



**five star**  
TRAINING

The Road to Successful Repayment  
Presented to MGH Institute of Health Professions




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The Road to Successful Repayment



There may be rest stops, roadblocks or even detours – but we are determined to keep borrowers on the right road.

How do we do that?

FedLoan Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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Agenda

- What You Need to Know
- Income-Driven Repayment Plans Overview
  - Income-Based Repayment Plan (IBR)
  - Income-Contingent Repayment Plan (ICR)
  - Pay As You Earn Plan (PAYE)
  - Revised Pay As You Earn Plan (REPAYE)
  - Applying for an Income-Driven Plan
- Other Repayment Plans
- Public Service Loan Forgiveness
- Direct Loan Consolidation
- Resources

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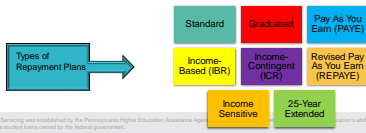
## Successful repayment

### Repayment Plans

Sometimes the right repayment plan makes all the difference in your ability to pay your student loan. The options are flexible, and there's sure to be one that will work for you.

Be aware that these repayment plans are not available on all loans, so check with your lender/loan servicer to find out which repayment options are available to you.

- Examine your financial situation carefully when you start repayment to make sure you use the plan that best meets your ability to pay.
- Changing your repayment plan is easy to do but usually requires that you submit your request in writing, since it is an official change to your existing agreement.



Page 4.5 Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to service student loans owned by the federal government. © 2018 Department of Education's ability to service student loans owned by the federal government.

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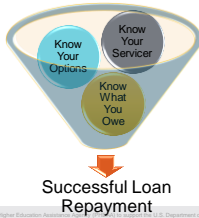
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## Knowledge is Power!

Knowing how to track and manage your loans is the first step in successful repayment.



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## Grace Period

### What is a Grace Period?

- Begins when you graduate, withdraw, or drop to less than half-time status
- You only get one, and it lasts 6 months
- You will receive your repayment obligation, which includes:
  - Date payments are to begin
  - Monthly payment amount
  - Repayment terms
  - Current principal balance
  - Interest rate



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## Does Every Loan have a Grace Period?

Loans with a GRACE PERIOD	Loans without a GRACE PERIOD
<ul style="list-style-type: none"> <li>Federal Subsidized and Unsubsidized               <ul style="list-style-type: none"> <li>6 months after graduation</li> </ul> </li> <li>Private               <ul style="list-style-type: none"> <li>Contact lender</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Grad PLUS               <ul style="list-style-type: none"> <li>6 months after graduation due to automatic 6-month post-enrollment deferment</li> </ul> </li> <li>Consolidation               <ul style="list-style-type: none"> <li>At graduation</li> </ul> </li> <li>Prior loans where grace period has been used               <ul style="list-style-type: none"> <li>At graduation</li> </ul> </li> </ul>

PostLoan Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Understand Your Options-Postponing Repayment

### Deferments and Forbearance

- If you are unable to send payments during your repayment period, call your lender/loan servicer immediately.
- You may qualify for a temporary suspension of payments.

### Common Types of Deferment

- In-School
- Unemployment
- Economic Hardship

**Ignoring the problem is not a solution---call for help.**

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## Interest Capitalization

- **Accrued interest added to principal balance**
  - Accruing interest on interest

- **Frequency of Capitalization**
  - Less frequent capitalization is better
  - When does capitalization occur?

- **If possible, pay down interest prior to entering repayment**



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## Know Who You Owe

### National Student Loan Data Systems (NSLDS)

- NSLDS allows borrowers to obtain their personal information on all your federal student loans.
- The NSLDS website provides the borrowers' balances and past attendance status and identifies the lender(s)/loan servicer(s) of their federal student loan(s).

