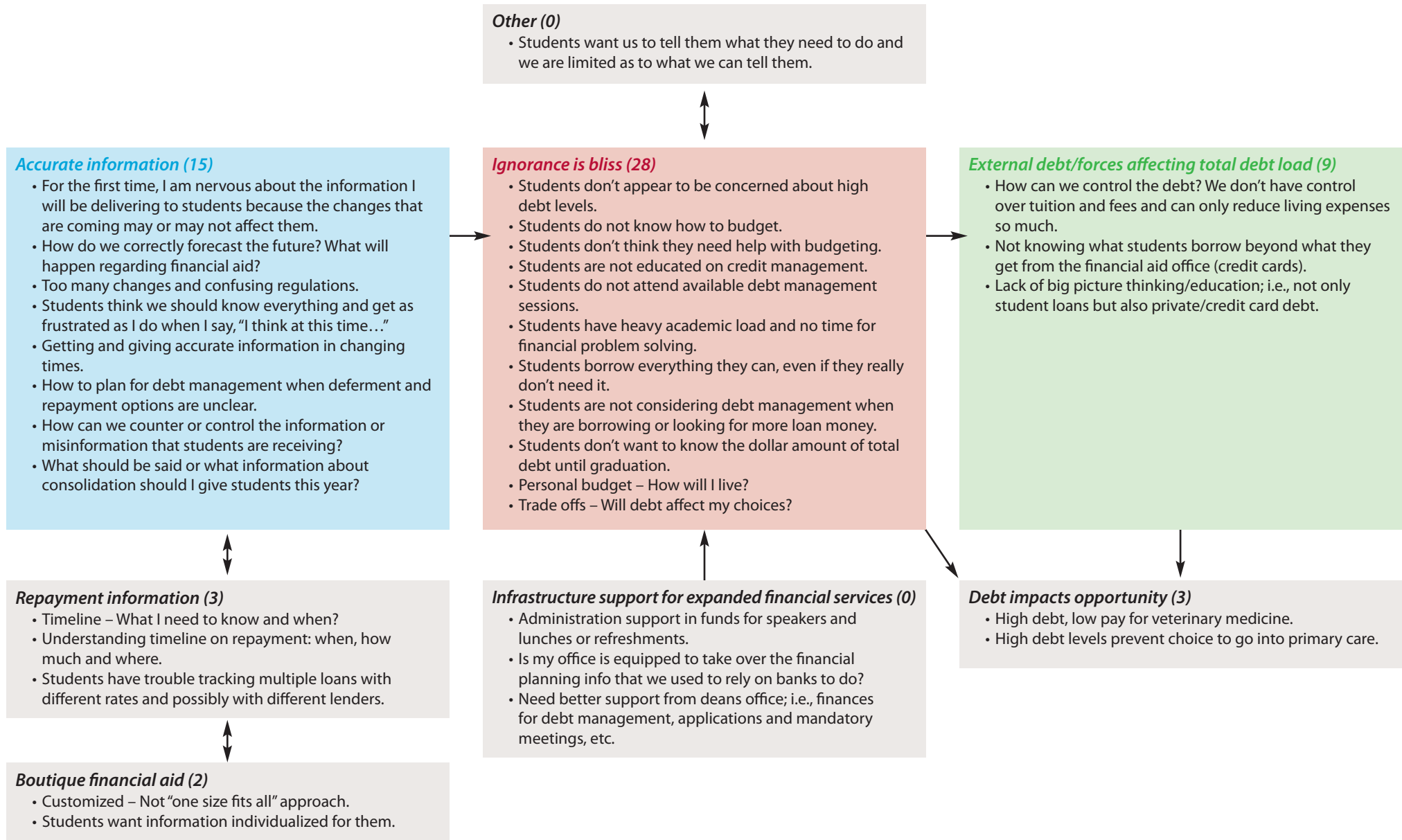


## What are the issues related to Debt Management for Health Profession Students at my Institution?

Three factors that affect students' ability to manage their debt are:

1. Student apathy and lack of knowledge.
2. FAO struggle to provide accurate information.
3. External debt/forces.

Red — Highest priority  
 Blue — Second highest priority  
 Green — Third highest priority



## What are the issues related to Debt Management for Health Profession Students at my Institution?

If we can effectively deliver debt management info to students, through debt awareness and financial literacy campaigns, we can lead students to better choices in the future.

Red — Highest priority  
 Blue — Second highest priority  
 Green — Third highest priority

### Institution support (6)

- Getting student affairs to work with us to schedule debt management meeting and require students to attend.
- Lack of time in the curriculum – When can students learn about finances and debt?
- How to get more support from the school for debt management issues?
- Often times different offices are using financial aid and loans at a recruiting tool.

### Financial aid office responsibility (1)

- How far should the financial aid office go to ensure students are borrowing conservatively?
- How much hand holding are financial aid offices responsible for?
- Getting students to understand their debt load and the affect of their monthly loan payments.

