



Rockville MD 20857

June 19, 2008

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

Subject: New HEAL Online Processing System Dataset Submission Requirements  
**HEAL Lender Policy Memorandum L-2008-2**

During the last year we modified our HEAL Online Processing System (HOPS) to provide holders/servicers the ability to directly upload their datasets that are either mailed to us or are sent encrypted using WinZip v9. Direct uploading of datasets will be quicker, more secure and more cost effective than spending the time and money previously required in mailing those datasets. The Department of Health and Human Services has determined that WinZip v9 does not meet its security requirements and has disallowed its use in transmitting files containing personally identifiable information.

Each year reporting organizations sign a Holder/Secondary Market Insurance Contract Health Education Assistance Loan Program contract. The current contract is in effect from October 1, 2007 to September 30, 2008, and contains the following wording:

*"6. All data transmitted to the Secretary under this insurance contract, and in accordance with HEAL regulations, policies, and the HEAL Online Processing System security risk assessment, must be submitted within the timeframe specified by the Secretary, and provided on CDs and/or floppy disks couriered via commercial delivery service (i.e. FedEx, UPS, Airborne Express). One exception to this is the Quarterly Lender's Report on HEAL (Call Reports) which will continue to be submitted by paper copy. HEAL will require a signature on all deliveries. Alternatively, HEAL will allow the use of WinZip v.9 to transmit sensitive data between HEAL and its lenders in encrypted format only. In the near future, we will provide remote access to an area within our data system where you can upload data sets in lieu of sending CDs and/or floppy disks or using WinZip v.9 encrypted and where you can download your completed reports. Ultimately, remote access will become the only method available to upload data to and download reports from our system."*

The contracts for the period October 1, 2008 to September 30, 2009 will have Item 6 amended to eliminate the use of CDs, floppy disks or WinZip v.9 to transmit datasets to us. Beginning October 1, 2008, the only permissible method of submitting datasets will be by direct upload into the HOPS system. The submission of the Quarterly Lenders Report will not be affected by this change and will continue to be submitted in hard copy as it has been in the past.

Datasets that must be submitted through the new direct upload method are:

1. Borrower Loan Status (BLS)
2. Litigation data
3. Forbearance data
4. Transfer/Refinancing data

Each holder/servicer should identify no fewer than two individuals to be responsible for submitting the above-referenced datasets so they can act as backups for one another. If the individuals you select do not have a HOPS login name and password, the manager of those individuals must make a written request to Mr. Dick Horton for those items. The written request must contain the individual's name, phone number and email address. We encourage you to make your personnel selections and contact Mr. Horton as soon as possible. This will permit us to test this new procedure with you starting next month. If you have any questions you may contact Mr. Horton on (301) 443-1541 or at [dhorton@hrsa.gov](mailto:dhorton@hrsa.gov).

With the implementation of direct uploading of datasets, we will discontinue our mailing of the completed reports to you. To retrieve your reports, you will log into the system and print the reports at your location. It is imperative that you review the completed reports to comply with the requirement to correct any data errors and to resolve issues for loans designated as "Not Sent". Corrective datasets should be sent as soon as possible but no later than 30-days from the date of the completed reports. Additionally, access to the HOPS system will allow anyone with a logon id and password to view the loan and borrower information for any loan made or serviced by your organization.

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