<https://nsldsfa.ed.gov>  
1-877-557-2575

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## Additional Resources - StudentAid.gov

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## Additional Resources - StudentAid.gov

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## Exit Counseling Repayment Plan Selection

	Monthly Payment	Total Annual Cost	Repayment Period	APR
Standard	\$105	\$1,260	10 years	4.75%
Extended	\$76	\$912	25 years	4.75%
Income-Based	\$304	\$3,648	25 years	4.75%
Pay As You Earn	\$152	\$1,824	25 years	4.75%
Income-Contingent	\$152	\$1,824	25 years	4.75%
Income-Driven	\$152	\$1,824	25 years	4.75%
Income-Contingent	\$152	\$1,824	25 years	4.75%
Income-Driven	\$152	\$1,824	25 years	4.75%
Income-Contingent	\$152	\$1,824	25 years	4.75%

- The Department shares borrower's repayment plan preference from Exit Counseling on [StudentLoans.gov](http://StudentLoans.gov) with federal loan servicers and Federal Family Education Loan (FFEL) Program lenders, lender servicers, and guaranty agencies.
- Repayment plan selection will be considered by the servicer, and – if possible, applied to the borrower's account.

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## StudentLoans.gov Repayment Plan Comparison Calculator

The Repayment Estimator on [StudentLoans.gov](http://StudentLoans.gov) takes a student's current loan balance and shows what her monthly and total payments would be using various repayment plans.

Borrowers can use the repayment estimator tool during Exit Counseling or the Financial Awareness Counseling Tool.

Repayment Plan Comparison

Repayment Plan	Monthly Payment	Total Annual Cost	Repayment Period
Standard	\$105	\$1,260	10 years
Extended	\$76	\$912	25 years
Income-Based	\$304	\$3,648	25 years
Pay As You Earn	\$152	\$1,824	25 years
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Income-Driven	\$152	\$1,824	25 years
Income-Contingent	\$152	\$1,824	25 years
Income-Driven	\$152	\$1,824	25 years
Income-Contingent	\$152	\$1,824	25 years

**Estimate What You Will Own, Spend, and Earn**

Your Monthly Balance: \$10,000.00

Interest Rate: 4.75%

Repayment Period: 10 years

Monthly Payment: \$105.00

Total Annual Cost: \$1,260.00

**Repayment Plan Comparison**

Repayment Plan	Monthly Payment	Total Annual Cost	Repayment Period
Standard	\$105	\$1,260	10 years
Extended	\$76	\$912	25 years
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## Borrower Considerations



Pros	Cons
More manageable, lower monthly payment	Repayment period could be more than 10 years
Avoidance of delinquency and default	More interest could be paid over time
Remaining principal and interest is forgiven after 20 or 25 years of payments	Required annual submission of information on income and family size to prove continued eligibility for reduced payments
Possibility of Public Service Loan Forgiveness (after 10 years of qualifying payments)	Forgiven amount is taxable (except under PSLF)

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Page 4 Servicing responsibilities for the Presidential Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

## Income-Based Repayment (IBR)

- Under IBR, borrowers pay the lesser of:
  - 15% of discretionary income or what they would have paid under the 10-year Standard repayment plan **(Not a new borrower on/after 7/1/2014)**
  - Discretionary income for this plan is the difference between the borrower's Adjusted Gross Income (AGI) and 150 percent of the poverty guideline amount for his/her state of residence and family size.
  - Need to demonstrate a partial financial hardship
- Loan forgiveness
  - If the borrower makes 25 years of qualifying payments and meets certain other requirements, any remaining balance will be cancelled.

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Part 5. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

## IBR Payment Amounts

**EXAMPLE:**  
 Borrower's AGI is \$50,000 and they reside in 1 of the 48 contiguous states and a family size of 1.

- Poverty guideline for this example is  
 $\$12,490 \times 150\% = \$18,735$
- Then we subtract **\$18,735 from \$50,000 = \$31,268** which is the discretionary income
- $\$31,268 \times 15\% = \$4,690.20$   
 and divide that figure by 12 = **\$390.85**

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Part 9. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

## Leaving IBR

- If borrowers leave IBR and have unpaid interest, it will capitalize to principal, increasing principle balance
- The borrower is placed into the Standard Plan based on the term remaining for their loan type
  - For example, Stafford/PLUS Loans will have 10 years minus the time in repayment. Consolidation Loans may have 10-30 years minus the time in repayment.
  - Borrowers may request a reduced payment forbearance if they cannot afford the payment amount on the standard repayment plan.
- Borrowers who leave IBR can come back if they demonstrate "partial financial hardship".

