

Scholarship and Loan Repayment Programs

NAMI Public Policy Position



Where We Stand:

NAMI believes that the mental health and substance use workforce must be sufficient in supply, diversity and cultural competency to meet the needs of people with mental health conditions. NAMI supports public policies and laws that create, expand and sustain loan repayment programs and scholarships for mental health professionals.

Why We Care:

Access to mental health care and treatment cannot be achieved without an appropriately skilled and diverse workforce available to provide services. Unfortunately, the U.S. does not have enough MH/SUD professionals to meet the increasing demand. More than [165 million](#) people live in federally designated Mental Health Professional Shortage Areas (HPSAs), with over [8,500](#) more practitioners needed to ensure an adequate supply. This lack of providers exacerbates unmet needs and leaves more people without options to receive mental health care in a timely manner – or at all.

Financial barriers can discourage individuals from pursuing a career in mental health or from practicing in underserved areas, which often has a disproportionate impact on minoritized communities. Scholarship and loan payment programs address these barriers by helping individuals with the cost and debt from schooling, often in exchange for practicing in mental health shortage areas that may struggle to recruit new providers. Programs may be funded by state or federal governments as well as combinations of states and private entities.

Scholarship and loan repayment programs are an important financial incentive that serve as an [effective](#) way to recruit and retain mental health providers. Loan repayment programs [reduce](#) the shortage of professionals in rural areas, which have [fewer](#) practitioners than urban areas despite [similar or higher rates](#) of mental health conditions. Scholarships can remove additional barriers for individuals who are financially disadvantaged and may not be able to obtain a loan or repay a loan. Scholarships can also provide access to an alumni network, professional development training, and mentorship.

The federal government offers a variety of [loan repayment programs](#) through the Health Resources & Services Administration (HRSA) to attract mental health and substance use disorder providers across the continuum of care. The [National Health Service Corps](#) (NHSC) is the [largest](#) public program to offer financial incentives to mental health professionals, and includes psychiatrists, psychologists,

psychiatric nurse practitioners, and licensed clinical social workers. Nearly [2 out of every 3](#) NHSC mental health care professionals continue practicing in underserved areas after completing their service commitment. NHSC also awards [scholarships](#) to students committed to serving in health professional shortage areas.

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To increase diversity among mental health providers and prepare clinicians to treat and serve people of diverse cultural and racial/ethnic backgrounds, the [Minority Fellowship Program](#) (MFP) provides scholarships across many types of mental health professions, including marriage and family therapy, nursing, professional counseling, psychology, psychiatry, social work and addictions treatment. MFP fellows often go on to serve in key leadership positions in clinical settings and the policy realm.

Unfortunately, these programs and other scholarship and loan repayment opportunities are often limited, underfunded, or specific to certain providers, which hampers efforts to recruit and retain mental health professionals. Moreover, these programs do not support the mental health workforce with lived experience, such as peer support workers, who often receive low wages. NAMI supports public policies and laws that create, expand and sustain the reach of scholarship and loan repayment programs for mental health professionals.

To learn more about NAMI's work on this issue, visit www.nami.org/Advocacy/Policy-Priorities