serve less than their obligated service are liable to pay monetary damages to the Commonwealth as stated in the contract, reduced by the proportion of obligated years served. The default penalty will require the participant to repay twice the total amount of the award received. For example, if a participant owes \$1,200, he would have to repay at total of \$2,400.</p> <p>Participants who serve less than their obligated service due to permanent disability or in the event of death, shall have the total amount of scholarship or loan repayment funds owed reduced by the proportion of obligated years served.</p>		<p>Removal of an unnecessary section</p>
<p>260 <del>Reporting requirements</del></p>	<p>Reporting requirements of the loan repayment participant are as follows:</p> <p>A. Each participant shall at any time provide information as required by the Board to verify compliance with the practice requirements of the Nursing Loan Repayment Program, e.g. verification of employment in a long-term care facility.</p>		<p>Removal of an unnecessary section</p>

	<p>B. Each participant shall promptly notify the Board, in writing, within 30 days before any of the following events occur:</p> <ol style="list-style-type: none"> <li>1. Participant changes name;</li> <li>2. Participant changes address;</li> <li>3. Participant changes practice site;</li> <li>4. Participant no longer intends to fulfill service obligation as a nurse in the Commonwealth in a long-term care facility; or</li> <li>5. Participant ceases to practice as a registered nurse, licensed practical nurse, or certified nurse aide.</li> </ol>		
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**Public comment**

*Please summarize all comments received during the public comment period following the publication of the proposed stage, and provide the agency response. If no comment was received, please so indicate.*

The Virginia Department of Health conducted a 60 day public comment period from October 22, 2012 until December 21, 2012. No public comment was received.

**All changes made in this regulatory action**

*Please list all changes that are being proposed and the consequences of the proposed changes. Describe new provisions and/or all changes to existing sections.*

The emergency regulations expired on January 16th, 2002. There are currently no regulations in place for this program.

<b>Current section number</b>	<b>Proposed new section number, if applicable</b>	<b>Current requirement</b>	<b>Proposed change and rationale</b>
N/A	12VAC5-507-10 - Definitions	N/A	<p><u>The following words and terms when used in this chapter shall have the following meanings:</u></p> <p><u>"Approved nurse education program" means an accredited nursing school or a nursing school in process of obtaining</u></p>

