

Chapter 10

REIMBURSEMENT TO THE GOVERNMENT

10-1. HIGHLIGHTS

- a. You must reimburse the government for some or all of the entitlements paid, plus interest, if contractual terms are not fulfilled.
- b. You may be relieved of the reimbursement requirement by the Secretary of the Army.
- c. You must reimburse the government for interest or penalties assessed against the government and for the amount of any unauthorized entitlements received, regardless of when the error is discovered or its cause.
- d. You must repay funds through withholding/prorating tuition and two-thirds of the monthly stipend, but may request an exception. Graduates have collection made upon AD entry.
- e. You may not be required to repay funds if medical disqualification results from HIV infection. This applies to financial support for payment through the academic term. The academic term ends when a semester has ended or a break in the course of studies begins, whichever is earlier.

10-2. GENERAL

- a. Contract default. Participants who fail to fulfill the terms of the contract, will generally be required to reimburse the government for some or all of the entitlements that have been paid, plus interest. This cost includes all stipend, tuition, fees and reimbursed expenses. It does not include military pay for active duty training.
- b. Other disqualification. When the reasons for separation/release from active duty obligation are due to misconduct (including physical disability due to misconduct), homosexuality or conscientious objector, the only alternative obligations may be recoupment.
- c. Medical disqualification.
 - (1) Except as indicated below, students who are medically disqualified upon initial evaluation for retention shall have their physical examinations reviewed by the Directorate of Health Policy, Office of the Surgeon General (OTSG), for medical retention consideration. Those who are found not to meet retention standards will have their case forwarded to the Commander, AHRC, for a determination regarding fitness for duty. Students who develop a medically disqualifying condition that results in loss of HPSP or military service eligibility may be required to reimburse the government as required by the Secretary of the Army.
 - (2) Recoupment of funds expended through the end of an academic term may not be required if medical disqualification results from HIV infection. However, no further expenditure of funds will occur. The academic term ends when a semester has ended or a break in the course of studies begins whichever is earlier. Existing LOA procedures remain in effect. However, students will be disenrolled at the end of the academic term in which HIV infection is confirmed pursuant to AR 600-110, Identification, Surveillance, and Administration of Persons Infected with Human Immunodeficiency Virus (HIV) Assignment Limitations.
- d. Proration of entitlements for recoupment. See chapter 3, paragraph 3-3k.

10-3. RELIEF FROM REIMBURSEMENT

AR 601-141 , chapter 2, paragraph 2-3h, outlines the provisions governing relief from reimbursement to the government and this regulation can be found under the general information tab <https://www.mods.army.mil/medicaleducation> when viewing online.

10-4. Interest and penalties

If interest or penalties are assessed against the government because of the actions of the student (e.g. late registration or failure to provide the documents to initiate or reinstate entitlements), the student is required to reimburse the government for these monies.

10-5. Collection

- a. Participants must reimburse the government for the amount of any unauthorized entitlements that are received, regardless of when the error is discovered or its cause. It is legal for the government to

collect money from the participant's entitlements as long as there is an outstanding debt. This collection begins immediately upon reinstatement to active HPSP status.

b. In-service collections are made from participants by withholding tuition and two-thirds of the monthly stipend. This collection schedule is necessary to complete collections in the same fiscal year that the debt occurs. Exception to the collection schedule may be approved in cases of extreme financial hardship, subject to funding availability. The HPSP Program Manager is the approving authority, subject to DFAS concurrence.