

101 CMR 31.00: ADMINISTRATION AND ENFORCEMENT OF THE LOAN REPAYMENT ASSISTANCE PROGRAM

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31.01: General Provisions

- (1) Scope and Purpose. 101 CMR 31.00 governs the administration and enforcement of the loan repayment assistance program.
- (2) Administrative Bulletins and Other Written Guidance. EOHHS may issue administrative bulletins or other written guidance to clarify its policy on and understanding of substantive provisions of 101 CMR 31.00.
- (3) Contracts. EOHHS may enter into contracts with one or more contractors to administer the loan repayment assistance program, and EOHHS or the contractor(s) may enter into contracts with awardees. These contracts, including guidance or instruction thereto, may include terms beyond the scope of the provisions described in 101 CMR 31.00, except to the extent that they explicitly conflict with 101 CMR 31.00 or administrative bulletins or other written guidance issued thereunder.

31.02: Definitions

As used in 101 CMR 31.00, terms have the meanings set forth in 101 CMR 31.02, except where the context clearly indicates otherwise.

Awardee. An individual who applies for loan repayment for outstanding educational debt and is selected to receive a loan repayment.

Awardee Agreement. The contract, approved by EOHHS, executed between awardee and contractor that outlines the terms of the program and recoupment; details awardees responsibilities and obligations; and details contractor's responsibilities and obligations.

Commercial Loans. Loans made by banks, credit unions, savings and loan associations, insurance companies, other financial or credit institutions, and schools, which are subject to examination and supervision in their capacity as lenders by an agency of the United States or of the state in which the lender has its place of business.

Contractor. Any entity that is awarded and executes a contract or agreement with EOHHS to administer the loan repayment assistance program.

EOHHS. The Executive Office of Health and Human Services established under M.G.L. c. 6A.

Government Loans. Loans that are made by federal, state, county, or city agencies that are authorized by law to make such loans.

Loan Repayment Assistance Program. The program or programs for loan repayment assistance to pay for authorized outstanding educational debt.

MassHealth. The medical assistance and benefit programs administered by EOHHS pursuant to Title XIX of the Social Security Act (42 U.S.C. 1396a *et seq.*), Title XXI of the Social Security Act (42 U.S.C. 1397aa *et seq.*), M.G.L. c. 118E, and other applicable laws and waivers to provide and pay for medical services to eligible members.

31.02: continued

Outstanding Educational Debt. Qualifying educational loans that are government and commercial loans for actual costs paid for tuition and reasonable educational and living expenses related to the undergraduate or graduate level education of the applicant that resulted in the degree that qualifies them for this initiative. Applicants must provide a copy of all qualifying loan documentation (*e.g.*, promissory notes) to the vendor, in the manner prescribed by the vendor.

Service Obligation. The specific services the awardee agreed to perform for a specified duration as described in the awardee agreement. The service obligation is a condition of receiving the loan repayment award.

31.03: Administration

(1) General. The loan repayment assistance program includes the loan repayment initiative authorized under line 1599-2026 of St. 2021, c. 102, which includes \$110,500,000; the loan repayment initiative authorized under line 4513-2020 of St. 2021, c. 24, which includes \$5,000,000; the loan repayment initiative authorized under line 1599-2027 of St. 2021, c. 102, which includes \$16,500,000; and other loan repayment initiatives authorized by the Massachusetts legislature, federal government, or other entity and administered by EOHHS, other than MassHealth initiatives eligible for federal financial participation.

(2) Use of Contractors.

(a) EOHHS may administer the loan assistance program directly or through the use of one or more contractors.

(b) EOHHS may pay for state staff or contractors to administer the loan assistance program using a portion of the funding allocation described in 101 CMR 31.03(1).

31.04: Conditions of Payment

To qualify for an award, an awardee must meet all of the requirements outlined in the awardee agreement.

31.05: Cancellation, Suspension, or Waiver

(1) Cancellation. Any service obligation or payment obligation of an awardee will be canceled upon the death of the awardee.

(2) Waiver or Suspension.

(a) An awardee may seek a waiver or suspension of the service or payment obligations incurred under this program by written request, setting forth the reasons, circumstances, and causes for the requested action. EOHHS may approve a request for a suspension for a period of one year. A renewal of this suspension may also be granted. Good cause for such suspension includes medical leave, parental leave, or call to duty in the United States Armed Forces or the National Guard.

(b) EOHHS may waive or suspend any service or payment obligation incurred by a participant whenever compliance by the participant

1. is impossible; or

2. would involve undue hardship to the participant, and enforcement of the service or payment obligation would be against equity and good conscience.

(c) The process for applying for waivers or suspensions will be set forth in the awardee agreement.

(d) Waiver or suspension will be at the sole discretion of EOHHS. Suspensions will extend deadlines but not eliminate the service or payment obligations.

31.06: Enforcement

- (1) Repayment Terms for Breach of Conditions. If an awardee breaches any of the conditions of the awardee contract, EOHHS may require the return of any or all payments, with interest. The interest rate paid by awardee on overpayments is the federal short-term rate determined under the Internal Revenue Code § 6621(b), as amended and in effect for the relevant period plus one percentage point simple interest.
- (2) Time for Repayment. Any amounts owed pursuant to 101 CMR 31.06 must be repaid within one year of the default. Additional interest will accrue during periods when money is owed.
- (3) Awardee Contracts. The awardee contracts may specify further terms for repayment after the breach of condition.
- (4) Collection and Reporting. EOHHS may take any lawful steps to collect on amounts owed or report debts to credit reporting agencies.

31.07: Severability

The provisions of 101 CMR 31.00 are severable. If any provision or subprovision of 101 CMR 31.00 or the application of such provision or subprovision of 101 CMR 31.00 is held invalid or unconstitutional, such determination will not be construed to affect the validity or constitutionality of any other provision or subprovision of 101 CMR 31.00 or the application thereof.

REGULATORY AUTHORITY

101 CMR 31.00: St. 2021, c. 102; St. 2021, c. 24.