

Burrell College of Osteopathic Medicine

Office of Financial Aid

Debt Management Plan

Student to Doctor Debt Management Plan

One of the goals of a Burrell College of Osteopathic Medicine Office of Financial Aid is to provide the student with information about loans borrowing, default prevention, debt management, and loan repayment.

When accepting loans and repaying student loans, our staff wants the student to become an active partner in achieving that goal. Take the time to read and learn a borrower's rights and responsibilities when signing a Master Promissory Note (MPN-legal document) for any loan. The following information will provide you information on debt management, financial literacy, investing, credit management, and additional topics that are resources to strengthen the student's knowledge about financial education.

Loan Forgiveness Programs

As a medical student who has borrowed loans to help finance your education there may be a program to help you relieve some of your loan debt. Please see the links below for more information.

New Mexico Loan Repayment

<https://hed.state.nm.us/financial-aid/loan-repayment-programs/health-professional>

Public Loan for Service

<https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>

NHSC LRP (Loan Repayment Program)

<https://nhsc.hrsa.gov/loan-repayment/index.html>

AAMC Loan Repayment/ Forgiveness/Scholarship and Other Programs

https://services.aamc.org/fed_loan_pub/index.cfm?fuseaction=public.welcome

FAP- Military Financial Assistance Programs

Army- <https://www.goarmy.com/amedd/physician/benefits.html>

Navy- <https://www.navycs.com/officer/fap.html>

Air Force - <https://www.airforce.com/frequently-asked-questions/how-to-enter/what-is-the-air-force-active-duty-health-professions-loan-repayment-program-adhplr>

Federal Loan Requirements Counseling and Financial Literacy

The key to successful debt management is knowing your loan responsibilities. In addition, to loan entrance counseling prior to receiving loan funds, exit counseling is required any time a student borrower takes a break from enrollment, or graduates. However, some students complete the exit counseling process while still enrolled simply to be reminded of key issues surrounding their student loans. The Office of Financial encourages a student to complete [Entrance Counseling](#) every year as a reminder of borrower's rights and responsibilities. As a participant in the federal loan programs, the College mandates that a soon-to-be graduate complete with federal [Exit Counseling](#), and so we encourage when closing in on graduation, a personal visit with an OFA Staff Member to go over loan repayment options. A student with federal loans will have to complete the [Federal Exit Counseling](#) prior to receiving their doctorate degree.

Living frugally when in medical school can allow to the student to graduate with less debt. It is far easier to reduce expenses than increase income. Understanding how spending choices made in college can persist for many years in the future. For more information on entrance counseling, Master Promissory Note (MPN), and exit counseling please click on the following link <https://studentaid.gov/>

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Office of Financial Aid

Debt Management Plan

Additional links for Financial Literacy Information:

Financial Aid AACOM Modules-*REQUIRED BY ALL STUDENTS*

<http://www.aacom.org/ome/councils/aacomcouncils/csfaa>

Federal Graduate Financial Aid Tips

<https://blog.ed.gov/2016/07/financial-aid-tips-for-graduate-students/>

AAMC Financial Aid

<https://students-residents.aamc.org/financial-aid/>

AAMC Pre-Med Through Residency

<https://students-residents.aamc.org/>

Know Your Federal Student Loan Debt

Federal Loan Borrowers can check on how much you have borrowed to-date by logging on to the [National Student Loan Data System](#) (NSLDS). A student can also use tools within the NSLDS website to understand their repayment amounts based on the size of the federal loan debt. For more information about your federal loan debt, your guarantor/lender, or your loan status, please click the following link <https://www.nslsdfap.ed.gov>

Private Loan Borrowers should check with their lenders, for example Sallie Mae or Wells Fargo, to discuss loan debt and loan repayment specific to the student. Some private loan lenders will offer a student borrower deferment during residency. Often lenders have debt calculators, budget templates, and offer great ways to continue financial education.

