**Section 598.130 Terms of Performance**

a) Each scholarship recipient shall sign a written agreement with the Department prior to receiving a scholarship. The agreement shall contain terms and conditions that ensure compliance with this Part and the laws of the State of Illinois, and enforcement of the agreement.

b) Scholarship recipients who fail to complete school because of academic failure, as documented by the recipient's school, shall repay to the Department the amount received in scholarship assistance. Repayment shall be in accordance with the provisions of the recipient's agreement and Section 598.150.

c) Scholarship recipients who fail to complete school because of voluntary actions (e.g., withdrawal from school) on their part shall repay to the Department an amount equal to three times the amount of the annual scholarship received for each unfulfilled year of the obligation together with interest at 7% per year on that amount. Repayment of obligation shall be in accordance with the provisions of the recipient's agreement and Section 598.150.

d) Scholarship recipients who complete school but fail to become licensed in Illinois shall repay to the Department an amount equal to three times the amount of the annual scholarship received for each unfulfilled year of the obligation, together with interest at 7% per year on that amount. Repayment of the obligation shall be in accordance with the provisions of the recipient's agreement and Section 598.150.

e) If the scholarship recipient is disabled or is otherwise unable for reasons beyond the recipient's control to perform the scholarship obligations, these obligations shall be suspended until the scholarship recipient is able to resume the scholarship obligations. However, the suspension shall not exceed two years.

1) To request a suspension of the scholarship obligation, a recipient shall submit a suspension request in writing to the Department. This request shall detail the reasons for the suspension and, if temporary, the duration of the suspension and shall be supported by clear and convincing documentation.

2) The Department shall approve a request for a suspension if the request is supported by a letter from the recipient's licensed physician fully explaining and attesting to the recipient's inability (either temporarily or permanently) to continue either school or the recipient's profession and if the recipient agrees not to continue either his or her education or practice in any state.

3) If the Department denies the suspension request, the recipient shall fulfill the scholarship obligation.

4) Based on the information contained in the suspension request, the Department's acceptance or denial of the request will be provided in writing, under the Director's signature.

5) If a scholarship recipient suffers total and permanent disability, is adjudicated as incompetent, or dies, the recipient shall be discharged from all obligations to the Department in connection with the Act and this Part. (Section 2005 of the Act)

f) If the recipient involuntarily leaves the *profession due to a decrease in the number of health care professionals employed in* Illinois, the scholarship recipient shall be discharged from all obligations by the Department. (Section 2005 of the Act)

g) Misrepresentation of any material facts presented in the scholarship application shall be considered a breach of contract. If the Department determines that a breach of contract occurred, the recipient shall repay to the Department an amount equal to three times the amount of the annual scholarship received for each unfulfilled year of the obligation, together with interest at 7% per year on that amount. Repayment of the obligation shall be made as agreed to by the recipient and the Department in the recipient's agreement and in accordance with Section 598.150.

h) A breach of contract shall include, but not be limited to, the following:

1) Failure to practice full time at the location specified in the scholarship agreement;

2) Relocation to an area that is outside Illinois;

3) Material misstatement in furnishing information to the Department; or

4) Making any misrepresentation for the purpose of obtaining a scholarship.

(Source: Amended at 36 Ill. Reg. 2345, effective January 27, 2012)