Chapter 21. Student Services

Subchapter P. Loan Repayment Program for Mental Health Professionals

Section

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21.490. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Subchapter K, Repayment of Certain Mental Health Professional Education Loans. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, Sections 61.601 through 61.609.

(b) Purpose. The primary purpose of the Loan Repayment Program for Mental Health Professionals is to encourage qualified mental health professionals to practice in a mental health professional shortage area designated by the U. S. Department of Health and Human Services, and provide mental health care services to recipients under the medical assistance program authorized by the Texas Human Resources Code, Chapter 32, and to enrollees under the child health plan program authorized by the Texas Health and Safety Code, Chapter 62.

21.491. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Board--The Texas Higher Education Coordinating Board.

(2) CHIP--The Children’s Health Insurance Program, authorized by the Texas Health and

Safety Code, Chapter 62.

(3) Full-time Service -- Employed or contracted full-time (at least 32 hours per week) by an agency or facility in a mental health professional shortage area for the primary purpose of providing direct mental health services to:

(A) Medicaid recipients;

(B) CHIP enrollees;

(C) persons in facilities operated by or under contract with the Texas Juvenile Justice Department; and/or,

(D) persons in facilities operated by or under contract with the Texas Department of Criminal Justice.

 (4) MHPSAs -- Mental Health Professional Shortage Areas (MHPSAs) are designated by the U. S. Department of Health and Human Services (HHS) as having shortages of mental health providers and may be geographic (a county or service area), demographic (low income population) or institutional (comprehensive health center, federally qualified health center or

other public facility). Designations meet the requirements of Sec. 332 of the Public Health Service

Act, 90 Stat. 2270-2272 (42 U.S.C. 254e). Texas MHPSAs are recommended for designation by

HHS based on analysis of data by the Department of State Health Services.

(5) Medicaid--The medical assistance program authorized by Chapter 32, Human Resources

Code.

(6) Service Period--A period of 12 consecutive months qualifying a mental health professional for loan repayment.

(7) Psychiatrist -- a licensed physician who is a graduate of an accredited psychiatric residency training program.

21.492. Eligible Practice Specialties.

For purposes of this subchapter, the following mental health providers may apply for enrollment in the program:

(1) a psychiatrist;

(2) a psychologist, as defined by Section 501.002, Occupations Code;

(3) a licensed professional counselor, as defined by Section 503.002, Occupations Code;

(4) an advanced practice registered nurse, as defined by Section 301.152, Occupations Code, who holds a nationally recognized board certification in psychiatric or mental health nursing; and

(5) a licensed clinical social worker, as defined by Section 505.002, Occupations Code.

21.493. Eligibility for Conditional Approval of Applications.

To be eligible for the Board to reserve loan repayment funds, a mental health professional must:

(1) ensure that the Board has received the completed application by the established deadline, which will be posted on the program web page;

(2) be a U.S. citizen or a Legal Permanent Resident and have no license restrictions;

(3) not be currently fulfilling another obligation to provide mental health services as part of a scholarship agreement, a student loan agreement, or another student loan repayment agreement;

(4) agree to provide five consecutive years of eligible service in a Mental Health Professional Shortage Area, with the understanding that the professional will be released from the agreement if funding for continued loan repayment is not appropriated;

(5) agree to provide mental health services to:

(A) individuals enrolled in Medicaid or CHIP or both, or

(B) persons committed to a secure correctional facility operated by or under contract with the Texas Juvenile Justice Department or persons confined in a secure correctional facility operated by or under contract with any division of the Texas Department of

Criminal Justice.

(6) the Board may make financial commitments for service periods ending by August 31 of the two-year period following the biennium for which the program funds are appropriated.

21.494. Selection of Eligible Applicants and Limitations.

(a) Each fiscal year an application deadline will be posted on the program web page.

(b) Not more than 10 percent of the number of repayment assistance grants paid under this subchapter each year may be awarded to mental health professionals providing mental health services to persons committed to a secure correctional facility operated by or under contract with the Texas Juvenile Justice Department or persons confined in a secure correctional facility operated by or under contract with any division of the Texas Department of Criminal Justice. Applications from these professionals will be selected on a first-come-first-served basis.

(c) Not more than 30 percent of the number of repayment assistance grants paid under this subchapter each fiscal year may be awarded to mental health professionals in any one of the eligible practice specialties.

