

Health, Science and Mathematics Student Loan Program

Frequently Asked Questions (F.A.Q.)

****For questions about any unfamiliar terms used with the documentations on this site, please visit our <http://www.ncseaa.edu/pdf/FinancialAidDefinitions.pdf>.****

Note: HSM is a scholarship-loan, which means that you are borrowing funds secured with a promissory note. Funds received through this program must be repaid in service or cash. If you wish to repay the loan through service or in cash, you must contact NCSEAA Repayment Services to ensure that you are in compliance with the program regulations.

NEW APPLICANT QUESTIONS:

Q1. *How can I apply for HSM funding?*

A. The application period is from January through May 1st of each calendar year for the next fall semester. Applications are accessible at www.cfnc.org/hsm.

Q2. *Do I have to complete the FAFSA?*

A. All applicants must complete the FAFSA in time for the results to be received by the application deadline at NCSEAA. The FAFSA may be submitted online at <http://www.fafsa.ed.gov/>. The data will be transferred electronically to NCSEAA and it is not necessary to mail any FAFSA documents to our office.

Q3. *What are the eligibility requirements for HSM?*

A. To be eligible for HSM consideration, an individual must:

- Be a resident of North Carolina for tuition purposes.
- Have been unconditionally promoted to the third, fourth or fifth year of an approved undergraduate program.
- Have attained unconditional acceptance into a graduate level program or selected two-year undergraduate program.
- Have financial need as determined by the program rules.
- Upon acceptance of the loan, secure the loan by signing a promissory note endorsed by two or more cosigners.
- Return all application and supporting materials to the HSM program office **no later than May 1st**.

Q4. *May an HSM recipient receive other scholarships, grants or loans when receiving HSM funds?*

A. No, HSM recipients **may not**:
Receive Nurse Education Scholarship Loan (NESLP), Teacher Assistant Scholarship Fund (TASF), Prospective Teacher Scholarship Loan (PTSL), Physical Education Coaching (PEC), Future Teachers of North Carolina (FTNC), Millennium Teacher Scholarship Loan Program (MTSLP), Nurse Educators of Tomorrow (NET) nor

Nurse Scholars Program (NSP) funds within the same academic year

Q5. *Is an HSM loan portable to another school if I elect to enter another eligible school after one semester?*

A. Yes, if the HSM recipient provides documentation of unconditional acceptance to an approved program at the eligible school prior to enrollment.

Q6. *Why do I need a surety?*

A. The HSM recipient enters into a contract with the State of North Carolina to work full-time in approved employment within the state of North Carolina in the field for which he/she was funded. In the event the applicant defaults, a surety ensures the financial obligation of the loan will be fulfilled.

Q7. *Who can serve as a surety?*

A. **Two** sureties (Cosigners) are usually necessary; however, in some cases one surety will suffice (determined by Program Office).

MARRIED COUPLES ARE CONSIDERED ONE COSIGNER

In the case of sole surety (approved by Program Office), any one other than the applicant or the applicant's spouse, who demonstrates financial ability to fulfill the applicant's loan obligations should the applicant's loan default, may qualify. Also, the person agreeing to be the applicant's sole surety must send a separate signed notarized statement agreeing to serve as **SOLE SURETY**. In the case of two sureties, any one other than the applicant, that demonstrates financial ability to fulfill the applicant's loan obligations should the applicant default, may qualify.

Remember: Incomplete statements CANNOT be considered

Q8. *Can I fax my surety information to NCSEAA?*

A. Yes, but the applicant must mail the original documentation to the NCSEAA. All questions must be answered and notarized by a licensed notary.

Q9. *Why do I need an unconditional letter of acceptance?*

A. The HSM loan is program specific, and this letter demonstrates that the applicant has been accepted into a specific field of study and meets all enrollment requirements.

