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# Financial Aid Resource for Student Diversity Officers

GSA Committee on Student Financial Assistance

Association of  
American Medical Colleges

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*Group on Student Affairs – Committee on Student Financial Assistance*

Damien Jackson, M. Ed.  
Jerel Arceneaux, M.S.  
Kristen Earle

Association of American Medical Colleges  
Washington, DC

This document was created by the Group on Student Affairs (GSA) Committee on Student Financial Assistance (COSFA) and is intended to serve as a primer on the student financial aid process for student diversity officers and others in the GSA community. All content reflects the views of COSFA and does not reflect the official position or policy of the Association of American Medical Colleges unless clearly specified. It should be noted that members of the GSA should consult with their financial aid office regarding all student aid policy and processes.

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Julie Gilbert  
AAMC

## Introduction

Federal financial aid remains a cornerstone to accessing medical education. The following information is intended to demystify the financial aid process and provide resources to assist student diversity officers and others in student affairs roles in understanding the fundamentals of financial aid.

## Role of the Financial Aid Officer

Financial aid officers are available to students from pre-application to post-graduation to assist with providing information on all options for funding a medical education. The basic roles and responsibilities of a financial aid professional are similar from school-to-school. They include:

- Administering federal, institutional, state, and private funds
- Awarding financial assistance to eligible students, as defined by criteria established by the funding source
- Educating and counseling students regarding financial matters as financial aid officers are institutional partners to many campus departments

An integral part of the university or medical school structure, the financial aid office works closely with many in student affairs roles, including student diversity and records officers. For example, financial aid officers may work with colleagues in student diversity roles to provide tools and resources to help first generation students navigate paying for medical school. Financial aid offices come in many sizes and levels of service. However, all aim to be resources to students and other members of the academic medicine environment on their campus.

For more information on the role of the financial aid officer, please refer to the financial aid section of the [GSA Member Handbook](#) (AAMC sign-in required to view).

## Generic Aid Application Timeline

<p><b>October - December</b></p>	<p>Review financial literacy information provided by the <a href="#">Federal Student Aid website</a>, AAMC's <a href="#">FIRST</a> (Financial Information, Resources, Services, and Tools) program.</p>
<p><b>October - January</b></p>	<p>First-time financial aid applicants must apply for an <a href="#">FSA ID</a> that gives access to Federal Student Aid's online services</p> <p>File the FAFSA (Free Application For Federal Student Aid): <a href="https://fafsa.ed.gov/">https://fafsa.ed.gov/</a></p>

	File other required school specific forms and applications (CSS PROFILE, institutional aid applications, scholarship applications)
<b>March</b>	Check school financial aid websites for priority deadlines in order to be eligible for need-based institutional aid and loans
<b>April-May</b>	Tuition and cost of attendance budgets are made available  Award letters are sent out to aid recipients
<b>June</b>	Applicants who want to apply for federal student loans will need to complete an <a href="#">Entrance Interview</a> (New Borrowers)  Complete Master Promissory Note (New Borrowers)
<b>July-September</b>	Attend mandatory financial aid presentations highlighting topics like debt management, financial literacy and budgeting  Student refunds are processed

For more information, review the responsibilities calendar developed by COSFA. It outlines key financial aid officer activities and responsibilities throughout the year and is available [here](#).

### **Determining Cost of Attendance (COA)**

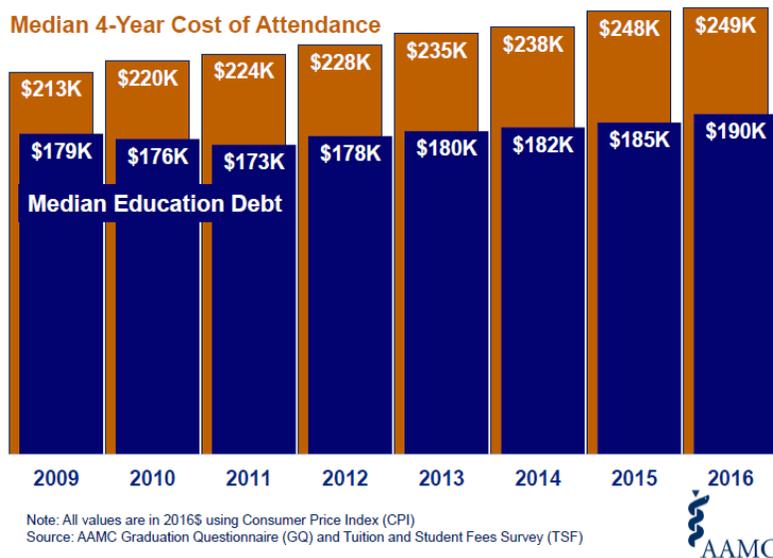
COA budgets are estimates of the educational expenses incurred by students during the academic year. These budgets include direct university charges (tuition, fees and on-campus room and board) and estimates of indirect expenses (transportation, books, supplies, miscellaneous living expenses, and off-campus room and board).

