

1 Higher Education Coordinating Board

2

3 Adopted Permanent Rules Relating to Education; Postsecondary;

4 Certain Financial Assistance Programs

5

6 Rules as Adopted

7 4810.3010 DEFINITIONS.

8 [For text of subpart 1, see M.R.]

9 Subp. 1a. **Designated rural area.** "Designated rural area"
10 means the area defined in part 4830.0100, subpart 3a.

11 [For text of subp 2, see M.R.]

12 Subp. 3. **Qualified loans.** "Qualified loans" means:

13 A. Perkins Loans/National Direct Student Loans
14 (NDSLs);

15 B. Stafford Loans/Guaranteed Student Loans (GSLs);

16 C. Health Professions Student Loans (HPSLs);

17 D. Supplemental Loans for Students (SLSs)/Auxiliary
18 Loans to Assist Students (ALASs);

19 E. Health Education Assistance Loans (HEALs);

20 F. Mayo Foundation Loans;

21 G. MedLoans;

22 H. Minnesota Medical Association Loans (MMAs);

23 I. University of Minnesota Trust Fund Loans (TFLs);

24 J. Minnesota Student Educational Loan Fund (SELF
25 loans);

26 K. Student Loan Marketing Association Consolidation
27 Loans (SMART) and other student loan consolidation loans
28 approved by the United States Department of Education;

29 L. Professional Education Plan (PEP loans);

30 M. TERI Supplemental Loans;

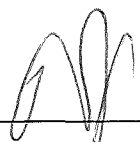
31 N. Norwest Collegiate Loans; **and**

32 O. Graduate EXCEL (Nellie Mae); and

33 P. Minnesota Medical Foundation Loans (MMFs).

34 4810.3030 APPLICATION PROCESS.

35 [For text of subpart 1, see M.R.]



1 Subp. 3. **Application form and contract.** Prospective
2 physicians accepted into this program must complete and return
3 the application form and contract provided by the executive
4 director. The prospective physician agrees to serve at least
5 three of the first five years following residency in a
6 designated rural area. Failure to complete and return the
7 application form and contract by the specified deadline date
8 results in the elimination of the applicant from the
9 classification list.

10 [For text of subp 4, see M.R.]

11 Subp. 5. **Agreement or promissory note.** Before any
12 payments are made by the executive director on qualified loans
13 designated by the participant, the participant must sign the
14 agreement or promissory note provided by the executive
15 director. The participant must work as a physician at least 30
16 hours per week in a designated rural area.

17 4810.3040 LOAN PAYMENT.

18 Subpart 1. **Designation of loans.** Each program participant
19 must designate which eligible loans the executive director must
20 make payments on. Payments by the executive director cannot
21 exceed \$10,000 per year for each participant, unless the
22 participant fulfills the requirements in subpart 6.

23 [For text of subps 2 and 3, see M.R.]

24 Subp. 4. **Additional payment amount.** If the amounts paid
25 by the executive director on the designated loans for a
26 participant is less than \$10,000 for a 12-month period, during
27 the 12th month the executive director will pay an additional
28 amount on the designated loans to equal \$10,000 for the 12-month
29 period. Participants who meet the requirements in part
30 4810.3040, subpart 6, may designate an additional \$2,000 above
31 the \$10,000 maximum specified in subpart 1 for each applicable
32 year of residency. The total amount paid during the 12-month
33 period cannot exceed the principal and accrued interest of the
34 designated loans.

35 [For text of subp 5, see M.R.]

1 Subp. 6. **Additional designation of loans.** If a program
2 participant serves at least four weeks during a year of
3 residency substituting for a rural physician to temporarily
4 relieve the rural physician of rural practice commitments, the
5 participant may designate up to an additional \$2,000 above the
6 \$10,000 maximum specified in subpart 1, for each year of
7 residency during which the resident substitutes in this
8 capacity. In order to designate additional loans, the program
9 participant must provide the executive director with written
10 verification from the rural physician documenting the period of
11 time the program participant relieves the rural physician of
12 rural practice commitments.

13 The program participant must be a licensed physician in
14 Minnesota when performing the services specified in this subpart.

15 **MIDLEVEL PRACTITIONER EDUCATION ACCOUNT**

16 **4811.0100 SCOPE.**

17 Parts 4811.0100 to 4811.0170 apply to the midlevel
18 practitioner education account program.

19 **4811.0110 DEFINITIONS.**

20 Subpart 1. **Scope.** The terms defined in Minnesota
21 Statutes, section 136A.1356, are applicable to parts 4811.0100
22 to 4811.0170.

