

FIRST

Financial Information, Resources,
Services, and Tools



Tomorrow's Doctors, Tomorrow's Cures®

Repayment Strategies for Graduating Students

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Disclaimer: All information and estimates are based on AAMC interpretation of federal regulations as of January 2024 and are subject to change. Calculations shown are estimates only. Students should contact their servicer(s) to discuss exact loan balances and repayment options.

**Congratulations!
You Did It!**





Frequently Asked Questions

- Will I be able to repay my loans?
- How can I select the right payment plan for me?
- Should I apply for Public Service Loan Forgiveness (PSLF)?
- Is consolidation or refinancing the best option for me?

Agenda for Our Session

- Timeline for Repayment
- Where to Find Your Loans
- What Are Your Options?
- Repayment Plans
- Repayment Scenarios
- Budgeting in Your Payment
- Additional Resources





Timeline for Repayment

Timeline for Graduating Medical Students

Now - What loans do you have? Are they federal loans or non-federal loans?

Before Graduation – Do you have undergrad loans with a grace period? When do payments start?

Upon Graduation – Do you need to or want to consolidate?

After Graduation – Are you pursuing PSLF? Submit all necessary forms immediately.

90 Days Before Grace Ends – Which repayment plan is best for you? Explore all options available to you.

90 Days Before First Repayment Year Ends – Recertify income annually and re-evaluate which plan is best for you.

When To Make Your First Payment

Subsidized (6 months)

Unsubsidized (6 months)

Grace Period

PLUS (6 months)

Perkins (9 months)

Keep in mind that interest IS STILL ACCRUING...



- When you're in deferment (enrolled in school) *not sub
- If you're in forbearance
- While you're in a payment plan (any plan)
- If you have consolidated your loans
- During your grace period

Where to Find Your Loans



What Loans Do You Have?

Federal Loans



Eligibility determined by your school, serviced by Department of Education contracted servicer

Institutional Loans



Awarded and serviced by the school

Private Loans



Awarded and serviced by outside financial institution/organization



Get Ready for Student Loan Payments

[Restarting Payments](#)

[Making Payments for the First Time](#)

POPULAR TOPICS

[Apply for Aid Using the FAFSA® Form](#) >

[Learn About Public Service Loan Forgiveness](#) >

[Enroll in an Income-Driven Repayment \(IDR\) Plan](#) >

[View Your Loan Information](#) >



[Update on Student Loan Debt Relief](#) >

Considering School

In School

Parent

In Repayment



You Are America's Smartest Investment

The U.S. Department of Education's office of Federal Student Aid provides more than \$120 billion in financial aid to help pay for college or career school each year.

Log In

Create Account

studentaid.gov

Find your federal student loan information.



Manage Loans

Navigate the student loan repayment process with confidence: make payments, change repayment plans, explore options, and get help.

[View My Account](#)

Understanding Student Loan Repayment

Learn about federal student loan repayment based on where you are in the process.



I'm Starting School or In School



I'm About to Graduate or Leave College



I Just Graduated or Left School

MY AID

[VIEW DETAILS >](#)



Your loan balance is
\$200,000

Loan information as of
[View loan servicer details](#)

Estimate monthly payments and compare loan repayment plans

[LOAN SIMULATOR >](#)

Decide whether a Direct Consolidation Loan is right for you

[LOAN CONSOLIDATION >](#)

MY CHECKLISTS

I'M PREPARING FOR SCHOOL



I'M IN SCHOOL



Use the *Public Service*

Loan Forgiveness (PSLF)

Fixed Interest Rates

Unsubsidized Loan

M1 – 4.30%

M2 – 5.28%

M3 – 6.54%

M4 – 7.05%

PLUS Loan

M1 – 5.30%

M2 – 6.28%

M3 – 7.54%

M4 – 8.05%



Subsidized

Government pays the interest while the student is enrolled at least half-time in school, during deferment, and during certain periods of time with some of the Income-Driven Repayment plans.

Subsidized Loan Examples

Direct Subsidized Loans

Loans for Disadvantaged Students (LDS)

Primary Care Loans (PCL)

Perkins

Unsubsidized

Borrower is responsible for the interest that accrues on the loan from the time the loan is disbursed until the loan is paid in full.

