

## FINANCIAL ASSISTANCE PROGRAMS AVAILABLE TO UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES STUDENTS AND GRADUATES

This memorandum summarizes financial assistance programs available to School of Medicine students, including the financial assistance programs available through the School of Medicine and professional loan repayment programs administered by the State Department of Health.

Loan Program	Description	Limits	Interest/Repayment
<b>Federal direct loan (unsubsidized)</b>	Medical students are eligible for unsubsidized federal direct loans each academic year. Graduate/professional students are not eligible for a subsidized Stafford loan. Financial need is not required to be eligible to borrow through an unsubsidized direct loan. A master promissory note is required. The federal direct loan programs require two disbursements if the loan period is the academic year. Entrance loan counseling is also required before checks may be released. Exit loan counseling is required if the student drops below half-time enrollment, withdraws, or before the end of the student's last term of enrollment at the School of Medicine.	Graduate/professional loan limit - \$40,500 per academic year  Graduate/professional aggregate limit - \$224,000	Federal direct loans have a fixed 6.8 percent interest rate. The borrower must pay the interest on the loan during in-school periods, the grace period, any deferment period, and the repayment period. The borrower has the option of deferring the interest during these periods; however, the interest will be capitalized. Origination and guarantee or insurance fees are deducted before the funds are disbursed. Repayment of principal and interest begins six months after the student ceases at least half-time enrollment.
<b>Federal direct graduate PLUS loan (GradPLUS)</b>	<p>This loan is an alternative funding source for graduate or professional students who need additional funding to meet the cost of education. Financial need is not required to be eligible to borrow through a federal direct GradPLUS loan.</p> <p>Applicants are required to complete the Free Application for Federal Student Aid (FAFSA), and they must have applied for their annual loan maximum eligibility under the federal direct loan program before applying for a GradPLUS loan.</p> <p>The GradPLUS loan borrower (or the cosigner if required) must have a good credit history.</p>	Graduate or professional students who are enrolled at least half-time may borrow up to the cost of education less other aid. This loan is borrowed directly from the federal government.	<p>Direct GradPLUS loans have a fixed rate of 7.9 percent. Origination fees are deducted before the funds are disbursed.</p> <p>Repayment of the GradPLUS loan begins on the date of the last disbursement. Under certain circumstances, deferment and forbearance options may be available. Interest continues to accrue and must be paid during periods of deferment or forbearance.</p>
<b>Federal Perkins loan</b>	The Perkins loan is awarded to graduate students who have a financial need. The amount of the loan depends on estimated financial need and the amount of other aid received. The average award at the School of Medicine is \$1,500 per academic year. Students must complete the FAFSA to apply for this loan.		The Perkins loan is at 5 percent interest and payment begins nine months after the student ceases at least half-time enrollment. The Perkins loan offers deferment and cancellation options.

Loan Program	Description	Limits	Interest/Repayment
<b>Loans for disadvantaged students (LDS) program</b>	This loan program is designed to assist educationally or economically disadvantaged students pay for their health professions education, based on financial need. The average award at the School of Medicine is \$2,000 per academic year. To be considered for this program, a student must submit a FAFSA, and parents' information must be submitted even if the student is classified as independent.		The interest rate is 5 percent, and deferment and cancellation options are available.
<b>Minnesota student educational loan fund (SELF)</b>	This is a loan for Minnesota residents. A cosigner is required.	The minimum loan available is \$500. Loans cannot exceed the student's cost of attendance less all other financial aid that the student is eligible to receive.  Graduate loan limit amount - \$10,000	The interest rate is variable, and interest payments are required while the student is in school.
<b>Primary care loan (PCL)</b>	The primary care loan program is a low-cost federal loan program for medical students committed to primary health care practice. Students must complete the FAFSA to apply for this loan and must submit parents' information even if the student is classified as independent.	The annual maximum award is cost of attendance. Amounts beyond this may be awarded to third-year and fourth-year students.	The interest rate is 5 percent (except that borrowers who fail to fulfill the primary care residency and practice requirement will be charged 7 percent interest). Interest begins to accrue following a one-year grace period after ceasing to be a full-time student. The loan also offers deferment of principal and interest and cancellation options.
<b>University of North Dakota School of Medicine and Health Sciences revolving loan</b>	The University of North Dakota School of Medicine and Health Sciences revolving loan program is a loan program for North Dakota residents. Loan requests are processed for School of Medicine students. Loans are based on financial need. Students must complete the FAFSA to apply for this loan.	The annual maximum is \$10,000 with a cumulative maximum of \$40,000.	The interest rate is 6 percent. The loan also offers deferment and cancellation options.
<b>Gabriel J. Brown trust loan fund</b>	This is a loan for North Dakota residents. The student must be in need of financial assistance to continue the student's education.		Principal and interest repayment begins one year after the student graduates or leaves school, and the interest rate is 5 percent.
<b>North Dakota Academy of Family Physicians</b>	This is a loan for North Dakota residents. The student must be a senior medical student who has indicated an interest in family medicine. The student must be in need of financial assistance to continue their education.	The annual maximum is \$7,000.	Deferment of principal plus interest (up to three years) is available while participating in an approved North Dakota family practice residency program. If the student is not in a family medicine residency program in North Dakota, payments begin immediately. The interest rate is 5 percent, and this loan must be repaid in 25 months.
<b>American Medical Association Education Research Foundation (AMA-ERF) loan fund</b>		The annual maximum is \$2,000.	Deferment of principal and interest is available for residency (up to three years). Repayment begins one year after graduation with 10 years as the maximum length to repay. This loan has death and total disability cancellation options.

