

Primary Care Information Session

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Current Options to Consider:

Public Service Loan Forgiveness (PSLF)

- The [Public Service Loan Forgiveness](#) program through the federal government offers loan forgiveness for qualifying professionals with qualifying federal loans, who are working in public service careers. The balance that is forgiven is not taxable.

HMS Presidential Scholarship Public Service Loan Forgiveness Initiative.

- Institutional loan forgiveness program that provides upfront debt relief awards to graduating HMS students pursuing careers in public service

NHSC: Primary care clinicians are eligible for [scholarship](#) and [loan repayment assistance](#) in exchange for working in an HPSA (Health Professional Shortage Areas) and with underserved communities

State and Federal Loan Forgiveness Programs

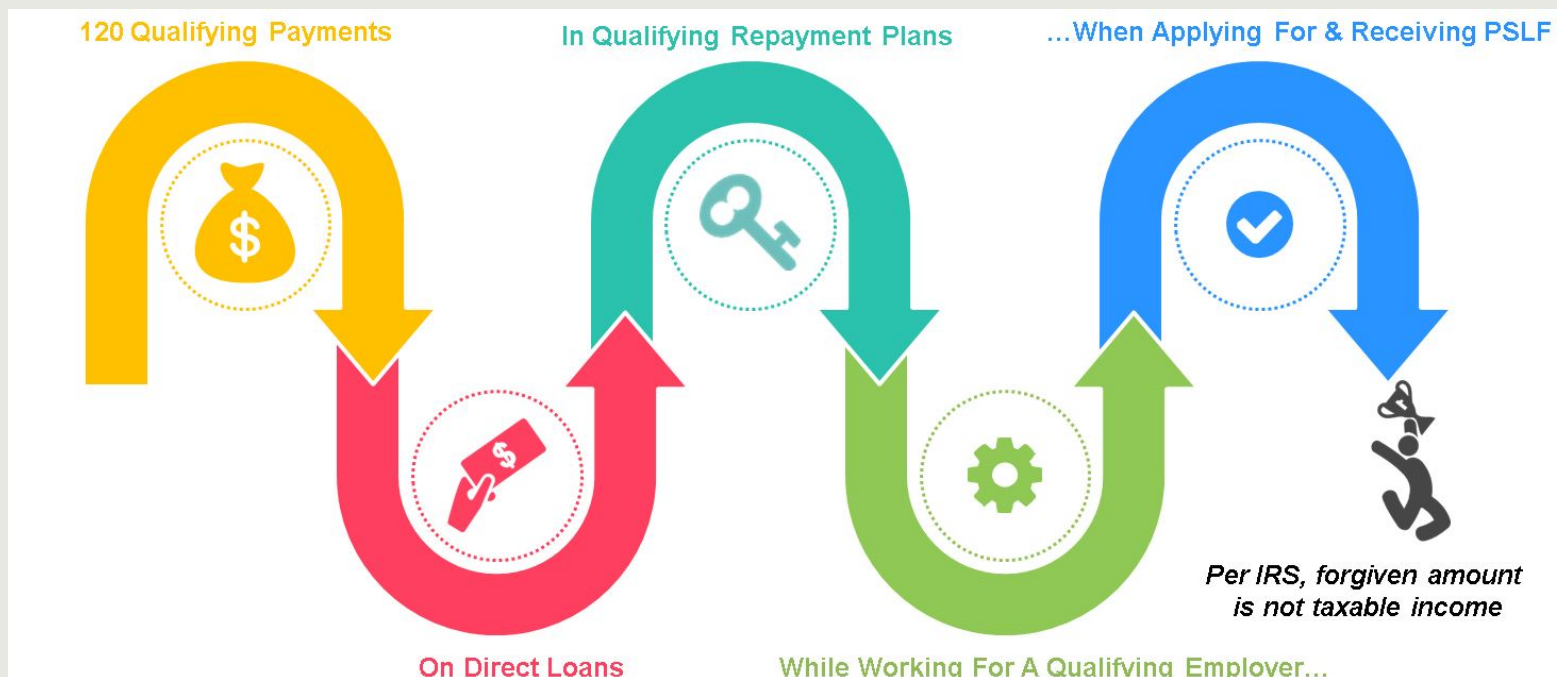
- There are also loan forgiveness opportunities through some state and federal loan programs. To learn more about these opportunities take a look at the [AAMC's list](#) of state and federal loan repayment and forgiveness programs.

