



Office of Statewide Health
Planning and Development

**Licensed Mental Health Services
Provider Education Program (LMHSPEP)**

**Grant Guide
For Fiscal Year 2021-22**

All applicants must agree to the terms and conditions prior to receiving funds. The Office of Statewide Health Planning and Development will not make changes to the terms and conditions specified in this Grant Guide.

Table of Contents

| | |
|---|-----------|
| Section I: LMHSPEP Grant Information..... | 3 |
| Background and Mission..... | 3 |
| Eligibility Requirements..... | 3 |
| Debt Eligibility | 4 |
| Award Amounts and Available Funding | 5 |
| Initiating an Application | 5 |
| Service Obligation..... | 5 |
| Evaluation and Scoring Procedures..... | 6 |
| Award Process..... | 6 |
| Grant Agreement Deliverables..... | 7 |
| Required Grant Documentation | 7 |
| Post Award and Payment Provisions | 7 |
| Breach Policy | 7 |
| Key Dates | 7 |
| Grant Questions and Answers | 8 |
| Contact Us | 8 |
| Section II: Provider eApp Technical Guide..... | 9 |
| Attachment A: Evaluation and Scoring Criteria..... | 11 |
| Attachment B: Sample Grant Agreement..... | 13 |

Section I: LMHSPEP Grant Information

Background and Mission

The Office of Statewide Health Planning and Development's (OSHPD) is a department that improves access to healthcare in underserved areas of California by providing scholarships and loan repayments to health professional students and graduates who provide direct client care in those communities. OSHPD and its programs are supported by grants, donations, licensing fees, and special funds.

LMHSPEP is funded through a \$20 surcharge for renewal and licensure fees of psychologists, marriage and family therapists, and licensed clinical social workers in California. Eligible applicants may receive loan repayments of up to \$15,000 in exchange for a 24-month service obligation practicing and providing direct client care in a publicly funded mental health facility, a nonprofit mental health facility, a mental health professions shortage area, a veteran's, correctional, or a county facility or in the public mental health system. The purpose of this program is to increase the number of appropriately trained mental healthcare professionals providing direct care in a qualified facility in California.

Eligibility Requirements

Provider Eligibility Requirements

To be eligible for a LMHSPEP award, each applicant must:

- Possess a valid and unrestricted professional license to practice your profession in California
- Be in good standing with the California Board of Behavioral Sciences and or the Board of Psychology
- Not have any other existing service obligations with other entities, including other OSHPD programs
- Not be in breach of any other health professional service obligation
- Have unpaid educational loans
- Commit to providing a 24-month service obligation in a medically underserved area
- Provide 32 hours or more per week of direct client care
- Complete and submit the application through [OSHPD Funding Portal](#) by the deadline

Former Foster Youth

AB 2608 sets aside funds to be used solely to fund grants to repay educational loans for applicants who meet the eligibility requirements and who were formerly in California's foster youth care system.

Applicants must meet the provider eligibility requirements above and provide proof of former foster youth status.

Eligible Disciplines

LMHSPEP applicants must be currently licensed and practicing one of the following professions:

- Associate Clinical Social Worker*
- Marriage and Family Therapist Intern

- Associate Marriage and Family Therapist*
 - Associate Professional Clinical Counselor*
 - Licensed Clinical Social Worker*
 - Licensed Marriage and Family Therapist*
 - Licensed Professional Clinical Counselor*
 - Licensed Psychologist
 - Postdoctoral Psychological Assistant
 - Postdoctoral Psychological Trainee
 - Registered Clinical Social Worker
 - Registered Marriage and Family Therapist
 - Registered Psychologist
 - Waivered Psychologist
- *Former foster youth must be practicing in one of these six eligible professions.

Practice Site Eligibility Requirements

Providers must work in one of the following eligible geographic or site designations:

- Publicly Funded Mental Health Facility
- Public Mental Health Facility
- Non-Profit Mental Health Facility that contracts with a county entity to provide mental health services
- Health Professional Shortage Area – Mental Health (HPSA-MH)
- County Facility
- Correctional Facility
- Veteran’s Facility

Debt Eligibility

Qualifying Educational Loans

- Qualified Lender: Qualifying commercial lending institutions are those subject to examination and supervision by an agency of the United States, or by the state in which the institutions have their place of business.
- Loans (government and commercial) obtained from a qualifying lender for undergraduate and graduate health profession degrees.
- Consolidated educational loans that clearly delineate the original loans and the degrees conferred.

