



# 2025 Home and Community-Based Services (HCBS) Employee Scholarship Grant and Loan Forgiveness Program

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*January 6, 2025*

# Program Description

- HCBS Scholarship and Loan Forgiveness Program authorized by [Minnesota Statutes Section 144.1503](#)
- Funds employee scholarships and repaying qualified educational loans secured by employees for education in nursing and other health care fields
- Grant funds must be used to cover costs related to a course of study that is expected to or has led to career advancement with the provider or in the HCBS field.

# Funds Available

Funding	Estimate
Estimated Amount to Grant to Employers for Scholarships	\$1,095,000
Estimated Award Range for Grants to Employers for Scholarships	\$12,000-\$125,000
Estimated Number of Grant Awards to Employers for Scholarships	25
Award Amount for Loan Forgiveness Awards to Individuals	\$12,000
Estimated Number of Loan Forgiveness Awards to Individuals	45

- Funding is allocated through a competitive process
- No expenditures may be incurred before the grant agreement is fully executed and the start date arrives

# General Information

- Project Dates:
  - Scholarship grants to employers: June 1, 2025 – May 31, 2028.
  - Loan forgiveness awards to individuals: July 1, 2025 – May 31, 2027.
- Collaboration with secondary and post-secondary schools to recruit new staff is encouraged but not required.
- Collaboration with a qualified educational institution to offer training at the HCBS employer site is one option for scholarship funding.
- There is no match requirement for this grant.

# Eligible Applicants

Nonprofit and for-profit organizations that meet the following criteria:

- Located in Minnesota.
- Primarily provide services to individuals who are 65 years of age and older in home and community-based settings. At least 51% of the organization's patients/clients must be age 65 and older.
- Hold one of the following licenses:
  - Assisted living facility as defined in [Sec. 144G.08 MN Statutes, subdivision 7](#)
  - Adult day care facility as defined in [MN Statute 245A.02, subdivision 2a](#)
  - Home care services provider as defined in [MN Statute 144A.43, subdivision 3](#)

# Eligible Applicants, continued

- Other types of entities, including nursing homes and hospice facilities, are not eligible for this program.
- An organization may only submit one application. Organizations with multiple sites should submit one application and make clear which sites will be involved.
- Grant funds are not transferrable to any other entity. Applicants that are aware of any upcoming mergers or other changes in ownership must disclose this information to MDH as soon as they are aware of it.

# Outcomes & Priorities

- Increased number of HCBS employees receiving scholarships and loan forgiveness to support their training
  - Priority for certification/licensure in nursing fields (CNA, LPN, RN)
- Demonstrated retention of direct-care HCBS employees serving providers across Minnesota that are experiencing workforce retention challenges
- Priority will be given to providers outside of the seven-county metro area and those with operating expenses less than \$2 million and 50 clients or fewer

## Scholarship Program

- Award scholarships to employees to cover coursework in eligible programs, and/or
- Offer in-house trainings provided by a qualified educational institution.

## Loan Forgiveness Program

- HCBS provider organizations may apply on behalf of their employees.
- Employers submit to MDH the names of employees whom they are nominating for loan forgiveness.

Applicant organizations may apply for scholarship funding, loan forgiveness for their employees, or both.



# Scholarship Recipients

- Scholarship funding is granted by MDH to HCBS organization to establish a scholarship program. MDH grants funding on a reimbursement basis, not up front.
- Employees receiving scholarships (for outside courses of study or in-house training) must be in a direct caregiving role and work an average of 10 hours per week.
- Courses of study or trainings must:
  - Be directly related to patient or client care
  - Lead to career advancement with the provider or in the long-term care field
  - Result in an industry-recognized certification or credential, or include stackable course credits supporting adult basic education, a degree program, a diploma, or a license

