

TITLE 5 POST-SECONDARY EDUCATION
CHAPTER 7 TUITION AND FINANCIAL AID
PART 3 NEW MEXICO HEALTH PROFESSIONAL LOAN REPAYMENT PROGRAM (HPLRP)

5.7.3.1 ISSUING AGENCY: State of New Mexico Higher Education Department
[5.7.3.1 NMAC – Rp., 5.7.3.1 NMAC, 6/23/2026]

5.7.3.2 SCOPE: Provisions for 5.7.3 NMAC apply to certain practicing health professionals and licensed physicians in New Mexico.
[5.7.3.2 NMAC – Rp., 5.7.3.2 NMAC, 6/23/2026]

5.7.3.3 STATUTORY AUTHORITY: Sections 21-1-26 and 21-22D et seq. NMSA 1978.
[5.7.3.3 NMAC – Rp., 5.7.3.3 NMAC, 6/23/2026]

5.7.3.4 DURATION: Permanent.
[5.7.3.4 NMAC – Rp., 5.7.3.4 NMAC, 6/23/2026]

5.7.3.5 EFFECTIVE DATE: June 23, 2026, unless a later date is cited at the end of a section.
[5.7.3.5 NMAC – Rp., 5.7.3.5 NMAC, 6/23/2026]

5.7.3.6 OBJECTIVE: The objective and purpose of 5.7.3 NMAC is to increase the number of health professionals and licensed physicians in the state through a program of loan repayment of eligible educational loans. The program will provide loan repayment assistance towards the principal and reasonable interest accrued on eligible educational loans. The program requires each participant practice their profession within one of the areas of the state designated by the committee as a health professional shortage area for a minimum period of three years for health professionals and four years for licensed physicians.
[5.7.3.6 NMAC – Rp., 5.7.3.6 NMAC, 6/23/2026]

5.7.3.7 DEFINITIONS:

A. "Committee" means the health profession advisory committee of the department organized pursuant to 5.7.3.8 NMAC.

B. "Department" means the New Mexico higher education department.

C. "Eligible educational loan" means a grant of money to defray the costs incidental to a health education, under a contract between the federal government or a commercial lender and a health professional or licensed physician, requiring either repayment of principal and interest or repayment in services.

D. "Extenuating circumstances" means circumstances not within the control of the participant.

E. "Health professional" means a professional licensed in New Mexico pursuant to the: Acupuncture and Oriental Medicine Practice Act; Anesthesiologist Assistants Act; Chiropractic Physician Practice Act; Counseling and Therapy Practice Act; Dental Amalgam Waste Reduction Act; Dental Health Care Act; Emergency Medical Services Act; Genetic Counseling Act; Massage Therapy Practice Act; Medical Imaging and Radiation Therapy Health and Safety Act; Medical Practice Act; Nursing Practice Act and includes a nurse in advanced practice; Nutrition and Dietetics Practice Act; Occupational Therapy Act; Optometry Act; Pharmacist Prescriptive Authority Act; Pharmacy Act; Physical Therapy Act; Physician Assistant Act; Podiatry Act; Polysomnography Practice Act; Professional Psychologist Act; Respiratory Care Act; Social Work Practice Act; Speech-Language Pathology, Audiology and Hearing Aid Dispensing Practices Act; and other health professional licensing acts as determined by the department.

F. "Health professional shortage area" means an area of the state or a facility which has been determined by the committee as an acceptable practice site in which program participants may fulfill their commitment.

G. "Licensed physician" means a medical or osteopathic physician licensed under the Medical Practice Act to practice medicine in New Mexico.

H. "Nurse in advanced practice" means a registered nurse, including a:

(1) certified nurse practitioner, certified registered nurse anesthetist or clinical nurse specialist, authorized pursuant to the Nursing Practice Act to function beyond the scope of practice of professional registered nursing; or

(2) certified nurse-midwife licensed by the New Mexico department of health.

I. "Participant" means a health professional or licensed physician who has been accepted into the program and has signed a contract pursuant to 5.7.3.12 NMAC.

[5.7.3.7 NMAC – Rp., 5.7.3.7 NMAC, 6/23/2026]

5.7.3.8 HEALTH PROFESSION ADVISORY COMMITTEE: The health profession advisory committee is created to advise the department on matters relating to the administration of the Health Professions Student Loan-for-Service Acts and the Health Professional Loan Repayment Act.

A. The committee shall be appointed by the department pursuant to policies and procedures of the department and may be composed of:

(1) a representative of the department of health;

(2) a representative of the New Mexico health policy commission;

(3) representatives of public post-secondary health and medical training programs;

(4) representatives of recruiting and placement organizations;

(5) representatives of professional health and medical associations; and

(6) other representatives as appointed by the department.

