

Tomorrow's Doctors, Tomorrow's Cures®

Repayment Strategies

Pritzker School of Medicine

Class of 2022

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Congratulations!

What Will We Cover Today?

- Subsidized / Unsubsidized
- Deferment / Forbearance
- Grace / Post-Enrollment Deferment
- Capitalization
- Servicer
- Income-Driven Repayment (IDR)
- Partial Financial Hardship (PFH)
- Subsidy
- Discretionary Income
- “New Borrower”
- IDR Plan Forgiveness
- Consolidation
- Refinancing
- Public Service Loan Forgiveness (PSLF)



Where can you access your federal student loan information?



What should you do if your undergraduate loans don't have a grace period?



What is capitalization and how often does it happen?



What should you do if you don't want to make payments during residency?



How do you know if you want/need to consolidate after graduation?



What is the difference between refinancing and consolidating?

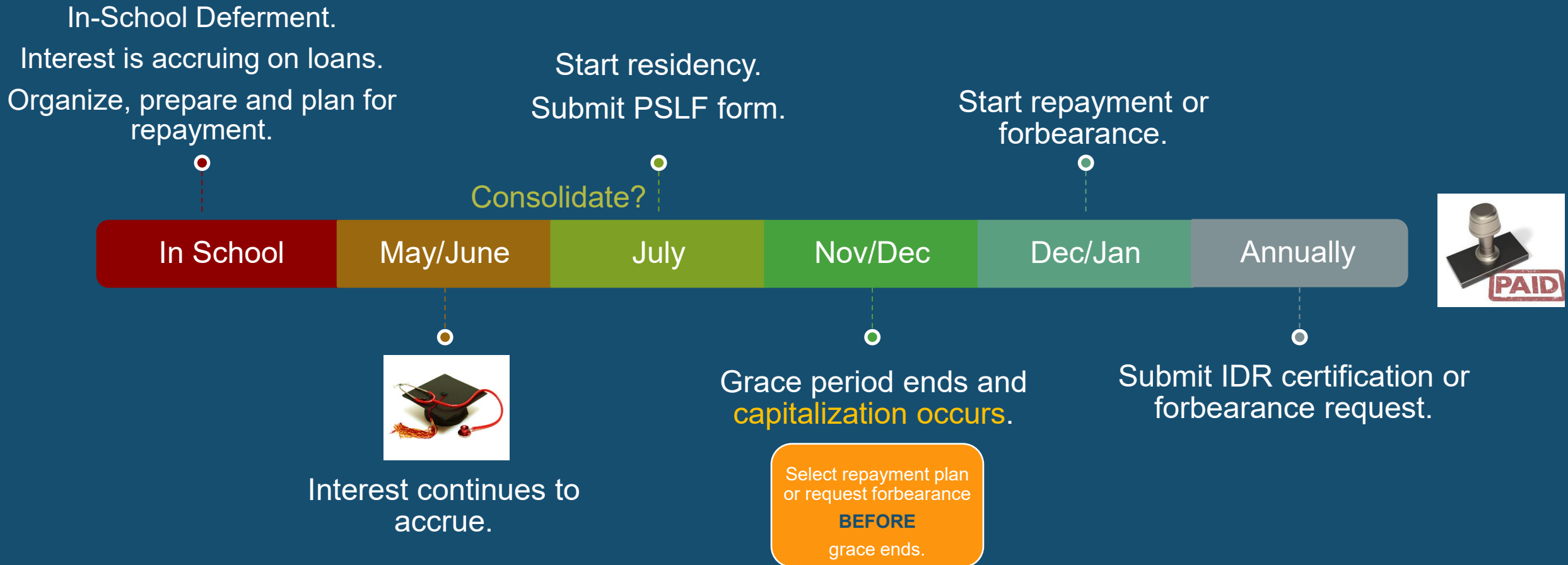


What are the requirements of PSLF and how do you apply?



Which repayment plan is best for you?

Timeline to Repayment

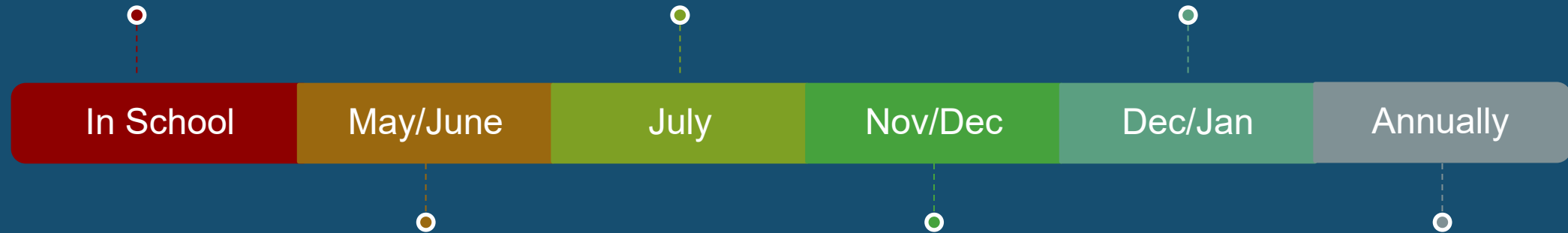


Timeline to Repayment

In-School Deferment.

Interest is accruing on loans.

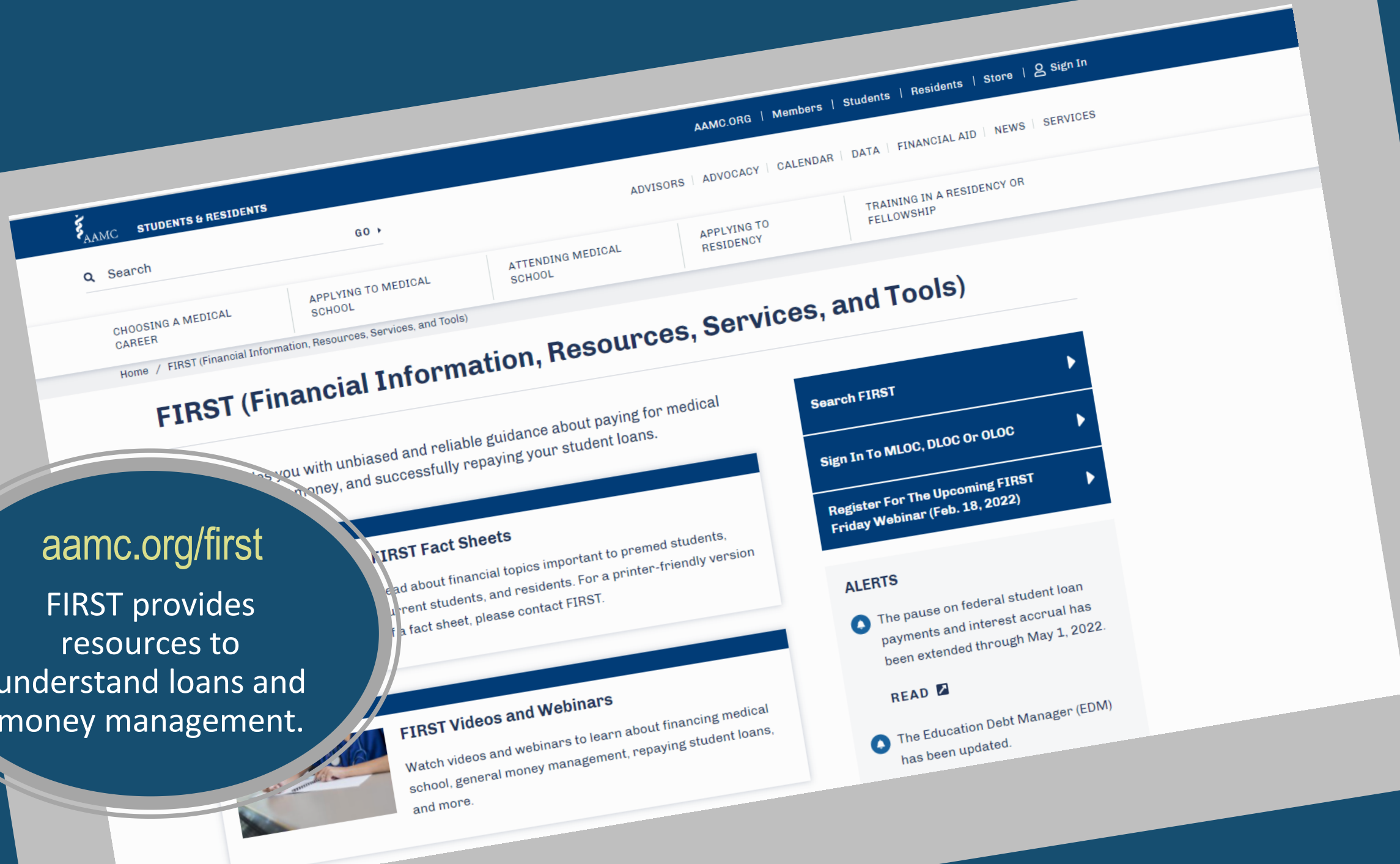
Organize, prepare and plan for repayment.