Q10. *Where would I obtain an unconditional letter of acceptance?*

A. This letter would come from the college to be attended (or currently attending) and should state that the applicant has been accepted into a program of study **without any contingencies or conditions to be met.**

Q11. *What if I have not received a conditional/provisional letter of acceptance?*

A. We must have an unconditional acceptance by May 1st. If the provisions have been met, per the school, the applicant may send any supporting documentation as verification to the HSM program office.

Q12. *What is the address for mailing the application and supporting documentation?*

A. NCSEAA-HSM, P.O. Box 13663, Research Triangle Park, NC 27709
Please visit http://www.ncseaa.edu/pdf/HSM_What_To_Expect.pdf for more specific details.

Q13. *How much could I be awarded through HSM?*

A. The following explains the award amounts and terms.

- **Associate Degree/Certificate Programs:** \$3,000 per year. Maximum loan amount is \$6,000 for two years if unconditionally accepted into a specific program discipline.
- **Baccalaureate Degree/Certificate Programs:** \$5,000 per year for three years. Maximum loan amount is \$15,000.
- **Master's Degree Program:** \$6,500 per year in two-year programs. Maximum loan amount is \$13,000.
- **Health Professional/Doctoral Programs:** \$8,500 per year. Maximum loan amount is \$34,000 in programs requiring four years to complete.

Q14. *How will I be notified of awarding decisions?*

A. After July 1st and the budget has been approved by the state legislature, applicants will be notified.

Remember: The applicant is responsible for ensuring the accuracy of contact information, and notifying the program office of any changes in contact information.

Q15. *Will all eligible candidates who apply by the application deadline receive HSM scholarship-loan awards?*

A. The number of available scholarship-loans for new students will depend on the level of program funding provided by the NC General Assembly and the number of students who apply. While over 400 students were assisted this year, there was not sufficient funding to award scholarship-loans to all qualified applicants. We anticipate that could be the case again this academic year.

All scholarship offers will be contingent upon the receipt of sufficient money to fund those awards.

Q16. *If awarded, when will I receive the funds?*

A. Funds are electronically transmitted to the school's financial aid office where students are unconditionally accepted and enrolled.

Q17. *Where may I work to receive service repayment credit?*

A. In order to qualify for loan forgiveness or service cancellation, the recipient must first graduate from the program for which funding was received, obtain licensure or certification and secure full-time employment in a qualified position. For each year of qualifying employment completed, the NCSEAA will forgive one year of funding, plus all accrued interest. Credit for service cancellation is approved annually by the NCSEAA at the end of each year of employment. You must complete your loan forgiveness obligation within ten (10) years of graduation from the HSM program.

The program staff must approve the employment site and receive annual verifications of continued employment and compliance with all program regulations for borrowers' respective disciplines. For explicit information on the program's rules and regulations visit [rules and regulations](#) . Visit [employment shortage areas](#) for the current year's listing of employment shortage areas.

Q18. *Can this loan be consolidated if I am in cash repayment status?*

A. No. Only federal loans can be consolidated. HSM, a state loan, currently is not provisioned for loan consolidation. Please visit [repayment](#) for additional repayment questions.

Q19. *What is the interest rate for an HSM loan?*

A. The In-school interest rate is 4%; the out-of-school interest rate is 10%. Interest accrues at 4% beginning with the date of the loan fund transmittal until a recipient becomes ineligible for continued participation in the program or becomes eligible for service repayment. If in a cash repay status, the interest rate goes to 10% per annum.

*****Note: Please visit, http://www.ncseaa.edu/pdf/HSM_What_To_Expect.pdf for explicit details on the process from application to graduation! *******

Renewal Applicant Questions

Q1. *How can I renew my scholarship/loan?*

A. If you are a previous HSM recipient, you will receive a letter or email with instructions on how to renew. Please visit http://www.ncseaa.edu/pdf/HSM_Current_Announcements.pdf to see if they have been mailed.

All documentation must be received by April 1st.

Remember: The applicant is responsible for ensuring the accuracy of contact information, as well as, notifying the program office of changes in contact information.