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Part 10. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

## Pay As You Earn (PAYE)

- Who qualifies:
  - "New" borrowers who have a PFH
    - Has no outstanding balance on a Direct or FFELP loan as of 10/1/2007, or has no outstanding balance on a Direct or FFELP loan when he or she obtains a new loan on/after 10/1/2007
  - AND**
  - Receives a disbursement of a Direct Subsidized or Unsubsidized Stafford, or Grad PLUS loan on or after 10/1/2011; or receives a Direct Consolidation Loan based on an application received on/after 10/1/2011
- Eligible Loans:
  - Direct Loans except:
    - Defaulted loans
    - Parent PLUS loans
    - Consolidation loans that repaid Parent PLUS loans

Page 9: Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Pay As You Earn

- Under Pay As You Earn, borrowers pay the lesser of:
  - 10% of discretionary income or what they would have paid under the 10-year Standard repayment plan.
  - Discretionary income for this plan is the difference between the borrower's AGI and 150 percent of the poverty guideline amount for his/her state of residence and family size.
- For Pay As You Earn, the remaining balance is forgiven after 20 years of qualifying repayment

Page 10: Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Revised Pay As You Earn (REPAYE)

- Who Qualifies:
  - Any borrower with eligible federal student loans may make payments under this plan.
- Eligible Loans:
  - Direct Subsidized/Unsubsidized Loans
  - Direct PLUS Loans made to graduate or professional students
  - Direct Consolidation Loans that did not repay any PLUS loans made to parents
  - These loan types are eligible if consolidated into a Direct Consolidation Loan
    - Subsidized/Unsubsidized Federal Loans from the FFEL program
    - FFEL PLUS Loans made to graduate or professional students
    - FFEL Consolidation Loans that did not repay any PLUS Loans made to parents
    - Federal Perkins Loans

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## Revised Pay As You Earn

- **Payment Amounts**
  - Generally **10%** of discretionary income
  - There is no cap on the payment amount (may be higher than the 10-year Standard Repayment amount)
- **Repayment Period**
  - **20 years** if all loans you are repaying under the plan were for undergraduate study
  - **25 years** if any loans you are repaying under the plan were for graduate or professional study

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Page 12. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

## Income-Contingent Repayment (ICR)

- Does not require borrower to show PFH for eligibility
- Each year the monthly payments are recalculated based on:
  - AGI (spouse's income will only be included if they file federal taxes jointly or are repaying under joint ICR)
  - The Family size
  - Total amount of the borrower's Direct Loans
  - Lesser one of the following:
    - 12-year standard repayment schedule multiplied by income percentage factor, or
    - 20 percent of discretionary income
- Loan balance is discharged after 25 years

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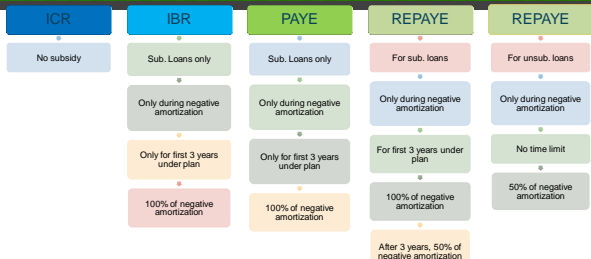
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## Interest Subsidy Benefits




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Page 24. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.



## Interest Capitalization

### IBR

- While payment is income-based, normal rules are suspended
- While normal rules suspended, only trigger is conversion to standard plan amount
- Interest capitalizes when leaving the plan

### ICR

- Normal rules apply (upon expiration of deferment/forbearance)
- Interest accruing due to negative amortization is capitalized annually
- Capitalization of negative amortization interest is limited to 10% of balance

### PAYE

- While payment is income-based, normal rules are suspended
- While normal rules suspended, only trigger is conversion to standard plan amount
- Capitalization caused by conversion is limited to 10% of balance
- Interest capitalizes when leaving the plan

### REPAYE

- Normal rules apply (upon expiration of deferment or forbearance)
- Interest capitalizes when leaving the plan

25 Full-Low Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Income-Driven Repayment Example - Renee

Renee completed college with a total of \$148,374 in Direct Loan debt. The interest rate on all of her loans is 6.8%. She is single with no dependents (family size of 1) and has an adjusted gross income of \$110,000 (AGI) that rises at 5% per year. She lives in the state of Massachusetts, and also has graduate school debt from nursing school.