1

Get
Organized
and
Prepared

aamc.org/first
FIRST provides
resources to
understand loans and
money management.





FIRST PROGRAM



Financial Information, Resources,
Services, and Tools

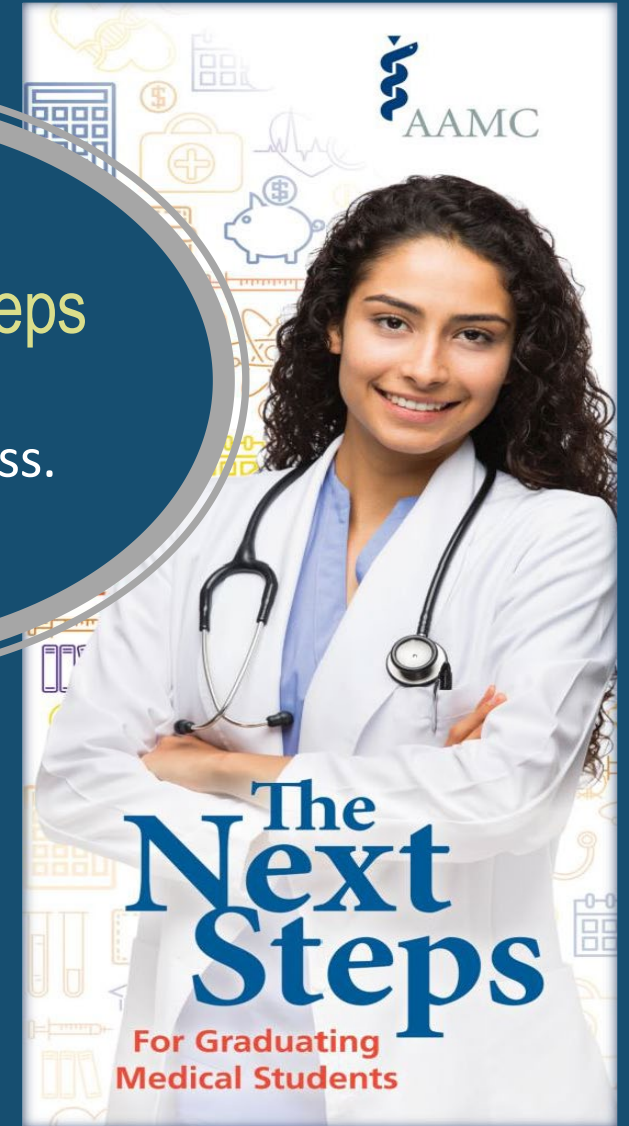
Education Debt Manager

for Matriculating and Graduating Medical School Students

Learn
Serve
Lead

aamc.org/first/edm
Publication explaining
student loans and
loan repayment.

aamc.org/nextsteps
Guide to the
repayment process.



The CARES Act and
other student loan
relief measures are
providing
positive benefits for
borrowers

1

Suspends monthly payments and interest accrual of federal student loans from 3/13/20 through at least 5/1/22 .

2

Does **NOT** apply to private loans or to Perkins or FFEL Program loans that are **NOT** owned by ED.

3

From 3/13/2020 through 5/1/22, if borrowers make any payments, they will be applied to the principal if all accrued interest prior to March 13, 2020, has been paid.

Interest Savings

CARES Act

The CARES Act of March 2020, coupled with an executive order by the president and an extension by the secretary of education, provided student loan borrowers the benefit of no required payments as well as a temporary interest freeze. From March 13 through **May 1, 2022** the interest rate was 0% on qualifying federal student loans, including Direct Loans.

The financial impact of these measures on **\$150,000** loan portfolio borrowed by a 2022 graduate will be about **\$13,800** by the end of the grace period.

For more information on the CARES Act, visit studentaid.gov/coronavirus.

* **Based on the 0% interest rate expiring 5/1/22**

Loan balance after grace
(with relief measures through 5/1/2022):

\$159,300

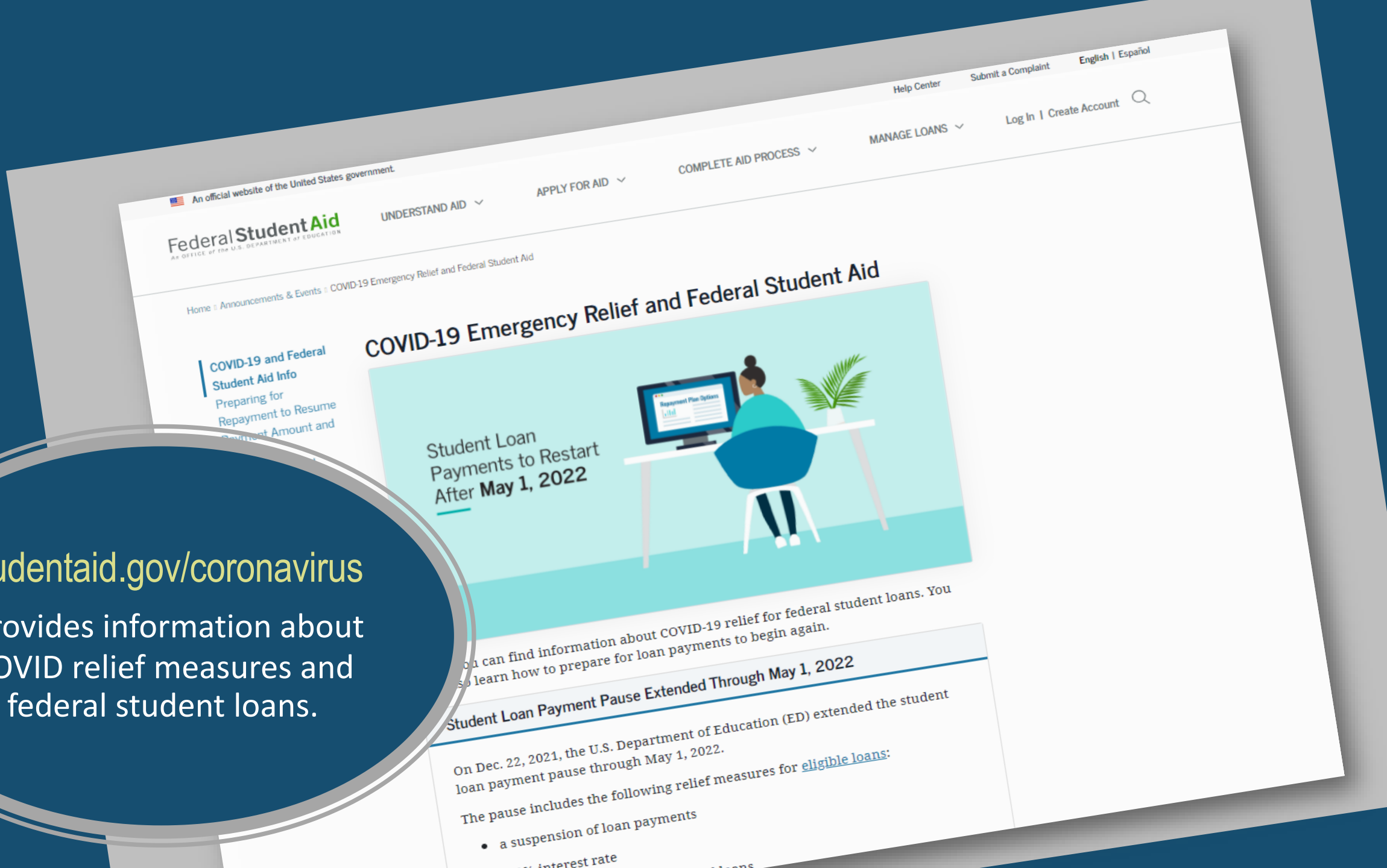
Loan balance after grace
(without the relief measures):

