



Academic Year
2004-2005

Deferring the Service Obligations of NIH Undergraduate Scholarship Program Participants for Approved Undergraduate, Graduate, and Medical Training

DEFERMENT INFORMATION BULLETIN

This **Bulletin** is for National Institutes of Health (NIH) Undergraduate Scholarship Program (UGSP) participants who: (1) are enrolled in undergraduate institutions but not receiving a UGSP scholarship for this school year; (2) have graduated from undergraduate institutions and are requesting deferment of the service obligation; or (3) are continuing in approved graduate or medical training programs.

The **Bulletin** is based on the current Federal statutes, regulations, and administrative guidelines in effect for the NIH Undergraduate Scholarship Program. It explains the terms and conditions for a deferment of your NIH UGSP service obligation.

I. Program Authorities for Deferments

Federal Statute. Section 487D of the Public Health Service Act (Title 42 United States Code, Section 288-4).

II. Program Administration

Deferments of participants' service obligation for the NIH UGSP are administered by the Office of Loan Repayment and Scholarship (OLRS), Office of Intramural Research (OIR), 2 Center Drive, Room 2E30, MSC 0230, Bethesda, Maryland 20892-0230, telephone 1-800-528-7689 during office hours, 8:30 a.m. to 5:00 p.m., Eastern Time, Monday through Friday. The fax number is 301-480-3123.

III. Definitions

What is a "Deferment"? A *deferment* is a delay in the start of an NIH UGSP service obligation granted by the Director, OLRS. Requests for deferment must be made by the scholar.

Deferments may be granted for the academic year and continued for a specified period of time in order for the scholar to enter and complete an approved graduate or medical training program, in accordance with the program's Federal statute and regulations, and the administrative guidelines set forth in this Bulletin.

What is an "Undergraduate Degree Program"? An *undergraduate degree program* is an academic program that culminates in a baccalaureate degree (B.A., B.S., or equivalent).

What is "Graduate or Medical Training"? *Graduate or medical training* is an academic program that culminates in a doctoral degree (such as Ph.D. or M.D.).

What is “Postgraduate Training”?

Postgraduate training is postgraduate clinical training accredited by the Accreditation Council for Graduate Medical Education.

What does “Completion of Residency” mean?

Completion of residency is the minimum time period of approved postgraduate clinical training required for a physician to sit for a specialty board’s certifying examination(s).

What does “Postponement of Service

Obligation” mean? The OLRs Director may grant a delay in the start of the service obligation, in intervals of up to 1 year, for reasons other than for approved graduate or medical training. Requests for postponement must be submitted in writing to the OLRs with the required documentation. For more information, see Section V of this Bulletin.

IV. General Rules for Deferments

Deferments will not be considered for training conducted by any entity that imposes a service obligation, such as a branch of the Armed Forces of the United States. In addition, deferments will not be considered for graduate training programs which culminate in a master’s-level degree: only doctoral-level training (such as Ph.D. and M.D. programs) is eligible for deferment of the UGSP service obligation.

The Terms and Conditions of Deferment

You must:

1. Receive approval of your request for deferment by the Director, OLRs.
2. Pursue only the graduate or medical training officially approved for your deferment by the Director, OLRs.
3. Submit documentation to the OLRs of your training status in the approved program prior to each year of training. (Submission of an annual Deferment Request Form satisfies this requirement.)

4. Make no changes in your period or type of training without prior written approval from the Director, OLRs.
5. Notify the Director, OLRs, in writing, within 30 days of any change of an address, intent to terminate training, or similar change.
6. Commence service pay-back within 60 days of the end of the deferment.

Ending Training to Begin Service

How do I discontinue my deferment after it has been approved? If you decide at any time during your deferment that you want to discontinue your training and begin payback of your service obligation, you should promptly contact the OLRs for guidance. You are cautioned that once you start your NIH UGSP service obligation, you must complete 52 weeks of your obligation before resuming additional training (unless OLRs grants an exception due to extraordinary circumstances; see below for details).

V. Postponement of the Service Obligation

Postponement During Undergraduate Attendance

Scholars who do not receive a renewal of their scholarship and remain as full-time students in an approved program of study must submit annual verification of their continued enrollment in an undergraduate degree program.

