

**Supporting Statement for
The Application for Participation in
The National Health Service Corps Scholarship Program**

A. JUSTIFICATION

1. Circumstances of Information Collection

The Bureau of Health Professions is requesting a continuation of approval of the application form for the National Health Service Corps (NHSC) Scholarship Program (OMB No. 0915-0146), which expires on February 28, 2007. This request is a revision of a currently approved information collection activity. While no revisions have been made to the application form, the personal interview component has been eliminated from the application process.

The legislative authority for the NHSC Scholarship Program is the Public Health Service Act, Title III, Section 338A, C-H, 42 U.S.C. 254l, m-q, as amended by Public Law 101-257 on October 26, 2002, and implemented by Federal Regulations Title 42 Code of Federal Regulations, Parts 23 and 62 and administrative guidelines in effect as of December 2002.

The purpose of the NHSC Scholarship Program is to ensure an adequate supply of health professionals to provide primary health services through a culturally competent, interdisciplinary team of clinicians to populations located in health professional shortage areas (HPSAs) identified by the Secretary of the Department of Health and Human Services. HPSAs can be found in rural and urban communities across the Nation.

For 27 of the 35 years of the program, the NHSC Scholarship Program has been used as a recruitment incentive to attract individuals committed to serving the underserved. As the Scholarship Program assists those individuals to fulfill that goal and places them in underserved areas, needy communities are served.

Under the NHSC Scholarship Program, students seeking to become allopathic physicians, osteopathic physicians, dentists, family nurse practitioners, nurse midwives and physician assistants, and, if needed by the NHSC, students of other health professions (including mental health professionals) are offered the opportunity to enter into a contractual agreement with the Secretary under which the Department of Health and Human Services agrees to pay the total school tuition, required fees, and a stipend for living expenses. In exchange, the scholarship recipient agrees to provide full-time clinical services at a site in a federally designated HPSA in the United States as assigned by the NHSC. The minimum service commitment is 2 years; the maximum is 4 years.

Individuals interested in participating in the scholarship program complete a NHSC application form. Individuals are selected for awards based on meeting the required eligibility criteria, which is determined from the information provided in the application form.

Approval is being requested to continue the use of the application for purposes of the NHSC Scholarship Program selection and award process.

2. Purpose and Use of Information

The information collected in the application is needed to determine which applicants are qualified and suitable to receive scholarship awards. Applicants are competitively selected for awards according to the criteria required by Federal statute and regulation, and the priority staffing needs of the NHSC. As stated in the PHS Act, Section 338A, [254](d)(2), in providing contracts under the Scholarship Program, the Secretary shall give priority to:

“(A) first, to any application for such a contract submitted by an individual who has previously received a scholarship under this section or under section 758;

(B) second, to any application for such a contract submitted by an individual who has characteristics that increase the probability that the individual will continue to serve in a health professional shortage area after the period of obligated service pursuant to subsection (f) of this section is completed; and

(C) third, subject to paragraph (B), to any application for such a contract submitted by an individual who is from a disadvantaged background.”

As specified in the regulations (42 CFR Part 62.6(b) and (c)), in deciding which applications will be approved, first priority will be given to individuals who have previously received a scholarship under the NHSC Scholarship program or under section 758, “authorizing scholarships for first-year students of exceptional financial need. (2) Second priority will be given to applicants who are entering their first year of study. (c) Selection. (1) In selecting participants, the Secretary will take into account consideration those factors which he or she determines necessary to assure effective participation in the Scholarship Program. These factors may include, but not be limited to (i) work experience, (ii) community background, (iii) career goals, (iv) faculty recommendation, (v) and academic performance.”

The current application was developed and revised in the late 1990’s to collect information that could be used to meet the priorities specified above, and the development process included extensive literature reviews, interviews with experts, searches for relevant existing instruments, measurement strategies, as well as input from an Advisory Panel. The Advisory Panel reviewed job requirements and developed a set of characteristics predicted to be relevant to service retention. The application form seeks to collect information that can be used to identify

scholars who, when they complete their health professions education, will specialize in the delivery of health services, complete their period of obligated service in an acceptable manner, and subsequently be retained in practice in an area that has a shortage of health care personnel. When the form was first developed and utilized, the items in the sections on career goals, personal preferences, and the activities inventory were examined for internal consistency and the reliability of the composite score.

The scholarship application captures information that is relevant to the three priority areas specified above in order to identify applicants with the greatest potential to fulfill the objectives of the Scholarship Program. It is particularly important to have an application that assesses relevant characteristics in order to select those individuals most willing and able to serve the underserved.

The NHSC Scholarship Program uses the information collected in the application to select applicants for scholarship awards. All information is used to determine that individual applicants meet the required criteria and interest in practicing in a HPSA.

When information is missing or incomplete from the application, and/or when verification of information is needed, follow-up contact will be made with the applicant to ensure that the application is complete and accurate for consideration of award.

Application Form

The application has the following sections:

Section A. General: This section collects general information needed for administrative purposes (e.g., name, address, and program history, credit status).

Section B. Degree Program: This section collects information about the degree or certificate program for which the applicant is requesting a scholarship and the current status in the program.

Section C. Background: This section collects family and educational background information about the applicant that was found to be predictive of the interview ratings of suitability for both rural and urban NHSC assignments.

Section D. Career Goals: This section contains items gathering information on specialty choice, future plans, and practice community and health care preferences of the applicants.

Section E. Personal Preferences: This section contains items consisting of pairs of statements representing contrasting attitudes toward various issues and situations. This section was designed to measure certain qualities that were identified as important to success as a NHSC provider. The American Institute for Research and an Advisory Panel assisted in the original

development of characteristics and personal qualities that were considered important job requirements. Applicants select one statement from each pair that best describes them.