\$173,100

“Savings” = **\$13,800***

studentaid.gov/coronavirus

Provides information about
COVID relief measures and
federal student loans.



studentaid.gov
Find your federal
student loan
information.





Manage Loans

Navigate the student loan repayment process with confidence: make payments, change repayment plans, explore options, and get help.

[View My Account](#)

Understanding Student Loan Repayment

Learn about federal student loan repayment based on where you are in the process.



I'm Starting School or In
School



I'm About to Graduate or
Leave College



I Just Graduated or Left
School



MY AID



Your loan balance is
\$150,000

[VIEW DETAILS](#) >

Loan information as of
[View loan servicer details](#)

Estimate monthly
payments and compare
loan repayment plans

[LOAN SIMULATOR](#) >

Decide whether a Direct
Consolidation Loan is right
for you

[LOAN CONSOLIDATION](#) >

MY CHECKLISTS

I'M PREPARING FOR SCHOOL



I'M IN SCHOOL



I'M IN REPAYMENT



Use the *Public Service
Loan Forgiveness (PSLF)*



Dashboard ▸ Aid Summary

Aid Summary

LOANS

GRANTS

 [Download My Aid Data](#) 

STUDENT AID TIP

It looks like you've recently completed school, withdrawn, or dropped below half-time enrollment. This means that you will soon need to start making payments on your federal student loans.

You can [use Loan Simulator](#) to explore your repayment options.

STUDENT AID TIP

When your grace period ends, your interest may be capitalized (i.e., added to your principal balance). You may want to consider making an interest payment to lower the total amount you need to repay.

14 Loans [View Breakdown](#)

3 Servicers | Total Original Amount Awarded:

HELPFUL LINKS

MedLoans® Organizer and Calculator (MLOC)

JANUARY 29, 2021

The MedLoans® Organizer and Calculator was developed to assist medical students and residents with managing their education debt. The MLOC provides a secure and track student loans while also displaying possible repayment on the borrower's student loan debt.

aamc.org/medloans

MLOC is a tool to help you organize your loans and evaluate your repayment options.



SHARE: [f](#) [t](#) [in](#) [✉](#)

[Sign In To MLOC, DLOC And OLOC](#)

Contact FIRST

[✉ first@aamc.org](mailto:first@aamc.org)

Search Financial Aid Resources

Find a complete list of all financial aid resources, services, and tools.

[SEARCH NOW ▶](#)

MedLoans® Organizer and Calculator (MLOC)

The MedLoans® Organizer and Calculator

annualcreditreport.com
Obtain your free credit
report to see all credit
accounts in your name.

AnnualCreditReport.com

the only source for your free credit reports. Authorized by Federal law.

All about credit reports

Request yours now!

What to look for

Protect your identity

Frequently asked questions

Contact us

During the COVID-19 pandemic, accessing your credit is important. That's why Equifax, Experian and TransUnion are continuing to offer free weekly online credit reports.

Request your free credit reports

You've found your dream house.
Are your credit reports ready?

People with good credit should check their credit reports too.
Regular checks ensure the information stays accurate. Your good credit will be ready when you need it.

Learn what to look for



PAUSE

SPOT IDENTITY THEFT

GOOD CREDIT

DON'T BE FOOLED

MORE THAN A SCORE

NOT LIKE THE OTHERS

Your credit reports matter.

- Credit reports may affect your mortgage rates, credit card approvals, apartment requests, or even your job application.
- Reviewing credit reports helps you catch signs of identity theft early.

Request your free credit reports

FREE Credit Reports. Federal law allows you to:

- Get a free copy of your credit report every 12 months from each credit reporting company.
- Ensure that the information on all of your credit reports is correct and up to date.

BROUGHT TO YOU BY

experian.

TransUnion.

EQUIFAX



FEDERAL TRADE COMMISSION

IdentityTheft.gov

Log In

En Español

Report identity theft and get a recovery plan

Get Started →

or browse recovery steps



Unemployment Insurance Identity Theft
What to do now →

identitytheft.gov

Report identity theft
and learn about what
you need to do.

IdentityTheft.gov can help you report and recover from identity theft.
HERE'S HOW IT WORKS:

TO DO:

TO DO:



2

Manage
Loans
Without A
Grace Period

Grace Period



6 Months



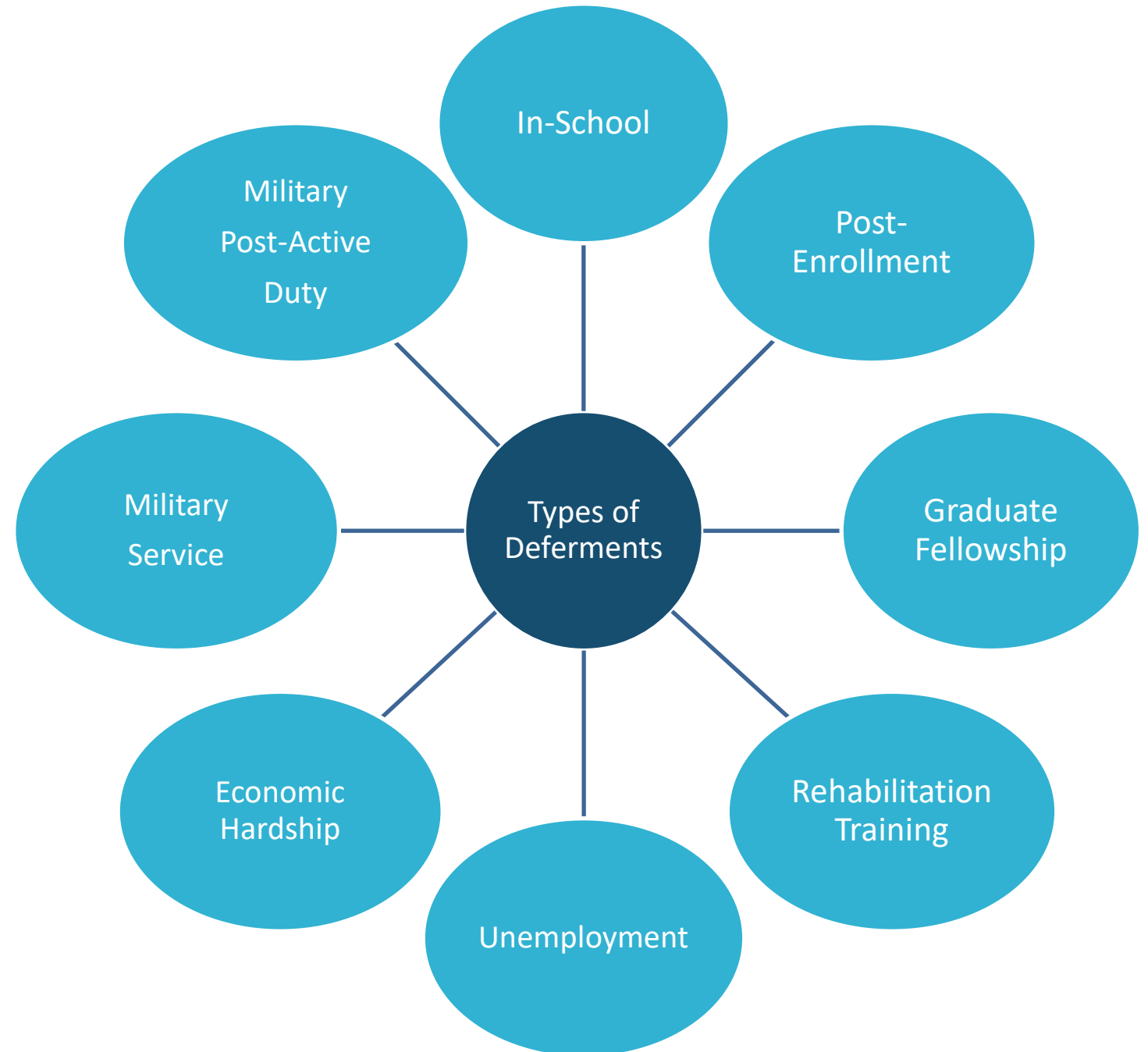
Interest Accrues



Not Required

Deferment

- Way to postpone payments
- **Strict** eligibility requirements



Forbearance

- Can postpone payment with a **forbearance alignment** (used to coordinate payment dates with med school loans)
- Interest accrues on **ALL** loans



Timeline to Repayment

In-School Deferment.

Interest is accruing on loans.

Organize, prepare and plan for repayment.



Interest continues to accrue.

Direct Loan Interest Rates

federal

Unsubsidized
Loans →

Academic
Year
2018-2019

6.60%

7.60%

Academic
Year
2019-2020

6.08%

7.08%

Academic
Year
2020-2021

4.30%

5.30%

Academic
Year
2021-2022

5.28%

6.28%

PLUS
Loans →

PRINCIPAL



\$150,000

INTEREST

during med school and grace



\$5,100



\$4,200

Timeline to Repayment

In-School Deferment.

Interest is accruing on loans.

Organize, prepare and plan for repayment.



Interest continues to accrue.

3

Consolidation
Is An
Option

What Is Consolidation?

A Direct Consolidation Loan will pay off all other outstanding federal student loans (FFEL and/or Direct).

The new interest rate is a fixed rate and is the weighted average of all the underlying loans combined and rounded up to the next $1/8^{\text{th}}$ of 1 percentage point.

It is NOT ALWAYS necessary to consolidate!



Select Servicer or
One Servicer (if you
have more than one)



Make Loans Eligible
for Program or Plan
(PSLF or IDR)



Start Repayment
Sooner (by “giving up”
grace period)

Consolidate?



[About Loan Repayment](#)

[Who's My Servicer?](#)

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[Public Service Loan Forgiveness](#)

[Teacher Loan Forgiveness](#)

[Closed School Discharge](#)

[Perkins Loan Cancellation and Discharge](#)

[Total and Permanent Disability Discharge](#)

[Discharge Due to Death](#)

[Discharge in Bankruptcy](#)

[Borrower Defense to Repayment](#)

[False Certification Discharge](#)

[Unpaid Refund Discharge](#)

[Delinquency and Default](#)

[Avoiding Default](#)

[Collections](#)

[Getting Out of Default](#)



I'm Starting School or In School

I'm in the process of earning a degree or certificate



I'm About to Graduate or Leave College

I'm completing my program or taking a break from school



I Just Graduated or Left School

I'm in my grace period and preparing to repay my loan

Refinancing

The process of paying off outstanding federal loans with a new private (consumer) loan.



Federal Direct Loan

Refinancing



Private Loan

Refinanced Loans



- Are **not government** owned
-



- Not eligible for Income-Driven Repayment (IDR) Plans
 - Not eligible for Public Service Loan Forgiveness
-



- Postponement during residency?
- Fixed or variable interest rate?
- Cosigner needed?
- Cosigner release?

Re- Fi Questions to Consider

Will the new loan have a fixed or variable interest rate?

Is the interest rate lower than my federal loan?

Are my payments affordable during residency?

Can I postpone payments?

Am I comfortable with the financial risk?

Do I need a co-signer to qualify?

Can a co-signer be released from the loan?

Am I seeking federal loan forgiveness?



Timeline to Repayment



4

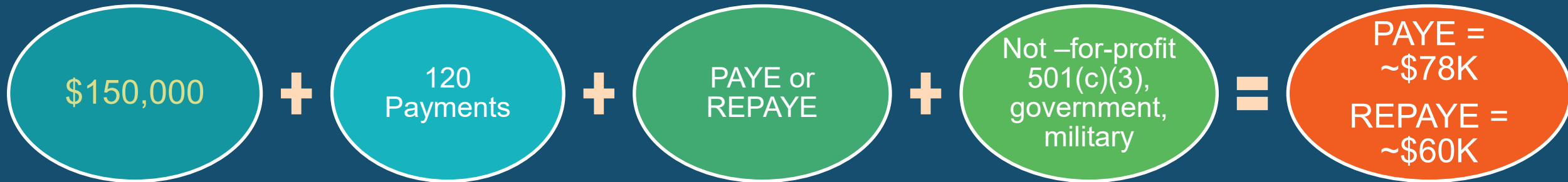
Complete
the PSLF
Form



PUBLIC SERVICE LOAN FORGIVENESS (PSLF)



PSLF



3-year residency.
Starting residency salary - \$59,700.
Post-residency salary - \$210,000.
Total amount repaid with PAYE is \$158K and \$165K with REPAYE.

studentaid.gov/PSLF
Search for qualifying employer, learn about PSLF and generate PSLF form.

 An official website of the United States government.

FederalStudentAid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

UNDERSTAND AID ▾

APPLY FOR AID ▾

COMPLETE AID PROCESS ▾

MANAGE LOANS ▾

Help Center

Submit a Complaint

English | Español

Log In | Create Account



Complete the Public Service Loan Forgiveness (PSLF) Form With the PSLF Help Tool

The PSLF Help Tool helps determine whether you work for a qualifying employer for the PSLF or Temporary Expanded Public Service Loan Forgiveness (TEPSLF) programs, suggests actions you can take to become eligible for PSLF, and guides you through the PSLF form and submission process.



Important Limited PSLF Waiver Opportunity

On Oct. 6, 2021, the U.S. Department of Education (ED) announced a temporary period during which borrowers may receive credit for payments that previously did not qualify for PSLF or TEPSLF.