23 Subp. 2. **Designated rural area.** "Designated rural area"
24 means the area defined in part 4830.0100, subpart 3a.

25 Subp. 3. **Eligible program participant.** An "eligible
26 program participant" is a midlevel practitioner, which includes
27 a nurse practitioner, nurse-midwife, nurse anesthetist, advanced
28 clinical nurse specialist, or physician assistant as defined in
29 part 5600.2600, subpart 11, and Minnesota Statutes, section
30 136A.1356, subdivisions 1c, 1d, and 1e. The eligible
31 participant must work as a midlevel practitioner at least 30
32 hours per week in a designated rural area.

33 Subp. 4. **Emergency circumstances.** "Emergency
34 circumstances" means those conditions that make it impossible
35 for the participant to fulfill the service commitment. The

1 conditions include death, total and permanent disability, or
2 temporary disability lasting more than two years.

3 Subp. 5. **Qualified loans.** "Qualified loans" means:

4 A. Perkins Loans/National Direct Student Loans
5 (NDSLs);

6 B. Stafford Loans/Guaranteed Student Loans (GSLs);

7 C. Supplemental Loans for Students (SLSs)/Auxiliary
8 Loans to Assist Students (ALASs);

9 D. Student Educational Loan Fund (SELF); and

10 E. loan consolidation programs that only consolidate
11 loan payments for loans specified in this subpart.

12 4811.0120 CRITERIA FOR SELECTION.

13 Subpart 1. **Classification of applicants.** The executive
14 director shall place applicants in one of the following
15 classifications:

16 A. Minnesota residents who fulfill midlevel
17 practitioner training in Minnesota or in a state with which the
18 board has entered into a higher education tuition reciprocity
19 agreement;

20 B. Minnesota residents who fulfill midlevel
21 practitioner training outside Minnesota;

22 C. applicants who are not Minnesota residents, but
23 fulfill midlevel practitioner training in Minnesota; or

24 D. applicants who are not Minnesota residents and do
25 not fulfill midlevel practitioner training in Minnesota.

26 Subp. 2. **Insufficient award availability.** If more than
27 eight applicants start to serve at least 30 hours per week as
28 midlevel practitioners in a designated rural area in any given
29 year, the executive director shall choose participants in the
30 order specified in subpart 1 for participation. Within each
31 classification specified in subpart 1, applicants will be
32 divided into the midlevel practitioner specialty types specified
33 in part 4811.0110, subpart 2, and chosen for participation by
34 lot within each specialty type. One participant will be
35 selected by lot from each specialty type that has at least one

1 applicant. The remaining participants must be chosen by lot
2 from among all the remaining applicants for that year.
3 Applicants not chosen to participate initially must be placed on
4 an alternate list from which additional participants will be
5 chosen if a chosen participant declines to participate.

6 4811.0130 APPLICATION PROCESS.

7 Subpart 1. **Acknowledgment letter.** On receipt of a letter
8 of interest from a prospective midlevel practitioner, the
9 executive director shall send the prospective midlevel
10 practitioner more detailed information about the program.

11 Subp. 2. **Application form and contract.** Before completing
12 the first year of the midlevel practitioner program, the
13 prospective midlevel practitioner must complete and return the
14 application form and contract provided by the executive
15 director. The prospective midlevel practitioner agrees to serve
16 at least two of the first four years following graduation from
17 the midlevel practitioner program in a designated rural area if
18 chosen as a participant. Failure to complete and return the
19 application form and contract by the specified deadline date
20 results in the elimination of the applicant from the
21 classification list.

22 Subp. 3. **Notification of service.** A program participant
23 must notify the executive director in writing immediately after
24 starting service as a midlevel practitioner in a designated
25 rural area. A program participant must work as a midlevel
26 practitioner in a designated rural area at least 30 hours per
27 week.

28 Subp. 4. **Agreement or promissory note.** Before any
29 payments are made by the executive director on qualified loans
30 designated by the midlevel practitioner, the participant must
31 sign the agreement or promissory note provided by the executive
32 director.

33 4811.0140 LOAN PAYMENT.

34 Subpart 1. **Designation of loans.** Each program participant
35 must designate which eligible loans the executive director must

1 make payments on. Payments by the executive director cannot
2 exceed \$3,500 per year for each participant.

3 Subp. 2. **Payment billings.** The participant must provide
4 necessary information for payment purposes on eligible loans to
5 the executive director in a timely manner. The participant must
6 provide the executive director with all payment books for the
7 designated loans or forward monthly billing statements for the
8 loans so that the executive director has ample time to make the
9 monthly payments on time.

10 Subp. 3. **Terms of payments.** The executive director shall
11 make loan payments according to the terms and conditions of the
12 designated loans to the lenders or servicers in an amount that,
13 when annualized, does not exceed \$3,500 per year. The
14 participant must continue to serve as a midlevel practitioner in
15 a designated rural area during the period the executive director
16 is making loan payments for the participant.

