

## Mental Health Loan Assumption Program

### FREQUENTLY ASKED QUESTIONS

---

#### **MHLAP Program Overview**

The Mental Health Loan Assumption Program (MHLAP) was created by the Mental Health Services Act (Act), passed by California voters in November 2004. The Act provided funding to develop a loan forgiveness program in order to retain qualified professionals working within the Public Mental Health System (PMHS). Through the Workforce Education and Training component of the Act, \$10 million is allocated yearly to loan assumption awards. An award recipient may receive up to **\$10,000** to repay educational loans in exchange for a 12-month service obligation in a hard-to-fill/retain position within the County PMHS.

**Eligible Professions:** Counties determine which professions are eligible for their County's hard-to-fill/retain positions. Some of the eligible professions include, but are not limited to the following:

- Registered/Licensed Psychologists
- Registered/Licensed Psychiatrists
- Registered/Licensed Marriage and Family Therapists
- Registered/Licensed Psychiatric Mental Health Nurse Practitioners
- Support, managerial and/or fiscal staff may be eligible
- Postdoctoral Psychological Assistants
- Postdoctoral Psychological Trainees
- Registered/Licensed Clinical Social Workers
- Licensed Professional Clinical Counselor Interns
- Licensed Professional Clinical Counselors

#### **Application FAQs**

##### **1. How do I apply?**

Visit our CalREACH website: <https://calreach.oshpd.ca.gov>.

##### **2. If I have previously applied to MHLAP and want to re-apply, do I need to submit a new application?**

Yes, you must submit a new application each time you apply.

##### **3. When is the deadline to apply for MHLAP?**

The application must be submitted via the online application system, CalREACH, by November 30, 2014. Applications submitted after **November 30, 2014 12 mid-night** will not be accepted.

##### **4. Can I submit my application prior to the deadline?**

You are encouraged to submit your application prior to the deadline; however, the application will not be available until October 6, 2014.

##### **5. How do you select the award recipients for MHLAP?**

Recipients are selected based on the following criteria:

- Cultural and linguistic competence
- Experience with working in underserved areas
- Proof of employment or volunteer work in the County Public Mental Health System\*
- Career goals
- Other community service and involvement

*\*Only individuals who are verified by their County Mental Health Director/Designee as working in the County Public Mental Health System in a hard-to-fill/retain position are eligible.*

##### **6. Do certain professions receive preference and/or larger award amount?**

No.

##### **7. What is a “service obligation?”**

A “service obligation” means the contractual obligation agreed to by the recipient of a loan assumption or stipend. It is the time you spend working or volunteering for your employer for the duration that is outlined in the contract. MHLAP has a 12-month service obligation.

##### **8. Do I have to be a permanent California resident and U.S. citizen to apply for the MHLAP?**

Applicants must have a valid legal presence and ability to work and provide care in the State of California. If you are already working in California, you have a valid legal presence.

**Mental Health Loan Assumption Program**  
**FREQUENTLY ASKED QUESTIONS**

**9. Can I apply for other Health Professions Education Foundation (HPEF) programs while applying for MHLAP?**

Yes. You may apply to all HPEF programs for which you are eligible. However, if selected for more than one program, you may only accept one award, since you may not have overlapping service obligations.

**10. Can I apply for MHLAP, even if I currently owe a service obligation to HPEF or another entity?**

Yes. You may apply if you have an existing service obligation to HPEF or another organization, only if your service obligation ends before June 30, 2015. You must complete your existing obligation before starting your (new) obligation with HPEF/MHLAP. This includes, but is not limited to, CalSWEC, County, or other MHSAs stipend programs.

**11. How do I know if my mental health profession will qualify for the MHLAP?**

Counties determine which positions fit their hard-to-fill/retain criteria and are eligible. Eligibility requirements may, therefore, vary by County and year. MHLAP staff will direct you to your appropriate employment County contact.

**12. How do I know if my facility will qualify for MHLAP?**

To qualify for MHLAP, you must work in the County Public Mental Health System, which means publicly-funded mental health programs/services that are administered, in whole or in part, by the County Department of Mental Health. This may include County Juvenile Hall facilities and County contractors or sub-contractors. However, publicly-funded programs and/or services administered, in whole or in part, by adult correctional entities or services provided in adult correctional facilities do *not* qualify.