		<p><u>accreditation in Virginia as approved by the Department or the Board.</u></p> <p><u>"Board" or "Board of Health" means the State Board of Health.</u></p> <p><u>"Certified nurse aide" or "CNA" means a person who is certified by the Board of Nursing under the provisions of Chapter 30 of Title 54.1 of the Code of Virginia.</u></p> <p><u>"Commercial loans" means loans made by banks, credit unions, savings and loan associations, insurance companies, schools, and either 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.</u></p> <p><u>"Commissioner" means the State Health Commissioner.</u></p> <p><u>"Department" means Virginia Department of Health.</u></p> <p><u>"Full-time" means at least 32 hours per week for 45 weeks per year.</u></p> <p><u>"Interest" means the legal rate of interest pursuant to § 6.2-302 of the Code of Virginia.</u></p> <p><u>"Licensed practical nurse" or "LPN" means a person who is licensed or holds a multistate licensure privilege under the provisions of Chapter 30 of Title 54.1 of the Code of Virginia to practice practical nursing as defined in § 54.1-3000.</u></p> <p><u>"Long-term care facility" means a certified nursing facility or nursing home as defined by § 32.1-123 of the Code of Virginia.</u></p> <p><u>"Participant/recipient" means an eligible registered nurse, licensed practical nurse, or certified nurse aide student or graduate of an approved nursing education program or an approved nurse aide education program who enters into a contract with the commissioner and participates in the scholarship or loan repayment program.</u></p> <p><u>"Penalty" means twice the amount of all monetary payments to the scholarship or loan repayment participant, less any service obligation completed.</u></p> <p><u>"Reasonable educational expenses" means the costs of education, exclusive of tuition, that are considered to be required by the school's degree program or an eligible program of study, such as fees for room, board, transportation and commuting costs, books, supplies, educational equipment and</u></p>
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			<p><u>materials, and travel that was a part of the estimated student budget of the school in which the participant is or was enrolled.</u></p> <p><u>"Registered nurse" or "RN" means a person who is licensed or holds a multistate licensure privilege under the provisions Chapter 30 of Title 54.1 of the Code of Virginia to practice professional nursing as defined in § 54.1-3000.</u></p> <p>Rationale: Define key terms used in regulations.</p>
N/A	12VAC5-507-20 Nursing Scholarship Advisory Committee.	N/A	<p><u>All scholarship and loan repayment award recommendations shall be made by an Advisory Committee appointed pursuant to Va. Code § 23-35-9.</u></p> <p>Rationale: Establishing the elements of the Nursing Scholarship Advisory Committee.</p>
N/A	12VAC5-507-30 Eligibility for scholarships.	N/A	<p><u>In order to be considered for a scholarship, an applicant shall:</u></p> <ol style="list-style-type: none"> <li><u>1. Be a United States citizen, national, or a qualified alien pursuant to 8 U.S.C. § 1621;</u></li> <li><u>2. Be a bona fide resident of Virginia by being domiciled in the Commonwealth for at least one year as defined by § 23-7.4 of the Code of Virginia;</u></li> <li><u>3. Be accepted for enrollment or enrolled in an approved nursing education program in the Commonwealth of Virginia preparing him for examination for licensure as practical nurses or registered nurses, or accepted for enrollment or enrolled in an approved nurse aide education program in the Commonwealth of Virginia preparing him for certification;</u></li> <li><u>4. If already enrolled in an approved nursing education program in the Commonwealth of</u></li> </ol>

		<p><u>Virginia or an approved nurse aide education program in the Commonwealth of Virginia the student must have a cumulative grade point average of 2.5 in core nursing classes;</u></p> <p><u>5. Submit a completed application form and appropriate grade transcript prior to the established deadline dates;</u></p> <p><u>6. Demonstrate financial need which is verified by the school's financial aid officer/authorized person as part of the application process; and</u></p> <p><u>7. Not have an active military obligation.</u></p> <p><u>An applicant who fails to meet all of these requirements shall be ineligible for a scholarship.</u></p> <p>Rationale: Specify the eligibility requirements of the scholarship recipients.</p>
<p>N/A</p>	<p>12VAC5-507-40 Conditions of scholarships</p>	<p>N/A</p> <p><u>A. Prior to becoming a participant in the nursing scholarship program, the applicant shall enter into a contract with the commissioner agreeing to the terms and conditions upon which the scholarship is granted.</u></p> <p><u>B. For each \$100 of scholarship money received, the participant agrees to engage in the equivalent of one month of full-time nursing practice in a long-term care facility in the Commonwealth. The recipient shall notify the department, within 180 days of being awarded a nursing diploma or degree, of the type of nursing practice to be performed and give the name and address of the employer for approval. Voluntary military service, even if stationed in Virginia, cannot be used to repay the service obligation required when a scholarship is awarded.</u></p> <p><u>The participant may request approval of a change of practice site. Such requests shall be made in writing. The department in its discretion may approve such a request.</u></p> <p><u>C. If a participant fails to complete his studies, the full amount of the scholarship or scholarships received, plus the applicable interest charge, shall be repaid.</u></p> <p><u>D. If upon graduation a participant leaves the Commonwealth or fails to engage or ceases to engage in nursing practice in a long-term care facility in Virginia before all employment conditions of the scholarship</u></p>