B. The responsibilities of the committee shall include:

(1) designate health professional shortage areas;

(2) make recommendations to the department on applicants to the programs created by the Medical, Osteopathic, Nursing and Allied Health Loan-For-Service Acts and the Health Professional Loan Repayment Act; and

(3) give advice or other assistance to the department as requested.

[5.7.3.8 NMAC – Rp., 5.7.3.8 NMAC, 6/23/2026]

5.7.3.9 APPLICANT ELIGIBILITY: A program applicant must be a health professional or licensed physician and submit an application with supporting documentation that provides:

A. biographical information, educational history, and eligible educational loan information including lender name, address, telephone number, loan numbers, loan balances, interest rates and remaining payments; applicants with consolidated loans will be asked to detail the consolidation in writing and segregate eligible educational loans;

B. proof of licensure or certification in the state of New Mexico to practice their profession or for a relocating physician a formal declaration of intent to secure licensure or certification in the state of New Mexico;

C. a certification that the applicant is a bonafide citizen of the United States;

D. a formal declaration of intent to provide service in a health professional shortage area full time, the committee may consider part-time service, with prorated awards based on the percentage of hours worked relative to full-time employment, on a case-by-case basis;

E. a formal declaration of intent to practice in a health professional shortage area for a minimum period of three years for health professionals and four years for licensed physicians;

F. certification of New Mexico residency or a formal declaration of intent to establish New Mexico residency; and

G. information regarding the intended health professional shortage area practice site.

[5.7.3.9 NMAC – Rp., 5.7.3.9 NMAC, 6/23/2026]

5.7.3.10 SELECTION OF LOAN REPAYMENT PARTICIPANTS:

A. Upon receipt of application forms and supporting documentation from eligible applicants, the committee will be convened by the department staff person charged with the administration of this program to make award recommendations.

B. Highest priority shall be given to licensed physicians.

C. Recruitment awards may be made to eligible applicants who agree to relocate to New Mexico and commence practice in a health professional shortage area within ninety days of the grant of an award. The department shall, within its capacity, assist applicants in locating practice positions in designated health professional shortage areas. Nothing in this section shall be construed to require the department to secure or guarantee employment or placement for applicants.

D. Retention awards may be made to eligible applicants who agree to remain in an approved health professional shortage area.

E. The committee may consider:

- (1) characteristics of the health professional shortage area; and
- (2) the applicant's total eligible educational loan debt.

[5.7.3.10 NMAC – Rp., 5.7.3.10 NMAC, 6/23/2026]

5.7.3.11 AWARD AMOUNTS: Award amounts shall be determined by the department in accordance with the following:

A. An award for a licensed physician shall be a minimum of seventy-five thousand dollars (\$75,000) per year for four consecutive years, with the exception that:

- (1) the total award amount shall not exceed the licensed physician's total eligible educational debt;
- (2) the award amount shall be prorated based on a four-year award period; and
- (3) part-time employment as a licensed physician shall be prorated based on the percentage of hours worked relative to full-time employment.

B. An award for a health professional other than a licensed physician shall:

- (1) not exceed the health professional's total eligible educational debt;
- (2) be prorated based on a three-year award period; and
- (3) be prorated based on the percentage of hours relative to full-time employment if the health professional maintains part-time employment.

C. Payments will be made on an annual basis upon receipt of a certified employment verification of service which confirms the participant has satisfactorily provided clinical health care services in a health professional shortage area for that year.

D. Payments will not be made until a participant has provided employment verification and no payments will be made prior to execution of a contract.

E. The department may modify award amounts based upon available funding or other special circumstances.

[5.7.3.11 NMAC – N, 6/23/2026]

5.7.3.12 CONTRACT: Upon approval, a contract shall be drawn between each participant receiving loan repayment and the department on behalf of the state of New Mexico. The contract shall state both the participant's obligation under the program as well as the department's responsibility. No payment will be made until a duly signed document is on file at the department offices. The contract shall include, but not be limited to, the following stipulations:

A. provide for the repayment of a specified sum as determined in Section 11; the department will pay the amount awarded on an annual basis upon completion of one full year of completed service, directly to the participant's lender(s) for payment of their eligible educational loans; the contract shall specify the:

- (1) annual disbursement amount;
- (2) total disbursement amount; and
- (3) dates of the full contract term;

B. state that participants are required to complete quarterly employment verification;

C. state that payment of the award is conditioned upon the participant submitting timely employment verifications to the department;

D. state the participant's obligations including a minimum period of service in a health professional shortage area practice providing continuous clinical services in the field of their profession as follows:

- (1) a minimum period of three years for health professionals; and
- (2) a minimum period of four years for licensed physicians;

E. state that the participant is responsible for payment(s) of their eligible loans. Repayment by the department will begin following the first certified year of completed clinical service in a health professional shortage area;

F. the award will be terminated if any of the following should occur:

- (1) the participant fails to perform continuous clinical service at the approved health professional shortage area, unless a change of the health professional shortage area or an interruption in service is approved in advance and in writing by the department; no interruption in service exceeding six months will be approved;

- (2) the employment of the participant at an approved location is terminated;
- (3) the participant loses their professional license, or board certification; or
- (4) the department deems termination is warranted for any other reasonable cause.