Federal Guarantor/Lender list

- CornerStone 1-800-663-1662
- FedLoan Servicing (PHEAA) 1-800-699-2908
- Granite State – GSMR 1-888-556-0022
- Great Lakes Educational Loan Services, Inc. 1-800-236-4300
- HESC/Edfinancial 1-855-337-6884
- MOHELA 1-888-866-4352
- Navient 1-800-722-1300
- Nelnet 1-888-486-4722
- OSLA Servicing 1-866-264-9762

Loan Repayment Calculators

When borrowing loans, always keep the current and future monthly repayments in mind. Eventually repayment will begin. Thoughtful borrowing will contribute to a student's quality-of -life while in repayment. For more information on monthly repayments please click one of the following links:

Federal Student Aid Repayment Estimator- <https://studentaid.gov/app/repaymentEstimator.action>

Burrell College of Osteopathic Medicine
Office of Financial Aid
Debt Management Plan

Sallie Mae Student Loan Repayment Amount Estimator: <https://www.salliemae.com/college-planning/tools/student-loan-repayment-calculator/>

Guarantors and Loan Servicers are trained to listen and help students that have “borrower problems”. Don't be embarrassed or play avoidance when in financial difficulty. Contact your servicers at the first sign you're having trouble. Experienced staff want to successfully resolve past-due accounts, assist you in finding alternative repayment plans, and help you avoid default problems. Please click the following link for more information about student loan delinquency and default <https://studentaid.gov/manage-loans/default>

Understanding Credit and your Credit Score

As a future professional it is important to know your credit score. Understanding your credit score, credit card usage, and debt to income ratio will help you in the future when it comes to financing homes, cars, private practices etc. Please click the following link to sign up for a free credit report and monitoring. https://www.creditkarma.com/?adcopy=1440322966&adgroup=new_brand_keywords&adcampaign=brand

In addition, students should make a habit of monitoring their credit report. By law, you are entitled to one free copy of your report every year from each of the three credit reporting agencies. You can choose to access all three reports at once, or place three separate requests throughout a given year. Reports may be requested at

<https://www.annualcreditreport.com/cra/index.jsp>

Student Loan Reconciliation

There are two types of student loan consolidation: federal and private. Private consolidation is often referred to as refinancing. These processes are often confused, but they're very different. Here's how:

- Federal student loan consolidation combines multiple federal loans into a single federal loan through the Department of Education. You may need to consolidate to be eligible for some federal loan repayment programs, but federal consolidation won't lower your interest rate. It may lower your payments by extending them.
- Student loan refinancing, which is also called private student loan consolidation, is a financial move you do through a private lender. If you qualify, you can save money by getting a lower interest rate.

Burrell College of Osteopathic Medicine
Office of Financial Aid
Debt Management Plan

Consolidation vs. refinancing

	Student loan consolidation	Student loan refinancing
What does it do?	Combines multiple federal loans into one federal loan.	Combines private and/or federal loans into one private loan.
Which loans can I combine?	Federal loans only.	Private and/or federal loans.
Can I lower my rates?	No.	Yes.
Can I save money?	No. Consolidation may lower your payments by extending the loan term, but your interest amount will increase.	Yes.
Can I access federal loan protections, repayment options and forgiveness programs?	Yes.	No.
Will I pay just one monthly bill?	Yes.	Yes.

Info Specific to Soon-To-Be Doctors

As a medical student the average debt is higher than a regular graduate student. The following links will provide information tailored to medical students on debt management and repayment options:

The link below from AAMC is a great resource for debt management, debt prevention, and inclusive of all financial literacy information e.g. loans, loan repayments, budgeting, and options for loan forgiveness programs.

<https://store.aamc.org/downloadable/download/link/id/MC41NTQ3OTEwMCAxNTgwNzQ2NzE2MzYxNTMxNzI4Mjc2NzAy/>

The [White Coat Investor](https://www.whitecoatinvestor.com) is a high-yield manual that specifically deals with the financial issues facing medical students, residents, physicians, dentists, and similar high-income professionals. Doctors are highly-educated and extensively trained at making difficult diagnoses and performing life saving procedures. However, they receive little to no training in business, personal finance, investing, insurance, taxes, estate planning, and asset protection.

<https://www.whitecoatinvestor.com>

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Office of Financial Aid
Debt Management Plan

As always the Office of Financial Aid is here to counsel in person, online, via chat, and if you have any questions please feel free to contact our office.

Thank you,
Staff, Office of Financial Aid