State of Nebraska

RURAL HEALTH STUDENT LOAN PROGRAM

For Medical, Dental, Physician Assistant, and Graduate-Level Mental Health Students

In 1979, the State of Nebraska began awarding low-interest loans to medical students who agreed to practice in shortage areas. Since then, the Nebraska Legislature has modified the program, and the Nebraska Student Loan Program (NSLP) now awards forgivable student loans to Nebraska medical, dental, physician assistant, and graduate-level mental health students who agree to practice an approved specialty in a state-designated shortage area.

Eligibility and Selection Criteria

To be eligible, students, who are Nebraska residents, must be enrolled or accepted for enrollment in a medical, physician assistant, dental, or graduate-level mental health training program in Nebraska. Awards are made by the Rural Health Advisory Commission based on the student's understanding of and commitment to the practice of primary care, dental care, or mental health care in rural Nebraska.

Application Procedures

Applications are accepted April 1 through June 1 of each year. Each applicant will be interviewed by the Rural Health Advisory Commission.

Award Amounts

The number and amount of student loans are determined annually based on state funding. The maximum annual student loan amount for a medical, dental, or psychologist student is $20,000 for up to four (4) years and $10,000 for a PA or master's level mental health student for up to two (2) years.

Conditions and Penalties

- Students must agree to practice in a state-designated shortage area the equivalent of full-time (40 hours/week) for one year for each year a student loan is awarded and accept Medicaid patients.
- Student loan recipients must be fully licensed to practice by the Nebraska Department of Health and Human Services and not in a residency or internship program before receiving loan forgiveness.
- ***State of Nebraska employees are not eligible to receive forgiveness under the Nebraska Student Loan Program.***
- Medical and PA students must agree to specialize in family practice, general surgery, general internal medicine, general pediatrics, obstetrics/gynecology, or psychiatry.
- Dental students must agree to specialize in general practice, pediatric dentistry, or oral surgery.
- Mental Health students must be enrolled or accepted for enrollment in a training program that meets the educational requirements for licensure by the Department of Health and Human Services for "licensed mental health practitioner" or "licensed psychologist".
- If a student loan recipient fails to practice in a shortage area or pursues a non-approved specialty, the recipient must repay 150% of the principal plus 8 percent simple interest from the date of default.

Shortage Areas

Practice sites eligible for student loan forgiveness must be located within shortage areas designated for each specialty by the Nebraska Rural Health Advisory Commission. State-designated shortage area listings and maps are posted on the Nebraska Office of Rural Health website at http://www.dhhs.ne.gov/orh. A statewide review of these shortage areas is completed every 3 years; however, if an area is experiencing health professionals retiring or resigning the community can request a review by the Rural Health Advisory Commission.

For additional information or to request an application, contact the Office of Rural Health at (402) 471-2337 or email marlene.janssen@nebraska.gov.