### Student responsibility (5)

- Is the financial aid office responsible for ingraining financial planning techniques in students?
- Students are not aware of the importance of pulling their credit reports.
- How do you get students to keep track of all of their lenders?
- How much responsibility should the student share in their process?
- Students only worrying about how to pay for med school today, not what it will cost in the end. The “I can worry about that later” attitude.
- Students aren’t concerned with their debt because they believe they’ll be able to repay it easily.
- Students with higher debt need a higher income.

### Debt management training (3)

- What is a manageable debt level? Will anyone define this?
- When is the best time to present the information?

### Effective delivery of debt management information (14)

- How best to disseminate the wealth of information in an understandable format?
- What is the best way to get debt management information to the students?
- How to put together an effective exit presentation for spring 2008, taking into account the various in loan portfolios and recent changes in laws?
- Trying to find ways to simplify the information we provide.
- It is difficult to get students to focus now on the long term impact of today’s decisions.

### Debt awareness and financial literacy (13)

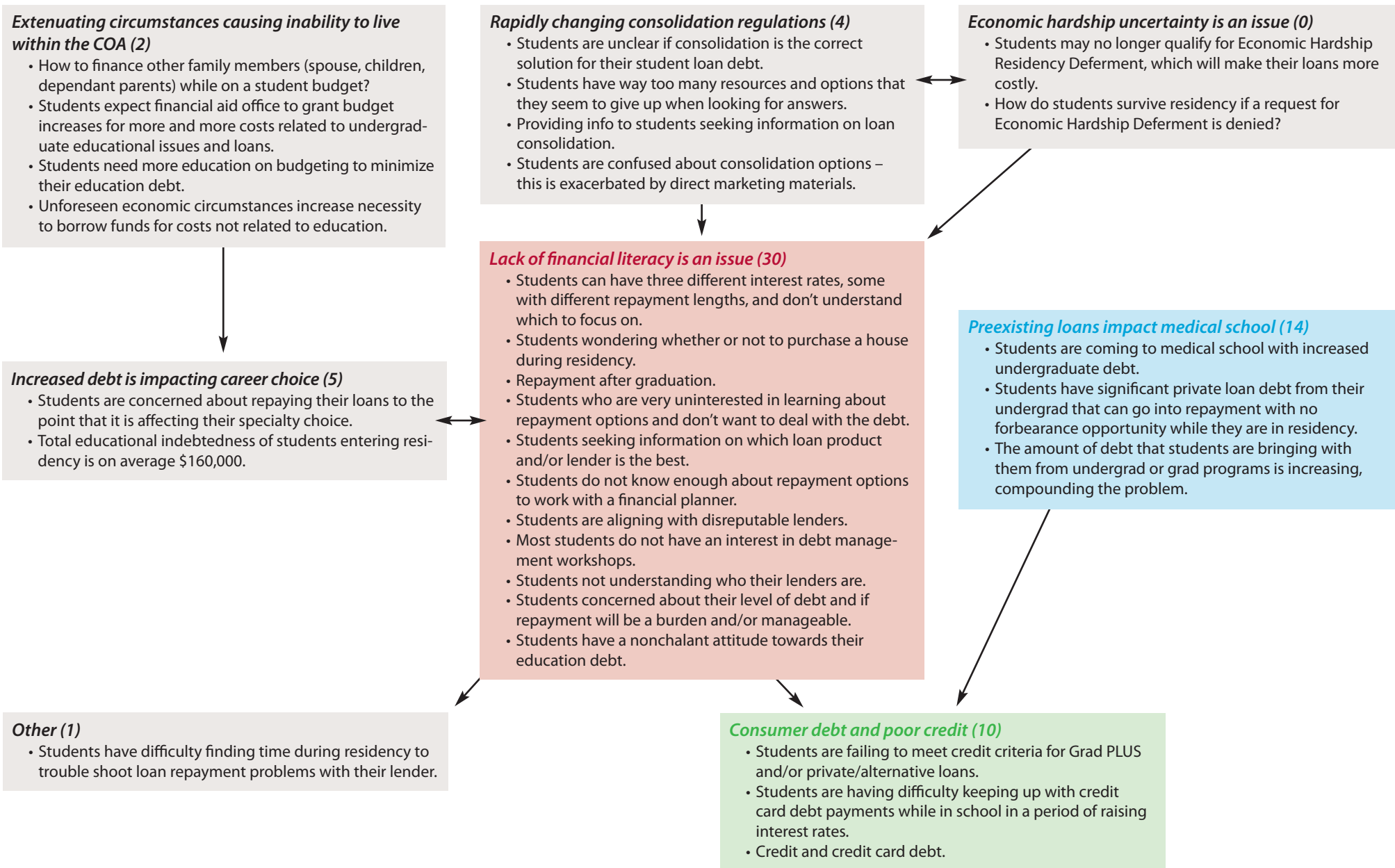
- What to do with students that take out private loans that the financial aid office doesn’t know about?
- Students wanting to ignore their debt.
- Students knowing how much they owe, total indebtedness.
- Students don’t know how much they have borrowed to date.
- How to effectively have students borrow and spend conservatively.
- Students believe in the “buy now-pay later” concept. Not worried about debt.
- How do you begin to explain to students that it is not practical or feasible to live as physicians while in med school?
- Most students have no or very little understanding of their debt and what it means.
- Students listen more to peers about financing than conducting their own research.
- Higher loan payments affect the choices a student can make after graduation.
- Meeting expenses such as credit card debt and auto loans.
- Students don’t understand how interest accrues.
- High debts are the result of graduating from medical school. Students need to consider if they can repay this debt based on their medical field choice?



