

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Health Resources and
Services Administration
Rockville MD 20857

Bureau of Health Professions

MAY 8 1990

To: Schools and Lenders Participating in the Health Education
Assistance Loan (HEAL) Program

Subject: Reimbursement of Travel Costs to Prospective Residency Sites
and U.S. Permanent Residency Requirement
HEAL School Policy Memorandum #20
HEAL Lender Policy Memorandum #90-3

It has come to our attention that there is some confusion among schools regarding the HEAL policy which allows borrowing for costs associated with travel to prospective residency sites. HEAL policy remains the same as set forth in HEAL School Policy Memorandum No. 7 (Lender Memorandum 88-10); it is an allowable cost for HEAL borrowers.

However, for a student receiving assistance through Department of Education programs, it is our understanding that travel to residency sites is not an allowable budget item. Thus if a school includes the costs of travel to residency sites as part of the student budget, and funds these costs with a HEAL loan, this will create an overaward for purposes of the Department of Education's student assistance programs.

USE OF IMMIGRATION AND NATURALIZATION FORM 1-94 AS PROOF OF PERMANENT RESIDENCE

We have received many questions concerning the eligibility of student applicants for HEAL loans who possess Form 1-94, Arrival-Departure Record, issued by the Immigration and Naturalization Service (INS). The following information should provide further clarification as to the acceptable proof of U. S. Permanent Residency when making a HEAL loan.

In accordance with the HEAL regulations and the HEAL Application only an I-151 or I-551 card is acceptable to document U.S. Permanent Residency status by a lawfully admitted alien for purposes for determining eligibility for the HEAL program. No other INS cards, forms, receipts, or documents (including passports or visas) may be used as a substitute for the actual I-151 or I-551 card. Schools and lenders must also assure that any student with an I-151 or I-551 is not a "conditional resident" (see HEAL Policy Memorandum 89-15, dated December 1, 1989 for further information on the ineligibility of conditional residents).

Section 60.5(a)(1) of the HEAL regulations requires that a recipient of a HEAL loan must be "A resident of the United States and either a citizen, national, or an alien lawfully admitted for permanent residence." Also, Section 60.51(b) specifies, "The school must assure that the applicant's I-151 or I-551 is attached to the application, if the applicant is required to possess such identification by the United States."

Consistent with these regulatory provisions, the HEAL loan application instruction for a U.S. Permanent Resident reads: "... an alien lawfully admitted for permanent residence is required to possess an I-151 or I-551 (commonly called the "green card"). You must provide the school with an original I-151 or, I-551 so that the school may photocopy it." By providing the original I-151 or I-551 card, the school should be able to determine the authenticity of the card by moving the card slightly to determine if "I-151" or "I-551" is superimposed diagonally across the card in accordance with INS instructions. The authorizing official of the school also certifies that the student applicant meets the eligibility requirements listed in the HEAL Statute and Section 60.5 of the HEAL Regulations.

Section 60.33 on the HEAL regulations requires that "A lender may make a HEAL loan only to an eligible student or nonstudent borrower." Lender instructions to the application also state "the lender must review the application for accuracy and completeness....all entries must be legible before this application can be processed." If an application is not legible, including any supporting documentation, it should not be processed by the lender. All copies of I-151 or I-551 cards that are received from educational institutions by lenders must be completely legible, especially since the educational institution is photocopying from the original card in accordance with the school application instructions.

If there are any questions concerning these policies, please contact the HEAL Branch at (301) 443-1540.

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Assistance