



Ohio Board of Nursing

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MEMORANDUM

TO: Board Members
 FROM: Lisa Emrich, Program Manager
 DATE: November 12, 2020
 RE: NEALP Report

Attached is the Nurse Education Assistance Loan Program (NEALP) Report provided by the Ohio Department of Higher Education (ODHE). Each year ODHE provides the report for the Board's review. The report contains fiscal information for July 1, 2019 to June 30, 2020 (FY20) and the loans approved for the 2020-2021 school year and projected costs.

The purpose of NEALP is to provide tuition assistance to nursing students and to licensed nurses who are advancing their education. ODHE administers NEALP in consultation with the Board. NEALP is a loan program funded by \$5.00 from the renewal fees of licensed nurses. Section 4723.08(B), ORC.

New Category of Loan

For school year 2020-2021, NEALP funds are being awarded to RNs who are seeking a bachelor's or graduate degree that does not qualify for the MNE category. This is labeled "CON." NEALP staff report that the loan renewals for this category means the person has previously received an NEALP award.

Loan Amounts for 2020-2021 School Year

The non-MNE award amount remains at \$1,620 for the 2020-2021 school year, and the MNE award remains at \$6,000.

Administrative Costs

In FY20, ODHE deducted \$64,673 for their administrative costs, an increase of \$18,396 from last year. Historically, the administrative costs are as follows: \$10,607 (2015-2016); \$37,354 (2016-2017); \$49,734 (2017-2018); \$45,771 (2018-2019); \$46,277 (2019-2020); \$64,573 (2020-2021).

Distribution of Funds for Nursing Education

The biennial budget bill for FY10-11 (Sub. HB 1) amended the NEALP funding statute, Section 3333.28, ORC, so that funding for students enrolled in PN programs was no longer mandatory. The change was made in response to a shortage of nurses with graduate degrees, particularly nursing education faculty. The bill authorized the ODHE Chancellor to determine funding allocations "with preference given to programs aimed at increasing enrollment in an area of need."

For the last several years, the Chancellor, with the recommendation of the Board, prioritized funding for post-licensure nurse educator students and nursing students in pre-licensure RN programs. ODHE reports that it has continued non-funding of practical nurse

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education for the 2020-2021 school year. LPNs who apply to a RN education program to further their nursing education are eligible for NEALP tuition assistance.

The projected loan amounts approved for school year 2020-2021 total \$1,301,880 which include new and renewed loans of \$1,620 to 732 pre-licensure RN applicants, \$1,620 to 42 CON applicants and \$6,000 to 8 MNE applicants. ODHE funded all MNE applicants who met the application deadline.

NEALP Applicants and Loan Amounts by School Year

School Year	RN Applicants	CON Applicants	MNE Applicants	Combined Loans
2020-2021	732	42	8	\$1,301,880.00
2019-2020	588		12	\$1,024,560
2018-2019	471		6	\$790,542
2017-2018	568		6	\$888,000
2016-2017	564		10	\$906,000
2015-2016	517		11	\$841,500
2014-2015	619		18	\$1,036,500
2013-2014	335		19	\$616,500
2012-2013	275		18	\$502,500

The NEALP Fund

The ODHE report shows a cash balance of \$1,854,609 million as of June 30, 2020. The projected total award of \$1,301,880 for school year 2020-2021 NEALP recipient loans will be disbursed from the \$1.8 million balance.

The amount of revenue deposited into the fund is dependent on the timing of RN and LPN renewal periods. Significantly more revenue is deposited in odd numbered years during RN renewal. As in previous years, it is anticipated that the fund balance will be supplemented in FY21 with Attorney General Deposits from its collections and individual repayments.

Ending Fund Balance by Fiscal Year

Fiscal Year	Ending Balance
2020	\$1,854,609.14
2019	\$1,499,650.11

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2018	\$1,775,598.20
2017	\$1,330,066
2016	\$1,611,156
2015	\$1,096,332
2014	\$1,036,500
2013	\$1,029,514
2012	\$1,142,773

Loan Forgiveness

NEALP loans must be repaid at the interest rate designated by ODHE, which is currently 5%. Repayment information, including the interest rate, is stated within the promissory note that students sign when they apply for the NEALP. For 100% loan forgiveness, RN award recipients must work for five years and MNE award recipients must work for four years following graduation. The amount of loan forgiveness is pro-rated based on the actual number of years the nurse met the work requirement. MNE applicants must submit a statement of intent to work as a faculty member in Ohio following graduation.

At the September 2020 meeting, the Board supported ODHE's proposed rule revision to accept hours of direct clinical practice combined with teaching as faculty or adjunct faculty to meet the full-time work requirement for MNE loan forgiveness.

Recommendations for NEALP Awards

Section 3333.28, ORC, states, "After January 1, 2012, the chancellor shall determine the manner in which to distribute loans under this section." At this Board meeting, the Board will make a recommendation to the Chancellor for the funding determination for the January 2021-2022 School Year. Agenda item 5.2.1.1 provides information for the Board's consideration in making the recommendation.

**NURSE EDUCATION ASSISTANCE LOAN PROGRAM (NEALP)
Update for Ohio Board of Nursing**

OBN Annual Application Period Update (2020-2021)

		New	Renew	Total	Projected Award Amounts
Applicants	MNE	5	6	11	
	RN	612	214	826	
	LPN	0	0		
	CON	24	29	53	
	Total	641	249	890	
Declined	MNE	0	1	1	
	RN	6	2	8	
	LPN	0	0		
	CON	2	1	3	
	Total	8	4	12*	
Denied	MNE	2	0	2***	
	RN	78	8	86***	
	LPN	0	0	**	
	CON	6	2	8***	
	Total	86	10	96	
Awarded	MNE	3	5	8	\$48,000.00
	RN	528	204	732	\$1,185,840.00
	LPN	0	0		
	CON	16	26	42	\$68,040.00
	Total	547	235	782	\$1,301,880.00

APPLICATION CATEGORIES

MNE = Masters of Nurse Educator Applicants

RN = Diploma RN (DRN), Associates RN (ARN), Bachelor RN (BRN), and Graduate Degree Nurse (GDN) Applicants obtaining their first RN license.

LPN = License Practice Nurse Applicants

CON = Continuing Nurse Applicants. These applicants currently hold an Ohio RN license and returning for a higher nursing degree such as Bachelor RN (BRN, BSN) and Graduate Degree Nursing (GDN) but not a MNE degree.

New = first time applying for NEALP

Renew = previously received NEALP funding

*NEALP Applicants contacted the Ohio Department of Higher Education and declined the NEALP loan for the 2020-2021 year.

**Ohio Department of Higher Education continued to not award to LPN for the 2020-2021 year.

***NEALP Applicant missed deadline or determined to not be eligible by their institution.

OBN Annual Fiscal Report (July 1, 2019 - June 30, 2020)

	Credits	Debits
Begin Balance (July 1, 2019)	\$1,499,650.11	
OBN Deposits	\$1,121,565.00	
Attorney General Deposits	\$84,506.70	
Individual Repay Deposits	\$10,820.46	
Administrative Costs		\$64,673.13
Loans Disbursed		\$797,260.00
Ending Balance (June 30, 2020)	\$1,854,609.14	