

Inspira Physician Loan Repayment Assistance Program Overview

Background

Inspira Health (“Inspira”) is a tax-exempt, nonprofit health care organization serving communities across southern New Jersey with a mission to provide a safe and compassionate experience that improves the health and well-being of our community by placing the safety of our patients and support of our employees at the center of all we do. Inspira owns and operates Inspira Medical Center Vineland (“IMC Vineland”), a 276 bed acute care hospital located in Vineland, New Jersey, Inspira Medical Center Elmer (“IMC Elmer”), a 96 bed acute care hospital located in Elmer, New Jersey, Inspira Medical Center Mullica Hill (“IMC Mullica Hill), a 220-bed acute care hospital located in Mullica Hill, New Jersey and Inspira Health Center Bridgeton and Inspira Health Center Woodbury.

Inspira has established the Inspira Physician Loan Repayment Assistance Program (“Program”) through a generous and substantial donor gift to the Inspira Health Foundation, Inc. The purpose of the Program is to meet the needs of at risk or underserved individuals located within the primary and secondary service area of IMC Vineland (“Service Area”). The Service Area includes municipalities that are designated as medically underserved areas by the Federal Health Resources & Services Administration, including Vineland City, Deerfield Township, Millville, Commercial Township, Lawrence, CT205 in Bridgeton, and Salem County. Further, Bridgeton City, Millville City, Vineland City, Buena Vista Township, Fairfield Township, Maurice River Township, and Upper Deerfield Township have been designated as medically underserved by the Commissioner of the New Jersey Department of Health based on the New Jersey Medically Underserved Index. A map of the Service Area as well as a listing of MUAs is contained at the end of this document.

The Program is designed to address the needs of an underserved population by assisting in the recruitment and retention of high-quality physicians by offering eligible physicians certain financial assistance to repay a portion of their qualified educational loans for graduate medical education. In return for such loan repayment, the participant will agree to provide full-time services within the Service Area for four years with a qualifying employer.

The Program is administered by Inspira Health through the Program Selection Committee.

1. Eligibility

Physicians are eligible if he/she is or will be practicing in one of the medical and/or surgical disciplines noted below (updated October 2023).

Primary Care	Family Practice Internal Medicine
Specialty	ENT

An individual is eligible to apply to participate in the Program if the applicant meets all of the following requirements:

- Applicant is a U.S. Citizen, a U.S National, or a lawful permanent resident; AND
- Applicant is licensed to practice medicine in the State of New Jersey or is a resident applying for a license to practice medicine in the State of New Jersey; AND
- Applicant has received a medical degree from an accredited school of medicine located in a U.S. state or territory; AND
- Applicant is in his/her last year of training in an accredited residency or fellowship program or has graduated within 3 years of applying; AND
- Applicant is willing to provide Full-Time Services within the Service Area for at least four (4) years; AND
- Applicant has not practiced medicine within the Service Area following completion of residency or fellowship, AND
- Applicant has outstanding Qualified Educational Loans for graduate medical education.

A Participant cannot have any existing service obligations under any other loan repayment or forgiveness program, any employer-sponsored scholarship or recruitment/retention incentive programs when the Program application is submitted.

2. Qualifications of the Participant

Participant shall provide evidence of and maintain the following qualifications for the four-year service term:

- Current unrestricted license to practice medicine in the State of New Jersey;
- Current registration with the Federal Drug Enforcement Administration (DEA) and the New Jersey Division of Consumer Affairs (CDS) to prescribe controlled substances without sanction, restriction, or limitation;
- Medical Staff membership at IMC Vineland in good standing with appropriate privileges;
- Board eligibility or Board certification by the certifying board that may from time to time govern Participant's specialty or specialties to the extent required by the Medical Staff Bylaws;
- Not be, nor ever have been excluded, or precluded from participation in Medicare, Medicaid, or other federal or state governmental health care program; and
- Not be subject to any final adverse action related to: the suspension, termination, reduction or withdrawal of Medical Staff membership or privileges; the commission of an act of moral turpitude or impairment due to alcohol, substance, drug or prescription drug use or illegal drug use; the loss of professional licensure or DEA or CDS registration or denial, revocation, suspension or limitation of such license or registration; or the commission of professional misconduct.