Public Service Loan Forgiveness (PSLF)

Can I be certain that the PSLF Program will exist by the time I have made my 120 qualifying payments?

We cannot make any guarantees about the future availability of PSLF. The PSLF Program was created by Congress, and Congress could change or end the PSLF Program.

PSLF Basics



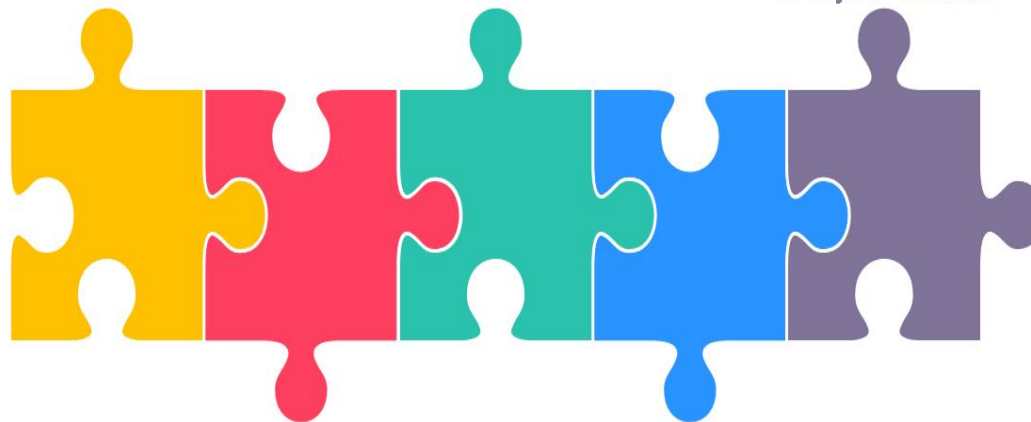
- The PSLF slides are from the 2015 Federal Student Aid Training Conference