# Scholarship Courses of Study and Trainings

## Eligible Courses of Study:

- Nursing, including Certified Nursing Assistant (CNA), Licensed Practical Nurse (LPN), Registered Nurse (RN), or other relevant degrees
- Degree programs in the field of long-term care, including care for persons with disabilities
- Licensed Assisted Living Director (LALD)
- Social work
- Occupational therapy
- Physical therapy

## Examples of Eligible In-house Trainings:

Patient/client care-related trainings that result in industry-recognized certifications, credentials, or course credits **above and beyond those required for licensure of the organization**. For example:

- Trained Medication Aide
- Certified Dementia Practitioner
- Wound Care Certification
- Training for medical interpreter services
- Job-related English language learning

# Scholarship Expenses

## Eligible Expenses:

- Must be directly related to employees' coursework or training:
  - Employee tuition
  - Textbooks and materials
  - Childcare expenses while employee is attending classes
  - Mileage reimbursement
  - Payment to qualified educational institution for in-house training
  - Entrance or licensure exam fees
- Coursework and training must take place during grant period.
- Grantee organizations will need to submit documentation of all eligible expenses to MDH for reimbursement.

## Ineligible Expenses:

- Administrative expenses to manage the grant funds
- Employee wages, fringe benefits, or stipends while the employee is attending school
- Courses or training required to maintain an employee's current certification or licensure
- Courses that will not lead to the employee's career advancement in the field of long-term care
- Out-of-state travel or lodging
- Food and beverage, except as included in course or training registration fee
- Supplies or equipment not directly related to training/coursework of scholarship recipients
- Capital improvements
- Solicitating donations
- Taxes, except sales tax on goods and services
- Lobbyists, political contributions
- Bad debts, late payment fees, finance charges, or contingency funds

# Scholarship Grant Contractual Obligations

- Work may not start prior to the full execution of the grant agreement and the project start date (expected to be June 1, 2025 for scholarship grants)
- Grant activities approved for payment are outlined in contract exhibits
  - Any activities outside of this must be approved prior to action
- Grantees must report on financial and programmatic activities quarterly
  - January 20, April 20, July 20, October 20
- Grantees receiving over \$50,000 will have one grant monitoring visit and financial reconciliation per grant period

# Scholarship Program Data Reporting Requirements

HCBS provider organizations that receive a grant for employee scholarships must report the following data each quarter:

- Amount of funding spent on scholarships
- Number of employees who received scholarships
- For each scholarship recipient: name, current position, amount awarded, educational institution attended (or institution that provided in-house training), nature of educational program, and expected or actual program completion date

# Loan Forgiveness Overview

- Eligible HCBS provider organizations apply to MDH for loan forgiveness on behalf of their employees.
- Employers submit names/contact info of employees they are nominating for loan forgiveness and rank employees in order of priority.
- Unlike the scholarship grants, in which employer organizations administer scholarship funding to their employees, MDH disburses loan forgiveness awards directly to individuals.
- This year's standard loan forgiveness award is \$12,000 per employee. If an employee's loan balance is less than that, they will receive loan forgiveness for the amount of their loan balance.

# Loan Forgiveness Recipients

- Eligible HCBS employer submits their name to MDH for consideration
- Employed in a caregiving role, primarily older adults (e.g., LPN, RN, LALD)
- Agree to work a minimum of 2 years, at least 45 weeks per year, at least 32 hours per week, for an eligible HCBS employer
  - 2-year service commitment begins on their loan forgiveness award date, expected to be July 1, 2025
  - Employees can move between eligible HCBS employers during that 2-year period
- Loan forgiveness recipients and their employers will submit annual confirmation of practice documents to MDH
- If a recipient does not fulfill their service commitment, they will be responsible for repaying their award with interest

## Loans eligible for forgiveness:

- Loans for actual costs paid for tuition and reasonable educational and living expenses for undergraduate or graduate education
- Must be for nursing or other health care fields
- Government, commercial, or foundation loans

