

Extramural Loan Repayment Programs

10 Frequently Asked Questions

1. What are the five NIH extramural Loan Repayment Programs (LRPs)?

These LRPs are available to non-NIH scientists:

- Clinical Research
- Pediatric Research
- Health Disparities Research
- Contraception & Infertility Research
- Clinical Research for Individuals from Disadvantaged Backgrounds

2. Who is eligible to apply to the LRPs?

Applicants must meet specific eligibility criteria:

- Be a U.S. citizen, U.S. National, or permanent resident.
- Hold an M.D., Ph.D., Psy.D., Pharm.D., D.O., D.D.S., D.M.D., D.P.M., D.C., N.D., O.D., D.V.M., or equivalent doctoral-level degree (except for the Contraception & Infertility Research LRP).
- Have qualifying educational debt equal to or in excess of 20 percent of their institutional base salary.
- Conduct qualifying research supported by a domestic nonprofit foundation, nonprofit professional association, or other nonprofit institution, or a U.S. government agency (federal, state, or local).
- Agree to perform two years of research service for not less than 20 hours per week.
- Conduct research for which funding is not prohibited by federal law, regulation or U.S. Department of Health and Human Services (HHS) or National Institutes of Health (NIH) policy. LRP recipients must conduct research in accordance with applicable federal, state, and local law (e.g., applicable human subjects protection regulations).

In addition, applicants for the Clinical Research LRP for Individuals from Disadvantaged Backgrounds must come from a "disadvantaged background." An individual from a "disadvantaged background" is defined according to low income levels set by the U.S. Census Bureau, as published in the *Federal Register*.

3. Who is not eligible to apply to the LRPs?

Individuals are not eligible to participate in the extramural LRPs if they:

- Do not have U.S. citizenship, U.S. national status, or permanent residency.
- Have a federal judgment lien against their property arising from a federal debt.
- Owe an obligation of health professional service to the federal government, a state, or other entity, unless deferrals are granted for the length of their LRP service obligation.
- An individual employed by a federal government agency, other than NIH, with a work schedule of more than 20 hours per week.
- Are conducting research for which funding is precluded by federal law, regulations, or HHS/NIH policy.
- Are without qualifying research support from a domestic nonprofit source or U.S. government entity (federal, state, or local), or a significant portion of income is derived from a for-profit source.
- Do not have educational debt that is equal to 20 percent or more of their institutional base salary.

For more information about who is and is not eligible, see the Eligibility Requirements section of the LRP website:

<http://www.lrp.nih.gov/eligibility-programs>

4. What is considered "qualified clinical research?"

Clinical research is defined as patient-oriented research conducted with human subjects or research on the causes and consequences of disease in human populations involving material of human origin (such as tissue specimens and cognitive phenomena) for which an investigator or colleague directly interacts with human subjects in an outpatient or inpatient setting to clarify a problem in human physiology, pathophysiology or disease; epidemiologic or behavioral studies; outcomes or health services research; or developing new technologies, therapeutic interventions, or clinical trials.

5. What is considered "qualified pediatric research?"

Pediatric research is directly related to diseases, disorders, and other conditions in children, including pediatric pharmacology.

6. What are the loan repayment benefits? How long are they available?

The LRPs will repay up to \$35,000 per year toward the outstanding, eligible educational debt of LRP participants. In return, LRP participants must sign a two-year contract agreeing to conduct qualifying research activities during the contract. For new awards, the repayment amount is equal to one-quarter of the total eligible educational debt, up to \$35,000, for each year of the award. To receive the maximum amount of \$70,000 for a two-year award, an applicant must have at least \$140,000 in eligible educational debt at the contract start date. As long as participants continue to conduct qualified research and receive funding from a qualified source, they may apply for competitive one- or two-year renewal contracts and receive additional loan repayment benefits.

For more information on LRP benefits, see <http://www.lrp.nih.gov/eligibility-programs#ProgramsEligibilityLRPBenefitsTile>

7. Which loans qualify for repayment? Which loans are ineligible?

NIH will repay lenders for the existing principal and interest on loans obtained from qualifying U.S. Government (Federal, State, local) or chartered U.S. academic institutions, and commercial educational lenders that are subject to examination and supervision in their capacity as lending institutions by an agency of the United States or of the State in which the lender has its principal place of business obtained for the following:

- Undergraduate, graduate, and health professional school tuition expenses.
- Other reasonable educational expenses required by the school(s) attended, including fees, books, supplies, educational equipment and materials, and laboratory expenses; and
- Reasonable living expenses, including the cost of room and board, transportation and commuting costs, and other living expenses as determined by the Secretary.

Ineligible loans include those that are consolidated with another individual (including a spouse or child); loans obtained after an LRP contract has been signed by NIH; and non-educational loans, such as home equity loans. Also, loans that are non-U.S. based, delinquent, in default, or not current in their repayment schedule do not qualify. The NIH will not repay penalty, late, or delinquency fees or extraordinary interest incurred due to the lateness of prior payments.

For more information about eligible or ineligible loans, see the Loan Information section of the LRP website:

<http://www.lrp.nih.gov/detailed-loan-info>

8. Are the loan repayment benefits taxable?

Loan repayment benefits are considered taxable income for LRP participants and can significantly affect an awardee's taxable income. To offset the tax burden resulting from LRP repayments, the LRPs also make a tax payment to the Internal Revenue Service (IRS) equal to 39 percent of the annual LRP repayment. The LRPs will not pay any additional LRP-related taxes. For more information on tax payments, see "Taxes" under the 'Award' section of the LRP website: <http://www.lrp.nih.gov/award>.

9. How do I apply for an LRP? What is the application process? How will selections be made?

Applications are submitted electronically via the LRP website during the application cycle. Each year, the application cycle for extramural LRPs opens September 1 and closes November 15 or the first business day thereafter. Applications that satisfy the basic eligibility criteria are forwarded to the NIH Center for Scientific Review (CSR) for assignment to the appropriate NIH Institute or Center for review. This is a competitive program—there is no guarantee of funding for individuals who submit an application. Assurances of funding cannot be made by anyone other than the authorized representative of the HHS Secretary.

10. Where can I get more information?

For an online application, deadline dates, and other information, visit the LRP website at www.lrp.nih.gov. For additional assistance, contact the LRP Information Center at (866) 849-4047 Monday – Friday 9:00 AM – 5:00 PM EST (excluding Federal holidays) or lrp@nih.gov.

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♦ **Website:** www.lrp.nih.gov ♦ **LRP Information Center:** (866) 849-4047 ♦ **E-mail:** lrp@nih.gov
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