### **Information on Average Debt Levels**

While medical education remains a substantial investment, medical school graduates, with any debt level, practicing any specialty, should be able to comfortably repay their student loans. Current federal income-driven repayment plans base a borrower's federal loan payments on their income, not their debt. Recent statistics on average medical school debt levels from the Association of American Medical Colleges' [Medical Student Education: Debt, Costs, and Loan Repayment Fact Card](#), include:

- Median education debt for all 2017 graduates was \$192,000.
- Among public school graduates, the median education debt was \$180,000 with 43% borrowing \$200,000 or more.
- Among private school graduates, the median education debt was \$202,000, with 57% borrowing \$200,000 or more.

## Debt Nearly Stable Despite Cost Growth



Developing and sticking with a budget is key to curtailing over-borrowing. A number of resources to assist with money management and creating a budget are available from FIRST. Resources include: [Budgeting Ideas and Tips](#) and a [Monthly Budget Worksheet](#).

## Overview of Student Loan Repayment Plans

Student loan repayment plans can be broken into two basic categories: traditional and income-driven. The traditional plans are Standard, Extended, and Graduated. Income-driven plans include: Income-Contingent Repayment (ICR), Income-Based Repayment (IBR),

Pay As You Earn (PAYE) and Revised Pay As You Earn (REPAYE). Full overviews and side-by-side comparisons of these plans are available [here](#) on the AAMC's FIRST website. Federal student loans have forbearance and deferment options that graduates may utilize during their residency and fellowship years for budget relief.

In addition to federal loans, private loans from banks and institutional loans from schools, can serve as supplemental options once federal loans have been exhausted. These loans have their own interest rates and repayment terms which are determined by the lender. Students should be aware of existing private student loans that they have from their undergraduate and post-baccalaureate years in order to get a complete picture of their overall debt and to understand their repayment obligations.

The FIRST website has a number of resources related to planning and paying for medical school, including the fact sheet, [You Can Afford Medical School](#). Additional information can be found by searching for resources geared toward the pre-medical school audience on the FIRST webpage at [www.aamc.org/FIRST](http://www.aamc.org/FIRST).

## Federal Service Scholarship Program Information

There are a number of federal service scholarship programs available that assist with federal loan repayment in return for a service commitment. A sample of these opportunities include:

- [Armed Forces Health Professions Scholarship Program \(HPSP\)](#)
- [Financial Aid for Health Professions Students and Practitioners](#)
- [National Health Service Corps \(NHSC\) Loan Repayment Program](#)
- [NIH Loan Repayment Programs](#)
- [Indian Health Service](#)

FIRST also provides resources on loan forgiveness and scholarship programs. Resources include fact sheets like [Repayment Assistance Through Forgiveness, Scholarships, or Service](#); and [Consumer and Federal Financial Aid Resources](#). Additionally, a [Loan Repayment/Forgiveness and Scholarship Programs](#) database is available that provides access to state and federal loan repayment, loan forgiveness and scholarship programs.

### **Deferred Action for Childhood Arrival (DACA) Status**

Recent advances have been made to make medical education more attainable to students with Deferred Action for Childhood Arrivals ([DACA](#)) status. The AAMC has [expanded](#) its [Fee Assistance Program](#) to students with Deferred Action for Childhood Arrivals (DACA) status. The Fee Assistance Program provides eligible students with fee assistance for the Medical College Admission Test (MCAT)®, American Medical College Application Service (AMCAS)®, and the Medical School Admission Requirements (MSAR)®.

A partial list of medical schools that have reported willingness to consider DACA applicants is available [here](#). It should be noted that this is not an up-to-the-minute nor comprehensive list of medical schools that consider applicants with DACA status. Students with DACA status are encouraged to directly contact admissions offices at medical schools to learn more about application policies and resources for DACA applicants.

DACA students often face challenges financing their medical education, as they are [not eligible](#) to receive federal student aid. In some cases, DACA students may be eligible for state or institutional financial aid. It is suggested that DACA students complete the Free Application for Federal Student Aid (FAFSA®) to determine aid eligibility if they have a social security number, and also inquire directly with prospective schools. Private student loans may be option for DACA students with a qualified co-signor who is a permanent resident or citizen. Scholarships are also an option to pursue.

The AAMC has presented a [Part One](#) and [Part Two](#) webinar series exploring DACA and its influence on the medical education continuum.

The [Pre-Health Dreamer](#) community also has information available to aspiring DACA medical students.

### Additional Helpful Resources

- [FIRST](#) (Financial Information, Resources, Services, and Tools) - Provides free resources to help medical students and residents make wise financial decisions. Topics include: how to afford medical school, applying for student loans, and determining loan repayment options.
- [MedLoans® Organizer and Calculator \(MLOC\)](#) - Assists 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 plans and costs based on the borrower's student loan debt.
- [Federal Student Aid](#) – Manages the student financial assistance programs authorized under Title IV of the Higher Education Act of 1965 and provides information to help students prepare and pay for postsecondary education.