[Learn More About this limited PSLF waiver.](#)

Using the PSLF Help Tool

Use the PSLF Help Tool to search for a qualifying employer, learn what actions you may need to take to become eligible for PSLF or TEPSLF, and generate the form you need. Each time you submit a form, we will evaluate your eligibility for forgiveness, and provide that forgiveness to you if you are eligible. After you submit your form, if you have Direct Loans and work for a qualifying employer, you will receive a count of the number of qualifying payments you have made toward both PSLF and TEPSLF from FedLoan Servicing. For the best experience using this tool, we strongly recommend that you read [Become a Public Service Loan Forgiveness \(PSLF\) Help Tool Ninja](#) before getting started.

The PSLF Help Tool has been modified to align with the conditions under [COVID-19 relief measures](#) and the limited PSLF waiver through Oct. 31, 2022. To get the most accurate information, make sure to carefully read any section titled "Special Instructions for the COVID-19 Emergency" and check out the limited PSLF waiver.

Log In To Start





Loan Repayment/Forgiveness/Scholarship and Other Programs

Tomorrow's Doctors, Tomorrow's Cures
[Home](#)

Loan Repayment/Forgiveness/Scholarship and Other Programs

State and Federal Loan Repayment, Forgiveness, Scholarship, and Other Programs database. This searchable database provides detailed information on state and federal programs available to medical and other health professions students. This searchable database provides detailed information not exhaustive. Your medical school advisor or financial aid advisor may have information regarding additional resources.

Keyword search

Search

List All Programs

aamc.org/stloan
Searchable database of
state and federal
programs.

- DC Health Professional Loan Repayment Program
- Delaware State Loan Repayment Program
- Doctors for Maine's Future Scholarship
- Dr. James L. Hutchinson and Evelyn Ribbs Hutchinson Medical School Scholarship
- Georgia Physician Loan Repayment Program (GPLRP)
- Health Professions Loan Assistance Program
- Health Professions Loan Repayment Program (HPLRP)

State/Other	Designation	Type
All State/Other	All Designation	All Type
Arizona	State	Repayment
Alabama	State	Scholarship
California	Federal	Repayment
California	Federal	Repayment
Colorado	Federal/State	Repayment
Arkansas	State	Repayment
California	State	Repayment
District of Columbia	Federal/State	Repayment
Delaware	Federal/State	Scholarship
Maine	State	Scholarship
California	State	Repayment
Georgia	Federal/State	Repayment
New Mexico	Federal/State	Loan Assistance
Wisconsin	State	Repayment
Maryland	Federal	Scholarship
Maryland	Federal	Forgiveness
Kansas	State	



National Institutes
of Health



U.S. AIR FORCE



aamc.org/repayasst

Provides links to
various repayment
assistance programs.

Timeline to Repayment

In-School Deferment.

Interest is accruing on loans.

Organize, prepare and plan for repayment.

Start residency.
Submit PSLF form.

Consolidate?



In School

May/June

July

Nov/Dec

Dec/Jan

Annually



Interest continues to accrue.

Grace period ends and
capitalization occurs.

What Is Capitalization?

The process of applying unpaid, outstanding interest to the principal amount borrowed.

PRINCIPAL



\$150,000

INTEREST

during med school and grace



\$5,100



\$4,200

\$159,300
New
Principal

Principal Borrowed	Est. Interest	Est. Amount Owed After Grace/Capitalization
\$100K	\$ 6K	\$106K
\$150K	\$ 9K	\$159K
\$200K	\$13K	\$213K
\$250K	\$16K	\$266K
\$300K	\$20K	\$320K
\$350K	\$24K	\$374K
\$400K	\$27K	\$427K
\$450K	\$31K	\$481K

Numbers are estimated and rounded. Example reflects COVID-19 administrative forbearance period (3/13/20 through 5/1/22).

Timeline to Repayment



5

Decide If You
Will Pay Or
Postpone
Payments

How do You Choose the Best Repayment Plan?

Determine your repayment goals
and then make the **best** decision
for **YOU!**

MedLoans® Organizer and Calculator (MLOC)

JANUARY 29, 2021

The MedLoans® Organizer and Calculator was developed to assist medical students and residents with managing their education debt. The MLOC provides a secure location to organize and track student loans while also displaying possible repayment options based on the borrower's student loan debt.

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[Sign In To MLOC, DLOC And OLOC](#)

Contact FIRST

✉ first@aamc.org

Search Financial Aid Resources

Find a complete list of all financial aid resources, services, and tools.

[SEARCH NOW ▶](#)

MedLoans® Organizer and Calculator (MLOC)

The MedLoans® Organizer and Calculator

aamc.org/medloans

MLOC is a tool to help you organize your loans and evaluate your repayment options.



Photo by [Nathan Dumlao](#) on [Unsplash](#)

What Are Your Repayment Options?

Traditional Repayment Plans

**Base your monthly
payment on the
amount you owe and
repayment term.**

Traditional Repayment Plans

Traditional Plans



Based on 2022 graduate borrowing \$200,000 and entering repayment after grace period ends. Numbers are estimated, rounded and reflect COVID-19 administrative forbearance period (3/13/20 through 5/1/22). Note: Monthly payment for graduated plan will increase every two years.

Traditional Repayment Plans

Traditional Plans



Based on 2022 graduate borrowing \$200,000 and entering repayment after grace period ends. Numbers are estimated, rounded and reflect COVID-19 administrative forbearance period (3/13/20 through 5/1/22). Note: Monthly payment for graduated plan will increase every two years.

Traditional Repayment Plans

Traditional Plans



Based on 2022 graduate borrowing \$200,000 and entering repayment after grace period ends. Numbers are estimated, rounded and reflect COVID-19 administrative forbearance period (3/13/20 through 5/1/22). Note: Monthly payment for graduated plan will increase every two years.

Income – Driven Repayment (IDR) Plans

**Base your monthly
payment on
discretionary income
and family size.**

What's Discretionary Income?

The difference between your income and 150% of the poverty guideline (based on family size and state of residence)

Example of a PGY-1 Resident's Discretionary Income

Monthly Adjusted Gross Income ¹	\$4,980
(minus) 150% of Poverty Guideline ²	- \$1,700
(equals) Discretionary Income	= \$3,280

1. Based on AAMC Estimate for the 2022 first post-MD-year median stipend (\$59,700).
2. Based on 2022 federal poverty guideline for a family size of one in the 48 contiguous states.

Income-Driven Repayment Plans

Income-Driven Plans

Income-Contingent Repayment (ICR)

\$780/ mo.

Income-Based Repayment (IBR)*

\$500/ mo.

Pay As You Earn (PAYE)

\$330/ mo.

Revised Pay As You Earn (REPAYE)

\$330/ mo.

Based on 2022 graduate entering repayment after grace period ends. Monthly payment is based on resident stipend of \$59,700. Numbers are estimated and rounded.

* Borrowers with loans disbursed before 7/1/2014 are eligible for the IBR payment shown above; borrowers with loans disbursed after 7/1/2014 would qualify for “new” IBR and the payment would mirror the PAYE payment above.

Income-Driven Repayment Plans

Income-Driven Plans

Income-Contingent Repayment (ICR)

25-year repayment term

Income-Based Repayment (IBR)*

25-year repayment term

Pay As You Earn (PAYE)

20-year repayment term

Revised Pay As You Earn (REPAYE)

25-year repayment term

Based on 2022 graduate entering repayment after grace period ends. Monthly payment is based on resident stipend of \$59,700. Numbers are estimated and rounded.

* Borrowers with loans disbursed before 7/1/2014 are eligible for the IBR payment shown above; borrowers with loans disbursed after 7/1/2014 would qualify for “new” IE and the payment would mirror the PAYE payment above.