Non-Qualifying Educational Loans

The following types of debt are **not eligible** for loan repayment under LMHSPEP:

- Parents PLUS loans
- Loans in default
- Loans repaid in full
- Credit card debt
- Loans not in the provider’s name
- Personal lines of credit
- Consolidated with mortgage loan
- Consolidated with loans owed by another person

Applicant's educational loans must be in good standing. "Good standing" for the purposes of educational loan debt is defined as not being in default. Applicants may have educational loans that are in deferment and/or forbearance. Applicants who are awarded must continue to make payments during their terms of their contract.

Award Amounts and Available Funding

Available Funding

OSHPD issues this Grant Guide based on the total LMHSPEP funding provided each award cycle. LMHSPEP funding comes from licensure fees and special funding.

Award Amount

The maximum award amount for the Licensed Mental Health Services Provider Education Program (LMHSPEP) is **\$15,000**. OSHPD may award full, partial, or no funding to an applicant, based on the applicant's success in meeting the selection criteria, and the amount of available funds. Applicants will not be awarded more than their total educational debt left on their loan balance.

Applicants may be awarded up to three times. Applicants not selected for an award may apply for the next cycle. For applicants who are selected, upon completion of a first or second 24-month service obligation, you would be eligible to apply for up to a third time.

A new application must be submitted to be considered for award, as each service obligation requires a separate contract, therefore obligations may not overlap, nor be considered a continuation of a previous agreement.

Initiating an Application

The applicant is responsible for providing all necessary information and ensuring that the information contained in the application is accurate.

Applicants must register and submit all applications (including all required forms, documents and/or attachments) through the web-based eApp <https://funding.oshpd.ca.gov/SignIn>.

New applicants must first register as a user to access the application materials. Returning applicants must use their previous email and password to login. *Section II: Provider eApp Technical Guide* contains information regarding how to register and complete your application.

You may apply for more than one OSHPD scholarship or loan repayment program at a time. However, if awarded, you can only contract for one service obligation at a time.

Service Obligation

Grantees must provide permanent full-time service in direct client care, including practicing for a term of at least 24 months at a qualified facility in California in an eligible profession. "Full-time service" is defined as a minimum of 32 hours per week. "Direct Client Care" means the provision of health care services provided directly to individuals being treated for or suspected of needing mental health services. Direct client care includes both, face-to-face and telehealth-based preventative care and first line supervision.

Worksite Absences

Grantees can take up to four weeks per calendar year away from their LMHSPEP approved practice site for any leave of absence approved by their worksite, or otherwise as required in order to comply with applicable federal and state laws. OSHPD will execute a contract amendment to extend the Grantee's obligation end date for each day of absence over the allowable four weeks.

Communication Requirements

Grantees must email OSHPD within these specified timeframes for the following reasons:

- **15 working days if you:**
 - Have any change in full-time status, including but not limited to, a decrease in the number of hours providing medical services (falling below 32 hours), termination, resignation, or leave of absence in excess of the time permitted outlined under "Worksite Absences."
- **30 calendar days if you:**
 - Have any change in Practice Site. An Employment Verification form (EVF) must be submitted to their Program Officer via email. OSHPD will verify if the practice site is eligible.
 - Change your name, residential address, phone number and/or email address.
- **90 working days if you:**
 - File a petition with OSHPD for modification of the amount to be paid or repaid and/or the time of repayment regarding the breached contract.

Evaluation and Scoring Procedures

OSHPD may make multiple awards to current applicants. Please refer to *Attachment A: Evaluation and Scoring Criteria*. Final awards include consideration of the following elements:

1. At the time of application closing, OSHPD will check each application for the presence or absence of required information in conformance with the submission requirements.
2. OSHPD may reject applications that contain false or misleading lender statements.
3. OSHPD will use the evaluation tool in *Attachment A: Evaluation and Scoring Criteria* to score applications. OSHPD intends for this application to support multiple counties in California by providing a distribution of awards throughout the state. OSHPD may give preference to applications seeking to support geographic regions not addressed by other similarly scored applications.

