Overview

Doctors Across New York (DANY) is a series of state-funded programs enacted in 2008 and administered by the Department of Health (DOH) to help train and place physicians in a variety of settings and specialties to care for New York's diverse population. In the enacted budget of FY 2016-17 the Office of Mental Health received permission to administer (with continued support from DOH) its own segment of DANY: The OMH Psychiatrist Loan Repayment Program (OMH PLRP).

The OMH PLRP provides up to $150,000 in funding over a five-year period for psychiatrists who commit to a five-year service obligation in an OMH facility where the Commissioner has determined the need to be the most critical.

A total of $1.5 million is available to fund the OMH PLRP during FY 2016-17. These funds will support a minimum of 50 awards.

This document provides information on the OMH Psychiatrist Loan Repayment Program (OMH PLRP) only.

Background

By 2030, growth in demand for all physicians in New York State will likely outpace growth in the supply of physicians, particularly psychiatrists. Using forecasting models adapted to include data specific to New York, in 2010, the Center for Health Workforce Studies concluded that between 2006 and 2030, growth in the demand for physicians in New York would likely outpace growth in the supply of physicians. The forecasts suggested that New York was likely to face a physician shortage in 2030, and, in the case of areas and populations already experiencing shortages, the intensification of current shortages. The forecasted gap between supply and demand would result in a shortage of between 2,500 and 17,000 additional physicians by 2030.

The greatest gap between supply and demand statewide is projected in specialties that are forecasted to lose physicians over the period of forecast (2006-2030), including psychiatry, the primary care discipline targeted by the DANY OMH Psychiatrist Loan Repayment Program (OMH PLRP). The supply of psychiatrists is forecasted to decrease between 11.6% and 17.5%, depending on the specific assumptions behind the forecasts. Demand is projected to increase between 4.1% and 28%, resulting in a potential shortage of between 1,182 and 2,653 psychiatrists by 2030.

Table 1: Projected Differences Between Supply and Demand in New York State for Psychiatrists in 2030

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychiatry</td>
<td>6,166</td>
<td>5,236 – 6,166</td>
<td>6,420 – 7,891</td>
<td>(1,182) – (2,653)</td>
</tr>
</tbody>
</table>
Program Overview and Background
Doctors Across New York (DANY)
OMH Psychiatrist Loan Repayment Program (OMH PLRP)

Program Information 2016-17

Application Submission and Review Process

Applications are currently being accepted for the OMH Psychiatrist Loan Repayment Program (OMH PLRP). An individual psychiatrist can apply for funds to be used to repay qualified educational loans up to the balance of total student loan debt, not to exceed $150,000.

Applications will be accepted continuously beginning August 1, 2016. Applicants should submit their applications electronically to DANY@omh.ny.gov.

OMH staff will review applications in the order in which they are received. An applicant shall be notified in writing by OMH within 10 business days of receipt of an application as to whether the application is complete or incomplete. If the application is incomplete, OMH will inform the applicant regarding information that remains outstanding, and the applicant may submit missing information within 10 business days of email notification by OMH. OMH will review new information within 30 days of receipt of the complete application.

Individual psychiatrists cannot participate in both the DANY OMH PLRP and other DOH DANY programs, i.e. Physician Loan Repayment (PLR) or Physician Practice Support (PPS) programs. Only one DANY award will be made during the same service obligation period. Psychiatrists cannot be fulfilling any current state or federal loan repayment obligation where the obligation periods of that repayment program would overlap or coincide with the DANY OMH PLRP obligation period.

An applicant may withdraw an application at any time by notifying OMH in writing. An applicant who receives an award but is subsequently unable to fulfill the requirements of the award or resulting contract also must notify OMH in writing. Any applicant who submits an application that is deemed ineligible or who withdraws an application may resubmit a new application. When funding has been depleted to a level such that an applicant's total requested funding amount cannot be met, the applicant will be offered a reduced award amount. If the applicant accepts that amount, no further awards will be made. If the applicant declines that amount, the next eligible applicant will be offered an award until funds are completely exhausted.