Unsubsidized Loan Examples

Direct Unsubsidized Loans

Direct Grad PLUS Loans

Private or Alternative Loans

Options with Loan Simulator

Loan Simulator helps you estimate monthly student loan payments and choose a loan repayment option that best meets your needs and goals. You can also use it to decide whether to consolidate your student loans.



I Want to Find the Best Student Loan Repayment Strategy

[Log In and Start](#)



I'm Struggling With My Student Loan Payments

[Log In and Start](#)



I Want to Simulate Borrowing More

[Log In and Start](#)

PAGE 1

Which of the following apply to you? [Why do we ask this?](#)

(Select each tile that applies.)

Note: Some tiles require information from a paystub and the use of a calculator. If you have a tax return, you can select "Skip Guided Questions," and enter your adjusted gross income in the Personal Information section.



I have a job or plan to get one soon.



I filed taxes in the last two years.



I'm married (or will be soon).



I have children or other dependents.



I save for retirement but will pay tax on it



I have additional



I pay/will pay health insurance premiums



I contribute to a health savings account or a

Identifying Your Servicer

The following are loan servicers for loans that the U.S Department of Education (ED) owns. To find out who your loan servicer is,

- [visit your account dashboard](#) and scroll down to the “My Loan Servicers” section, or
- call the Federal Student Aid Information Center (FSAIC) at 1-800-433-3243.

Loan Servicer	Contact
Edfinancial 	1-855-337-6884
MOHELA 	1-888-866-4352
Aidvantage 	1-800-722-1300
Nelnet 	1-888-486-4722
ECSI 	1-866-313-3797
Default Resolution Group 	1-800-621-3115 (TTY: 1-877-825-9923 for the deaf or hard of hearing)



Servicers of Direct Student Loans



Any Questions So Far?



What Options Do You Have with Loans?

To Pay or Not to Pay

Go Into Repayment

- Monthly minimum payment is due
- Interest still accrues on loans
- Reduces debt upon end of residency
- Must choose payment plan before end of grace period
- Can opt out at any time with no penalty
- You could qualify for an interest deduction on your taxes



Go Into Forbearance

- No monthly payment
- Interest is accruing on loans
- Debt continues to grow during residency
- Must apply for this option before payment is due
- Can opt out at any time with no penalty



Consolidation

What is a Direct Consolidation Loan?

A federal loan where borrowers combine one or more federal student loans into a new Direct Consolidation Loan for the purpose of possibly lowering their monthly payment amount, gaining access to a particular repayment plan or loan forgiveness program.

Reasons to Consolidate

Do you have multiple servicers?

Do you have loans from prior to med school that you've made payments on?

Do you want to enroll in an **IDR plan** and start repayment **before** your 6-month grace period is over?

Do you have loans that aren't currently eligible for PAYE/IBR/SAVE or Public Service Loan Forgiveness?

Should You Refinance?

If you have good credit, you may be able to refinance your existing federal student loans into a private loan.

Before doing that, it's important to understand the full impact of making this permanent change to your loans.



Know About Refinancing

Ask Yourself These:

- Will this new private loan have a variable interest rate?
- Will you be working in public service? (This may include work during residency or a fellowship or while you are employed at an academic institution)
- Will the payments be affordable and/or is postponing payments an option during residency?
- Are you comfortable with assuming more risk in your financial life?

And Always Remember:

- Federal loans will give you the ability to benefit from flexible terms and conditions, including access to income-driven repayment plans and possible loan forgiveness, potential interest subsidies, limits to monthly payment amounts, the availability of a death and disability discharge, and possible student loan tax deductions.
- Be sure the reward received in a refinance is enough to offset the potential risk.

Public Service Loan Forgiveness

MAKE 120 QUALIFYING PAYMENTS

ENROLLED IN A QUALIFYING REPAYMENT PLAN

EMPLOYED BY QUALIFYING EMPLOYER

REPAYING QUALIFYING DIRECT LOANS

PUBLIC SERVICE LOAN FORGIVENESS (PSLF) PROGRAM

Tax Free Forgiveness

Your PSLF Checklist

- Be sure you work for a qualifying employer.
- Complete the PSLF form when you start your residency program.
- Ask your employer to complete the employer section of the PSLF form.
- Submit the PSLF Form to MOHELA (servicer) each year and if you change employer.