## Ineligible loans:

- Credit card debt
- Loans from family members
- Parent PLUS loans
- Loans in current or active default
  - Rehabilitated loans may be eligible



# Review Process

- MDH determines initial eligibility for scholarship grant or employee loan forgiveness awards
- External evaluators review and score applications on the criteria in RFP Attachment A: Application Evaluation Criteria (next slide)
- Review committee makes award recommendations, and MDH makes final award decisions
- MDH conducts due diligence and past performance review prior to entering into grant agreements

# **NEW** FY2025 Evaluation Criteria

## **Scholarship Program:**

- Organization Background and Capacity – 35 points
- Project Narrative: Scholarship Funding – 45 points
- Budget: Scholarship Funding – 20 points

## **Loan Forgiveness Program:**

- Organization Background and Capacity – 35 points
- Project Narrative: Loan Forgiveness Funding – 65 points

# Evaluation Criteria Examples

- Application clearly identifies need for scholarships and/or loan forgiveness: educational needs of caregiving staff, retention concerns, assessment of how many more patients/clients could be served, other information about clientele, geographic location, business circumstances
- Application clearly demonstrates how scholarship program and/or loan forgiveness will help recruit and retain employees, improve patient/client care, and/or increase number of patients/clients served
- Organization has promising recruitment activities planned, including collaborations with educational institutions and/or pathway programs
- Organization has clear, likely successful plans for retaining employees after completion of scholarship or loan forgiveness
- See RFP Attachment A: Application Evaluation Criteria for full details

# Application Questions and Submissions

## Questions?

- Please submit questions no later than 4:30 p.m. Central Time on January 31, 2025.
- Submit questions via email to [health.hcbsgrant@state.mn.us](mailto:health.hcbsgrant@state.mn.us)
- To provide a fair and equitable process, MDH will post questions asked and answers once a week at:
  - [ORHPC Grants and Funding - MN Dept. of Health \(state.mn.us\)](https://www.health.state.mn.us/ohpc/grants/funding-mn)

## Submissions:

- Applications are due **February 14, 2025 at 4:30 pm Central Time**
- All applications will be completed and submitted via the online [ORHPC Grants Management System](#)

# Creating/Managing Users

Logon Page - Grant Lifecycle Ma... x +

grantinterface.com/Home/Logon?urlkey=mdh

**m** DEPARTMENT OF HEALTH

Logon Page

Email Address\*

Password\*

Log On Create New Account

[Forgot your Password?](#)

Welcome to the MN Department of Health's Office of Rural Health and Primary Care's online grant portal.

