Student Loan Repayment Plan

1. Applicable to RNs/LPNs, SLPs, OTs, PTs, LSWs, DSPs, HHAs, and STNAs
2. Eligible Loans
   1. Stafford Loans (subsidized, unsubsidized, Direct subsidized, and Direct unsubsidized);  
      Plus Loans (Federal and Direct Federal);  
      Federal Consolidation Loans (Direct subsidized and Direct unsubsidized);  
      Defense Loans (made before July 1, 1972);  
      National Direct Student Loans (made between 7/1/72 and 7/1/87); and  
      Perkins Loans.
3. Award Amounts to be determined by the Ohio Department of Health and Ohio Department of Aging.
4. Parameters of Program
   1. Eligible employees must agree to work for a participating employer for no less than 3 years. The total of the amount awarded will be distributed to the loan originator annually or on a monthly basis. For example, for an RN receiving a $24,000 loan forgiveness award, $8,000 will be paid annually for each of the three years follow participating employer verification requirements. If they choose a monthly option, the payment would be $666.67 a month. Only loans for completed programs or degrees are eligible for the repayment options.
5. Employee Eligibility Requirements
   1. Must be a permanent (non-contract) employee
   2. Must be employed by an eligible employer, who verifies employment status
   3. Must work in eligible provider and employer facility for 3 years consecutively from the date of the award to receive the full award amount.
   4. Must complete Request for Student Loan Repayment Program Application including, verified by eligible employer
      1. Name
      2. SSN
      3. Eligible employer name, signature and position
      4. Total amount requested
      5. Current Balance on outstanding loan (provide most recent statement)
      6. Annual or monthly payment
      7. Completed loan information form
6. Participating Employer Requirements
   1. Must be an Ohio provider of skilled nursing facilities as defined in 5160-3-01, intermediate care facilities as defined in 5124.01 or residential care facilities as defined in 3701-16-01
   2. Must agree to the following reporting requirements
      1. For any employee awarded student loan repayment, inform the program coordinator immediately of termination and ineligibility for disbursement
      2. Submit and annual verification of payments, issued by the state of Ohio, of employment dates of all employees awarded student loan repayment
      3. Provide verification of employee job description for eligibility in the repayment program
7. Application Process and Approval Timeframe
   1. Upon receipt of the verified student loan repayment request from the eligible employer, along with the required documentation, the application is considered to be complete. The program coordinator shall approve or deny the application for award within 30 days, with notification within 14 days of approval, including a loan repayment start date and schedule.
8. Payment Remittance Requirements
   1. Payment will be issued directly to the loan issuer on an annual or monthly basis as described above. Employee must provide proof of program completion. Employee must also provide, for each loan included in repayment. See OPM Sample Form for Loan Information required from Employee <https://www.opm.gov/policy-data-oversight/pay-leave/student-loan-repayment/sample-agency-plans/attachment2.pdf>
      1. Loan servicer
      2. Loan Account Number
      3. Monthly or Annual disbursement amount
      4. If Monthly, due date
   2. Students may be able to deduct the interest from their loans even though the interest is included in the total loan amount and paid by the agency Employees should review Chapter 3 of the URS Publication 970 (<https://www.irs.gov/pub/irs-pdf/p970.pdf>)

Required Administrative Costs:

1. Program Coordinator to review and approve employee applications, as well as maintain database of eligible employers and employees awarded student loan repayment
2. Accounts payable coordinator to remit payment on monthly or annual basis for approved employees. Should also
3. System for tracking and housing applications and documentation required for student loan repayment programs, as well as payments issued.
4. System must also be capable of generating reports by employer
5. Communications staff time to develop collateral for communicating new program and creation of depository of required forms accessible by the public.