Award Process

OSHPD will notify selected applicants (herein referred to as Grantee) after finalizing all award decisions. The award process time can vary depending upon the number of applications received. OSHPD will use DocuSign to send contract documents to Grantee for review and signatures.

Grant Agreement Deliverables

The Grantee shall:

- Submit four Progress Reports through the eApp, during the twenty-four months service obligation. The schedule of those reports is as follows:

| Deliverable | Date Available | Due Date |
|-----------------------|-----------------|------------------|
| Progress Report One | October 1, 2022 | October 31, 2022 |
| Progress Report Two | April 1, 2023 | April 30, 2023 |
| Progress Report Three | October 1, 2023 | October 31, 2023 |
| Progress Report Four | April 1, 2024 | April 30, 2024 |

Required Grant Documentation

- Contact Program Officer to receive an Employment Verification form (EVF) to complete **anytime** there is a change in practice site.
- Request and submit a Payee Data Record form (STD204) anytime there is a change in the Grantee's name and or residential address.

Post Award and Payment Provisions

1. OSHPD expects the Grantee will begin performance of the grant agreement on the start date listed on the grant documents.
2. The State Controller's Office mails a paper check directly to the Grantee's address on file.
Note: Please ensure OSHPD has your most recent residential address on file to avoid delay in payment. See *Attachment B: Sample Grant Agreement, Section D* for information on the payment schedule.
3. OSHPD cannot provide tax advice to Grantees. OSHPD are not tax professionals and tax consequences may vary depending on the Grantee. For this reason, Grantees should seek professional tax advice.

Breach Policy

OSHPD reserves the right to recover monies for the Grantee's failure to perform the obligations set forth in the grant agreement. Refer to *Attachment B: Sample Grant Agreement – Section H: Breach* for detailed information.

Key Dates

The key dates for the program year are as follows:

| Event | Date | Time |
|-------------------------------------|-------------------|-----------|
| Application Available | September 1, 2021 | 3:00 p.m. |
| Application Submission Deadline | October 1, 2021 | 3:00 p.m. |
| Proposed Grant Agreement Start Date | March 31, 2022 | N/A |

Grant Questions and Answers

You can find answers to most questions in this Grant Guide or by reading the [Frequently Asked Questions \(FAQ\)](#) document. Prospective applicants may submit questions to OSHPD at HPEF-Email@oshpd.ca.gov at any time during the application cycle.

Contact Us

For questions related to LMHSPEP and the eApp, please email OSHPD staff at HPEF-Email@oshpd.ca.gov.

Section II: Provider eApp Technical Guide

Accessing the Application System

OSHPD uses the eApp to allow healthcare providers and students to submit applications. This Grant Guide contains information you need to complete and submit an application in the eApp.

To access the eApp, go to <https://funding.oshpd.ca.gov/SignIn>. To ensure proper functionality in the eApp, use Chrome or Microsoft Edge, as Internet Explorer is no longer supported.

Registration and Login

All applicants must register in the eApp system before beginning an application. To register as a new user, click the “Create Account” button on the home page and follow the instructions. After submitting your email address and creating a password, you will receive an email with an account activation link. Click the link in the email to return to the eApp and complete your user account.

Submitting an Application

- By submitting the application, you agree to the grant Terms and Conditions.
- OSHPD will not consider late and/or incomplete applications. For more detailed information, refer to *Key Dates* in this Grant Guide.
- Once you click the “Submit” button, you **cannot** go back to revise the application.
- The eApp will email you a confirmation of submission.

LMHSPEP Application Components

A submitted application must contain all required information and conform to the Grant Guide format.

The LMHSPEP application has eight sections for applicants to complete:

1. General Information
2. Contact Information (**one contact required**)
3. Professional Information
4. Employment History and Verification
5. Personal Statements
6. Educational Debt
7. Required Documents (**Make sure that file format is an acceptable format and that it can be opened. Examples of acceptable formats are .jpg, .doc, .docx, and .pdf**)
8. Application Certification

Where applicable, each page displays instructions. You can also click on the “Help” button located next to your username in the upper right corner of your browser window for additional assistance or explanation. If you need additional assistance, contact LMH staff at HPEF-Email@oshpd.ca.gov.

