

**Supporting Statement  
Faculty Loan Repayment Program (FLRP) Application  
OMB Control No. 0915-0150**

**A. Justification**

**1. Circumstances of Information Collection**

This is a request from the Health Resources and Services Administration (HRSA), part of the U.S. Department of Health and Human Services (HHS), for renewal of OMB approval of the information collection requirements and application form for the Faculty Loan Repayment Program (FLRP) currently approved under OMB No. 0915-0150, which expires October 31, 2015.

The Faculty Loan Repayment Program (FLRP) is governed by section 738(a) of the Public Health Service Act (42 U.S.C. 293b), as amended by the Health Professions Education Partnerships Act of 1998 (Pub. L.105-392). The purpose of the FLRP is to recruit individuals from a disadvantaged background\* who have a health professions degree or certificate to serve as faculty members in accredited health professions schools by offering to make partial payments on education loan(s). The FLRP is directed at those individuals available to either; 1) serve immediately or within a short time as "new" full-time or part-time faculty members or 2) are currently serving as full-time or part-time faculty members.

In exchange, the graduate health professional agrees to have a contract with an accredited health professions school to serve as a full-time or part-time faculty member for a minimum of 2 years. Loan repayment agreements are approved by the Secretary for eligible undergraduate and graduate health professional educational loans incurred with government or commercial lending institutions.

All FLRP application information is electronic and is essential to determine the applicants' eligibility and the creditability of existing undergraduate and/or graduate health professional educational loans.

This collection of information is necessary to enable HRSA to respond to The President's Management Agenda, which calls for government reform that is citizen-centric, results-oriented and market-based and requires agencies to participate in e-Government initiatives that provide high quality customer service, provide citizens with readier access to government services, increase access for persons with disabilities to agency Web sites and make government more transparent and accountable (<http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf>).

**2. Purpose and Use of Information**

The applicant completes and submits an electronic application that identifies for the Secretary

\*See Attachment I for definition of disadvantaged background.

that the applicant is a disadvantaged health professions graduate who has a contract with an accredited health professions school to serve as a full-time or part-time faculty member for a minimum of 2 years and has valid outstanding educational loans. In addition, for each undergraduate and/or graduate loan for which repayment is sought, the applicant is required to submit promissory notes verifying the establishment of the educational loan(s) and lender statements identifying the current balance of the outstanding educational loan(s). After thorough review of the applications, participants are selected.

The information is needed in order to determine that applicants are in compliance with requirements of the FLRP and that the evidence submitted to the FLRP is satisfactory to the Secretary before entering into an agreement for repayment of undergraduate and/or graduate health professions loans. Applicants are required to submit promissory notes verifying the original loan amount and date, and lender statements identifying the current Principal and Interest of their outstanding educational loan(s).

The terms and conditions for participating in the FLRP are set forth in the contract between the individual and the Secretary. In addition, the contract includes the relevant statute authorizing the operation of the FLRP.

### **3. Use of Improved Information Technology**

Currently all FLRP materials are available on the Internet. FLRP guidance and application materials have been integrated into a website for easier access by the public. Program staff members are available to answer inquiries via telephone and e-mail. This website provides the purpose and goal of the program. A program overview, eligibility and employer requirements are featured as well as Frequently Asked Questions. Every phase of the FLRP is covered on this website which is easily accessible 24-hours a day. During the application cycles, the application can be accessed from the site.

FLRP Website: <http://www.hrsa.gov/loanscholarships/repayment/faculty/>.

### **4. Efforts to Identify Duplication**

The information requested in the application is specific to the applicant and unique to this program.

### **5. Impact of Small Businesses or Other Small Entities**

No small businesses will be involved in this study.

### **6. Consequences of Collecting the Information Less Frequently**

The FLRP requests the information once from each applicant. Without this information, the program would be unable to determine applicant eligibility. There are no legal obstacles to reduce the burden.

## **7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5(d)(2)**

The request fully complies with the regulation.

## **8. Comments in Response to the Federal Register Notice/Outside Consultation**

A 60-day Federal Register Notice was published in the *Federal Register* on April 2, 2015, Vol. 80, No. 63; p.17761 (see Attachment G). There were no public comments.

Section 8B:

The individuals listed below were contacted in 2015 to verify the burden associated with the FLRP application. They reported no particular difficulty in completing the form, and no change in the estimated burden for completing the form. These individuals did acknowledge that the site was user-friendly and that the process was easy to follow.

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## **9. Explanation of Any Payment/Gift to Respondents**

Respondents will not receive any payments or gifts.

## **10. Assurance of Confidentiality Provided to Respondents**

Data will be kept private to the extent allowed by law. The Right to Financial Privacy Act (RFPA), Pub. L. 95-630, regulates any financial institution that provides a Federal agency with access to information contained in the financial records of a customer. Section 1102(a) prohibits government access to financial records unless one of five procedures is used and the records are "reasonably described." The procedure being used by FLRP requires the applicant to submit promissory notes that verifies the establishment of the loan(s) and lender statement(s), which

identifies the current loan balance(s), verifies the applicant's address and provides the applicant's Social Security Number. All applicants comply with this requirement.