Award Notifications

Based on statute, and the determination of the Commissioner of the New York State Office of Mental Health, FY 2016-17 funding will be allocated to provide fifty (50) OMH PLRP awards. Applicants will be selected for an award on a first-come first-served basis if their applications are complete and meet the minimum threshold for an award, as described in the application instructions, and funding remains available. It is anticipated that approximately 50 OMH Psychiatrist Loan Repayment Program awards will be made during FY 2016-17. The funds will be provided directly to the psychiatrist. All applicants awarded DANY OMH Psychiatrist Loan Repayment Program funds will be notified by email and/or U.S. mail within a reasonable time following the conclusion of the application approval.
Allocation of Funding

Each OMH facility listed below shall be allocated at least one (1) award for FY 2016-17. The OMH Telepsychiatry Program will be allocated at least two (2) awards. The remaining awards shall be available to those facilities with the greatest need. The total number of awards initially allocated to each facility is listed below. These allocations are based on a composite of information including: estimated staffing needs; ward composition; census; number of locations; and anticipated attrition. Once a facility has made all of their allocated awards a Waitlist of additional applicants will be kept.

If awards have not been made at an OMH facility or to the Telepsychiatry Program by October 1, 2016, at the discretion of the Commissioner of the Office of Mental Health, the awards may be reallocated to any other facility/program with a Waitlist. The Commissioner will revisit distribution and reallocation of awards at least once each fiscal year. Allocations are subject to change as psychiatrist shortages are identified.

<table>
<thead>
<tr>
<th>OMH Facility</th>
<th># Awards Allocated</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. Lawrence Psychiatric Center</td>
<td>4</td>
</tr>
<tr>
<td>Central New York Psychiatric Center</td>
<td>4</td>
</tr>
<tr>
<td>Kirby Forensic Psychiatric Center</td>
<td>4</td>
</tr>
<tr>
<td>Hutchings Psychiatric Center</td>
<td>4</td>
</tr>
<tr>
<td>Buffalo Psychiatric Center</td>
<td>4</td>
</tr>
<tr>
<td>Greater Binghamton Health Center</td>
<td>4</td>
</tr>
<tr>
<td>Mohawk Valley Psychiatric Center</td>
<td>2</td>
</tr>
<tr>
<td>South Beach Psychiatric Center</td>
<td>2</td>
</tr>
<tr>
<td>Elmira Psychiatric Center</td>
<td>2</td>
</tr>
<tr>
<td>Mid-Hudson Forensic Psychiatric Center</td>
<td>2</td>
</tr>
<tr>
<td>Capital District Psychiatric Center</td>
<td>2</td>
</tr>
<tr>
<td>Sagamore Children’s Psychiatric Center</td>
<td>2</td>
</tr>
<tr>
<td>Rockland Psychiatric Center</td>
<td>2</td>
</tr>
<tr>
<td>Pilgrim Psychiatric Center</td>
<td>2</td>
</tr>
<tr>
<td>Western New York Children’s Psychiatric Center</td>
<td>1</td>
</tr>
<tr>
<td>Manhattan Psychiatric Center</td>
<td>1</td>
</tr>
<tr>
<td>Kingsboro Psychiatric Center</td>
<td>1</td>
</tr>
<tr>
<td>Rochester Psychiatric Center</td>
<td>1</td>
</tr>
<tr>
<td>Rockland Children’s Psychiatric Center</td>
<td>1</td>
</tr>
<tr>
<td>Bronx Psychiatric Center</td>
<td>1</td>
</tr>
<tr>
<td>Creedmoor Psychiatric Center</td>
<td>1</td>
</tr>
<tr>
<td>New York City Children’s Center</td>
<td>1</td>
</tr>
<tr>
<td>Telepsychiatry Program (serving locations throughout the state)</td>
<td>2</td>
</tr>
</tbody>
</table>
Payment Issues

DANY OMH Psychiatrist Loan Repayment Program

Obligated psychiatrists may receive up to $150,000 over 5 years, payable upon contract execution, educational debt levels and semi-annual employment verification reports. Payments will be made in increments of 10 payments each of one-half the annual award as follows:

Payment 1 (Year 1): 7.5% of total qualified debt not to exceed $10,000;
Payment 2 (Year 1): 7.5% of total qualified debt not to exceed $10,000;
Payment 3 (Year 2): 7.5% of total qualified debt not to exceed $12,500;
Payment 4 (Year 2): 7.5% of total qualified debt not to exceed $12,500;
Payment 5 (Year 3): 10% of total qualified debt not to exceed $17,500;
Payment 6 (Year 3): 10% of total qualified debt not to exceed $17,500;
Payment 7 (Year 4): 12.5% of total qualified debt not to exceed $17,500;
Payment 8 (Year 4): 12.5% of total qualified debt not to exceed $17,500;
Payment 9 (Year 5): 50% of the lesser of (1) the total qualified debt minus the total of payments 1-8 or (2) the award amount minus the total of payments 1-8;
Payment 10 (Year 5): 50% of the lesser of (1) the total qualified debt minus the total of payments 1-8 or (2) the award amount minus the total of payments 1-8.