Attachment A: Evaluation and Scoring Criteria

| SCORING CRITERIA | | |
|---|--|---|
| Core Categories | Guideline | Points |
| Cultural and Linguistic Competence | <p>When working with consumers, how have you utilized the strengths, and forms of healing unique to their racial/ethnic, cultural, geographic, socio-economic, or linguistic population when providing services or support.</p> <p>1 point: Applicant describes how they have utilized strengths and forms of healing when providing services.</p> <p>1 point: Applicant gives specific example of how they utilized strengths and forms of healing unique to their clients' cultural, geographic, faith, socio-economic, or linguistic population.</p> | 2 points max (Full points only) |
| | <p>Describe your work, unpaid and paid, serving military veterans or a particular racial/ethnic, cultural, geographic, faith based, socio-economic, LGBTQ, and/or linguistic population.</p> <p>1 point: Applicant describes population they serve.</p> <p>1 point: Applicant explains how their service with a particular population has contributed to their cultural competency.</p> | 2 points max (Full points only) |
| | <p>Give an example of how you participated in treatment interventions and outreach services to military veterans, those with lived experience or individuals of diverse racial/ethnic, LGBTQ, cultural or linguistic populations.</p> <p>1 point: Applicant describes their role in a treatment intervention and/or outreach service that they participated in.</p> <p>1 point: Applicant describes how this treatment intervention and/or outreach service aimed to serve military veterans, those with lived experience or individuals of diverse racial/ethnic, LGBTQ, cultural or linguistic populations.</p> | 2 points max (Full points only) |
| | <p>Give an example of how your experiences, education, work or volunteer service has contributed to your competence in creating rapport with individuals with few literacy skills, are not literate, or have disabilities that impair communications.</p> <p>1 point: Applicant gave an example of how their experiences, education, work or volunteer service has contributed to their competency in creating rapport with individuals with few literacy skills, are not literate, or have disabilities that impair communication.</p> <p>1 point: Applicant describes how they were able to create rapport with individuals with few literacy skills, are not literate, or have disabilities that impair communication.</p> | 2 points max (Full points only) |

| SCORING CRITERIA | | |
|---------------------------|--|---|
| Core Categories | Guideline | Points |
| | <p>Growing up, did you live in an underserved or disadvantaged community? If so, please describe your experiences. If not, describe how did you relate to communities that are underserved or disadvantaged.</p> <p>1-2 points: Applicant adequately describes whether they come from an underserved background, or</p> <p>0-1 points: Applicant demonstrates the ability to relate to a community that is disadvantaged.</p> | <p>2 points max (Full points only)</p> |
| Professional Goals | <p>Elaborate on your professional career goals for the next 5 years as they relate to the mental health profession.</p> <p>0-2 points: Applicant demonstrates a commitment to working in the mental health field providing direct services.</p> | <p>2 points max (Full points only)</p> |
| | <p>Where do you plan on working in the next 5 years?</p> <p>1 point: Applicant demonstrates a commitment to providing direct mental health services to underserved communities in California.</p> | <p>1 point max (Full points only)</p> |
| Personal Statement | <p>Elaborate on how your personal background, education, training or lived experience as a consumer or family member in the mental health system has:</p> <ul style="list-style-type: none"> • Contributed to your commitment to working in the health field. • Enabled you to better serve the mental health consumers you work with. • Contributed to your cultural competency as it pertains to your delivery of mental health services. <p>0-2 points: Applicant explains how their experiences have contributed to a long-term commitment of working with underserved populations/communities in the mental health field.</p> <p>0-2 points: Applicant describes how their experiences has enabled them to better serve mental health consumers.</p> <p>0-2 points: Applicant explains how their experiences contributed to a culturally competent model of care.</p> | <p>6 points max (Full points only)</p> |
| Extra Points | <p>1 point: Applicant speaks a second language.</p> <p>1 point: Applicant uses the second language at work or in the community they serve.</p> <p>1 point: Applicant awarded if applicant stated they are a military veteran, with proof of honorable discharge.</p> | <p>3 points max (Predetermined)</p> |
| Totals | | <p>22 points max</p> <p>15 points minimum</p> |

Attachment B: Sample Grant Agreement

GRANT AGREEMENT BETWEEN THE DEPARTMENT OF HEALTH CARE ACCESS
AND INFORMATION AND
[PROVIDER NAME], [DISCIPLINE]
GRANT AGREEMENT NUMBER **[GRANT NUMBER]**

THIS GRANT AGREEMENT (“Agreement”) is entered into on **[Grant Start Date]** by and between the State of California, Department of Health Care Access and Information (hereinafter “HCAI”) and **[Provider Name]** (hereinafter “Grantee”)

WHEREAS, Grantee applied to participate in the Licensed Mental Health Services Provider Education Program, by submitting an application in response to the **[Application Year]** Licensed Mental Health Services Provider Education Program Application.