3. **Obligations of the Participant**

Participant will agree to the following:

- Practice medicine on a full-time basis, 32 hrs./week, within the Service Area with a qualifying employer for a minimum of four (4) consecutive years.
- Spend no more than thirty-five (35) workdays per service year away from the Service Area for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason. Any approved periods of absence in excess of thirty-five (35) workdays of leave away from the Service Area in a service year will extend the end date of the service period.
- Participant agrees to submit to Inspira a semi-annual report, which shall contain the following:
 - Participant must self-attest that he or she has complied with the service requirements during the six (6) month reporting period by using the form attached.
 - A service log that documents the total number of days during the reporting period that the participant fell below the minimum full-time service requirement of thirty-two (32) hours per week, including any paid time off, vacation, holidays, continuing education, illness, maternity leave or any other reason the participant was absent from work.
 - The report must be submitted to Inspira within forty-five (45) days following the end of any six (6) month reporting period or Inspira may deny service credit for the reporting period, which will extend the end date of the service period, and/or place the participant in default.
 - The report will be used to determine whether Inspira will pay any or all of the installment payments and the interest required.

4. **Application**

The Program application consists of two parts:

- (1.) Completion of the application form and
- (2.) Submission of required supporting documents.

Applicants are required to complete (1) and (2) and submit the application **in totality** to the Program. Failure to submit a complete application may result in disqualification.

Submit completed applications and program questions to: loanrepayment@ihn.org

5. **Selection and Award**

All applications will be reviewed by the Program Selection Committee. Following a favorable review, eligible applicants will be contacted for an interview with the Selection Committee. Applicants who are ineligible based upon a review of their application submission will be notified via written correspondence.

Priority will be given to those applicants who have specific training or expertise in a defined area

of need as set forward in the current Medical Staff Primary and/or Specialty Plans, who have demonstrated excellent academic/clinical performance, their letters of recommendation, exhibited commitment to the community, social service, and leadership and if necessary, prioritized as follows: greatest financial need which is defined as those eligible physicians whose debt-to-salary ratio (i.e. total Qualified Educational Loan balance divided by base annual base salary) is the greatest.

The number of awards will be determined annually based on the amount of available funds.

Notification of award will be made by mail and email. Applicants who are offered a financial assistance award will be required to submit their acceptance or declination of the award within 30 days of receipt of the notification letter.

6. **Loan Information**

Inspira will agree to pay an amount of up to \$100,000 directly to the lenders or holders of the participant's qualified educational loans from graduate medical education. The amounts advanced on behalf of the participant will constitute a loan, and will accrue interest.

It is the parties' intent that the proceeds of the loan will be used to refinance the participant's existing qualified educational loans completely or in part. No portion of the loan will be made directly to the participant.

A participant will be required to sign a program agreement, promissory note detailing the loan amount and a loan agreement.

Participant will pay to Inspira the loan amount plus accrued interest on the entire unpaid balance of the loan amount in full however, the loan amount and the accrued interest may be forgiven so long as no evidence of default occurs during the four year term and the following conditions are met:

- Participant has performed the service requirements for the entire service period; and
- Participant has met his or her responsibilities and the obligations as defined under the program agreement.

Note: In the event that the participant qualifies for loan forgiveness, Inspira shall issue appropriate tax documents in each calendar year. The Program has been structured to allow a participant to exclude any loan forgiveness received under the Program from the participant's gross income for Federal tax purposes. This is not intended to constitute tax advice - the participant is encouraged to consult with a tax professional.

7. **Suspension, Waiver, and Cancellation**

It is understood that circumstances may arise in which a participant may not wish to continue employment with a qualifying employer. In such a case, the participant may be eligible to transfer and complete his or her service requirements with another qualifying employer upon receiving prior written approval of Inspira. If a participant terminates his or her employment with an initial qualifying employer prior to receiving the prior written approval of Inspira, the participant may be placed in default.

