

DEPARTMENT OF HEALTH & HUMAN SERVICES

Service

Bureau of Health Professions

and

Administration

Public Health

Health Resources

Services

Rockville MD 20857

January 26, 1989

To: Officials of Schools Participating in the Health
Education

Assistance Loan (HEAL) Program

Subject: HEAL School Policy Memorandum #12 - HEAL Borrower Status
HEAL Lender Policy Memorandum #89-1

It has come to our attention that some schools are engaging in a practice which may be intended to give their graduates a benefit that is not permissible under the statute governing the HEAL program. Specifically, these schools are certifying as full-time students borrowers who have already graduated and are in internship or residency programs.

Certifying that an intern or resident is a full-time student is contrary to the intent of the Congress and the Administration. Since October 22, 1985, the statute has provided that the total maximum length of time a new HEAL borrower can remain out of repayment status (either through postponement of repayment or deferment) because of an internship or residency is 4 years.

A school which does not comply with these provisions, risks the loss of its eligibility to continue participating in the HEAL program. You must complete a new Borrower Status Form for each HEAL borrower currently 'in an internship or residency program whom your school has certified as a full-time student during this period. A copy of the form is enclosed. (You may duplicate this form.) The form must be completed for each borrower and returned to the appropriate lender by March 1, 1989.

Michael Heningburg
Director
Division of Student
Assistance