### Assumptions:

- Renee qualifies for repayment under the Standard Repayment Plan, the Income-Based Repayment (IBR) Plan, the Pay As You Earn (PAYE) Repayment Plan, the Revised Pay As You Earn (REPAYE) Repayment Plan and the Income-Contingent Repayment (ICR) Plan.
- Repayment under all of the following plans would take place as each plan exists under current regulations.

16 Full-Low Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Studentloans.gov Repayment Estimator

Repayment Plan	Monthly Payment
Standard You will pay a total of \$204,899 over 120 months	\$1,707 \$1,707/month
Graduated You will pay a total of \$220,484 over 120 months	\$985 \$2,950/month
Extended Fixed You will pay a total of \$308,947 over 360 months	\$1,030 \$1,030/month
Extended Graduated You will pay a total of \$334,643 over 360 months	\$941 \$1,475/month
Revised Pay As You Earn (REPAYE) You will pay a total of \$293,702 over 230 months	\$761 \$2,070/month
Pay As You Earn (PAYE) You will pay a total of \$296,284 over 230 months	\$761 \$1,707/month
Income-Based Repayment (IBR) You will pay a total of \$229,922 over 360 months	\$1,141 \$1,707/month
IBR for New Borrowers You will pay a total of \$296,284 over 230 months	\$761 \$1,707/month
Income-Contingent Repayment (ICR) You will pay a total of \$244,000 over 360 months	\$1,625 \$2,044/month

16 Full-Low Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Pursuing PSLF – Repayment Estimator (Renee)

Repayment Plan	First Monthly Payment	Last Monthly Payment	Total Amount Paid	Public Service Loan Forgiveness	Requirement Period
<b>Revised Pay As You Earn (REPAYE)</b> You will pay a total of \$152,498 over 108 months	\$129	\$1,498	\$129,498	\$228,989	108 months
<b>Pay As You Earn (PAYE)</b> You will pay a total of \$152,498 over 108 months	\$129	\$1,498	\$129,498	\$228,989	108 months
<b>Income-Based Repayment (IBR)</b> You will pay a total of \$174,138 over 108 months	\$146	\$1,741	\$174,138	\$324,276	108 months
<b>IBR for New Borrowers</b> You will pay a total of \$174,138 over 108 months	\$146	\$1,741	\$174,138	\$324,276	108 months

PSLFS: Forgiveness was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Income-Driven Repayment Option

Matt completed college with a total of \$146,000 in Direct Loan debt . The interest rate on all of his loans is 6%. He is single with no dependents (family size of 1) and has an adjusted gross income of \$35,000 (AGI) as an Occupational Therapist (AGI) that rises at 5% per year. He lives in the state of Massachusetts, and also has graduate school debt.

### Assumptions:

- Matt qualifies for repayment under the Standard Repayment Plan, the Income-Based Repayment (IBR) Plan, the Pay As You Earn (PAYE) Repayment Plan, the Revised Pay As You Earn (REPAYE) Repayment Plan and the Income-Contingent Repayment (ICR) Plan.
- Repayment under all of the following plans would take place as each plan exists under current regulations.

PSLFS: Forgiveness was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Studentloans.gov Repayment Estimator

Repayment Plan	First Monthly Payment	Last Monthly Payment	Total Amount Paid	Public Service Loan Forgiveness	Requirement Period
<b>Standard</b> You will pay a total of \$194,508 over 108 months	\$1802	\$1,802	\$194,508	\$389,016	108 months
<b>Graduated</b> You will pay a total of \$207,458 over 108 months	\$1977	\$2,763	\$207,458	\$414,916	108 months
<b>Extended Fixed</b> You will pay a total of \$282,204 over 360 months	\$784	\$784	\$282,204	\$564,408	360 months
<b>Extended Graduated</b> You will pay a total of \$207,022 over 360 months	\$720	\$1,418	\$207,022	\$414,044	360 months
<b>Revised Pay As You Earn (REPAYE)</b> You will pay a total of \$207,327 over 240 months	\$862	\$1,907	\$207,327	\$414,654	240 months
<b>Pay As You Earn (PAYE)</b> You will pay a total of \$233,768 over 240 months	\$970	\$1,515	\$233,768	\$467,536	240 months
<b>Income-Based Repayment (IBR)</b> You will pay a total of \$242,795 over 240 months	\$1020	\$1,621	\$242,795	\$485,590	240 months
<b>IBR for New Borrowers</b> You will pay a total of \$233,768 over 240 months	\$970	\$1,515	\$233,768	\$467,536	240 months
<b>Income-Contingent Repayment (ICR)</b> You will pay a total of \$233,768 over 240 months	\$1,200	\$1,763	\$233,768	\$467,536	240 months

