

Resident Loan Interest Relief Program

Frequently Asked Questions

General

► What is the Resident Loan Interest Relief Program (RLIRP)?

The Resident Loan Interest Relief Program (RLIRP) was negotiated as part of the 2008 Physician Services Agreement to provide eligible residents with financial assistance during a critical time of professional development. Under this program, Ontario medical residents are not required, during their medical residency, to pay principal or interest on government students loans granted from any Canadian jurisdiction. Participating residents agree to provide physician services in Ontario for five years following completion of their medical residency.

► What are the benefits of participating in this program?

Under the program, the Ministry of Health (MOH), provides participants with relief from making monthly payments (interest and principal) on their Canadian government student loans (provincial and federal) during their residency period.

During residency, MOH pays the loan interest on your behalf.

► Am I eligible to participate?

To be considered you must apply and:

- Be registered with the Ontario Physician Human Resources Secretariat as an active Ontario medical resident and provide proof of your residency. If you start Ontario medical residency in July or are an existing Ontario medical resident, attach a copy of your Registration Certificate to your RLIRP application;
- Have Canadian government student loan(s), i.e. provincial, territorial and/or federal;
- Not be restricted from receiving financial assistance under the Ontario Student Assistance Program;
- Be in good standing on all your Canadian government student loans (not in arrears).

Participants must sign and submit a Return of Service Agreement under which they agree to provide Ontario with five years of physician services within three months following completion of medical residency.

Participants must also sign a Medical Resident Loan Agreement which authorizes Ontario to issue a Medical Resident Loan in their name which will pay out all of their government student loans.

After Medical Residency, the Medical Resident Loan enters repayment and monthly payments of both principal and interest are required.

► **Is eligibility for the program affected if some of the loans are paid back?**

Any outstanding Canadian government student loan is eligible for the program. (No portion of a government student loan that has been repaid through any means would be eligible.)

► **Are residents eligible for the program if they have already consolidated or paid off their government student loans?**

No. Only residents with active Canadian government student loans are eligible for the program.

► **Can residents repay the outstanding principal while participating in the program?**

Yes, residents can pay back the outstanding principal at any time without penalty. However, residents will still be required to return service in Ontario for five years.

► **If a resident enters a fellowship program upon completion of their residency, is the resident still eligible for the RLIRP?**

At this time, fellowship programs are not covered by the program. Fellows are required to assume responsibility for payments (principal and interest) on government loans upon commencement of their fellowship.

► **If I am interested in applying for grants under the Canada Student Loan forgiveness program, can I still apply to the RLIRP?**

Doctors interested in applying for grants under the [Canada Student Loan forgiveness program](#) should first contact the Canada Student Loan forgiveness program for doctors.

Under the RLIRP, all the eligible government student loans (federal and provincial loans) will be closed and consolidated under a Medical Resident Loan (MRL), a provincial loan.

Once the RLIRP buyout process has been completed, the loans cannot be transferred to the Canada student loan service center.

Please note that the [Canada Student Loan forgiveness for family doctors website](#) indicates that the Loan forgiveness can only be applied to outstanding Canada Student Loan balances. Canada Student Loans that have been converted to a line of credit, private loan, or an Ontario MRL, are not eligible for loan forgiveness.

Application Process

► **How does the program work?**

There are two requirements for participation in the RLIRP. The participant must enter into a Return of Service (ROS) agreement with the MOH and enter into a Medical Resident Loan (MRL) agreement with the MCU.

To begin the application process, you must complete and print the [RLIRP and MRL Application Form](#). You will then mail the application to:

Resident Loan Interest Relief Program

P.O. Box # 127, Toronto "P"
Toronto ON
M5S 2S7

Upon receipt of your completed application, the RLIRP Application Centre will assess your eligibility for the program. If you are deemed eligible for the program, you will receive a ROS agreement and a MRL agreement which indicates the amount of outstanding government student loan that you would be paying out.

You will then have to complete these documents and return them to the RLIRP Application Centre, at which point your existing student loans will be discharged and replaced with a MRL.

During the Ontario medical residency, MOH pays the interest on the participant's MRL, and the participant is not required to make payments. In exchange for these benefits, the participant must first agree to practise medicine for five years in Ontario upon completion of residency.

► **When should I start registering?**

The Resident Loan Interest Relief Program Application Centre accepts applications every year from June to September, subject to the availability of funding as negotiated in the Physician Services Agreement.

► **Why do you collect personal information such as the Social Insurance Number?**

Your personal information, including your Social Insurance Number provided on your application, will be used by the government and any third party authorized by the government to administer and finance the RLIRP and MRL program.

It is important that you read the notice of collection, use and disclosure of personal information before completing the application.

► **Is my personal information protected?**

The government is committed to respecting your privacy and protecting your personal information and we have extensive policies and procedures in place to protect your personal information.