The first payment will be made subsequent to the successful completion of all of the following:

- Execution of the contract between the psychiatrist and DOH; and
- Verification of the psychiatrist's qualifying educational debt; and
- Verification that the psychiatrist has completed a minimum of six months eligible obligated service at the awarded site.

Subsequent payments will be made in six-month periods thereafter, pending verification of employment, renewal of the contract with DOH (as required), and the continued availability of funds.

Tax Issues

Section 10908 of the Patient Protection and Affordable Care Act (PL 111-148) addresses federal taxability of state loan repayment programs that are not part of the Federal State Loan Repayment (SLRP) program. This section puts the state loan repayment programs on par with the federal/state SLRP programs in terms of federal taxability. The text is as follows:

SEC. 10908. EXCLUSION FOR ASSISTANCE PROVIDED TO PARTICIPANTS IN STATE STUDENT LOAN REPAYMENT PROGRAMS FOR CERTAIN HEALTH PROFESSIONALS.

(a) IN GENERAL.—Paragraph (4) of section 108(f) of the Internal Revenue Code of 1986 is amended to read as follows:

"(4) PAYMENTS UNDER NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAM AND CERTAIN STATE LOAN REPAYMENT PROGRAMS.—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, or
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)."

(b) EFFECTIVE DATE — The amendment made by this section shall apply to amounts received by an individual in taxable years beginning after December 31, 2008.

Loan repayment funds under the OMH Psychiatrist Loan Repayment Program (OMH PLRP) are exempt from federal and state taxes. Please consult your tax professional for more information about your specific tax situation.

Administrative Requirements

Issuing agency

This funding opportunity is issued by the Office of Mental Health (OMH). OMH is responsible for the requirements specified herein and for the evaluation of all applications. This funding opportunity has been posted on the OMH public website at: https://www.omh.ny.gov/omhweb/employment/loan-repayment.html

Frequently asked questions and answers, as well as any updates and/or modifications, may also be posted on the above website.

Questions

Questions regarding this funding opportunity and application materials should be submitted to: DANY@omh.ny.gov

Or

NYS Office of Mental Health
DANY OMH Psychiatrist Loan Repayment Program - 7th Floor
44 Holland Avenue
Albany, NY 12209
518-474-1261

Prospective applicants should note that all clarifications and exceptions, including those relating to the terms and conditions of the contract, should be requested prior to the submission of an application.

To the degree possible, each inquiry should cite the application section, paragraph or numbered item to which it refers. OMH PLRP staff will make every attempt to answer all questions within 3 business days of their submission.

Term of Contract

Any DANY OMH Psychiatrist Loan Repayment Program contract resulting from this application will be processed through the New York State Office of the Comptroller and will be for a 60 month period. The effective date will be specified in the contract.
OMH Psychiatrist Loan Repayment Program (OMH PLRP) applicants should note that significant penalties will be instituted (see sample contract) in the event the applicant cannot fulfill the full 5 year service obligation.

Change in Location of Obligation

Awardees will be expected to fulfill their five (5) year service obligation at the facility where originally assigned. Awardees may only be reassigned or permitted to change their service location at the discretion of the Commissioner of the Office of Mental Health. Requests for location changes should be sent to DANY@omh.ny.gov.

Deferral of Obligation

Awardees who need to defer their service obligations (e.g., for maternity/paternity leave, military service, etc.) must request permission from OMH in writing at least 30 days prior to the requested date of deferral. The decision to permit a deferral will be solely at the discretion of OMH; any deferral periods granted by OMH will be added to the obligated psychiatrist's term of obligation. Requests for deferrals should be sent to DANY@omh.ny.gov.

Default of Obligation

A default is defined as the awardee’s failure to comply with the service obligations as stated in the Master Grant Contract. To review these criteria please see the "General Specifications" below. All payment and reporting terms will be detailed in Attachment D of the Master Grant Contract.