G. in the event the contract is terminated by the department, the department shall have no obligation to make any further payments on behalf of the participant;

H. penalties as outlined in Section 13; and

I. shall state that the participant further promises to complete any other documents the department may require to facilitate the award payment or other terms of the contract and submit them to the department on a timely basis.

[5.7.3.12 NMAC – Rp, 5.7.3.11 NMAC, 6/23/2026]

5.7.3.13 PENALTIES:

A. If a participant does not comply with the terms of the contract, the department shall assess the full amount of award disbursed and may assess a fee of no more than eighteen percent interest of the amount of the award disbursed, unless the department finds acceptable extenuating circumstances for why the participant could not serve and comply with the terms of the contract. If the department does not find acceptable extenuating circumstances for the participant's failure to comply, the department shall require immediate repayment.

(1) The full penalty shall apply unless the circumstances reflect that the penalty should be reduced on a prorata basis reasonably reached based upon the degree of control which the participant has over the decision not to serve. The participant shall have the burden of proof.

(2) If the department does not find acceptable extenuating circumstances for the participant's failure to carry out their declared intent to serve in a health professional shortage area in the state, the department shall require immediate repayment of the award granted to the participant plus the amount of any penalty assessed pursuant to this section.

B. Participants who have signed a contract and fail to complete a quarter of service will not receive a prorated award amount.

[5.7.3.13 NMAC – Rp, 5.7.3.12 NMAC, 6/23/2026]

5.7.3.14 INELIGIBLE DEBTS: The following educational debts are not eligible for repayment under this program:

A. amounts incurred as a result of participation in any department administered loan-for-service program or other state programs whose purpose states that service be provided in exchange for financial assistance, such as the New Mexico health service corps;

B. scholarships which have a service component/obligation such as the national health service corps scholarship;

C. personal loans;

D. loans which exceed individual standard school expense levels; and

E. fines, penalties or other financial damages assessed as a result of delinquent payments on eligible educational loans, a breach of contract for any program that provides educational loan repayment, or as a result of other legal action taken against participants.

[5.7.3.14 NMAC – Rp, 5.7.3.13 NMAC, 6/23/2026]

5.7.3.15 HEALTH PROFESSIONAL LOAN REPAYMENT FUND: The health loan repayment fund is created as a nonreverting fund in the state treasury. The fund consists of appropriations, distributions, gifts and grants. The department shall administer the fund, and money in the fund is appropriated to the department to provide awards pursuant to the Health Professional Loan Act; provided that:

A. no less than fifty percent of the available funds in the health professional loan repayment fund as of the beginning of each fiscal year shall be encumbered for licensed physicians who receive an award;

B. funds that are encumbered but unexpended shall be used for award in the next fiscal year; and

C. the department shall apply funds appropriated to the department from the nursing excellence program license renewal surcharge established pursuant to Subsection B of Section 61-3-10.5 NMSA 1978 exclusively for loan repayment assistance for nurses in advanced practice who practice in health professional shortage areas designated by the committee. Eligibility for loan repayment assistance pursuant to Subsection B of Section 61-3-10.5 NMSA 1978 shall not render nurses in advanced practice ineligible for loan repayment assistance pursuant to the Health Professional Loan Repayment Act that derives from any other source of funding; and

D. the department shall apply funds appropriated to the department from the osteopathic physician excellence fund established pursuant to Section 21-22D-13 NMSA 1978 exclusively for loan repayment assistance for osteopathic primary care physicians who are licensed pursuant to the Medical Practice Act and who practice in health professional shortage areas designated by the committee.
[5.7.3.15 NMAC – N, 6/23/2026]

5.7.3.16 REPORTS: By December 31 of each year, the department shall submit an annual report to the governor and the legislature. The report shall include the amount of each award granted, the cumulative total award amount, the number of awards made by profession type and county and municipality where each health professional or licensed physician that received an award practices in the state.
[5.7.3.16 NMAC – Rp, 5.7.3.14 NMAC, 6/23/2026]

HISTORY OF 5.7.3 NMAC:

Pre-NMAC History: The material in this part was derived from that previously filed with the State Records Center and Archives under:

CHE Rule 805, New Mexico Health Professional Loan Repayment Program (HPLRP), 12/21/1994.

History of Repealed Material:

5.7.3 NMAC - New Mexico Health Professional Loan Repayment Program (HPLRP), filed 7/15/1998, was repealed and replaced by New Mexico Health Professional Loan Repayment Program (HPLRP), effective 6/23/2026.