Medical and Personal Postponements

What are the requirements for a postponement of my service obligation for personal or medical reasons? Postponements may be granted by the Director, OLRs, in intervals of up to 1 year. The Director, OLRs, determines if compliance with the obligation is temporarily impossible based on information from you and independent documentation from health professionals treating you that you suffer

from a physical or mental disability resulting in your temporary inability to comply with your scholarship service obligation. A postponement may also be granted if you can document any problems of a personal nature such as a physical or mental disability, or terminal illness in your immediate family, which the Director, OLRs, determines would temporarily render you unable to perform the service obligation you have incurred. "Family member" includes the following relatives of scholars:

- (a) spouse and spouse's parents;
- (b) children, including adopted children, and their spouses;
- (c) parents;
- (d) brothers and sisters, and their spouses;
- (e) any individual related by blood or affinity whose close association with the scholar is the equivalent of a family relationship.

In addition, once a scholar has begun a 52-week period of service, they are expected to complete it without interruption. An exception may be granted in extraordinary circumstances (such as an unavoidable conflict with an approved graduate or medical training program's start date, which was unknown to the scholar at the beginning of service payback period).

Requests for postponements must be submitted in writing to the Director, OLRs.

VI. Failure to Meet the Terms and Conditions of Deferment

What will happen if I do not comply with the terms of a deferment of my service obligation? You are responsible for having your school submit a signed deferment form verifying enrollment in an approved undergraduate, graduate, or medical training program to the Office of Loan Repayment and Scholarship no later than 30 days after the beginning of the school year. If you fail to submit the form, or fail to comply with the terms and conditions of your deferment, you are subject to the default

provisions of the Undergraduate Scholarship Program. If you breach your contract for failure to meet the terms and conditions of deferment, the United States shall be entitled to recover damages, in accordance with the following formulas:

Regardless of your number of years of scholarship support, if you fail to complete at least 1 year of service to the NIH, then you owe the full amount of scholarship support provided to you, plus \$1,000 for every month of obligated service—even if you completed some of those months.

If you received 2 years or less of scholarship support and you complete at least 1 year of service to the NIH, then you owe the full amount of scholarship support provided to you, plus \$1,000 for each month of obligated service that is not completed.

If you received more than 2 years of scholarship support and fail to complete at least 2 years of service to the NIH (but completed at least 1 year—see above), then you owe the full amount of scholarship support provided to you, plus \$1,000 for each month of obligated service that is not completed.

If you received more than 2 years of scholarship support and complete at least 2 years of service to the NIH, then you owe the amount of scholarship support provided to you for the period of obligated service that is not completed, plus \$10,000, if you fail to provide at least 1 year notice of your intention to breach the contract.

The damages that the United States is entitled to recover must be paid within 1 year of the date of default. If the debt is not repaid in 1 year and subsequent collection efforts are unsuccessful, the case will be referred to the Department of Justice for litigation. All delinquent debts must be reported to a commercial credit bureau and are subject to charges for the administrative and court costs of collection.

Scholars who withdraw from an undergraduate degree program prior to obtaining their degree will be declared in breach of contract and held liable to the United States for repayment of all scholarship funds paid to them and/or to their school on their behalf. The amount owed must be repaid in full within 3 years from the date of default.

PRIVACY ACT NOTIFICATION STATEMENT

The Privacy Act of 1974 (5 USC 552a) requires that a Federal agency provide the following notification to each individual whom it asks to supply information. Information collected herein is contained in the System of Records of the Department of Health and Human Services (DHHS) numbered 09-25-0165, National Institutes of Health (NIH) Office of Loan Repayment and Scholarship (OLRS) Records, HHS/NIH/OD. An update of this system of records was published in the *Federal Register* on February 8, 2002 (67 Fed. Reg. 6043), and on the Internet at http://www.access.gpo.gov/su_docs/aces/aces140.html.

If you have questions about completing the Deferment Request Form, please call the NIH Undergraduate Scholarship Program office at 1-800-528-7689 during office hours, 8:30 a.m. to 5:00 p.m. Eastern Time, Monday through Friday. Questions may be submitted to the Director, UGSP.