17 Subp. 4. **Discontinuation of service.** The participant must
18 reimburse the executive director for payments made during any
19 period when the participant is not serving as a midlevel
20 practitioner in a designated rural area.

21 4811.0150 PENALTY FOR NONFULFILLMENT.

22 Subpart 1. **Payment amount.** If a participant fails to
23 fulfill the service requirement of this program, the amount paid
24 on designated loans by the executive director must be repaid
25 with interest at a rate established according to Minnesota
26 Statutes, section 270.75, subdivision 5. Interest accrues from
27 the date the participant ceases to practice as a midlevel
28 practitioner in a designated rural area.

29 Subp. 2. **Payment plan.** The executive director shall set
30 up a payment plan after consulting with the participant. The
31 participant must repay the money within four years.

32 Subp. 3. **Waiver.** A participant may request a waiver from
33 the repayment obligation from the executive director. The
34 request must be in writing and must provide written
35 documentation on the emergency circumstances that support the

1 need for the waiver. The executive director shall review the
2 documentation and shall grant a full or partial waiver if the
3 executive director finds that the emergency circumstances
4 justify the waiver.

5 Subp. 4. **Release of information.** The following
6 information about the participant may be released to a consumer
7 credit reporting agency until the participant has repaid in full
8 all money owed the board:

- 9 A. the name and address of the participant;
- 10 B. the date the repayment started;
- 11 C. the outstanding balance;
- 12 D. the amount past due;
- 13 E. the number of payments past due;
- 14 F. the number of late payments in the previous 12
15 months; and
- 16 G. the status or remarks code.

17 4811.0160 PARTICIPANT RESPONSIBILITIES.

18 Subpart 1. **Service status verification.** Annually, the
19 participant must complete and return to the executive director,
20 by the deadline, the service status verification form provided
21 by the executive director.

22 Subp. 2. **Status change.** The participant must inform the
23 executive director in writing within 30 days of a change of
24 address or service location.

25 4811.0170 INFORMATION; FORMS; TERMS.

26 Subpart 1. **Additional information.** The executive director
27 may require additional information from the participant that is
28 not inconsistent with law that is helpful in the executive
29 director's judgment to efficiently administer the program.

30 Subp. 2. **Forms.** The executive director may provide to
31 participants and require the use of uniform forms in the
32 administration of the program.

33 NURSING HOME NURSES EDUCATION ACCOUNT

34 4812.0100 SCOPE.

1 Parts 4812.0100 to 4812.0170 apply to the nursing home
2 nurses education account.

3 4812.0110 DEFINITIONS.

4 Subpart 1. **Scope.** The terms defined in Minnesota
5 Statutes, section 136A.1357, are applicable to parts 4812.0100
6 to 4812.0170.

7 Subp. 2. **Eligible program participant.** An "eligible
8 program participant" is a person planning to enroll or enrolled
9 in a program of study designed to prepare the person to become a
10 registered nurse or licensed practical nurse.

11 Subp. 3. **Emergency circumstances.** "Emergency
12 circumstances" means those conditions that make it impossible
13 for the participant to fulfill the service commitment. The
14 conditions include death, total and permanent disability, or
15 temporary disability lasting more than two years.

16 Subp. 4. **Qualified loans.** "Qualified loans" means:

- 17 A. Perkins Loans/National Direct Student Loans
18 (NDSLs);
19 B. Stafford Loans/Guaranteed Student Loans (GSLs);
20 C. Supplemental Loans for Students (SLSs)/Auxiliary
21 Loans to Assist Students (ALASs);
22 D. Student Educational Loan Fund (SELF); and
23 E. federal Nursing Student Loans; and
24 F. loan consolidation programs that only consolidate
25 loan payments for loans specified in this subpart.

26 4812.0120 CRITERIA FOR SELECTION.

27 Subpart 1. **Classification of applicants.** The executive
28 director shall place applicants in one of the following
29 classifications:

- 30 A. Minnesota residents who complete a nursing
31 education program for a registered nurse or licensed practical
32 nurse in Minnesota;
33 B. Minnesota residents who complete a nursing
34 education program for a registered nurse or licensed practical
35 nurse outside Minnesota;

1 C. applicants who are not Minnesota residents, but
2 complete a nursing education program for a registered nurse or
3 licensed practical nurse in Minnesota; or

4 D. applicants who are not Minnesota residents and do
5 not complete a nursing education program for a registered nurse
6 or licensed practical nurse in Minnesota.

7 Subp. 2. **Insufficient award availability.** If more than
8 ten applicants start to serve at least 30 hours per week as
9 registered nurses or licensed practical nurses in nursing homes
10 in any given year, the executive director shall choose
11 participants in the order specified in subpart 1 for
12 participation. Applicants not chosen to participate initially
13 must be placed on an alternate list from which additional
14 participants will be chosen if a chosen participant declines to
15 participate.

