**Section 590.230 Terms of Performance**

a) Prior to receiving scholarship funding for any academic year, the recipient shall enter into a written Grant Agreement with the State of Illinois. The Grant Agreement shall contain terms and conditions that ensure compliance with this Part and the laws of the State of Illinois, and enforcement of the Grant Agreement.

b) The scholarship award will not be final until the recipient and the Department have executed a Grant Agreement setting forth the terms and conditions of the scholarship, using the form prescribed by the Department. The Department will withdraw the scholarship award if a consensus cannot be reached on the terms of the Grant Agreement.

c) A scholarship recipient will be in breach of the Grant Agreement if the recipient:

1) Does not complete medical school due to academic failure (as documented by the recipient's medical school);

2) Does not complete medical school due to voluntary actions (e.g., withdrawal from medical school classes);

3) Does not maintain the continuous attendance requirement;

4) Does not place in a residency;

5) Does not become licensed as a physician in Illinois;

6) Does not work at a Department-approved medical facility in an HPSA in Illinois to fulfill the service obligation; or

7) Misrepresents any material facts presented in the scholarship application or subsequent information requested by the Department. A grantee shall fully and promptly cooperate with all requests for information from the Department.

d) A recipient who breaches any term of the Grant Agreement shall pay to the Department *a sum equal to 3 times the amount of the annual scholarship grant for each year the recipient fails to fulfill his or her obligation*. (Section 10 of the Act) The amounts paid to the Department under this Subpart shall be used by the Department to improve access to primary health care services as authorized by Section 2310-200 of the Department of Public Health Powers and Duties Law.

e) Scholarship recipients who, in their third year of medical school, seek a residency training program in an area other than a primary care specialty shall have their eligibility for scholarship funds for their final year of medical school suspended until the residency matching process is complete.

1) If the recipient is notified by the National Resident Matching Program, or directly by a residency not participating in the National Resident Matching Program, of acceptance into a non-primary care residency, no funds shall be provided for the final year of medical education, and all funds previously provided by the Department to the student shall be due in full, immediately.

2) If the recipient has requested a non-primary care residency but is matched to a primary care residency instead and agrees to the match, scholarship funds for the final year of medical education shall again be made available.

f) Under the provisions of the State Comptroller Act, recipients may have their scholarship funds offset to fulfill a delinquent State debt. The offset of funds shall not, in any way, serve to reduce, waive, defer, or suspend a recipient's continuous attendance requirement or service obligation under this Part.

(Source: Amended at 44 Ill. Reg. 20074, effective December 9, 2020)