PSLF Qualifying Payments

120 separate monthly payments*

Do not need to be consecutive

Must be made within 15 days of due date

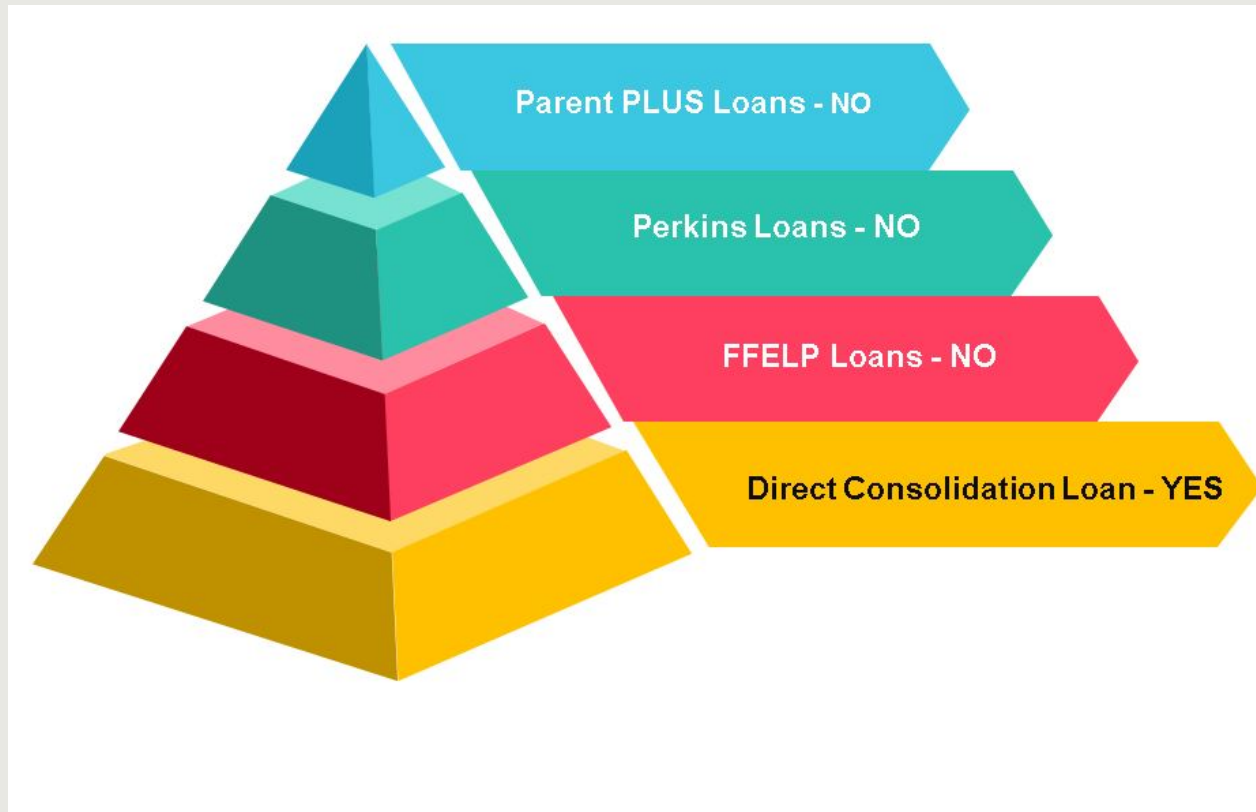


After October 1, 2007

Must be for full amount due under plan

**Exception for AmeriCorps, Peace Corp. and DOD*

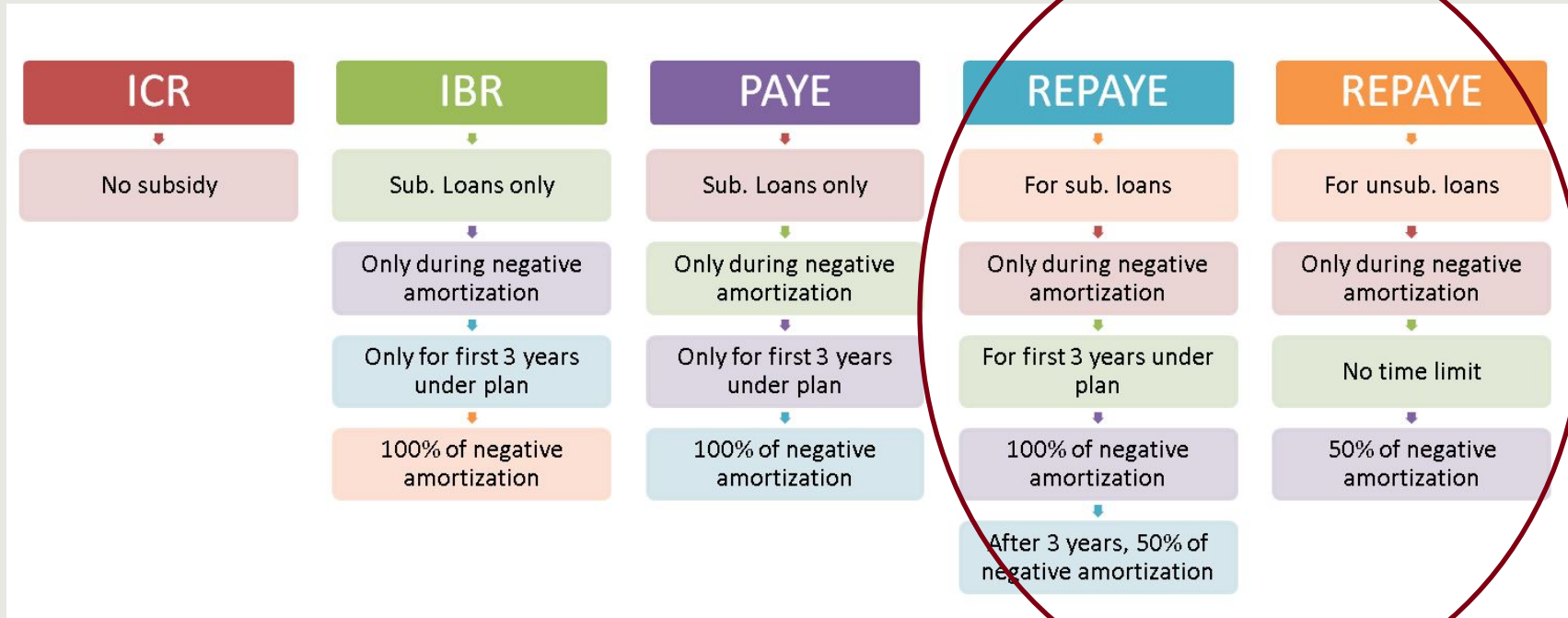
PSLF – Direct Loans Only



PSLF Repayment Plans

- 10-Year Standard
- IBR
- ICR
- Pay As You Earn
- REPAYE
- Others \geq 10 Year Standard
- Income-driven plans are most likely to yield a balance for forgiveness