The Program allows the participant thirty-five (35) workdays of leave away from the service area in a service year; however, unforeseen circumstances may arise that would prevent a participant from meeting all of the participant's obligations. Periods of approved suspension of the service requirements will extend the end date of the service period accordingly. The major categories that would allow for a one-year suspension are:

- *Medical or Personal Reasons*
- *Family Leave*
- *Call to Active Duty in the Armed Forces*

Should any of the above situations occur, the participant will need to submit an extension request.

8. **Default**

If a participant fails to fulfill any or all of the service requirements for any reason, fails to meet any, or all his or her responsibilities and obligations or fails to complete the entire service period he or she agrees to reimburse Inspira the outstanding loan balance.

9. **Community Need**

As a condition of participating, participant agrees to treat Medicare, Medicaid and indigent patients.

Important Definitions

“**Qualified Educational Loan**” includes any loan to an individual to assist the individual in attending an educational organization described in Internal Revenue Code § 170(b)(1)(A)(ii) made by (A) the United States, or an instrumentality or agency thereof, (B) a State, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof, (C) a State, county or municipal hospital that is controlled by a tax-exempt public benefit corporation and whose employees are deemed public employees under State law, (D) any tax exempt educational organization that receives the funds from which the loans are made from one of the entities listed in (A) through (C) above; or (E) any tax exempt educational organization under a program that is designed to encourage its students to serve in occupations with unmet needs or in areas with unmet needs and under which the services provided by the students (or

former students) are for or under the direction of a governmental unit or a tax exempt organization.

Consolidated or refinanced loans may be considered for repayment, so long as they are from a Government (Federal, State, or local) or private student loan lender and include only Qualified Educational Loans of the Participant. If an otherwise Qualified Educational Loan is consolidated/refinanced with ineligible (non-qualifying) debt, no portion of the consolidated/refinanced loan is eligible for loan repayment. Qualified Educational Loans consolidated with loans owed by any other person, such as a spouse or child, are ineligible for repayment.

Undergraduate and other non-medical school education loans are not eligible for the Program.

“Qualifying Employer” means: (a) Inspira Health Network Medical Group, P.C., Inspira Health Network’s physician group; (b) self-employment within the Service Area; (c) a private physician practice currently operating within the Service Area; (d) a public service corporation operating within the Service Area; and (e) a governmental unit or tax exempt organization operating within the Service Area.