[Read our Privacy Statement](#) >>

Return of Service (ROS)

► **What are the terms of the Return of Service (ROS) agreement?**

The following are some of the terms of the ROS agreement:

1. You may return service in any community in Ontario.
2. Full time hours are a requirement of the ROS and are negotiated with your employer. Full time hours are at a minimum of 30 hours a week, although in most specialties additional hours may be required beyond 30 hours in order to qualify as full time.
3. You may fulfill the RLIRP ROS obligations concurrently with any other Ontario ROS obligations you may have with Ontario. However, you must adhere to the more restrictive ROS agreement.
4. You must apply to the CPSO for a certificate of registration that allows you to practice medicine in Ontario no later than one month after you successfully completed your residency.
5. You must return service no later than three months from the date on which the CPSO issues your certificate of registration allowing you to practise in Ontario.
6. You are responsible for making payments (principal and interest) on the MRL as soon as you completed or terminated your residency or participated in a fellowship program.
7. If you do not return service in Ontario for five years within the terms of the ROS agreement, you will be in breach of the ROS agreement and you will be required to repay the interest paid by the MOH on your behalf, interest on that amount, and an administration cost of up to \$4,000.

► **When does the commitment to return five years of (post residency) physician services start?**

Once participants start post residency employment as a Physician, their five-year commitment to practise in Ontario begins. Deferrals will be granted for parental leave. More details on the commitment are contained in the ROS agreement.

► **What happens if I do not fulfill the ROS agreement or discontinue medical residency in Ontario?**

If you do not return physician services in Ontario for five years, or discontinue medical residency in Ontario, you will be required to repay the amount of interest paid on your behalf, interest on that amount, and the administration costs of the program up to \$4,000.

► **What happens if a resident decides to leave Ontario before the end of the required five years?**

Under the terms of the ROS agreement they will have signed, residents agree to pay back to Ontario all the interest paid on their behalf as well as accrued interest on this amount plus administrative costs.

Medical Resident Loan (MRL)

► **What is a Medical Resident Loan (MRL)?**

The MRL is a loan granted under the authority of the MTCU Act to eligible Ontario medical residents. The purpose of a MRL is to discharge the medical resident's outstanding government student loans from Canada, Ontario or other Canadian provinces/territories.

The MRL agreement amount is the total verified amount of your outstanding government student loans plus any applicable interest accrued between the time the amounts are verified and the time your government student loans are paid out.

It is important that you continue to make your monthly loan payments on your government loans until you receive notification that they have been paid out.

Immediately upon completion of residency, you must assume responsibility for making payments (principal and interest) on the outstanding MRL. If you withdraw from the RLIRP or move out of province during residency, you will need to begin repayment of your MRL immediately and you will be responsible for reimbursing MOH for interest paid on your behalf during residency and an administration fee.

If you wish, you may start paying back the outstanding principal at any time during your residency without penalty. However, you will remain bound by the terms of the ROS agreement you signed.

► **When does repayment of the Medical Resident Loan start?**

Immediately upon completion of residency, you must assume responsibility for making payments (principal and interest) on the outstanding MRL. Also, if you withdraw from the program during residency or move to another jurisdiction during residency, your loan will immediately enter repayment.

► **What if I don't fulfill my obligations in repaying the Medical Resident Loans after my residency?**

A medical resident who enters into a MRL must enter into a repayment agreement with the Lender (Ontario Student Loan Trust) within 30 days upon completion of residency or termination of the ROS agreement.

Failure to repay the loans, including any accumulated principal and interest, may result in the following:

- Your debt will be transferred over to the Ministry of Finance and/or a collection agency.
 - The Ministry of Finance can use various methods, including enhanced collection tools on individuals, to collect provincial student loan debt without getting a court judgment. For example, until your debt is cleared:
 - A warrant could be registered and enforced with the local Sheriff's Office and Land Registry Office to secure property that you try to sell, transfer, or refinance.
 - A lien could be placed on any real property you own preventing you from refinancing your mortgage or selling your property.
 - A lien could be placed on your assets (for example, vehicle, equipment) preventing you from selling or transferring them.
- You may be reported to a credit bureau.
- Your ability to get a car loan, mortgage or credit card can be affected.
- Your income tax refund and/or eligible benefits (for example, GST/HST credits, Ontario Trillium Benefit, etc.) can be used to offset your debt.
- Interest will continue to accrue on the unpaid balance of your loan.

For More Information

Resident Loan Interest Relief Program - Application Centre

Resident Loan Interest Relief Program

P.O. Box # 127, Toronto "P", Toronto ON M5S 2S7

Telephone: 1-833-435-4151

Fax: 1-866-951- 2215

Email: rlirp@accerta.ca.

We are available from Monday to Friday, between 9:00 a.m. and 5:00 p.m. EST.