Income-Driven Repayment Plans

Income-Driven Plans

Income-Contingent Repayment (ICR)



Direct Loans Only

Income-Based Repayment (IBR)*



FFEL and Direct Loans

Pay As You Earn (PAYE)



Direct Loans Only

Revised Pay As You Earn (REPAYE)



Direct Loans Only

Based on 2022 graduate entering repayment after grace period ends. Monthly payment is based on resident stipend of \$59,700. Numbers are estimated and rounded.

* Borrowers with loans disbursed before 7/1/2014 are eligible for the IBR payment shown above; borrowers with loans disbursed after 7/1/2014 would qualify for “new” IE and the payment would mirror the PAYE payment above.

For a medical student who borrowed \$200,000
and has a PGY-1 stipend of \$59,700
monthly payments would be ...

Standard
\$2,300



IBR

\$500

OR

PAYE

\$330

To qualify for IBR or PAYE, borrower
must have a PARTIAL FINANCIAL
HARDSHIP (PFH) to enter the plan.

Repayment Plan Requirements

PAYE

- Direct Loans are the **only** loans that qualify
- Must have a Partial Financial Hardship (PFH) **to enter the plan**
- Must be a “new borrower” which means:

No federal loan balance on **10/1/07** AND
had Direct Loan disbursed **on or after**
10/1/11

REPAYE

- Direct Loans are the **only** loans that qualify

PAYEE

Capitalized Interest

- Can't exceed 10% of the loan balance that entered the plan

Monthly Payment Cap

- Payment will not be higher than what it would have been if entering the Standard plan

Married Borrowers

- Spousal income is used to determine borrower's payment if filing a joint tax return

Plan Forgiveness

- Occurs after paying for 20 years (if balance remains); plan forgiveness is taxable

REPAYEE

Subsidy Available

- During periods of negative amortization, borrower is only responsible for 50% of the unpaid interest

REPAYE's Subsidy

Principal Borrowed	Owed After Grace	Interest/Per Mo. During Residency	Monthly Payment (REPAYE)
\$200,000	\$212,700	~\$1,000/mo	~\$330/mo

Negative amortization occurs when the principal increases because you haven't paid all the outstanding interest due on the loan.

Monthly Interest During Residency	\$ 1,000
Monthly Payment During Residency	- 330
Interest not covered by payment	\$ 670

Subsidy is 50% of the unpaid interest (\$335).

REPAYAYE

Subsidy Available

- During periods of negative amortization, borrower is only responsible for 50% of the unpaid interest

Monthly Payment

- No limit; will always be based on 10% of discretionary income and household size

Married Borrowers

- Spousal income is always used to determine borrower's monthly payment

Plan Forgiveness

- Occurs after paying for 25 years (if balance remains); plan forgiveness is taxable



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[Unpaid Refund Discharge](#)

[Delinquency and Default](#)

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[Getting Out of Default](#)



I'm Starting School or In School

I'm in the process of earning a degree or certificate.



I'm About to Graduate or Leave College

I'm completing my program or taking a break from school.



I Just Graduated or Left School

I'm in my grace period and preparing to repay my loan.



The entire Income-Driven Repayment process must be completed in a single session. Most people complete the process in 10 minutes or less.




New Applicants

I am not currently on an income-driven plan and I want to apply

You can apply for an income-driven repayment plan that limits your payments to a percentage of your income.

START APPLICATION




Returning IDR Applicants

Submit annual re-certification of my income

To re-certify for your existing income-driven repayment plan you must provide updated information about your income and family size annually.


SUBMIT RE-CERTIFICATION



Recalculate my monthly payment

If your income or family size has changed you can request that your income-driven payment be re-calculated to reduce your current monthly payment.

UPDATE INCOME INFO



Switch my current plan to a new plan

If you are currently enrolled in an income-driven repayment plan and would like to switch to another income-driven

CHANGE IDR PLAN

~~NOW~~

LATER



Mandatory Residency Forbearance



Could provide more disposable income during residency.



May offer more flexibility to repay more expensive debt.



Can reduce financial obligations when income is lower.

Interest and Forbearance

**Principal
Amount
Borrowed
\$150,000**

**Balance
After
Grace
\$159,300**



**Interest
During
Residency
\$27,000**



**Post-
Residency
Balance
\$186,300**



**Choose a
repayment
and begin
repayment.**

**Initial capitalization
occurs at the end
of grace/post-
enrollment
deferment.**

**Interest continues to
accrue throughout 3 yr. residency.**

**Capitalization
occurs again at the
end of residency.**

Interest During Residency

Principal Amount Borrowed	After Grace and Capitalization	Interest/Per Mo. During 3 yr. Residency
\$100K	\$106K →	~\$500/mo.
\$150K	\$ 159K	~\$700/mo.
\$200K	\$ 213K	~\$1,000/mo.
\$250K	\$ 266K	~\$1,300/mo.

Principal Amount Borrowed	After Grace and Capitalization	Interest/Per Mo. During 3 yr. Residency
\$300K	\$320K →	~\$1,600/mo.
\$350K	\$374K	~\$1,900/mo.
\$400K	\$427K	~\$2,200/mo.
\$450K	\$481K	~\$2,500/mo.

Numbers are estimated and rounded. Example reflects COVID-19 administrative forbearance period (3/13/20 through 5/1/22).



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[Public Service Loan Forgiveness](#)

[Teacher Loan Forgiveness](#)

[Closed School Discharge](#)

[Perkins Loan Cancellation and Discharge](#)

[Total and Permanent Disability Discharge](#)

[Discharge Due to Death](#)

[Discharge in Bankruptcy](#)

[Borrower Defense to Repayment](#)

[False Certification Discharge](#)

[Unpaid Refund Discharge](#)

[Delinquency and Default](#)

[Avoiding Default](#)

[Collections](#)

[Getting Out of Default](#)

studentaid.gov
Manage your loans.

In 2021, the U.S. Department of Education (ED) extended COVID-19 emergency relief for student loans through May 1, 2022. The emergency relief included the following measures for eligible loans:

- a suspension of loan payments
- a 0% interest rate
- stopped collections on defaulted loans

Have questions? Find out what loans qualify and get additional information



[Home](#) ▮ [Manage Loans](#) ▮ [Lower or Suspend Student Loan Payments](#) ▮ [Get Temporary Relief](#) ▮ [Student Loan Forbearance](#)

Student loan forbearance allows you to temporarily stop making payments.

Find out if a forbearance is the best option for your situation.

[Get Relief With Lower Payments on an Income-Driven Repayment Plan](#)

[Be Aware That Interest Might Accrue During a Forbearance](#)

[Request a Forbearance](#)

[Understand Eligibility for a Forbearance](#)

With forbearance, you won't have to make a payment, or you can temporarily make a smaller payment. However, you probably won't be making any progress toward forgiveness or paying back your loan. As an alternative, consider income-driven repayment.

Student Loan Payment Pause Extended Through May 1, 2022

On Dec. 22, 2021, the U.S. Department of Education (ED) extended COVID-19 emergency relief for student loans through May 1, 2022. The emergency relief includes the following measures for eligible loans:

- a suspension of loan payments
- a 0% interest rate

Get Relief With Lower
Payments on an Income-
Driven Repayment Plan
Be Aware That Interest
Might Accrue During a
Forbearance

Request a Forbearance

Understand Eligibility
for a Forbearance

Mandatory Forbearance

If you meet the eligibility requirements for a mandatory forbearance, your servicer is required to grant the forbearance. You are eligible for a mandatory forbearance in the following circumstances.

Note: The mandatory forbearances discussed below apply to **FFEL Program** loans unless otherwise noted.

AmeriCorps

You are serving in an AmeriCorps position for which you are receiving an award.

[Request an AmeriCorps forbearance](#) .

Department of Defense Student Loan Repayment Program

You qualify for partial repayment of your loans under the Department of Defense Student Loan Repayment Program.