			<p><u>award are fulfilled, the participant shall repay the award amount reduced by the proportion of obligated years served plus the applicable interest and penalty.</u></p> <p><u>E. If the participant is in default due to death or permanent disability so as not to be able to engage in nursing practice in a long-term care facility, the participant or his personal representative may be relieved of his obligation under the contract to engage in nursing practice, upon repayment of the total amount of scholarship or loan repayment funds received plus applicable interest. For participants completing part of the nursing obligation prior to becoming permanently disabled or in the event of death, the total amount of scholarship or loan repayment funds owed shall be reduced by the proportion of obligated years served. The obligation to make restitution may be waived by the board upon application of the participant or the participant's personal representative to the board.</u></p> <p><u>F. Individual cases may be considered by the board for a variance of payment or service, pursuant to § 32.1-12 of the Code of Virginia, if it finds compliance with the applicable service requirements or default repayment would pose an undue hardship on the recipient.</u></p> <p><u>G. All default payments shall be made payable to the Commonwealth of Virginia.</u></p> <p>Rationale: Specify the conditions of the scholarships.</p>
N/A	12VAC5-507-50. Number of applications per student.	N/A	<p><u>Scholarships are awarded for single academic years. However, the same student may, after demonstrating satisfactory progress in his studies, which is demonstrated by a cumulative grade point average of 2.5 in core nursing classes, apply for and receive scholarship awards for a succeeding academic year or years. No student shall receive scholarships for more than a total of four years.</u></p> <p>Rationale: Specify the number of applications permitted per student.</p>
N/A	12VAC5-507-60 Amounts of scholarships.	N/A	<p><u>The amount of each scholarship award shall be dependent upon the amount of money appropriated by the General Assembly, the amount of the funds available within the Nursing Scholarship and Loan Repayment Fund administered by the Board of Nursing pursuant to § 54.1-3011.2 of the Code of Virginia, and the number of qualified</u></p>

			<p><u>applicants. No participant shall receive an award of less than \$150 or more than \$2,000 per year.</u></p> <p>Rationale: Specify the scholarship amount. Specifically, the amount available each year shall be as provided by the Virginia General Assembly in the Appropriations Act.</p>
N/A	12VAC5-507-70 How to apply for a scholarship.	N/A	<p><u>Eligible applicants shall submit a complete application on a form made available by the department on the department's website. A complete application shall include documentation of all eligibility requirements. The deadline for submission of the application shall be announced by the department on the department's website.</u></p> <p>Rationale: Specify the scholarship application information.</p>
N/A	12VAC5-507-80 Reporting requirements of Scholarship Participants	N/A	<p><u>Reporting requirements of the scholarship participant are as follows:</u></p> <p><u>1. Each participant shall provide information as required by the department to verify compliance with the practice requirements of the nursing scholarship program (e.g., verification of employment in a long-term care facility by submitting a Verification of Employment form once every six months).</u></p> <p><u>2. Each participant shall promptly notify the department in writing within 30 days if any of the following events occur:</u></p> <p><u>a. Participant changes name;</u></p> <p><u>b. Participant changes address;</u></p> <p><u>c. Participant changes practice site. (Participant is required to request in writing and obtain prior approval of changes in practice site.);</u></p> <p><u>d. Participant no longer intends or is able to fulfill service obligation as a nurse in the Commonwealth in a long-term care facility;</u></p> <p><u>e. Participant ceases to practice as a registered nurse, licensed practical nurse, or certified nurse aide; or</u></p> <p><u>f. Participant ceases or no longer intends to</u></p>