Q2. *What if I don't want to renew my scholarship/loan?*

A. Being a previous HSM recipient, you will receive a letter or email with renewal instructions. If the applicant desires to decline the award, he/she may do so per the instructions. Submit the renewal request but indicate that you do not wish to renew.

Q3. *If awarded, when will I receive the funds?*

A. Funds are not sent directly to the student, but to the school in which he/she is unconditionally accepted and enrolled, through electronic transmission.

Q4. *If I'm renewing must I submit new surety statements?*

A. Provided your sureties were previously approved and have had no significant changes,

you may indicate on the renewal application it is your intent to continue using the same sureties.

If you need to change your surety, please visit https://www.cfnc.org/paying/pubs/pdf/HSM_Surety.pdf.

Q5. *Do I have to complete the FAFSA?*

A. All applicants who want to be considered for financial aid should complete the FAFSA.

You may submit the FAFSA online at <http://www.fafsa.ed.gov/>. Since the data is transferred electronically, please do not mail any FAFSA documents to our office.

Q6. *What are the eligibility requirements for renewal applicants?*

A. The applicant must:

- Be enrolled full-time in an approved field of study.
- Be in good standing academically, fiscally, and socially at the institution in which he/she is enrolled.
- Have not reached the maximum scholarship-loan amount

*****Note: Please visit, http://www.ncseaa.edu/pdf/HSM_What_To_Expect.pdf for explicit details on the process from application to graduation! *******

Graduate Questions

Q1. *What do I need to do when I graduate?*

A. Submit a copy of your diploma and complete the appropriate form(s) as instructed in your Graduation Packet. You will then receive instructions from Repayment Services.

Q2. *What is the deadline for submitting my employment information?*

A. It is strongly recommended that the graduate submit information upon or soon after graduation so the paperwork for service repayment can be reviewed and approved. However, the maximum time available before interest begins to accrue is 90 days from the date of graduation.

Q3. *What if I am a graduate seeking funding for a higher level degree?*

A. The applicant must submit the following:

- A request for loan deferment while in school and
- A ***new*** application for upper field area of study.

If you have further questions on how to service multiple degree level loans please call Repayment Services at Repayment Services at the NCSEAA at (800) 700-1775, 'Option 2' or (919) 549-8614, 'Option 2'

Q4. *What are the repayment options?*

A. Loan Forgiveness or cash repayment. For repayment questions, please call Repayment

Services at the NCSEAA at (800) 700-1775, 'Option 2' or (919) 549-8614, 'Option 2' to request a [Repayment Agreement](#) .

Q5. *What are the cash repayment options?*

A. The applicant can repay using the lump sum option, or monthly cash payments can be established. Please call [Repayment Services](#) at the NCSEAA at (800) 700-1775, 'Option 2' or (919) 549-8614, 'Option 2' to request a Repayment Agreement.

Q6. *Can I request a deferment?*

A. Requests for deferred repayment may be granted for the following: personal illness for a period not to exceed twelve (12) months per each occurrence; family medical leave, which includes maternity or paternity leave upon the birth or adoption of a child or leave to provide necessary care for an immediate family member who is sick or disabled for a period not to exceed twelve (12) months per occurrence; unemployment during any period of time not to exceed twelve (12) months per each occurrence while a borrower is conscientiously seeking and unable to obtain qualified employment; and full-time enrollment at an accredited postsecondary institution located within the United States for a period not to exceed twelve (12) months. You must complete a Postponement Request Form and return it to the SEAA for approval. You are responsible for submitting your deferment request, along with the required documentation, before your account becomes past due. If your account is in a cash repayment status, you should continue to remit cash payments until your deferment request is approved.

Q7. *Does HSM provide job placement assistance?*

A. Yes, for specific graduates, employment assistance is provided by the Medical Placement Services Staff at NC Office of Rural Health. They provide recruitment assistance to rural and underserved communities with **NO PLACEMENT FEES**. Please visit, [NC Office of Rural Health](#) for further information. You may contact the Medical Placement Services Staff of the NC Office of Rural Health at (919)733-2040.

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