WHEREAS, Grantee was selected by HCAI through duly adopted procedures to receive grant funds from LMHSPEP.

NOW THEREFORE, HCAI and the Grantee, for the consideration and under the conditions hereinafter set forth, agree as follows:

A. Definitions:

- a. “Program Application” means the grant application submitted by Grantee.
- b. “Director” means the Director of the Department of Health Care Access and Information or their designee.
- c. “Deputy Director” means the Deputy Director of the Office of Health Workforce Development (OHWD) or his/her designee.
- d. “Grant Agreement/Grant Number” means the Grant Number **[Grant Agreement Number]** awarded to Grantee.
- e. “Provider” means the Grantee.
- f. “Grant Funds” means the money provided by HCAI to Grantee per this Agreement.
- g. “Program” means the **[Program Name]**.
- h. “Program Manager” means the HCAI manager responsible for the grant program.

- i. “State” means the State of California and includes all its Departments, Agencies, Committees and Commissions.
- j. “Direct Client Care” means the provision of health care services provided directly to individuals being treated for or suspected of needing mental health services. Direct client care includes preventive care. The first line supervision of direct client care shall also be considered direct client care.
- k. “Full-Time Service” is defined as a minimum of 32 hours per week.
- l. “Qualified Facility” will hereinafter refer to:
 - 1. “A publicly funded facility,” which means a health facility, as defined by Health and Safety Code Sections 1200, 1200.1 and 1250, conducted, maintained or operated by this state or by any of its political subdivisions or districts, or by any city. (2) “A publicly funded or public mental health facility,” which means a hospital, clinic, or long-term care facility licensed and/or certified by the California Department of Mental Health and/or the California Department of Health Services that is conducted, maintained, or operated by this state or by any of its political subdivisions or districts, or by any city, and that provides mental health services. (3) “A non-profit private mental health facility,” which means a hospital, clinic, or long-term care facility licensed and/or certified by the California Department of Mental Health and/or the California Department of Health Services that is operated by a non-profit entity that contracts with a county mental health entity or facility to provide mental health services. (4) “Mental Health Professional Shortage Area” means an area designated as such by the U.S. Department of Health and Human Services, Health Resources and Service Administration, Bureau of Health Professions' Shortage Designation Branch.
 - 2. Either (i) a facility determined by the Director pursuant to section 128385 of the Health and Safety Code to be an eligible county health facility or an eligible state-operated facility, or (ii) a facility within a Medically Underserved Area, meaning a geographic area designated by the Director of the Office of Statewide Health Planning and Development, which means one of the following sets of criteria:

B. Term of the Agreement

This Agreement shall take effect on **[Agreement State Date]** and shall terminate on **[Agreement End Date]**.

C. Scope of Work

Grantee agrees to the following Scope of Work as set forth herein. In the event of a conflict between the provisions of this section and the Grantee's Application, the provisions of this Scope of Work Section shall prevail:

- a. For the period of **[Agreement Start Date]** through **[Agreement End Date]** to provide permanent full-time service in direct client care, including practicing at least 24 months at a qualified facility as a(n) **[Discipline]**.
- b. Notify HCAI, in writing, of any and all name, mailing address, phone number, and e-mail address changes within 30 days of the changes.
- c. The Grantee must notify HCAI within 30 days of any change in the place of employment. HCAI will verify if the new place of employment qualifies. It is highly recommended for Grantees to contact their Program Representative to verify eligibility of a potential new employer before switching places of employment.
- d. In all respects, comply with the applicable statutes and regulations governing the Department of Healthcare Access and Information (HCAI), including but not limited to Health and Safety Code section 128330, et seq. These documents are hereby incorporated by reference and made part of this Agreement as if attached hereto.
- e. Submit to HCAI by required deadlines, as determined by HCAI, all requested information during the duration of the contract term **[Agreement Start Date]** through **[Agreement End Date]**. HCAI may request information to include, but not limited to, Employment or Volunteer Verification Form, and Progress Reports.
- f. Grantee must not sign, or have signed, a contract with another entity to practice professionally for a given period (during the Term) in exchange for financial assistance, including tuition reimbursement, scholarships, loans, or a loan repayment. The Grantee shall be ineligible to receive a loan repayment under this Agreement until the conflicting obligation to this other entity has been fulfilled.
- g. Apply all Grant Funds received to the qualifying educational loan(s) provided by the lending institution(s) listed on the approved Program Application. Grantee must pay all received Grant Funds toward the qualifying educational loans during the term of this Agreement. Work performed, and payments made before the grant agreement start date, will not count towards the requirements for the grant agreement.

- h. Pay to the lending institution(s) listed in the approved Program Application any interest that accrues during the term of this Agreement.

D. Payment Provisions and Reporting Requirements

1. During the term of this Agreement, HCAI agrees to make two **Annual** payments to the Grantee as indicated below. HCAI reserves the right to change payment provisions within the Agreement term, if needed.
2. Service obligations will be monitored via the regular submission of Program Progress Reports by the Grantee. HCAI reserves the right to increase or decrease the number of progress reports required to be submitted within the Agreement term, if needed. Continue to make any required payments on all outstanding student loans and shall apply any payment received from HCAI under this Agreement towards the principal, interest, and related expenses on outstanding governmental and commercial educational loans, not in default, related to the Grantee's education that was required to become a healthcare provider. **Nothing in this Agreement relieves the Grantee of the primary responsibility to repay the educational debts listed in the approved Program Application.**
3. The total obligation of HCAI under this Agreement shall not exceed **[\$Award Amount]** to the Grantee and shall be payable as follows:
 - a. **[\$Payment #1]** after Grantee has completed one year of service obligation in compliance with this Agreement, which is **[Deliverable Due Date #2]**.
 - b. **[\$Payment #2]** after Grantee has completed two years of service obligation in compliance with this Agreement, which is **[Deliverable Due Date #4]**
4. Payments shall be made and is conditioned upon HCAI's receipt of documentation of the Grantee's provision of the service obligation, and other documents as required by HCAI. Payment shall be made within 45 calendar days of receipt by HCAI of all required documentation. Payments under this Agreement are not issued with regard to any loan payment due date and may be made at any time within the terms of this Agreement.

E. Award May be Exempt from Federal Income Taxes

HCAI does not provide tax advice and this section may not be construed as tax advice from HCAI. Grantee should seek advice from an independent tax consultant regarding the financial implication(s) of any funds received from HCAI.

Payments made under certain State Loan Repayment Programs may be exempt from federal taxes under 26 U.S.C. § 108(f)(4):

“In the case of an individual, gross income shall not include any amount received under section 338B(g) of the Public Health Service Act, under a State program described in section 338I of such Act (enacted by Pub L. 108-357, § 320(a) in 2004), of under any other State loan repayment or loan forgiveness program that is intended to provide for the increased availability of healthcare services in underserved or health professional shortage areas (as determined by such State).”

HCAI does not withhold any tax from the award.

F. Prompt Payment Clause

Payments will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

G. Budget Contingency Clause

1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, HCAI shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement.
2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this Program, HCAI shall have the option to either cancel this Agreement with no liability occurring to HCAI or offer an Agreement amendment to Grantee to reflect the reduced amount.

H. Breach

1. HCAI reserves the right to recover any and all amounts provided to the Grantee for Grantee’s failure to perform the Scope of Work set forth in this Agreement. HCAI expressly reserves the right to pursue all legal and equitable remedies in the event of a breach by Grantee, including the right to disqualify Grantee from future funding opportunities. HCAI shall be entitled to recover from the Grantee an amount determined by the following formula, plus interest:

$$A = F \times \{(T-S)/T\}$$

in which “A” is the amount that HCAI is entitled to recover; “F” is the sum of the amounts paid under this Agreement to or on behalf of the Grantee; “T” is the total number of months in the Grantee’s period of obligated service; and