Complete the [Mandatory Forbearance Request: Medical or Dental Internship/Residency, National Guard Duty, or Department of Defense Student Loan Repayment Program](#).

Medical or Dental Internship or Residency

You are serving in a medical or dental internship or residency program that meets specific requirements.

Complete the [Mandatory Forbearance Request: Medical or Dental Internship/Residency, National Guard Duty, or Department of Defense Student Loan Repayment Program](#).

National Guard Duty

You are a member of the National Guard and have not received a military deferment; you are not eligible for a military deferment.



SERV

MANDATORY FORBEARANCE REQUEST

Medical or Dental Internship/Residency, National Guard Duty, or Department of Defense Student Loan Repayment Program Forbearance
William D. Ford Federal Direct Loan (Direct Loan Program) / Federal Family Education Loan (FFEL) Program

OMB No. 1845-0018
Form Approved
Exp. Date 8/31/2021

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: BORROWER INFORMATION

Please enter or correct the following information.

☐ Check this box if any of your information has changed.

SSN

Name

Address

City State Zip Code

Telephone - Primary

Telephone - Alternate

Email (Optional)

SECTION 2: BORROWER DETERMINATION OF FORBEARANCE ELIGIBILITY

Carefully read the entire form before completing it. Complete the applicable part of Section 2 in its entirety. This form covers three different types of forbearance. Review the information for each forbearance type to determine whether you qualify for that forbearance.

PART A. MEDICAL OR DENTAL INTERNSHIP/RESIDENCY

You only qualify for this forbearance if you do not qualify for a medical or dental internship/residency deferment.

1. Have you been accepted into an internship/residency?

- ☐ Yes - Continue to Item 2.
☐ No - You are not eligible for this forbearance.

2. Did your program require for admission that you have a bachelor's degree?

- ☐ Yes - Continue to Item 3.
☐ No - You are not eligible for this forbearance.

3. Will you receive supervised training in your internship/residency program?

- ☐ Yes - Continue to Item 4.
☐ No - You are not eligible for this forbearance.

5. Is completion of all or a portion of the program required before you can begin professional practice or service?

- ☐ Yes - Complete Section 3 and have an authorized official complete Section 4. In addition, you must attach a separate statement from the appropriate state licensing agency certifying this requirement.
☐ No - You are not eligible for this forbearance.

PART B. NATIONAL GUARD DUTY

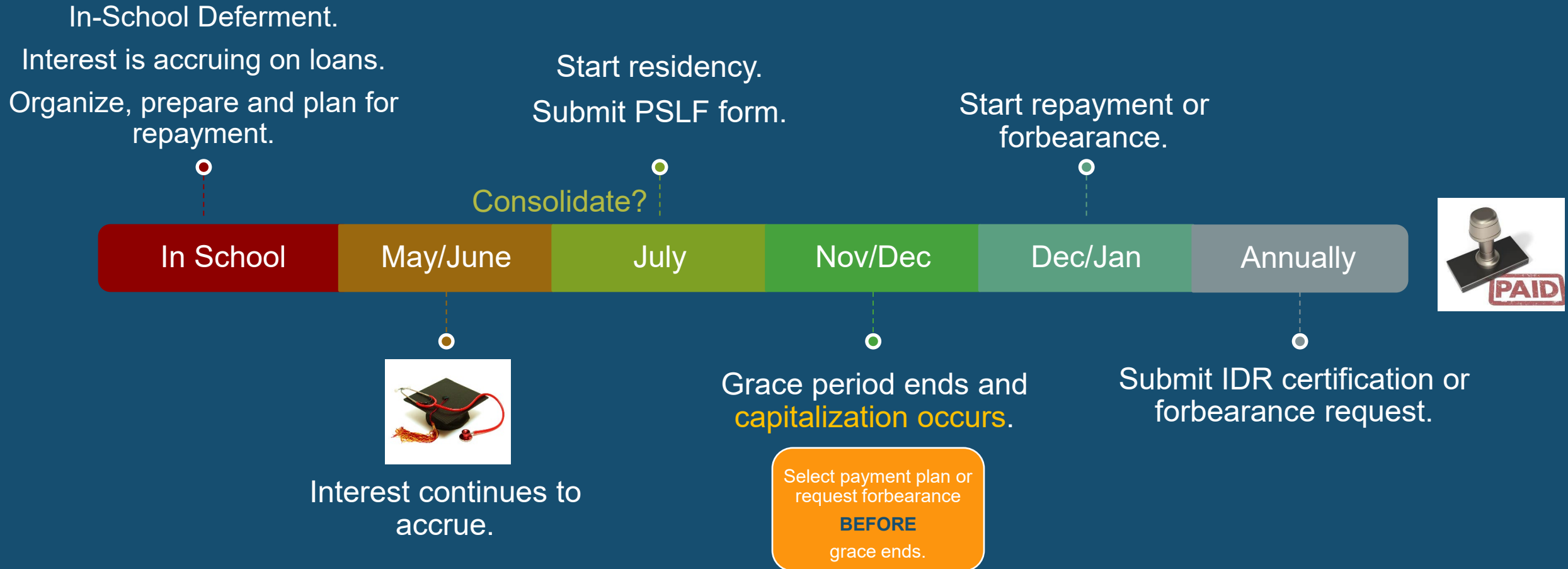
You only qualify for this forbearance if you do not qualify for a military service deferment.

6. Are you a member of the National Guard?

- ☐ Yes - Continue to Item 7.
☐ No - You are not eligible for this forbearance.

7. Are you engaged in active state duty for a period of more than 30 consecutive days because a governor

Timeline to Repayment





6

Submit
Annual
Recertification
Paperwork



[Just announced: Student loan payment pause extended through May 1, 2022](#)



An official website of the United States government.

FederalStudentAid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

UNDERSTAND AID ▾

APPLY FOR AID ▾

COMPLETE AID PROCESS ▾

MANAGE LOANS ▾

Log In | Create Account



Help Center

Submit a Complaint

English | Español

studentaid.gov
Request an IDR plan,
submit annual
paperwork, request a
forbearance, learn
about PSLF.

Are America's Smartest Investment

The U.S. Department of Education's office of Federal Student Aid provides more than \$120 billion in financial aid to help students pay for college or career school each year.

Log In

Create Account

Considering School

I'm thinking about going to college or a career school.

In School

I'm in the process of earning a degree or certificate.

Parent

I want to help my child pay for college.

In Repayment

I have loans I need to repay.

Getting ready for college can be easier than you think.

It's never too early—or too late—to explore your options for college or career school. This site discusses key steps in

POPULAR TOPICS

[Get Checklists for Academic and Financial Preparation](#)

[Choose a School](#)



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SET A REMINDER:
Submit your
paperwork **annually!**



I'm Starting School or In School

I'm in the process of earning a degree or certificate.



I'm About to Graduate or Leave College

I'm completing my program or taking a break from school.



