

## **From APPLICATION to AWARD:**

**NOTE:** If your initial intention is not to repay the loan with service, **DO NOT** make application to HSM. The purpose of the HSM program is to increase the number of health, science, and mathematics professionals in the State of North Carolina.

1. **When applying to the HSM for the first time, you must do the following:**
  - Complete the FAFSA in time for the Department of Education to process it by the deadline. 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.
  - Visit <http://www.cfnc.org/hsm> for program details and access to the application.
  - Submit the online application as specified in the instructions.
  - Mail the required Unconditional Letter of Acceptance by the May 1<sup>st</sup> deadline. For explanations of these terms, please visit the <http://www.ncseaa.edu/pdf/FinancialAidDefinitions.pdf>.
  - Submit any missing items upon request. Only **one** follow-up email/letter will be sent requesting the submission of missing items before the deadline date.
  
2. **Application Results:** Each applicant will receive notification of the results for his/her application by postal mail. Applicants will be considered in one of the following categories:
  - Eligible-Offered — the applicant is granted funding and receives instructions on how to respond along with his/her award letter. The award letter received is a binding document that you may need to present to your university's cashier; do not discard it.
  - Eligible-Not-Offered — the applicant meets all eligibility criteria; however, an offer is not made because funds designated for this program have been exhausted.
  - Ineligible — Applicants can be ineligible for the following reasons:
    - the applicant did not meet the minimum eligibility requirements
    - the applicant did not return all of the required documents by the deadline date and the application remains incomplete
    - the school the applicant will attend is not currently approved for participation in the program
    - the applicant is not a resident of North Carolina
    - the applicant does not meet the financial need criteria.
  
3. **Awarding Criteria** –The North Carolina Student Loan Program for Health, Science and Mathematics (HSM) Scholarship Loans are awarded based on major, academic capabilities and financial need. Recipients must be legal residents of North Carolina for tuition purposes and have been accepted as full-time students in accredited associate, baccalaureate, master's or doctoral programs leading to degrees in specified health, science or mathematics-related fields. The number of awards depends on the funding provided by legislation.

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.** An additional year of funding may be awarded for required clinical years.

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 completion.**

A recipient must enroll full-time for both the fall and spring semesters. One half of the award is made available to the recipient in the fall semester and the remainder in the spring semester. The scholarship-loan is renewable. Funding for the program is contingent each year upon appropriations made available to the State Education Assistance Authority by the General Assembly.

4. **If you receive an HSM award letter/email packet, you must do the following:**
- Your email/letter packet will include a cover letter, instructions to access Surety Statements online, letter of understanding and student data sheet.
  - Complete and return the required materials: Surety Statements, Letter of Understanding, and Data Sheet
  - Your Promissory Note will be sent via postal mail upon receipt of all required materials. Thoroughly read the Promissory Note Cover Letter: it contains information about the proper execution of your promissory note procedures to promptly receive your funds.
  - Complete and return your Promissory Note

**Promissory Note:** Your contract with the State. Funds cannot be ordered for you until the properly executed Promissory Note is received in the program office.

**Fund disbursement:** Disbursements are made bi-annually; fall and spring. Funds are usually sent around the beginning of the semester. Financial aid departments must process the funds as well, and by policy, funds are not available before the first day of the semester. Remember to keep your information current. It is the applicant's responsibility to provide HSM with up-to-date contact information in order for the applicant to receive information and instructions regarding continued funding.

### **Renewing HSM Funding:**

**Renewal:** You will be sent a renewal letter including pertinent information and instructions regarding how to renew you HSM Funding.

**Remember:** Future loans and academic delays (request for postponement) are not automatically granted; you must annually, inform us of your loan and school attendance plans in

writing Please pay attention to the deadline date: APRIL 1<sup>st</sup>. Although Renewal students are giving priority for funding, non-receipt of your Renewal Application by APRIL 1<sup>st</sup> indicates that you do not wish to receive funds for that upcoming school year.

**1. When you receive a HSM renewal letter/email, you must do the following:**

- Thoroughly read the letter/email.
- Visit the website in the letter to complete the renewal application
- Submit a request for renewal as specified by the instructions, whether requesting or declining funding for the upcoming year.
- Verify that the information you provided on your previous sureties has not changed. Visit [https://www.cfnc.org/paying/pubs/pdf/HSM\\_Surety.pdf](https://www.cfnc.org/paying/pubs/pdf/HSM_Surety.pdf), if they have for any of the following reasons:
  - i. If your previous surety has experienced significant financial changes
  - ii. If your surety personal information has changed
- Send your renewal documents by the deadline April 1<sup>st</sup>. You may fax your renewal request form to meet the deadline and mail the originals.