PSLFS: Forgiveness was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Applying for IDR



FIG. 16. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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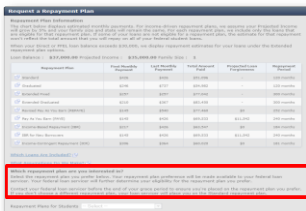
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## Income-Driven Repayment Application



- Borrowers may apply for an IDR on [studentloans.gov](http://studentloans.gov) or complete a paper application.
- Can be used by borrowers with Direct Loans or FFEL Loans
- Uses IRS Data Retrieval Tool that is used on the FAFSA
- Retrieves the most recent tax information from two most recently completed tax years
- If a borrower selects a specific repayment plan that they are not eligible for, the borrower will be placed on the lowest monthly payment amount IDR plan for which they are eligible.

FIG. 17. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Application Process: Spouses

- Almost all married borrowers provide spouse's income documentation
- Only used by servicer when relevant
- Exception for those who are
  - Separated; or
  - Cannot access spouse's income

Repayment Plan	Married borrower filing jointly	Married borrower filing separately
ICR	Use joint AGI	Use borrower's AGI
IBR	Use joint AGI	Use borrower's AGI
PAYE	Use joint AGI	Use borrower's AGI
REPAYE	Use joint AGI	Combine AGI of borrower and borrower's spouse

FIG. 18. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Applying – Avoid Application Mistakes

The easiest way to apply for an IDR plan is online at [studentloans.gov](http://studentloans.gov)

### Common Application Mistakes on the Paper Application

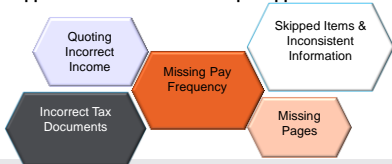


Fig. 34. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Consequences of Failing to Recertify

IBR	ICR	PAYE	REPAYE
Interest capitalization	Stay in plan	Interest capitalization	Interest capitalization
Stay in plan		Stay in plan	Kicked out of plan
Payment no longer income-based; 10-year standard amount	Payment no longer income-based; 10-year standard amount	Payment no longer income-based; 10-year standard amount	Loan re-amortized over lesser of 10 years or time to forgiveness

Fig. 20. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Standard & Graduated Repayment Plans

### Standard Repayment

- Assigned to borrowers automatically unless otherwise specified
- Fixed (equal) payment amount each month, although it could vary due to interest rate changes on a variable rate loan
- Monthly payments will be at least \$50
- 10-year repayment term (Standard Repayment for Direct Consolidation loans is 10 to 30 years based on balance)

### Graduated Repayment

- Payments start low and generally increase every two years
- 10-year repayment term (Direct Consol. Loans may have a term of 10 to 30 years based on balance)
- Monthly payment is never less than the amount of interest that accrues each month
- No single payment will be more than three times greater than any other payment

Fig. 19. Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Extended Repayment Plan

### Extended Repayment

- Will pay a fixed or graduated payment amount
- Repayment term not to exceed 25 years
- FFEL borrowers must have more than \$30,000 in outstanding FFEL Program loans (for new borrowers as of 10/07/1998)
- Direct borrower must have more than \$30,000 in outstanding Direct Loans (for new borrowers as of 10/07/1998)

Examples from studentaid.ed.gov/calculators Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Public Service Loan Forgiveness

The Public Service Loan Forgiveness Program allows eligible borrowers to cancel the remaining balance of their Direct loans after serving full time at a public service organization for at least 10 years while making 120 qualifying monthly payments after October 1, 2007.