I Just Graduated or Left School

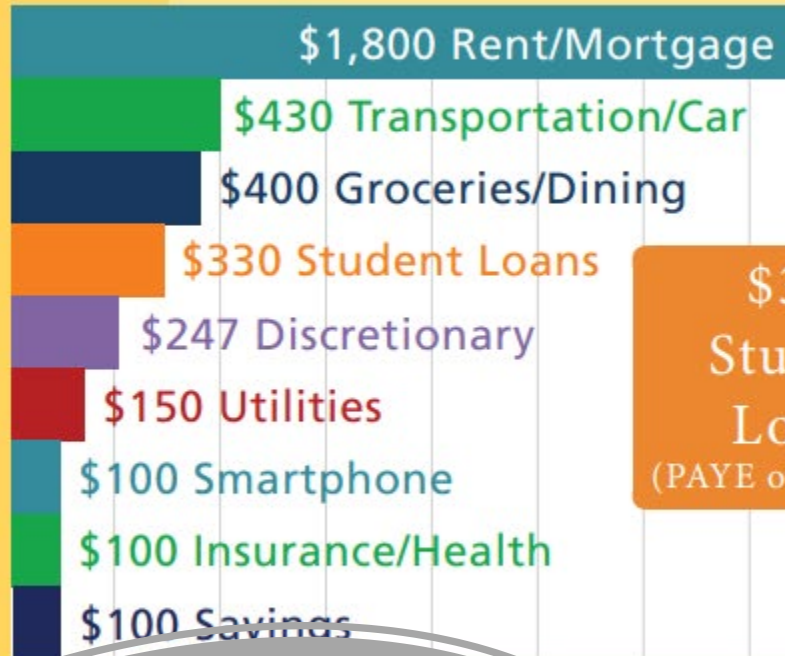
I'm in my grace period and preparing to repay my loan.



Photo by [Nathan Dumlao](#) on [Unsplash](#)

What Do The Numbers Look Like?

PAYMENTS ARE POSSIBLE ON A RESIDENT'S BUDGET



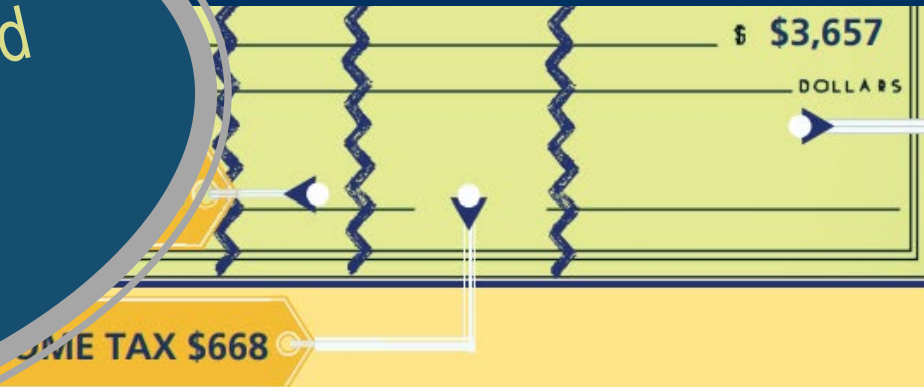
\$330
Student
Loans
(PAYE or REPAYE)



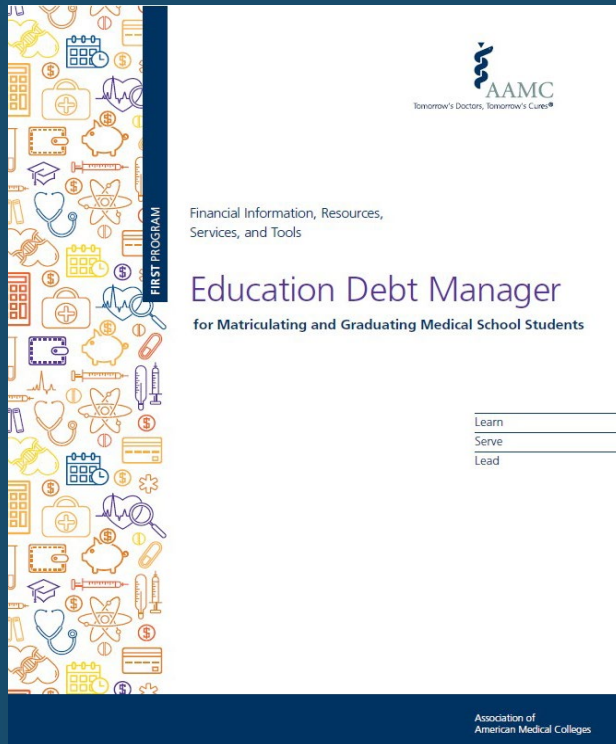
70% of
recent
graduates
say they'll
make
payments
during
residency

Check breakdown and budgeted living costs are based on FIRST analysis of national averages.

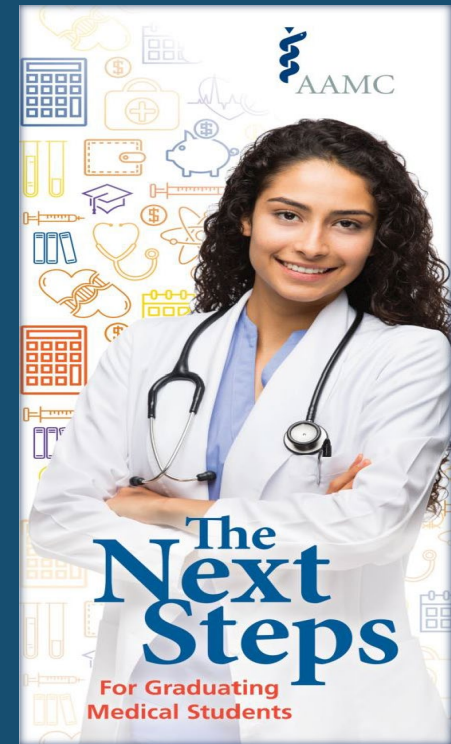
aamc.org/residentstipend
Sample of a resident's
income and budget.



FIRST Resources



aamc.org/first



aamc.org/first/edm

aamc.org/nextsteps

Resources and Links

UPDATES

Federal Student Aid Coronavirus Updates - studentaid.gov/coronavirus
Navient Changes - navient.com/aidvantage
FedLoan Changes - myfedloan.org
Advocacy - aamcaction.org

FEDERAL STUDENT LOANS

Federal Loan Details - studentaid.gov
Education Debt Manager - aamc.org/first/edm
Repayment Plans Compared - aamc.org/repayplans
MedLoans Organizer and Calculator – aamc.org/medloans
Repayment Case Studies - aamc.org/first/casestudies
Next Steps – aamc.org/nextsteps

CONSOLIDATION / REFINANCING

Should You Consider a Direct Loan Consolidation? - aamc.org/first/consolidatequiz
Consolidating Your Federal Student Loans - aamc.org/first/consolidate
Should I Refinance My Student Loans? - aamc.org/first/shouldirefinance
Refinance Calculator – aamc.org/financialwellness

PUBLIC SERVICE LOAN FORGIVENESS (PSLF)


PSLF Help Tool – studentaid.gov/pslf
PSLF Step By Step Guide - aamc.org/first/pslfguide
PSLF Infographic - aamc.org/first/pslfinfographic
PSLF Checklist - aamc.org/first/pslfeeligibility

FINANCIAL RESOURCES

Selecting a Financial Planner - aamc.org/first/finplanner
AAMC's Financial Wellness Program - aamc.org/financialwellness
Annual Credit Report – annualcreditreport.com
Resident Salary Infographic - aamc.org/residentstipend
Disability Insurance - aamc.org/first/disability
Resident Budget Worksheet - aamc.org/residentbudget
Home Financing - aamc.org/first/homefinancing
Financial Planning for Residents - aamc.org/first/financialplanning
Credit Freeze/Fraud Alerts – consumer.ftc.gov

VIDEOS/WEBINARS

Student Loans and Repayment Strategy – aamc.org/first/repaymentstrategy
MLOC and Married Physicians - aamc.org/first/mlocmarriedphysicians

A close-up photograph of a silver stethoscope resting on a blue surface. In the background, a US \$100 bill is visible, slightly out of focus. The bill features the portrait of Benjamin Franklin and the number '100'.

Email:
Julie Gilbert, AAMC
first@aamc.org

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