A Privacy Act Notification Statement is included on the FLRP website which describes the purposes of the information collection and the potential disclosures. A Privacy Act System of Records, #09-15-0058, has been established for the Faculty Loan Repayment Program, HHS/HRSA/BHW.

### 11. Justification for Sensitive Questions

Questions regarding race and ethnicity are asked in the online application; however, responses to these questions are optional. The disclosure of the applicant's Social Security Number (SSN) is required by section 4 of the Debt Collection Act of 1982 (26 U.S.C. 6103) and the applicant provides this information on his/her lender statement(s). The disclosure of the Social Security Number is required for participation in the program, since the amounts repaid to lenders must be reported to the Internal Revenue Service as "other income" on IRS Form 1099. Safeguards are followed concerning the use of the SSN in the Privacy Act of 1974 (5 U.S.C. 552a note).

### 12. A. Estimates of Annualized Burden Hours

Type of Respondent	Form Name	No. of Respondents	No. Responses per Respondent	Average Burden per Response (in hours)	Total Burden Hours
Applicant	Eligible Application	111	1	1	111
Applicant	Authorization to Release Information Form	111	1	.25	28
Institution	Loan Repayment Employment Form	111*	1	1	111
<b>Total</b>		222			250

\*Respondent for this form is the institution for the applicant.

Burden estimates were derived from information provided by applicants and institutions completing the required application package and forms. The application and employment forms require 1 hour each to complete. The burden is displayed in the number of minutes to complete the form over 60. Authorization to Release Information required 15 minutes to complete and the burden is displayed as the number of minutes over 60. The hour-burden estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

**12. B. Estimated Annualized Burden Costs**

<u>Type of Respondent</u>	<u>Total Burden Hours</u>	<u>Hourly Wage Rate**</u>	<u>Total Respondent Costs</u>
<u>Mid-level administrator</u>	<u>111</u>	<u>\$43</u>	<u>\$4773</u>
<u>Mid-level Health Care Professional</u>	<u>139*</u>	<u>\$43</u>	<u>\$5977</u>
<u>Total</u>	<u>250</u>		<u>\$10,750</u>

\*The Mid-level Health Care Professional total burden hours is totals 139 since the same respondent is completing the online application and the authorization to release forms.

\*Respondent for this form is the institution for the applicant.

\*\* Based on the following: <http://www.bls.gov/oes/current/oesrci.htm#62>

**13. Estimates of other Total Annual Cost Burden to Respondents or Record Keepers/Capital Costs**

Other than their time, there is no cost to respondents.

**14. Estimates of Annualized Estimates of Annualized Cost to the Government**

<b>Instrument</b>	<b>Base Pay Rate</b>	<b>Project Time per FTE</b>	<b>Number of FTEs</b>	<b>Total Annual Cost</b>
<b>FLRP</b>	<b>\$84,017/GS-12 Step 4</b>	<b>.15</b>	<b>10</b>	<b>\$126,025.50</b>
<b>FLRP Online Application Contract</b>	<b>\$ 58,917.28</b>	<b>.....</b>	<b>.....</b>	<b>\$ 58,917.28</b>
<b>Total</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>\$184,942.78</b>

The annual cost to the government is approximately \$58,917.28 for the contract costs for the online application system and \$126,025.50 for 10 GS-12 Step 4 employees at a .15 FTE rate to process the applications and facilitate team members in the loan repayment process.

#### **15. Explanation for Program Changes or Adjustments**

The total burden hours for this activity are 250 hours. This is a decrease from the previously approved annual burden of 684 hours due to a decrease in the number of eligible applications from 304 in 2012 to 111 in 2015. FY 2012 was the last year FLRP allowed paper application submissions. In 2013 FLRP transitioned to the electronic BHW [Business Management Information System Solution](#) BMISS/application portal platform. With the electronic process, 150 – 200 applications are initiated each year that end in an incomplete or ineligible status before they are officially submitted. In earlier years with a paper process, these would have been counted as eligible. FLRP has actually received more interest in subsequent years with many potential applicants just not meeting the basic application and program requirements.

#### **16. Plans for Tabulation, Publication, and Project Time Schedule**

There are no plans for the tabulation, statistical analysis or publication of the information.

#### **17. Reason(s) Display of OMB Expiration Date is Inappropriate**

The OMB number and expiration date will be displayed on every page of every form/instrument.

#### **18. Exceptions to Certification for Paperwork Reduction Act Submissions**

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

#### **List of Attachments**

Attachment A: Authorizing Legislation and Regulations

Attachment B: FLRP Application User Guide

Attachment C: Application Program Guidance

Attachment D: Authorization to Release Information Form

Attachment E: Institution Loan Repayment Employment Form

Attachment F: Contract Form

Attachment G: 60-Day Federal Register Notice

Attachment H: 30-Day Federal Register Notice

Attachment I: Definition of Disadvantaged Background