- “S” is the number of months of such period already served by the Grantee. Ten (10) percent interest shall be charged on the outstanding principal annually. Interest shall begin to accrue from the due date of the first required payment, as determined by HCAI. Repayment shall be required in either a lump sum or monthly installments, in amounts calculated by HCAI to permit repayment in seven years. Completing half of the service obligation does not entitle the grantee to keep half of their award amount, the above formula will still apply.
2. The Grantee may avoid paying interest if the full amount owed is paid within 30 days from the date of notice of the default.
 3. Grantee will be ineligible to apply for any HCAI Programs in the future if they breach their contract unless grantee seeks relief under Section I.
 4. A breach of this Agreement by the Grantee ends any obligations of HCAI under this Agreement, including any further payments to or on behalf of the Grantee for outstanding educational debts. However, notwithstanding the breach, a Grantee may seek relief under Section I, of this Agreement.
 5. The date of the breach, where no relief is otherwise granted by HCAI, shall be 30 calendar days after email notification of pending default to Grantee for failure to comply with this Agreement.
 6. To suspend a pending breach, I, the Grantee, must pay a \$250.00 (Two Hundred Fifty Dollars and No Cents) administrative fee to HCAI within 30 days of the date of the notice pending default letter, and provide all documentation as requested therein.

I. Provisions for Suspension, Waiver, Cancellation or Voluntary Termination of Service

1. Any service or payment obligation incurred by the Grantee will be canceled upon the Grantee’s death.
2. A Grantee may seek a modification, waiver, suspension, reduction, or delay of the service or payment obligations incurred as a result of Grantee’s breach by written request to HCAI setting forth the basis, circumstances, and causes which support the requested action. HCAI may approve a request for a suspension for a period of not more than one year. A renewal of this suspension may also be granted on a case-by-case basis.
3. HCAI may modify, waive, suspend, reduce, or delay any service or payment obligation incurred by a Grantee whenever compliance by the Grantee is impossible, or would involve extreme hardship to the Grantee, and if the

enforcement of the service or payment obligation would be against equity and good conscience.

4. Compliance by a Grantee with a service or payment obligation shall be considered impossible if HCAI determines, on the basis of information and documentation, that the Grantee suffers from a physical or mental disability resulting in the permanent (or near-permanent) inability of the Grantee to perform the service or other activities which would be necessary to comply with the obligation.
5. In determining whether to waive, suspend, reduce or delay any or all of the service or payment obligations of a Grantee as imposing an undue hardship and being against equity and good conscience, HCAI may consider:
 1. The Grantee's present financial resources and obligations
 2. The Grantee's estimated future financial resources and obligations
 3. The extent to which the Grantee has problems of a personal nature, such as physical or mental disabilities, or terminal illness in the immediate family, which so intrude on the Grantee's present and future ability to perform as to raise a presumption that the individual will be unable to perform the obligation incurred.

J. Agreement Continuation

1. Grantee may apply to extend the term of the Agreement. HCAI reserves the right to deny Grantee's request to extend the term of the Agreement.
2. Grantee may take up to four weeks in a calendar year from their approved practice site for any leave of absence approved by their worksite, except otherwise required in order to comply with applicable federal and state laws, without it affecting their service obligation.
3. Should HCAI and the Grantee agree to amend the dates of this Agreement, the service obligation shall be extended for each day of absence over the allowable four weeks.

K. General Terms and Conditions

1. **Timeliness:** Time is of the essence in this Agreement. Grantee will submit the required deliverables as specified and adhere to the deadlines as specified in this Agreement. Anticipating potential overlaps, conflicts, and scheduling issues, to adhere to the terms of the Agreement, is the sole responsibility of the Grantee.

