
42 U.S. Code § 1395ccc

Offset of payments to individuals to collect past-due obligations arising from breach of scholarship and loan contract

(a) In general

- (1)
- (A) Subject to subparagraph (B), the Secretary shall enter into an agreement under this section with any individual who, by reason of a breach of a contract entered into by such individual pursuant to the National Health Service Corps Scholarship Program, the Physician Shortage Area Scholarship Program, or the Health Education Assistance Loan Program, owes a past-due obligation to the United States (as defined in subsection (b)).
- (B) The Secretary shall not enter into an agreement with an individual under this section to the extent—
- (i)
- (I) the individual has entered into a contract with the Secretary pursuant to section 204(a)(1) of the Public Health Service Amendments of 1987, and
- (II) the individual has fulfilled or (as determined by the Secretary) is fulfilling the terms of such contract;
- or
- (ii) the liability of the individual under such section 204(a)(1) has otherwise been relieved under such section; or
- (iii) the individual is performing such physician's ^[1]service obligation under a forbearance agreement entered into with the Secretary under subpart II of part D of title III of the Public Health Service Act [42 U.S.C. 254d et seq.].
- (2) The agreement under this section shall provide that—
- (A) deductions shall be made from the amounts otherwise payable to the individual under this subchapter, in accordance with a formula and schedule agreed to by the Secretary and the individual, until such past-due obligation (and accrued interest) have been repaid;
- (B) payment under this subchapter for services provided by such individual shall be made only on an assignment-related basis;
- (C) if the individual does not provide services, for which payment would otherwise be made under this subchapter, of a sufficient quantity to maintain the offset collection according to the agreed upon formula and schedule—
- (i) the Secretary shall immediately inform the Attorney General, and the Attorney General shall immediately commence an action to recover the full amount of the past-due obligation, and
- (ii) subject to paragraph (4), the Secretary shall immediately exclude the individual from the program under this subchapter, until such time as the entire past-due obligation has been repaid.

~~This document is only available to subscribers. Please log in or purchase access.~~

[Purchase Login](#)