(d) For each practice specialty, applications will be ranked in order of the following priorities:

1. providers who benefitted from awards the previous year;
2. providers whose employers are located in areas having MHPSA scores that reflect the highest degrees of shortage**.** If a provider works for an agency located in an MHPSA that has satellite clinics and the provider works in more than one of the clinics, the highest MHPSA score where the provider works shall apply. If a provider travels to make home visits, the provider’s agency base location and its MHPSA score shall apply. If a provider works for different employers in multiple MHPSAs having different degrees of shortage, the location having the highest MHPSA score shall apply;
3. providers whose employers are located in rural areas, if, in the case of providers serving at multiple sites, at least 75% of their work hours are spent serving in those areas; and

(4)  providers whose applications were received on the earliest dates.

21.495. Eligibility for Disbursement of Loan Repayment Assistance

To be eligible to receive loan repayment assistance, a mental health provider must:

(1) have completed one, two, three, four, or five consecutive years of practice in an MHPSA providing direct patient care to Medicaid enrollees and/or CHIP enrollees, if the practice serves children, or to persons committed to a secure correctional facility operated by or under contract with the Texas Juvenile Justice Department or its successor or in a secure correctional facility operated by or under contract with any division of the Texas Department of Criminal Justice or its successor;

(2) after an award is disbursed for a third consecutive year of service, a psychiatrist must have earned certification from the American Board of Psychiatry and Neurology or the American Osteopathic Board of Psychiatry and Neurology to qualify for continued loan repayment assistance.

21.496. Eligible Lender and Eligible Education Loan.

(a) The Board shall retain the right to determine the eligibility of lenders and holders of education loans to which payments may be made. An eligible lender or holder shall, in general, make or hold education loans made to individuals for purposes of undergraduate, graduate, and professional education of the mental health professional and shall not be any private individual. An eligible lender or holder may be, but is not limited to, a bank, savings and loan association, credit union, institution of higher education, secondary market, governmental agency, or private foundation. A credit card debt is not considered an educational loan eligible for repayment.

(b) To be eligible for repayment, an education loan must:

(1) be evidenced by a promissory note for loans to pay for the cost of attendance for the undergraduate, graduate, or professional education of the individual applying for repayment assistance;

(2) not have been made during residency or to cover costs incurred after completion of graduate or professional education;

(3) not be in default at the time of the professional’s application;

(4) not have an existing obligation to provide service for loan forgiveness through another program;

(5) not be subject to repayment through another student loan repayment or loan forgiveness program or as a condition of employment; and

(6) if the loan was consolidated with other loans, the applicant must provide documentation of the portion of the consolidated debt that was originated to pay for the cost of attendance for his or her undergraduate, graduate, or medical education.

21.497. Amount of Repayment Assistance.

Loan repayment awards will be disbursed directly to lenders in behalf of eligible mental health professionals and:

(1) Repayment assistance for each year of full-time service will be in an amount determined by applying the following applicable percentage to the maximum total amount of assistance allowed for the professional:

(A) for the first year, 10 percent;

(B) for the second year, 15 percent;

(C) for the third year, 20 percent;

(D) for the fourth year, 25 percent; and

(E) for the fifth year, 30 percent.

(2) The total amount of repayment assistance received by a mental health professional under this subchapter may not exceed:

(A) $160,000, for a psychiatrist;

(B) $80,000, for:

(i) a psychologist;

(ii) a licensed clinical social worker, if the social worker has received a doctoral

degree related to social work; or

(iii) a licensed professional counselor, if the counselor has received a doctoral degree related to counseling;

(C) $60,000, for assistance an advanced practice registered nurse; and

(D) $40,000, for a licensed clinical social worker or a licensed professional counselor who has not received a doctoral degree related to social work or counseling.

(3) If a mental health provider’s total student loan indebtedness is less than the total amount of repayment assistance allowed for the provider’s practice specialty, the annual loan repayment award amounts based on full-time service will be the following percentages of the student loan debt owed at the time of application for enrollment in the program: 10% for year one, 15% for year two, 20% for year three, 25% for year four, and 30% for year five.

(4) An eligible professional may receive prorated loan repayment assistance based on the percentage of full-time service provided for each service period, for a minimum of 20 hours per week if employed or contracted by an agency or facility in a mental health professional shortage area for the primary purpose of providing direct mental health services to:

 (A) Medicaid recipients;

 (B) CHIP enrollees;

 (C) persons in facilities operated by or under contract with the Texas Juvenile Justice Department; and/or,

 (D) persons in facilities operated by or under contract with the Texas Department of Criminal Justice.

(5) Failure to meet the program requirements will result in non-payment for the applicable service period(s) and, except under circumstances determined by the Board to constitute good cause, removal from the program.

21.498. Dissemination of Information.

The Board shall disseminate information about the Mental Health Professional Education Loan Repayment program to each institution of higher education or private or independent institution of higher education and to any appropriate state agency and professional association.