Website Enhancements

FSA has made several updates across StudentAid.gov notifying borrowers of this change. The pages that will be updated are as follows:

- [StudentAid.gov/public-service](https://studentaid.gov/public-service)
- [StudentAid.gov/pslf](https://studentaid.gov/pslf)

Borrowers may now use the updated PSLF Help Tool to:

- Complete the PSLF form,
- Send the form to employers for their digital signature (certifying employment)
- Electronically submit the form to the PSLF servicer for processing (MOHELA)



debt



National Institutes
of Health



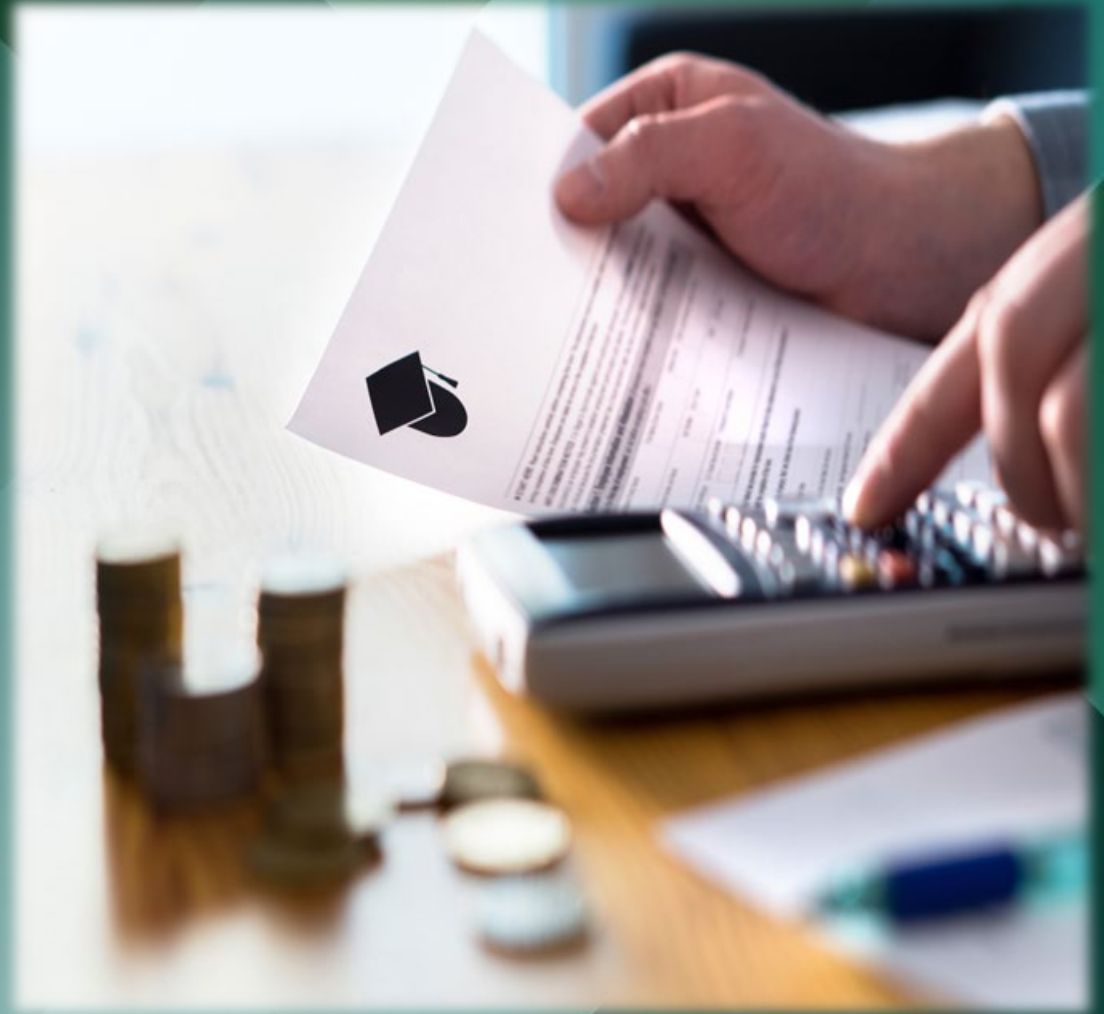
U.S. AIR FORCE





Any Questions So Far?