**2. Who can renew funding:** Those who meet the following criteria may renew as indicated below:

- The applicant must enroll full-time for both the fall and spring semesters.
- The applicant must have submitted the FAFSA by the deadline date. 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.
- Funding for the program is contingent each year upon appropriations made available to the State Education Assistance Authority by the General Assembly.

**3. Fund disbursement:** As in your first year as a recipient, two disbursements (half of the funds in the fall and half in the spring) are sent to the financial aid department of the applicant's college.

## **Congratulations! You Are GRADUATING:**

**Graduation and Cancellation/Repayment** – At the end of the last semester of the year of your expected graduation, inform HSM, in writing, of your choice to cancel your loan with service in North Carolina or to repay your loan monetarily.

**1. Upon Graduation, you must do the following within 90 days:**

- Send verification of your graduation in the form of an official transcript or a photocopy of your diploma.
- If your graduation is delayed because your studies are not complete within the time limit established by HSM, notify HSM of your decision either to postpone payment of your loan while you finish your studies or to begin repayment.
- If you prefer to repay your loan monetarily or work in another state, contact the division of Guaranty Agency and Repayment Services at the NCSEAA at

(800) 700-1775, 'Option 2' or (919) 549-8614, 'Option 2' to request a Repayment Agreement.

- For more information or to download associated forms for loan forgiveness/deferment requests or cash repayment visit [http://www.ncseaa.edu/Borrower\\_Information\\_Forms.htm](http://www.ncseaa.edu/Borrower_Information_Forms.htm) and [http://www.ncseaa.edu/HSM\\_Repayment.htm](http://www.ncseaa.edu/HSM_Repayment.htm).

## 2. The following are repayment options:

- **Loan Forgiveness**: One calendar year of approved service will cancel one academic year of funding received and any interest accrued. To be eligible for loan forgiveness, you must complete the qualified educational program supported by the loan and pass the applicable certification or licensure examination.
- **Cash Repayment**: Monthly cash payments can be established and will continue until you are approved for service cancellation or deferment of repayment. You may choose from one of the following repayment methods:
  - **One Payment**: You may repay your loan in one payment. If payment is made before the end of your 90 day grace period, only the principal amount disbursed to you and any in-school interest is due. Please contact Repayment Services to receive the current balance.
  - **Monthly Payments**: Please contact Repayment Services for a cash repayment schedule. We will notify you of your minimum payment amount, the terms of repayment, and the due date for your first payment.
- **Deferment**: Repayment can be deferred for continued enrollment in school, medical residencies, postgraduate training, military obligations, medical or maternity needs. Documentation verifying your reason for deferment must be sent to the NCSEAA. Interest accrues during the deferment period. Students, who wish to continue in school, must request a deferment based on continued enrollment, or if seeking additional funding complete a **new** online application.

## 3. The following are where you may work to receive service repayment credit:

- The recipient must first earn the degree for which HSM funding was received in order to qualify for service repayment credit.
- 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.
- One calendar year of full-time employment in a designated shortage area is required for each school year a loan is received. Although you may not receive the maximum yearly loan; service is not prorated.
- Visit [http://www.ncseaa.edu/HSM\\_Repayment.htm](http://www.ncseaa.edu/HSM_Repayment.htm) and <http://www.ncseaa.edu/HSM.htm> for a list of areas.
- 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.
- Service repayment must be completed within ten years following graduation.

**4. The following are the interest rate of loan:**

- Interest accrues at 4% beginning with the date of the loan check until a recipient becomes ineligible for continued participation in the program or becomes eligible for service repayment.
- Interest accrues at 10% per annum if the borrower does not complete all required academic coursework and/or postgraduate training.

**Graduates seeking funding for a higher level degree:**

**1. The following are required to be considered for higher level funding:**

- Send verification of your graduation in the form of an official transcript or a photocopy of your diploma.
- The applicant must submit 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'

Remember: *We urge you to start the forgiveness process promptly so that we can approve your proposed service as soon as possible. NCSEAA must receive your loan forgiveness forms no later than 90 days from the date of graduation or a cash repayment will be expected.*

[HSM Information and Resources](#)

[HSM Announcements](#)

[CFNC Homepage](#)