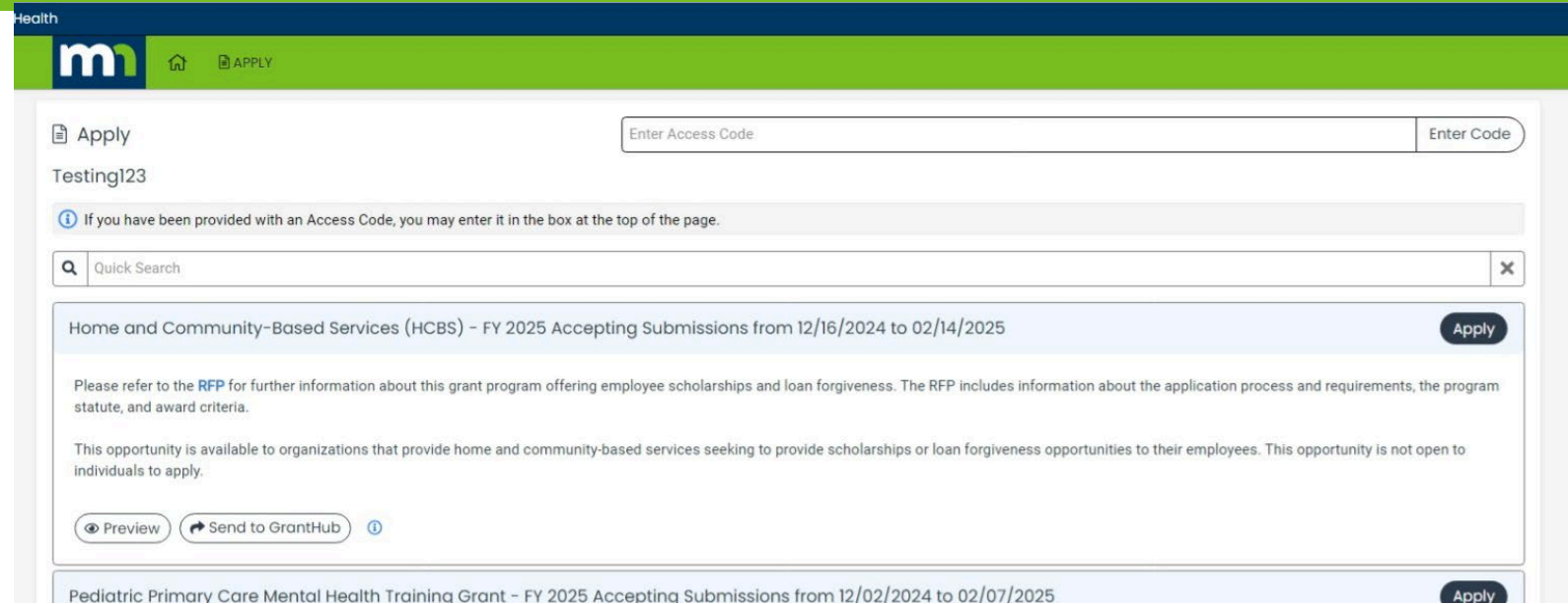
**FOR THOSE APPLYING FOR MN HEALTH CARE LOAN FORGIVENESS OR STATE LOAN REPAYMENT PROGRAM:** Please click on the "Create New Account" button to set up an account to enter into the grant portal.

**ALL CURRENT USERS:** Please click on the "Forgot your Password?" link to create a new password for the account that has already been set up for you.

- Existing Users: log in or use the forgot password button
- New Users: verify your organization has or doesn't have a profile & create profile(s)
- If you are unsure of organization's status, reach out to MDH

# Starting an Application

- On the home page of the portal, find the *Home and Community-Based Services (HCBS) – FY2025*
- Click Apply



Home and Community-Based Services (HCBS) - FY 2025 Accepting Submissions from 12/16/2024 to 02/14/2025 [Apply](#)


Please refer to the [RFP](#) for further information about this grant program offering employee scholarships and loan forgiveness. The RFP includes information about the application process and requirements, the program statute, and award criteria.

This opportunity is available to organizations that provide home and community-based services seeking to provide scholarships or loan forgiveness opportunities to their employees. This opportunity is not open to individuals to apply.

[Preview](#) [Send to GrantHub](#) [?](#)

# Application Sections

Apply / Home and Community-Based Services (HCBS) – FY 2025 / Application / Preview

 Fields with an asterisk (\*) are required.

> Home and Community-Based Services (HCBS) Application Inst...

> Section 1: Organization and Applicant Information

> Section 2: Project Information

> Section 3: Organization Background and Capacity

> Section 4: Project Narrative

> Section 6: Required Attachments

> Section 7: Applicant Conflict of Interest

> Certification

- Branching questions in **Section 4: Project Narrative** based on application type
- Scholarship grant applicants will also complete a Work Plan and Budget Overview, including a Budget Narrative
- Refer to RFP for instructions on narrative questions
- Complete at your own pace
  - Save button vs. Submit button

# Application Sections 1 & 2

- Basic information about your organization
  - Important to note that applicant will be the individual to whom reports are assigned
- Collaboration is possible: can add others as collaborators in portal
- SWIFT information is very important – this is how MDH contracts
  - If unsure, contact SWIFT help desk: 651-201-8100 or [swifthelpdesk.mmb@state.mn.us](mailto:swifthelpdesk.mmb@state.mn.us)