Repayment Plans



Steps to Prepare for Repayment



- Update your contact information
- Explore affordable payment plans
- If in an Income-Driven Repayment (IDR) plan, recertify your income
- Enroll in autopay
- Learn your monthly payment amount
- Make your payment
- Check if you qualify for a type of loan forgiveness

<https://studentaid.gov/manage-loans/repayment/prepare-payments-restart>

The plan you choose determines your monthly payment amount.

Traditional Repayment Plans

Standard (payments do not change)	Up to 10 years
Extended (payments fixed or gradually increase)	Up to 25 years
Graduated (payments start small but increase)	Up to 10 years

Income-Driven Repayment Plans

Income-Based Repayment (IBR)* 10%-15% of discretionary income	Up to 20 years
Income-Contingent Prepayment (ICR) 20% of discretionary income	Up to 25 years
Saving on a Valuable Education (SAVE) 5%-10% of discretionary income	Up to 25 years

* For new borrowers on or after July 1st, 2014.

Comparing Income- Driven Plans

	PAYE (Pay As You Earn)	IBR (Income Based Repayment)	SAVE (Saving on A Valuable Education)
Payment Calculation	10% of discretionary income (can be capped)	10% of discretionary income (can be capped)	5%-10% of discretionary income (if undergrad and grad loans)
Repayment Term	Up to 20 years possible	Up to 20 years possible	Up to 25 years possible
Spousal Income	Yes (not when filing separately)	Yes (not when filing separately)	Yes (not when filing separately)
Income Requirement	Must show PFH	Must show PFH	No
Interest Subsidy (unsub loans)	Yes, on sub loans	Yes, on sub loans	Yes (all covered that exceeds monthly payment)
PSLF Eligible	Yes	Yes	Yes
Interest Capitalization	No	Yes (with no PFH or leaves plan)	No

Saving with SAVE

With the new SAVE plan, any interest that accrues which exceeds your monthly payment is **eliminated**.

Example:

Debt - **\$200,000**

Monthly interest - **\$1,000**

Monthly Payment - **\$250**

Interest above payment - **\$750**

\$750 is eliminated!

FINANCIAL NEWS

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Repayment Scenarios

Repayment Scenario

Student Loan Debt: **\$65,000**

Starting Salary: **\$70,000**





Personal Information



Loan Information



Repayment Goal

PAGE 6

What is your primary repayment goal?

(Select one tile.)

Note: You can change your primary repayment goal on the results page to see suggestions based on a different goal.



Pay Off My Loans As
Fast As Possible



Have a Low Monthly
Payment



Pay the Lowest Total
Amount Over Time



Choose My Monthly
Payment



Pay Off by a Certain
Date



I Don't Have a Specific
Goal

Repayment Scenario

(pay off loans as fast as possible)

Find the Best Repayment Plan Option

Options :

Your Results

Based on your selections and overall repayment strategy, this is the plan with the **fastest payoff**.

We estimate you will pay **\$748** per month until **March 2034**.

Standard Repayment Plan

Fastest Payoff

This plan allows you to pay the entirety of your loan via fixed payments (at a minimum of \$50) over your loan term (10 years for most loans, but it is usually longer for consolidation loans).

Monthly Payment
\$748

Estimated Total To Be Paid
\$89,763

Paid Off By
Mar 2034

Estimated Forgiveness
Amount
\$0

[View and Apply](#)

[View and Compare All Plans \(8\)](#)

Personal Information



Loan Information



Repayment Goals



What is your repayment goal?

- Fastest payoff
- Lowest monthly payment
- Lowest total paid over time
- Monthly payment I chose
- Total paid by a certain date

Show payment estimated under **Public Service Loan Forgiveness (PSLF)**?

Off

[Guide me through this section.](#)

Repayment Scenario (have a low monthly payment)

Find the Best Repayment Plan Option

Options :


Your Results


Based on your selections and overall repayment strategy, this is the plan with the **lowest monthly payment**.

We estimate you will pay **\$368 - \$645** per month until **March 2049**.

Extended Graduated Repayment Plan

[View and Apply](#)

 **Lowest Monthly Payment**

 **Total Paid Over Time Is High**

Payments start low and gradually increase every two years. You will repay your loans over an extended period of 25 years.

Monthly Payment
\$368 - \$645
First Last

Estimated Total To Be Paid
\$146,597

Paid Off By
Mar 2049

Estimated Forgiveness
Amount
\$0

[View and Compare All Plans \(8\)](#)

Personal Information



Loan Information



Repayment Goals



What is your repayment goal?