			<p><u>complete their nursing school program.</u></p> <p>Rationale: Specify the reporting requirements of scholarship participants.</p>
N/A	12VAC5-507-90 Eligibility for the Nursing Loan Repayment Program.	N/A	<p><u>An eligible applicant for the nursing loan program shall:</u></p> <ol style="list-style-type: none"> <li><u>1. Be a United States citizen, national, or a qualified alien pursuant to 8 U.S. Code § 1621;</u></li> <li><u>2. Be domiciled in Virginia for at least one year as defined by § 23-7.4 of the Code of Virginia;</u></li> <li><u>3. Be a registered nurse, licensed practical nurse, or certified nurse aide;</u></li> <li><u>4. Have graduated from an approved nurse education program pursuant to Chapter 30 (§ 54.1-3000 et seq.) of Title 54.1 of the Code of Virginia;</u></li> <li><u>5. Have a valid unrestricted Virginia license to practice nursing as an RN, LPN or CNA, a copy of which shall be furnished to the nursing loan repayment program;</u></li> <li><u>6. Have submitted a completed application to participate in the nursing loan repayment program;</u></li> <li><u>7. Have no other contractual service obligation unless completely satisfied before the nursing loan repayment program contract has been signed;</u></li> <li><u>8. Not have an active military obligation;</u></li> <li><u>9. Be employed or have a contract for employment in a long term care facility within a month of the application date;</u></li> <li><u>10. Not have a history of failing to comply with, or inability to comply with, service or payment obligations;</u></li> <li><u>11. Not have a history of noncompliance within any other state or federal scholarship or loan repayment program; and</u></li> <li><u>12. Have an educational loan balance that can be verified.</u></li> </ol>

			<p>Rationale: Specify the eligibility requirements of the loan repayment program.</p>
N/A	12VAC5-507-100 Application requirement	N/A	<p><u>The applicant shall submit a completed application, including documentation of eligibility requirements, to the nursing loan repayment program, and the application must be received in the department by the deadline date published on the department's website. The application form shall be available on the department's website.</u></p> <p>Rationale: Specify the application requirement of the loan repayment program.</p>
N/A	12VAC5-507-110 Selection criteria	N/A	<p><u>Applicants shall be competitively reviewed and selected by the Nursing Scholarship Advisory Committee for recommendation to the commissioner, for participation in the nursing loan repayment program based upon the following criteria:</u></p> <p><u>1. Qualifications. Decisions for determining loan repayment recipients shall be based on an evaluation of an individual's qualifications and competency to practice. These qualifications may include but are not limited to: attainment and maintenance of a Virginia nursing license/certification, additional certifications in a specialty, professional achievements, and other indices of competency received from supervisors and program directors.</u></p> <p><u>2. Virginia graduates. Preferential consideration shall be given to individuals who are graduates of Virginia nursing schools (verification shall be obtained by the nursing loan repayment program).</u></p> <p><u>3. Availability of service. Preferential consideration shall be given to individuals who are immediately eligible and available for service in a long-term care facility</u></p> <p><u>4. Length of proposed commitment. Preferential consideration shall be given to individuals who commit to longer periods of service in a long-term care facility.</u></p> <p>Rationale: Specify the loan repayment program selection criteria.</p>
N/A	12VAC5-507-120 Loan repayment amount.	N/A	<p><u>The applicant shall agree to provide full-time nursing services in a long-term care facility in the Commonwealth a minimum of one year for</u></p>

			<p><u>a loan repayment amount up to \$2,000 with an option for renewal in the 2nd, 3rd, and 4th year upon submitting a new application, with a potential maximum award amount of \$8,000. Renewals shall only be granted if an applicant can show a reduction in his educational loan balances. The loan repayment amount shall depend upon availability of funds and the applicant's indebtedness, but no amount shall exceed the total indebtedness.</u></p> <p>Rationale: Specify the loan repayment amount.</p>
N/A	12VAC5-507-130 Loans qualifying for repayment.	N/A	<p><u>A. Based on the availability of funds, the loan repayment program shall pay toward the outstanding principal and interest of verifiable federal, state, or local government loans and commercial loans obtained by the participant for the following:</u></p> <ol style="list-style-type: none"> <li><u>1. Tuition expenses;</u></li> <li><u>2. Other reasonable educational expenses; and</u></li> <li><u>3. Reasonable living expenses as estimated by the school as part of the school's standard student budget and determined reasonable by the department.</u></li> </ol> <p><u>B. All loan award payments shall be applied only to outstanding educational loans secured while attending an approved nurse training program which led to RN, LPN or CNA licensure. Qualifying outstanding education loans shall:</u></p> <ol style="list-style-type: none"> <li><u>1. Have sufficient documentation verifying the educational use of the loans;</u></li> <li><u>2. Not exceed the "reasonable" level as determined by the school's standard budget in the year the loan was made; and</u></li> <li><u>3. Not include loans from friends and relatives.</u></li> </ol> <p><u>C. The department shall be the final authority in determining qualifying educational loans.</u></p> <p>Rationale: Specify the types of loans that qualify for repayment.</p>
N/A	12VAC5-507-140 Release of information.	N/A	<p><u>Applicants shall agree to execute a release of information to allow the department access to loan records, credit information, and information from lenders necessary to verify</u></p>