EXHIBIT A
SERVICE AREA

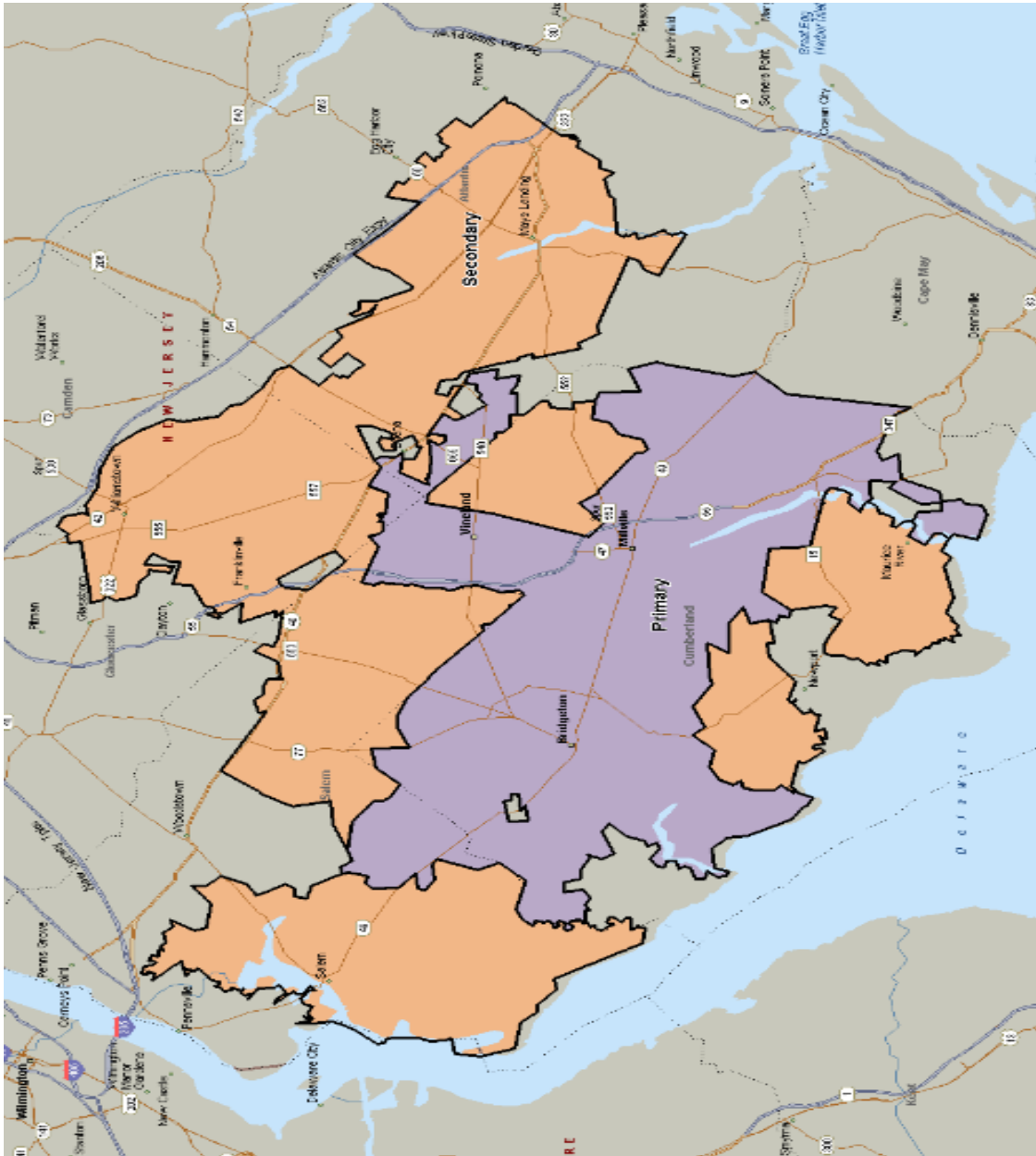


Exhibit B

NEW JERSEY MEDICALLY UNDERSERVED INDEX – 1999

These municipalities have been designated as underserved by the Commissioner of New Jersey Department of Health based on the New Jersey Medically Underserved Index (NJMUI). The state designated underserved areas are used to place primary care participants in the New Jersey Loan Redemption Program (LRP). The NJMUI ranks municipalities with populations of 5,000 or more according to indicators that are potentially indicative of a lack of access to comprehensive and timely primary health care. Populations of 30,000 or more were evaluated according to four economic indicators; the values for health status indicators were generally too small to provide valid statistics.

Geographic areas not designated on the NJMUI can be considered on a case by case basis, if adequate documentation is provided to support the designation.

Municipalities with Populations of 5,000 to 29,999

Bridgeton City
Fairfield Township
Paulsboro Borough
Asbury Park City
Salem City
Buena Vista Township
Pleasantville City
Lower Township
City of Orange Township
Phillipsburg Township
Egg Harbor City
Keansburg Borough
Woodbury City
Mullica Township
Middle Township
Gloucester City
Maurice River Township
Millville City
Glassboro Borough
Hammonton Town
Fairview Borough
Mount Holly Township
Long Branch City
Burlington City
Clementon Borough
Clayton Borough
Harrison Town
Egg Harbor Township
Garfield City
North Hanover Township
Upper Deerfield Township
Ocean Township
Lodi Borough

**Riverside Township
Pine Hill Borough
Union Beach Borough
Franklin Borough**

Municipalities with Populations of 30,000 or More

**Newark City
Atlantic City
Camden City
East Orange City
Trenton City
Paterson City
Jersey City
Perth Amboy City
Passaic City
Irvington Township
New Brunswick City
Elizabeth City
Union City
Lakewood Township
Plainfield City
West New York Town
Vineland City**