Loan Program	Description	Limits	Interest/Repayment
<b>Medical College Access Program (MedCap) Alternative Loan Program (MAL)</b>	The origination fee is zero percent at disbursement.	The annual maximum is the cost of education less other financial aid, and there is a \$250,000 aggregate maximum.	This loan has a variable interest rate. Medical students have a grace period of 36 months designed for residency completion that may be followed by up to 24 months of internship or residency forbearance.
<b>Dakota education alternative loan (DEAL)</b>	Applicant's state of legal residency or school must be located in one of the following states--North Dakota, South Dakota, Minnesota, Montana, Wyoming, or Wisconsin. A FAFSA is required if the student attends school at least half-time.		A fixed or variable interest rate is available.
<b>Institutional aid loans</b>	In compliance with the Federal Reserve and Department of Education rules and regulations effective February 14, 2010, students who borrow through private or institutional educational loan programs are required to complete the Private Loan Self-Certification Form for each loan requested before loan funds can be disbursed.		These loans accrue interest from the time of disbursement. Interest rates vary but generally range from 3 to 5 percent and are fixed for the life of the loan.
	Funding for these loans has been donated to the School of Medicine for support of financially needy School of Medicine students.		
<b>CitiAssist residency loan programs<sup>1</sup></b>	No origination fees	Annual loan limit - \$18,000	Variable interest rate with interest capitalization upon entering repayment. Repayment begins after residency, up to 25 years with a residency deferment.
<b>MedCap-X-tra residency loan programs<sup>1</sup></b>	No origination fees	Annual loan limit - \$15,000	Variable interest rate with interest capitalization at repayment and at the end of each period of borrower-requested forbearance. No payments for up to 36 months after graduation. Repayment begins 36 months after graduation or 6 months after the student ceases to be enrolled in full-time studies, 20-year repayment term.
<b>Scholarships and awards</b>	Medical students must be enrolled at the School of Medicine and meet merit, financial need, and/or other criteria to be eligible for scholarships. Some scholarships require FAFSA information, a letter to the donor/family and/or development of a relationship with a donor. The scholarship committee meets in the summer to award the scholarships available for the upcoming academic year. Awards are announced in late fall.		

Loan Program	Description	Limits	Interest/Repayment
<b>Medical personnel loan repayment program</b>	North Dakota Century Code Section 43-12.2-01 provides for qualifying mid-level practitioners to receive loan repayments. Communities must contribute an amount at least equal to the amount of the state contribution for the physicians and mid-level practitioners.	Up to \$30,000 over two years	N/A
<b>Physician loan repayment program</b>	Chapter 43-17.2 provides for a state community matching physician loan repayment program.	Up to \$22,500 per year for up to two years	N/A

<sup>1</sup>Residency loan programs are for senior medical students who will be graduating and pursuing a residency program. The funds must be used for residency interviewing or relocating expenses. Students can only apply for one of the residency loan programs.