

Employment Contract Addendum #2
Healthcare Facility Default & Nurse Responsibility

Solicitation of Interest #20283

Nurses Across New York Loan Repayment Program – Cycle I

Instructions: Health Care Facility Applicants are instructed to include in the employment contract between the facility and its nurse employee who will be the beneficiary of a NANY grant, the Employment Agreement Addendum included as Exhibit 1 to this Attachment 12.

As stated in Attachment #9, the most important thing to understand about default is the that the financial penalty is always assessed against the individual or organization that is a party to the NANY grant contract. Therefore, if the grantee is the health care facility, and the named nurse leaves prematurely (electively or is separated for cause), the health care institution is responsible for the repayment of the NANY grant and any/all default penalties.

These default penalties can result in an operational crisis for a health care facility. Thus, to protect the facility, the New York State Department of Health requires that they add an Addendum to the employment contract between the facility and the nurse. This Addendum states that if the nurse ends their employment with the facility (electively or is separated for cause) before the three-year NANY service obligation is fulfilled, the nurse is responsible to reimburse the facility for the repayment of the NANY grant and all penalties.

There will be no change in how the default amount is calculated if the health care facility is the NANY grantee. The Department will collect all identified default amounts directly from the facility. The facility is responsible to get reimbursed from the nurse separately.

Any uncollectable accounts, or failure to fully repay the default amounts assessed, will be referred to the New York State Attorney General’s Office for possible legal action.

I certify that I have reviewed this document and understand how default penalties are applied in relation to this SOI. Signature of Applicant/Grantee or Authorized Applicant Representative:

Facility Signature

Date

Facility Name (printed)

Nurse Signature

Date

Nurse Name (printed)