# Application Section 3: Organization Background & Capacity

- Type of HCBS Organization
- Facility or Service Location(s)
- Number of Patients/Clients
- Percentage of Patients/Clients Over 65
- Percentage of Patients/Clients by payment type (cash, insurance, waiver)
- Caregiving Turnover in 2023 and 2024
- Organizational Overview
- Need Statement
- Previous HCBS Funding and Years Awarded (*if applicable*)
- Impact of Previous HCBS Funding (*if applicable*)

# Loan Forgiveness & Scholarship Applicants

Applicants may apply for scholarship grant funding, loan forgiveness for individual employees, or **both**.

## Section 4: Project Narrative

### Type of Funding Requested\*

Indicate whether you are applying for scholarship funding, loan forgiveness for individual employees, or both. Check all that apply.

- Grant funding to your organization to provide employee scholarships and/or in-house trainings
- Loan forgiveness for individual employees

> Applications for Scholarship Funding

> Loan Forgiveness Program Plan

> Section 5: Work Plan and Budget Overview

# Application Section 4: Scholarship Project Narrative

## (New) Branching: Scholarship

## Applications for Scholarship Funding:

- In-House Trainings and/or Scholarships for Outside Courses of Study
- Recruitment and Partnerships
- Number of Eligible Employees for Scholarship Program
- Selection and Retention of Employees
- Program Management
- Past Success
- Benefits of Scholarship Program
- Other Funding Sources

### ▼ Section 4: Project Narrative

#### Type of Funding Requested\*

Indicate whether you are applying for scholarship funding, loan forgiveness for individual employees, or both. Check all that apply.

- Grant funding to your organization to provide employee scholarships and/or in-house trainings
- Loan forgiveness for individual employees

### > Applications for Scholarship Funding

### > Section 5: Work Plan and Budget Overview

# Application Section 5: Work Plan and Budget Overview

- Only scholarship grant applicants complete this section
- The following information must be provided for each type of scholarship or training being proposed:
  - Certification or Credential
  - Educational Institution or Training Organization
  - Start Date
  - End Date
  - Number of Recipients
  - Individual Scholarship Costs/Participant Costs
  - Total Cost
  - Budget Narrative
- If you have more than 6 activities, please upload a separate spreadsheet
- Enter the total requested funding for scholarships

# Application Section 4: Loan Forgiveness Project Narrative

## (New) Branching: Loan Forgiveness

## Loan Forgiveness Program Plan:

### Section 4: Project Narrative

#### Type of Funding Requested\*

Indicate whether you are applying for scholarship funding, loan forgiveness for individual employees, or both. Check all that apply.

- Grant funding to your organization to provide employee scholarships and/or in-house trainings
- Loan forgiveness for individual employees

### > Loan Forgiveness Program Plan

- Recruitment and Partnerships
- Number of Eligible Employees for Loan Forgiveness
- Selection and Retention of Employees
- Past Success
- Benefits of Loan Forgiveness
- Number of Loan Forgiveness Slots Requested
- Employees Nominated for Loan Forgiveness

# Application Section 7: Required Attachments

- Audited financial statements
  - Note: Operating expenses reported in Section 3 should match the financial statements uploaded
- Due Diligence form (if required based on applicant's Supplier Type)
- Proof of active licensure or registration

# Application Section 8: Conflict of Interest and Certification

- Complete both sections prior to submission
- Should you be aware of any conflict of interest, this may not disqualify you for funding, but requires a mitigation plan to collaborate with MDH
  - Reach out with any questions regarding conflict of interest
- Certification by applicant that information is true and authorization to submit application

# Questions?



# Thank You!

**Zoe Hill Lin and Tarissa Host**

[health.hcbsgrant@state.mn.us](mailto:health.hcbsgrant@state.mn.us)

651-201-4337