			<p><u>eligibility and to determine loan repayments. To facilitate the process, applicants shall submit payment statements from each lending institution.</u></p> <p><u>Participants who have consolidated qualifying loans with other loans shall submit on request other documentation, such as copies of original loan applications, to verify the portion of the loan that qualifies for repayment.</u></p> <p><u>The applicant shall submit all requested loan documentation prior to approval by the department.</u></p> <p>Rationale: Specify the requirement of an application to agree to execute a release to allow the department access to loan information.</p>
N/A	12VAC5-507-150 Effective date for start of service.	N/A	<p><u>Applicants shall become participants in the loan repayment program only when the applicant and the commissioner or his designee have signed the loan repayment program contract. The effective start date of the obligated service under the contract shall begin on or after the date of the commissioner's signature.</u></p> <p>Rationale: Specify the effective start date of service in the loan repayment program.</p>
N/A	12VAC5-507-160 Repayment policy	N/A	<p><u>Loan repayment shall be limited to qualified loans as determined by 12 VAC 5-507-130. Repayment of loans shall begin after the commissioner has received notification that the participant has officially accepted placement and has begun the required service obligation. Payment shall be a lump-sum payment based on availability of funds. Payment shall be made to the recipient. Verification of payment made to the lender shall be required and submitted to the Department by the recipient. It shall be the responsibility of the participant to negotiate with each lending institution the terms of the educational loan repayments.</u></p> <p>Rationale: Specify the effective start date of service in the loan repayment program.</p>
N/A	12VAC5-507-170 Compensation during service.	N/A	<p><u>Each participant is responsible for negotiating his own compensation package directly with the site where he will provide nursing services in a long-term care facility.</u></p> <p>Rationale: Specify compensation during service of each participant in the loan</p>

N/A	12VAC5-507-180 Monitoring during service.	N/A	<p>repayment program.</p> <p><u>Monitoring of the recipient's service obligation shall be conducted on an ongoing basis by department staff. Service verification forms shall be submitted by the participant to the department semi-annually (every six months) and countersigned by a representative of the service site (e.g., the medical director, human resource coordinator, chief executive officer, etc.) certifying continuous full-time service by participants.</u></p> <p><u>The participant shall maintain practice records in a manner that will allow the department to readily determine if the individual has complied with or is complying with the terms and conditions of the contract.</u></p> <p>Rationale: Specify the monitoring requirement during service in the loan repayment program.</p>
N/A	12VAC5-507-190 Terms of service	N/A	<p><u>The following are the terms of service for the loan repayment program:</u></p> <p><u>1. The applicant shall agree to provide full time nursing services in a long-term care facility in the Commonwealth for a minimum of one year with an option for renewal in the 2nd, 3rd, and 4th year upon submitting a new application, with a potential to serve up to 4 years. Additional years of loan repayment beyond the one year commitment are dependent upon the availability of state funds for the nursing loan repayment program.</u></p> <p><u>2. The participant shall provide full-time service; and</u></p> <p><u>3. No period of advanced training shall count toward satisfying a period of obligated service under this loan repayment program.</u></p> <p>Rationale: Specify the terms of service in the loan repayment program.</p>
N/A	12VAC5-507-200 Loan repayment contract.	N/A	<p><u>Prior to becoming a participant in the nursing loan repayment program, the applicant shall enter into a contract with the commissioner agreeing to the terms and conditions upon which the loan repayment is granted. The contract shall:</u></p> <p><u>1. Include the terms and conditions to carry out the purposes and intent of this program;</u></p> <p><u>2. Provide that the participant shall provide full-</u></p>