Section F. Activities Inventory: This section contains items concerning a variety of activities and personal characteristics. Applicants respond in terms of how well each item describes them. The NHSC Application Bulletin contains instructions, authorization to release information on enrollment, and verification of enrollment. In addition, the bulletin contains general information about the scholarship program, its background, and purpose.

3. Use of Improved Information Technology

The application is fully electronic.

4. Efforts to Identify Duplication

The information requested in the application is specific to the applicant and unique to the NHSC program. No similar information is collected from this group of individuals.

5. Involvement of Small Entities

This data collection does not involve small businesses or other small entities.

6. Consequences if Information is Collected Less Frequently

The selection process for making NHSC Scholarship Program scholarship awards must be completed annually prior to the beginning of the academic school year. In the absence of collecting this data, review, selection, and approval of qualified applicants cannot be carried out.

7. Consistency With The Guidelines in 5 CFR 1320.5(d)(2)

This information collection is consistent with 5 CFR 1320.5(d)(2).

8. Consultation Outside The Agency

The notice required in 5 CFR 1320.8(d) was published in the *Federal Register* on February 15, 2006 (Vol. 71, No. 31, page 7979.) No comments were received.

The following remaining original panel members who have reviewed the selection procedures are listed below:

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9. Remuneration of Respondents.

Respondents will not receive any remuneration.

10. Assurance of Confidentiality

Data collected on the individual NHSC Scholarship Program application form constitutes a system of records as defined under the Privacy Act of 1974. The program is covered by an existing System of Records, Public Health Service (PHS) and National Health Service Corps (NHSC) Scholarship/Loan Repayment Participants Records System (09-15-0037).

All information collected through use of the NHSC Scholarship Program application process, as well as storage of this information, will be in compliance with the Privacy Act. A Privacy Act Notice, which describes the authority for collecting the information, several routine uses which may be made of the information collected and the necessity of reporting to receive scholarship award consideration, is contained in the scholarship Applicant Information and Instruction Bulletin.

11. Questions of a Sensitive Nature

There are no sensitive questions in the application. The Social Security number is required because the amount received for the stipend must be reported to the Internal Revenue Service as income to the scholarship recipient. The Social Security number is also required by section 4 of the Debt Collection Act of 1982 (26 U.S.C. 6103) to permit collection of claims resulting from participants defaulting on the service obligation required under the scholarship award. The amount of scholarship support then becomes a debt owed the Federal Government.

12. Estimates of Annualized Hour Burden

Estimates of respondent burden are as follows:

Form Name	Number of Respondents	Responses per Respondent	Hours per Response	Total Burden Hours	Wage Rate	Total Hour Cost
Application	1800	1	1	1800	\$15	\$27,000
Follow-up*	600	1	.25	150	\$15	\$2,250
TOTAL	1800			1950		\$29,250

*The follow-up burden is used only when applications require follow-up to complete missing information or verify accuracy of information in order to ensure processing of the application for consideration of award.

Basis for Estimates

The number of NHSC Scholarship Program applicants is estimated to average 1,800 per year for the next 3 years. Based on recent history, the NHSC Scholarship Program will award approximately 230 multi-year scholarships each year for the next 3 years. The program expects to receive 1,800 initial applications and follow-up with approximately 600 applicants if certain required fields for information are not complete. Each applicant must complete an application only once to make a determination of award.

Based on program experience, it is estimated that it takes an average of 1 hour to review the instructions and complete the form for the Scholarship Program. (1,800 applicants x 1 hour/response = 1,800 hours).

Scholarship applicants may be students and/or may be in the workforce. Since applicant employment status is mixed, a value of \$15 per hour is estimated.

13. Estimates of Annualized Cost Burden to Respondents

There are no capital or start-up costs for this activity, and there are also no operation or maintenance costs with this application.

14. Estimates of Annualized Cost Burden to the Government

The average annual costs to the government for the scholarship application processing, review, and determination are as follows: One project officer FTE at 10% time at a GS 13 level is

required for a total of \$8,225 and annual contract costs are approximately \$45,000. The total annual cost to the government is \$53,225.

15. Changes in Burden

The OMB inventory currently contains 3,100 hours for the NHSC application. This request is for 1,950 hours, for a decrease of 1,150 hours. The change is the result of the following: a program change due to the elimination of the in-person interview. The current clearance contained burden for 1,100 respondents to complete a 1 hour personal interview. The program determined that award decisions could be made on the basis of the application information and the personal interview was no longer needed. When applications have missing or incomplete information, follow-up contact by telephone will occur with the applicant to ensure that all eligible applicants receive consideration for awards. (Certain fields, such as degree information, enrollment information, etc. are required for processing the application.) This follow-up is estimated to last no more than 15 minutes and is only anticipated for a subset of applicants. The resulting reduction of 950 hours in burden is a decrease from 1,100 hours to 150 hours (600 applicants x 15 minutes = 150). The remaining 200 hour decrease in burden is a program adjustment due to an expected decrease in the number of respondents from 2,000 to 1,800 (200 respondents x 1 hour application burden = 200 hours).

16. Time Schedule, Publication and Analysis Plans

There are no plans for tabulation, analysis, or publication of the NHSC application information. The information is used solely for determination of scholarship awards.

17. Exemption for Display of Expiration Date

The expiration date will be displayed.

18. Certifications

This project fully complies with the guidelines set forth in 5 CFR 1320.9. The required certifications are included in this package.