General Specifications

1. By signing the Application each signatory attests to the truth of all statements on the application.
2. The applicant will possess, at no cost to the State, all qualifications, licenses, and permits to engage in the required business as may be required within the jurisdiction where the work specified is to be performed. Workers to be employed in performance of this contract will possess the qualifications, training, licenses and permits as may be required within such jurisdiction.
3. Submission of an application indicates the applicant's acceptance of all conditions and terms contained in this funding opportunity, including the terms and conditions of the contract.
4. An applicant may be disqualified from receiving an award if such applicant has previously failed to perform satisfactorily in connection with public bidding or contracts.
5. Provisions Upon Default:
   1. The services to be performed by the Awardee shall be at all times subject to the direction and control of the OMH as to all matters arising in connection with or relating to the contract resulting from this funding opportunity.
   2. In the event that the Awardee, through any cause, fails to perform any of the terms, covenants or promises of any contract resulting from this funding opportunity, the OMH acting for and on behalf of the State, shall thereupon have the right to terminate the contract by giving notice in writing of the fact and date of such termination to the Awardee.
3. If, in the judgment of the OMH, the Awardee acts in such a way which is likely to or does impair or prejudice the interests of the State, the OMH acting on behalf of the State, shall thereupon have the right to terminate any contract resulting from this funding opportunity by giving notice in writing of the fact and date of such termination to the Awardee. In such case the Awardee shall receive equitable compensation for such services as shall, in the judgment of the State Comptroller, have been satisfactorily performed by the Awardee up to the date of the termination of this agreement, which such compensation shall not exceed the total cost incurred for the work which the Awardee was engaged in at the time of such termination, subject to audit by the State Comptroller.

4. Specific Provisions of this application:

If an OMH Psychiatrist Loan Repayment Program Awardee defaults on his/her service obligation, the Awardee shall incur a significant repayment penalty.

The Awardee will be notified of a finding of default via a demand letter and given the option of repayment of funds owed in one lump sum, or based on a repayment plan to be determined by the State of New York.

The State of New York, by and through the concurrence of the Office of Mental Health, the Department of Health, the Office of the Attorney General, and the Office of the State Comptroller, reserves the right to postpone, change or waive the service obligation and repayment amounts in individual circumstances where there is compelling need or hardship due to circumstances beyond the control of the Awardee, which causes or is likely to cause Awardee’s default under this contract.

Reservation of Rights

OMH reserves the right to:

1. Reject any or all applications received in response to this funding opportunity.
2. Withdraw the funding opportunity any time, at the sole discretion of OMH.
3. Make an award under the funding opportunity in whole or in part.
4. Disqualify any applicant whose conduct and/or proposal fails to conform to the requirements of the funding opportunity.
5. Seek clarifications and revisions of applications.
6. Use application information obtained through site visits, management interviews and the state’s investigation of an applicant’s qualifications, experience, ability or financial standing, and any material or information submitted by the applicant in response to the agency’s request for clarifying information in the course of evaluation and/or selection under the funding opportunity.
7. Amend the funding opportunity specifications to correct errors or oversights, or to supply additional information, as it becomes available.
8. Direct applicants to submit proposal modifications addressing subsequent funding opportunity amendments.
9. Change any of the scheduled dates.
10. Waive any requirements that are not material.
11. Award more than one contract resulting from this funding opportunity.
12. Conduct contract negotiations with the next responsible applicant, should OMH be unsuccessful in negotiating with the selected applicant.
13. Utilize any and all ideas submitted with the applications received.
14. Waive or modify minor irregularities in applications received after prior notification to the applicant.
15. Require clarification at any time during the procurement process and/or require correction of arithmetic or other apparent errors for the purpose of assuring a full and complete understanding of an offerer's application and/or to determine an offerer’s compliance with the requirements of the funding opportunity.
16. Negotiate with successful applicants within the scope of the funding opportunity in the best interests of the State.
17. Eliminate any mandatory, non-material specifications that cannot be complied with by all applicants; and
18. Award grants based on geographic or regional considerations to serve the best interests of the state and at the Commissioner’s discretion.

Standard Contract

An example of a standard contract, including all attachments, can be found at:

Freedom of Information Law

All applications may be disclosed or used by OMH to the extent permitted by law. OMH may disclose an application to any person for the purpose of assisting in evaluating the application or for any other lawful purpose. All applications will become State agency records, which will be available to the public in accordance with the Freedom of Information Law. Any portion of the application that an applicant believes constitutes proprietary information entitled to confidential handling, as an exception to the Freedom of Information Law, must be clearly and specifically designated in the application. If OMH agrees with the proprietary claim, the designated portion of the application will be withheld from public disclosure. Blanket assertions of proprietary material will not be accepted, and failure to specifically designate proprietary material may be deemed a waiver of any right to confidential handling of such material.


Questions or comments: DANY@omh.ny.gov
Revised: July 28, 2016