**13. Will my employer need to fill out any forms for MHLAP?**

Yes. Your direct supervisor or administrative officer will be required to sign the Employment or Volunteer Verification Form (EVF), included in the application. You will need to print this form from the online application and upload it onto the online application system. MHLAP staff will forward your EVF to your County Mental Health Director/Designee for verification, once your application is received.

**14. What employment county do I indicate on my MHLAP application?**

The eligibility and verification of employment hinges on which County's population is being served. MHLAP applicants, whether working for a county or for a county contractor, must be providing services to that county's residents in order to be eligible in that county. An organization's headquarters, facility or clinic location can be anywhere within the State of California; however, what matters for eligibility is which residents that organization is serving. Examples are provided below:

- A mental health clinic's headquarters or facility is in Yolo County but does not serve any Yolo County residents (the clients come from other counties). In this case, the Yolo County Mental Health Director would not be able to verify this applicant as eligible.
- An applicant's headquarters could be in Sacramento, but s/he provides care through a county contract in Placer. In this case, the Placer County Mental Health Director, not the Sacramento Mental Health Director, would be required to verify the applicant as hard-to-fill/retain.
- **If switching employment counties during the 12-month service obligation, you will automatically be ineligible for MHLAP.**

**15. Do all applicants of MHLAP receive a loan repayment award?**

**Mental Health Loan Assumption Program**  
**FREQUENTLY ASKED QUESTIONS**

No. Awards for MHLAP are made on a competitive basis. Of the 2,123 applicants for the 2013/2014 MHLAP Application Cycle, 1,301 were awarded. Additionally, applicants may not always receive the maximum loan repayment award of \$10,000. The average award for the last cycle was \$8,464.

**16. What if my loans are consolidated?**

If your educational loans are consolidated, you may list only the consolidated loan information on the Educational Debt Reporting Form. Also, include the corresponding lender statement. Loans may not be consolidated with other types of debt or with another person.

**17. What if my loans are in forbearance or deferment?**

You are considered eligible for a loan repayment award if your loans are in forbearance or deferment so long as those remain with a commercial or government educational lender. You are, however, not qualified if your loan is in default.

**Other FAQs**

**18. How is MHLAP funded?**

MHLAP is funded by the Mental Health Services Act (MHSA), also known as Proposition 63 approved by California voters in November 2004. (See *MHLAP Program Overview* above)

**19. How many applicants are awarded through MHLAP?**

The number of applicants awarded will depend on the number of eligible applications and the availability of funding.

**20. How will I be notified of an award?**

The Foundation will notify all applicants of their MHLAP results when all applications have been reviewed and scored. Award notifications will be sent before service obligations begin on or before June 30, 2015. Award notifications and other correspondence will be sent via email.

**21. If I am selected for an MHLAP award, does the money come directly to me or will it be sent to my lender?**

A single payment shall be made on the award recipient's behalf directly to his/her lender after the 12-month service obligation has been completed and all necessary paperwork has been received and processed. Awardees should expect it to take from 4 to 8 weeks for the payment to be processed after they have completed their obligation and submitted all necessary paperwork.

**22. If I am selected for an MHLAP award, do I still have to make payments to my lender/s?**

Yes. You are responsible for making continued loan payments to your lender/s throughout your participation in MHLAP. The Foundation is not responsible for any late fees, penalties, or accrued interest.

**23. If I am selected for an MHLAP award, will I still get paid my salary?**

Yes. Participation in MHLAP does not affect your salary.

**24. If I have been working in a qualified facility for several years already, can I backdate my contract to include time that I have already served?**

No. You cannot use prior employment in order to complete the terms of your service obligation for MHLAP. The start date of your 12-month service obligation will begin after you are awarded and have signed your contract. MHLAP service obligation will begin on or before June 30, 2015.

**25. What happens if I am unable to fulfill the terms of my contractual obligation and complete my service obligation?**

If you are unable to complete your 12-month service obligation in the County Public Mental Health System, no payment will be made toward your loan/s. The award is not pro-rated based on the number of months served.