2. Final Agreement: This Agreement, along with the Grantee’s Application, exhibits and forms constitutes the entire and final agreement between the parties and supersedes any and all prior oral or written agreements or discussions. In the event of a conflict between the provisions of this Agreement and the Grantee’s application, exhibits, and forms, the provisions of this Agreement shall prevail.
3. Cumulative Remedies: A failure to exercise or a delay in exercising, on the part of the HCAI, any right, remedy, power or privilege hereunder shall not operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.
4. Ownership and Public Records Act: All reports and the supporting documentation and data collected during the funding period which are embodied in those reports, shall become the property of the State and subject to the California Public Records Act (Gov. Code § 6250 et seq.).
5. Audits: The Grantee agrees that HCAI, the Department of General Services, the State Auditor, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Grantee agrees to maintain such records for possible audits for a minimum of three years after final payment, unless a longer period of records retention is stipulated by the State. The Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Grantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Agreement Code §10115 et seq., Cal. Code Regs. tit. 2, §1896).
6. Non-Discrimination Clause (See Cal. Code Regs., Title 2, § 11105):
 - a. During the performance of this Agreement, Grantee and its subcontractors shall not deny the Agreement’s benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Grantee shall ensure that the

evaluation and treatment of employees and applicants for employment are free of such discrimination.

- b. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code § 12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§ 11135-11139.5), and any regulations or standards adopted by HCAI to implement such article.
 - c. Grantee shall permit access by representatives of the Department of Fair Employment and Housing and HCAI upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or HCAI shall require to ascertain compliance with this clause.
 - d. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
7. Independence from the State: The Grantee and the agents and employees of the Grantee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
 8. Waiver: The waiver by HCAI of a breach of any provision of this Agreement by the Grantee will not operate or be construed as a waiver of any other breach. HCAI expressly reserves the right to disqualify the Grantee from any future grant awards for failure to comply with the terms of this Agreement.
 9. Approval: This Agreement is of no force or effect until signed by both parties. The Grantee may not commence performance until such approval has been obtained.
 10. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
 11. Assignment: This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of HCAI in the form of a formal written amendment.
 12. Indemnification: Grantee agrees to indemnify, defend and save harmless the State, its officers, agents, and employees (i) from any and all claims and losses accruing or resulting to any and all Grantee's, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services,

materials, or supplies resulting from the Grantee's performance of this Agreement, and (ii) from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Grantee in the performance of this Agreement.

13. Disputes: Grantee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement, shall be resolved as follows:

- a. The Grantee will discuss the problem informally with the HCAI Program Manager. If unresolved, the problem shall be presented, in writing, to the Deputy Director, stating the issues in dispute, the basis for the Grantee's position, and the remedy sought. Grantee shall include copies of any documentary evidence and describe any other evidence that supports its position with its submission to the Deputy Director.
- b. Within ten working days after receipt of the written grievance from the Grantee, the Deputy Director or their designee shall make a determination and respond in writing to the Grantee indicating the decision and reasons for it.
- c. Within ten working days of receipt of the Deputy Director's decision, the Grantee may appeal to the Chief Deputy Director stating why the Grantee does not agree with the Deputy Director's Decision. The Chief Deputy Director or designee (who shall not be the Deputy Director or their Designee) shall meet with the Grantee within 20 working days of receipt of the Grantee's appeal. During this meeting, the Grantee and HCAI may present evidence in support of their positions.
- d. Within ten working days after meeting with the Grantee, the Chief Deputy Director or their designee shall respond in writing to the Grantee with their decision. The Chief Deputy Director's decision will be final.

14. Termination for Cause: HCAI may terminate this Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Agreement at the time and in the manner herein provided.

15. Governing Law: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

16. Unenforceable Provision: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

17.

L. Grant Representatives

The grant representative during the term of this agreement are listed below. Direct all inquiries to:

| | |
|---|--|
| State Agency: Department of Health Care Access and Information | HCAI Program Awarded Under [Name of Program] |
| Section/Unit: Office of Health Workforce Development | Grantee’s First Name, Last Name: [Grantee’s Full Name] |
| Name: [Program Officer Full Name] | Address: [Address 1] |
| Address: 2020 West El Camino Avenue, Suite 1222 Sacramento, CA 95833 | Phone Number 1: [Phone 1] |
| Phone: [Program Officer Main Phone] | Phone Number 2: [Phone 2] |
| Email: [Program Officer Primary Email] | Email: [Email Address] |

M. GRANTEE’S ACKNOWLEDGEMENT:

By signing below, the Department of Health Care Access and Information (HCAI) and Grantee acknowledge that this Agreement accurately reflects the understanding of HCAI and Grantee with respect to the rights and obligations under this Agreement.

[Grantee’s Full Name]

Date

For the Department of Health Care Access and Information:

[Procurement and Contract Services Manager]

Date