16 4812.0130 APPLICATION PROCESS.

17 Subpart 1. **Letter of interest.** A person planning to
18 enroll or enrolled in a program of study designed to prepare the
19 person to become a registered nurse or licensed practical nurse
20 must submit a letter of interest to the executive director
21 before completing the first year of study in a nursing education
22 program. Upon receipt of a letter of interest from a
23 prospective registered nurse or licensed practical nurse, the
24 executive director shall send more detailed information about
25 the program.

26 Subp. 2. **Application form and contract.** Before completing
27 the first year of study, the prospective registered nurse or
28 licensed practical nurse must complete and return the
29 application form and contract provided by the executive
30 director. The prospective registered nurse or licensed
31 practical nurse agrees to serve at least one of the first two
32 years following completion of the nursing education program
33 providing nursing services in a licensed nursing home if chosen
34 as a participant. Failure to complete and return the
35 application form and contract by the specified deadline date

1 results in the elimination of the applicant from the
2 classification list.

3 Subp. 3. **Notification of service.** A program participant
4 must notify the executive director in writing immediately after
5 starting service as a nurse in a licensed nursing home. A
6 program participant must work as a nurse in a licensed nursing
7 home at least 30 hours per week.

8 Subp. 4. **Agreement or promissory note.** Before any
9 payments are made by the executive director on qualified loans
10 designated by the registered nurse or licensed practical nurse,
11 the participant must sign the agreement or promissory note
12 provided by the executive director.

13 4812.0140 LOAN PAYMENT.

14 Subpart 1. **Designation of loans.** Each program participant
15 must designate which eligible loans the executive director must
16 make payments on. Payments by the executive director cannot
17 exceed \$3,000 per year for each participant.

18 Subp. 2. **Payment billings.** The participant must provide
19 necessary information for payment purposes on eligible loans to
20 the executive director in a timely manner. The participant must
21 provide the executive director with all payment books for the
22 designated loans or forward monthly billing statements for the
23 loans so that the executive director has ample time to make the
24 monthly payments on time.

25 Subp. 3. **Terms of payments.** The executive director shall
26 make loan payments according to the terms and conditions of the
27 designated loans to the lenders or servicers in an amount that,
28 when annualized, does not exceed \$3,000 per year. The
29 participant must continue to serve as a nurse in a licensed
30 nursing home during the period the executive director is making
31 loan payments for the participant.

32 Subp. 4. **Discontinuation of service.** The participant must
33 reimburse the executive director for payments made during any
34 period when the participant is not serving as a nurse in a
35 licensed nursing home.

1 4812.0150 PENALTY FOR NONFULFILLMENT.

2 Subpart 1. **Payment amount.** If a participant fails to
3 fulfill the service requirement of this program, the amount paid
4 on designated loans by the executive director must be repaid
5 with interest at a rate established according to Minnesota
6 Statutes, section 270.75, subdivision 5. Interest accrues from
7 the date the participant ceases to practice as a nurse in a
8 licensed nursing home.

9 Subp. 2. **Payment plan.** The executive director shall set
10 up a payment plan after consulting with the participant. The
11 participant must repay the money within two years.

12 Subp. 3. **Waiver.** A participant may request a waiver from
13 the repayment obligation from the executive director. The
14 request must be in writing and must provide written
15 documentation on the emergency circumstances that support the
16 need for the waiver. The executive director shall review the
17 documentation and shall grant a full or partial waiver if the
18 executive director finds that the emergency circumstances
19 justify the waiver.

20 Subp. 4. **Release of information.** The following
21 information about the participant may be released to a consumer
22 credit reporting agency until the participant has repaid in full
23 all money owed the board:

- 24 A. the name and address of the participant;
25 B. the date the repayment started;
26 C. the outstanding balance;
27 D. the amount past due;
28 E. the number of payments past due;
29 F. the number of late payments in the previous 12
30 months; and
31 G. the status or remarks code.

32 4812.0160 PARTICIPANT RESPONSIBILITIES.

33 Subpart 1. **Service status verification.** Annually, the
34 participant must complete and return to the executive director
35 by the deadline the service status verification form provided by

1 the executive director.

2 Subp. 2. **Status change.** The participant must inform the
3 executive director in writing within 30 days of a change of
4 address or service location.

5 4812.0170 INFORMATION; FORMS; TERMS.

6 Subpart 1. **Additional information.** The executive director
7 may require additional information from the participant that is
8 not inconsistent with law that is helpful in the executive
9 director's judgment to efficiently administer the program.

10 Subp. 2. **Forms.** The executive director may provide to
11 participants and require the use of uniform forms in the
12 administration of the program.