			<p><u>time nursing services as an RN, LPN or CNA in a long-term care facility in the Commonwealth for a minimum period of one year;</u></p> <p><u>3. Provide for repayment of all amounts paid by the board, plus interest and penalties, less any service time if the participant is found to be in breach of contract;</u></p> <p><u>4. Be signed by the applicant;</u></p> <p><u>5. Be signed by the commissioner or his designee; and</u></p> <p><u>6. Include other provisions as the commissioner may deem appropriate</u></p> <p>Rationale: Specify the contract provisions in the loan repayment program.</p>
N/A	12VAC5-507-210 Breach of contract for loan repayment program.	N/A	<p><u>The following may constitute breach of contract:</u></p> <p><u>1. Participant's failure to begin or complete his term of obligated service in a long-term care facility under the terms and conditions of the nursing loan repayment contract;</u></p> <p><u>2. Participant's falsification or misrepresentation of information on the program application or verification forms or other required documents;</u></p> <p><u>3. Participant's employment is terminated for good cause as determined by the employer and confirmed by the department. If employment is terminated for reasons beyond the participant's control (e.g., closure of site), the participant shall transfer to another long-term care facility site approved by the board in the Commonwealth within six months of termination. Failure of participant to transfer to another site shall be deemed to be a breach of the contract; and</u></p> <p><u>4. Participant's failure to provide all reasonable, usual, and customary full-time health care service in a long-term care facility.</u></p> <p>Rationale: Specify breach of contract provisions of the loan repayment recipients.</p>
N/A	12VAC5-507-220 Postponement or waiver of service for	N/A	<p><u>Participants have the obligation to complete full-time continuous service for the period of their entire commitment. Under</u></p>

	loan repayment program.		<p><u>unusual circumstances (e.g., illness), a participant may request that the board agree to a postponement of the service obligation. This postponement, if granted, shall not relieve the participant of the responsibility to complete the remaining portion of the obligation. Such postponement shall not be permitted as a matter of course, but may be allowed in cases of undue hardship.</u></p> <p><u>The Board may grant a variance to service requirements or default repayments upon participant request if it finds compliance with the applicable service requirements or default repayment would pose an undue hardship on the recipient.</u></p> <p>Rationale: Specify the waiver and postponement guidelines of the loan repayment recipients.</p>
N/A	12VAC5-507-230 Cash reimbursement and penalty for loan repayment program.	N/A	<p><u>Participants who serve less than their obligated service shall make repayment, including interest and penalty to the Commonwealth as stated in the contract, reduced by the proportion of obligated years served.</u></p> <p>Rationale: Specify the cash reimbursement and penalty information of the loan repayment recipients who serve less than their service obligation.</p>
N/A	12VAC5-507-240 Reporting requirements of loan repayment participants.	N/A	<p><u>Reporting requirements of the loan repayment participant are as follows:</u></p> <ol style="list-style-type: none"> <li><u>1. Each participant shall provide information as required by the department to verify compliance with the practice requirements of the nursing loan repayment program (e.g., verification of employment in a long-term care facility by submitting a Verification of Employment form once every six months).</u></li> <li><u>2. Each participant shall promptly notify the department in writing within 30 days if any of the following events occur:</u> <ol style="list-style-type: none"> <li><u>a. Participant changes name;</u></li> <li><u>b. Participant changes address;</u></li> <li><u>c. Participant changes practice site. (Participant is required to request and obtain in writing prior approval of changes in practice site.);</u></li> <li><u>d. Participant no longer intends to fulfill service obligation as a nurse in the Commonwealth in a long-term care facility;</u></li> </ol> </li> </ol>

			<p><u>or</u> e. <u>Participant ceases to practice as a registered nurse, licensed practical nurse, or certified nurse aide.</u></p> <p>Rationale: Specify the reporting requirements of the recipients in the loan repayment program.</p>
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