PSLF Service was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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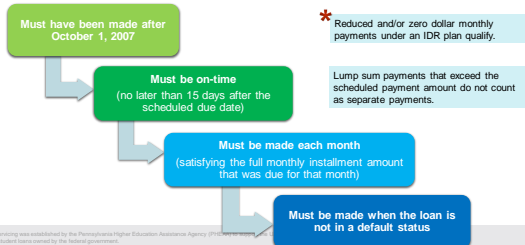
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## Qualifying Payments\*

The required 120 payments do not have to be consecutive, but must be:



PSLF Service was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Eligible Loans

Only Federal Direct loans are eligible for PSLF, only those payments made on Federal Direct loans count toward the required 120 qualifying payments -- and only these Federal Direct loans will be forgiven.

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- Direct PLUS Loans (for parents and graduate or professional students)
- Direct Consolidation Loans
  - Borrowers may choose to consolidate loans to establish eligibility for PSLF
- Special Direct Consolidation Loans
- TEACH Loans

PSLRF Forgiveness was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans guaranteed by the federal government.

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## Eligible Repayment Plans

Qualifying monthly payments must be made under these plans:



13 PSLRF Forgiveness was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans guaranteed by the federal government.

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## Forgiveness

Loans will not become eligible for Public Service Loan Forgiveness until AFTER 10/01/2017

Eligibility for forgiveness of an outstanding balance on an eligible Direct Loan occurs if the borrower:

- Is not in default
- Makes 120 separate, full monthly payments (after 10/1/07), within 15 days of due date
- Makes payments under one or more of the eligible repayment plans (referenced on slide 13)
- Is full-time employee of public service organization while making required payments and at time forgiveness is requested and granted

PSLRF Forgiveness was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans guaranteed by the federal government.

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## Direct Loan Consolidation

Direct Loan consolidation allows borrowers to combine one or more existing student loans into a single new loan. Consolidation may be the right option for your borrower if:

- If student loan debt is significant.
- If borrower has more than one type of student loan.
- Has trouble making the minimum monthly payments on multiple loans.

Pros	Cons
Lower monthly payments	Longer repayment schedule
Fixed interest rate	More interest to pay
One bill, one payment	Loss of loan incentives

Page 25 Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Servicing Resources

Servicer	Contact Information for Borrowers	
	Phone	Website
FedLoan Servicing	1-800-699-2908	MyFedLoan.org
Great Lakes	1-800-236-4300	MyGreatLakes.org
Nelnet	1-888-486-4722	Nelnet.com
Navient	1-800-722-1300	Navient.com
NSLDS	1-800-999-8219	NSLDS.gov
Additional servicer contact information	<a href="http://isp.ed.gov/isp/help/ContactInformationDetailedList.jsp?size=1">http://isp.ed.gov/isp/help/ContactInformationDetailedList.jsp?size=1</a>	

Page 26 Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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## Additional Resources

- **Income-Driven Repayment Plans: Frequently Asked Questions**  
<https://studentaid.ed.gov/sa/files/default/files/income-driven-repayment-q-and-a.pdf>
- **Repayment Calculators**  
<http://studentaid.ed.gov/repay-loans/understandplans>  
<http://www.fedloan.org/calculators/>  
<https://www.myfedloan.org/make-a-payment/calculators/index.shtml>
- **Federal Student Aid (FSA) Repayment Information**  
[www.studentaid.ed.gov/PORTAL/WEBApp/students/english/repaying.jsp](http://www.studentaid.ed.gov/PORTAL/WEBApp/students/english/repaying.jsp)
- **Department of Health and Human Services Poverty Guidelines – 2019**  
<https://aspe.hhs.gov/poverty-guidelines>
- **PSLF Fact Sheet and Q&As**  
[studentaid.ed.gov/publicservice](http://studentaid.ed.gov/publicservice)
- **CFPB Action Guide for Employees**  
[files.consumerfinance.gov/201308\\_cfpb\\_pledge-action-guide-for-employees.pdf](https://consumerfinance.gov/201308_cfpb_pledge-action-guide-for-employees.pdf)

Page 27 Servicing was established by the Pennsylvania Higher Education Assistance Agency (PHEAA) to support the U.S. Department of Education's ability to service student loans owned by the federal government.

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