## What are the issues related to Debt Management for Health Profession Students at my Institution?

The lack of financial literacy education may cause students to borrow unwisely which then can negatively impact their medical school experience, their ability to repay their education debt and their career choice.

Red — Highest priority  
 Blue — Second highest priority  
 Green — Third highest priority



## What are the issues related to Debt Management for Health Profession Students at my Institution?

Financial Literacy: If I knew then what I know now...

Red — Highest priority  
Blue — Second highest priority  
Green — Third highest priority

### Financial Literacy (28)

- Most students have no concept of how interest works.
- Financial Literacy education on my campus is basic financial education.
- How do students maintain clean credit with a large educational and consumer debt?
- Need a clear understanding of debt – what is good debt versus bad debt, and how to manage that debt?
- A debt management issue on my campus is credit counseling.
- Students have a lack of experience (knowledge) managing credit and money.
- Students make poor choices and fall into traps (credit card balances, loan sharks).

### Realistic Choices in Your Budget (18)

- Ability to postpone instant gratification.
- Ability to provide for student's family while in school.
- Understanding a budget and living within the cost of education.
- How to make small "economies" add up to savings overall?

### Post Graduation Choices and Repayment Strategies (17)

- Students need help strategically planning for a successful repayment plan.
- Students don't always earn an income in their chosen field that makes it feasible to pay back their debt.
- Students need help learning the ins and outs of buying versus renting after graduation.
- Students need help planning for after graduation expenses such as mortgage, car payments, and relocation.
- Students are concerned about their ability to repay their student loans; i.e., do they need to choose a specialty versus primary care field?
- An issue is the total debt limiting the students' choices away from Primary Care.
- An issue related to debt management voiced by students is "Do I consolidate my loans?"
- A debt management issue on my campus is the realization of running a private practice.

### Financial Apathy (5)

- Students tell us they don't have the time or interest in learning debt management.
- Students do not have much time to devote to managing their finances, as residents, doctors, etc.
- How to get students to participate in our debt management seminars?

### Significant Debt (0)

- An issue related to debt management at my campus is how much do I owe and what do I do?
- An issue for my campus is a lack of alternatives to loans. There are few scholarships, service contracts, or ways to cut expenses.
- Students are concerned about total loan indebtedness.

## What are the issues related to Debt Management for Health Profession Students at my Institution?

Lack of Financial Literacy education and training leads to poor financial choices, excessive student loan borrowing and high maintenance students/consumers.

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Blue — Second highest priority  
Green — Third highest priority

### Financial Literacy, Education and Training (15)

- Will I be able to repay my loans? Will I have the income to handle it?
- Return of the Title IV funds for students who are dismissed.
- Students/grads who avoid their financial situation.
- What are the most effective methods to give students information about financial management?
- Trying to get a series of Debt Management classes set up to provide literacy to my 2nd, 3rd and 4th year students. I need to get approval from my Dean to include this program into the curriculum or at least schedule time in the students' schedule to present these sessions.
- Total Debt Load – How much should a student feel comfortable borrowing?
- Financial Literacy Education – Where are the students learning about debt management?
- Students do not attend budget sessions put on by the financial aid office.
- Repayment period – How do you counsel students about repaying in 10 years versus 25-30 years?
- Amount of money refund first year students have to live on.

### Poor Financial Choices (14)\*

- Issues which prohibit the securing of a credit-based loan.
- High consumer debt – large private undergraduate debt with high interest rates.
- Prior consumer debt which cannot be included in the standard budget.
- More and more students are treating their Stafford loans as a "line of credit" and requesting multiple loans in smaller increments than requesting full unmet need at one time.
- How will my debt influence my career choice?

### High Maintenance Students (14)\*

- Request for budget increases for renting expensive apartments.
- Students living above their cost of attendance budget, and child care expenses.
- The cost of attendance is increasing because of tuition and fees and overall living expense.
- Out of state students with families who expect their financial aid to cover the family's expense, not just the student's expense.
- New car not covered but old car not worth fixing — yet that's all our PJ process considers.
- Additional years in program for research, poor SAP, etc.
- Students with families can't cover costs if mother/father stays at home — should they use public assistance?

### Excessive Student Loan Borrowing (11)

- Out of state tuition rate with living expenses will take students over \$300,000 debt at graduation.
- Increasing undergraduate debt prior to graduate school – students reaching federal aggregate.

### Lack of Funding Resources for International Students (6)

- Money for international students.
- Funding cost of attendance for non-US citizens/international students.

\* Note: These issues tied in votes.