

Healthcare Facility Default & Nurse Responsibility

Solicitation of Interest #20526

Nurses Across New York Loan Repayment Program – Cycle 2

Instructions: Health Care Facility Applicants must obtain from each nurse employee who will be the beneficiary of a Nurses Across New York grant, an executed Promissory Note in substantially the same form as included as Attachment 5.

As stated in the Default Penalty Attestation contained in #94 of the electronic application for the Solicitation of Interest # ____, Nurses Across New York Loan Repayment Program – Cycle 2, the most important thing to understand about default is that the financial penalty is always assessed against the party to the Nurses Across New York grant contract. Therefore, if the grantee is the health care facility, and the named nurse leaves prematurely (electively or is separated for cause), the health care institution is responsible for the repayment of the Nurses Across New York grant and any/all default penalties.

These default penalties can result in an operational crisis for a health care facility. Thus, to protect the facility, the New York State Department of Health requires that the facility obtain an executed Promissory Note from the named nurse. The Promissory Note states that if the nurse ends their employment with the facility (electively or is separated for cause) before the three-year Nurses Across New York service obligation is fulfilled, the nurse is responsible to reimburse the facility for the repayment of the Nurses Across New York grant and all penalties.

There will be no change in how the default amount is calculated if the health care facility is the Nurses Across New York grantee. The Department will collect all identified default amounts directly from the facility. The facility is responsible to get reimbursed from the nurse separately.

Any uncollectable accounts, or failure to fully repay the default amounts assessed, will be referred to the New York State Attorney General’s Office for possible legal action.

I certify that I have reviewed this document and understand how default penalties are applied in relation to this SOI. Signature of Applicant/Grantee or Authorized Applicant Representative:

Facility Signature

Date

Facility Name (printed)