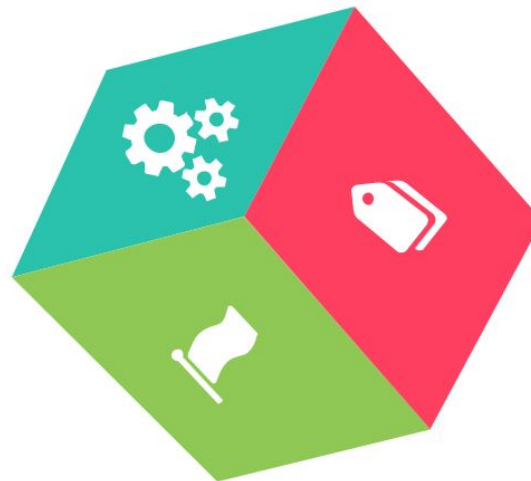
Repayment Subsidies



Qualifying Employer

It matters where you work, not what you do...

501(c)(3) not-for-profit organization



Other not-for-profit organizations
providing specific qualifying services

Any government organization

Full time status

- Full-time is the greater of:
 - Employer's definition of full-time
 - 30 hours per week
- May work multiple qualifying part-time jobs that equal full-time
- For borrowers at a non-profit organization, hours spent in religious instruction, worship services, or proselytizing do not count

PSLF Example

Direct Loan: \$125,000
Residency Salary: \$60,000
Post Residency Salary: \$180,000
Starting in REPAYE in Residency

Pay As You Earn Repayment

Total Repayment over 18 years	\$ 281,807
Monthly Repayment	\$ 342 - 1,787
Total Interest	\$ 118,049
PAYE 20-yr. Forgiveness	\$ 0
PSLF 10-yr. Forgiveness	\$ 127,208

Monthly payment cap for PAYE eligible loans: \$ 1,787

[VIEW DETAILS](#)

Revised Pay As You Earn Repayment

Total Repayment over 17 years	\$ 264,152
Monthly Repayment	\$ 342 - 1,986
Total Interest	\$ 100,395
REPAYE 25-yr. Forgiveness	\$ 0
PSLF 10-yr. Forgiveness	\$ 115,568

[VIEW DETAILS](#)

HMS Public Service Initiative

- Designed to relieve a portion of the loan obligation of graduating students intending to pursue careers in public service
 - Ex: Primary care (family medicine, pediatrics, internal medicine), practice and/or research that promotes public health or health policy, commitment to underserved communities (local or international), international medicine (in resource poor settings), demonstrated commitment to medical education that promotes public service
 - Priority given to students planning to enter into a primary care field/concentration who demonstrate a commitment to community service
 - Priority given to students with educational debt >\$98,000
- Application deadline: April 1 of graduating year
- Funding currently available through 2016

- Can Medical Students Afford to Choose Primary Care? An Economic Analysis of Physician Education Debt Repayment
 - Youngclaus, James A. MS; Koehler, Paul A. PhD; Kotlikoff, Laurence J. PhD; Wiecha, John M. MD, MPH
- Conclusion: a primary care career remains financially viable for medical school graduates with median educational debt levels (ie \$162K)
- Still viable for students with higher debt levels, but will need to consider additional strategies:
 - Extended repayment plans
 - Loan Forgiveness Programs (PSLF/NHSC, etc)
 - Not living in high cost areas

Caveat: Report produced prior to (RE)PAYE which essentially makes it possible under any circumstances

Resources

- HMS, National and State Loan Forgiveness Programs :
www.hms.harvard.edu/finaid
- IBR/PAYE FAQs: <http://studentaid.ed.gov>
- PSLF FAQs: <http://studentaid.ed.gov>
- NHSC: www.nhsc.hrsa.gov
- AAMC: www.aamc.org/first
- AAMC MedLoans Organizer:
www.aamc.org/services/first/medloans