- Fastest payoff
- Lowest monthly payment**
- Lowest total paid over time
- Monthly payment I chose
- Total paid by a certain date

Show payment estimated under **Public Service Loan Forgiveness (PSLF)**?

Off

[Guide me through this section.](#)

Repayment Scenario (all scenarios)

+ Add to Comparison

Extended Graduated Repayment Plan

Payments start low and gradually increase every two years. You will repay your loans over an extended period of 25 years.

MONTHLY PAYMENT
FIRST LAST
\$368 - 645

ESTIMATED TOTAL TO BE PAID
\$146,597

PAY OFF DATE
March 2049

ESTIMATED FORGIVENESS AMOUNT
\$0

[VIEW FULL PLAN](#)

+ Add to Comparison

Saving on a Valuable Education (SAVE) Plan—Formerly the REPAYE Plan

Your monthly payments are limited to 10% of your discretionary income. If you make your full monthly payment, but it is not enough to cover the accrued monthly interest, the government covers the rest of the interest that accrued that month.

MONTHLY PAYMENT
FIRST LAST
\$393 - 940

ESTIMATED TOTAL TO BE PAID
\$111,069

PAY OFF DATE
December 2038

ESTIMATED FORGIVENESS AMOUNT
\$0

[VIEW FULL PLAN](#)

+ Add to Comparison

Graduated Repayment Plan

Payments start low and gradually increase every two years. You will repay your loans over 10 years (for most loans, but it is usually longer for consolidation loans).

MONTHLY PAYMENT
FIRST LAST
\$431 - 1,294

ESTIMATED TOTAL TO BE PAID
\$96,589

PAY OFF DATE
March 2034

ESTIMATED FORGIVENESS AMOUNT
\$0

[VIEW FULL PLAN](#)

+ Add to Comparison

Extended Fixed Repayment Plan

This plan allows you to pay a fixed monthly payment over an extended period of 25 years.

MONTHLY PAYMENT
\$451

ESTIMATED TOTAL TO BE PAID
\$135,344

PAY OFF DATE
March 2049

ESTIMATED FORGIVENESS AMOUNT
\$0

[VIEW FULL PLAN](#)

+ Add to Comparison

Pay As You Earn (PAYE) Repayment Plan

Your monthly payments are limited to 10% of your discretionary income.

MONTHLY PAYMENT
FIRST LAST
\$484 - 748

ESTIMATED TOTAL TO BE PAID
\$101,455

PAY OFF DATE
February 2037

ESTIMATED FORGIVENESS AMOUNT
\$0

[VIEW FULL PLAN](#)

+ Add to Comparison

Income-Based Repayment (IBR) Plan

Your monthly payments are limited to 10-15% of your discretionary income, depending on when you received your first loans.

MONTHLY PAYMENT
FIRST LAST
\$484 - 748

ESTIMATED TOTAL TO BE PAID
\$101,455

PAY OFF DATE
February 2037

ESTIMATED FORGIVENESS AMOUNT
\$0

[VIEW FULL PLAN](#)

+ Add to Comparison

Income-Contingent Repayment (ICR) Plan

Your monthly payments are generally limited to 20% of your discretionary income.

MONTHLY PAYMENT
FIRST LAST
\$676 - 771

ESTIMATED TOTAL TO BE PAID
\$92,161

PAY OFF DATE
November 2034

ESTIMATED FORGIVENESS AMOUNT
\$0

[VIEW FULL PLAN](#)

+ Add to Comparison

Standard Repayment Plan

This plan allows you to pay the entirety of your loan via fixed payments (at a minimum of \$50) over your loan term (10 years for most loans, but it is usually longer for consolidation loans).

MONTHLY PAYMENT
\$748

ESTIMATED TOTAL TO BE PAID
\$89,763

PAY OFF DATE
March 2034

ESTIMATED FORGIVENESS AMOUNT
\$0

[VIEW FULL PLAN](#)



Any Questions So Far?

Budgeting in Your Loan Payment



LIVING ON A RESIDENT'S BUDGET

Yearly Stipend: \$64,300*

Monthly Gross Income: \$5,358

A sample check with a blue background and a decorative border. The check is payable to Dr. Median for \$4,200. The memo line reads "Monthly Paycheck" and the signature line is signed "Teaching Hospital".

DATE _____

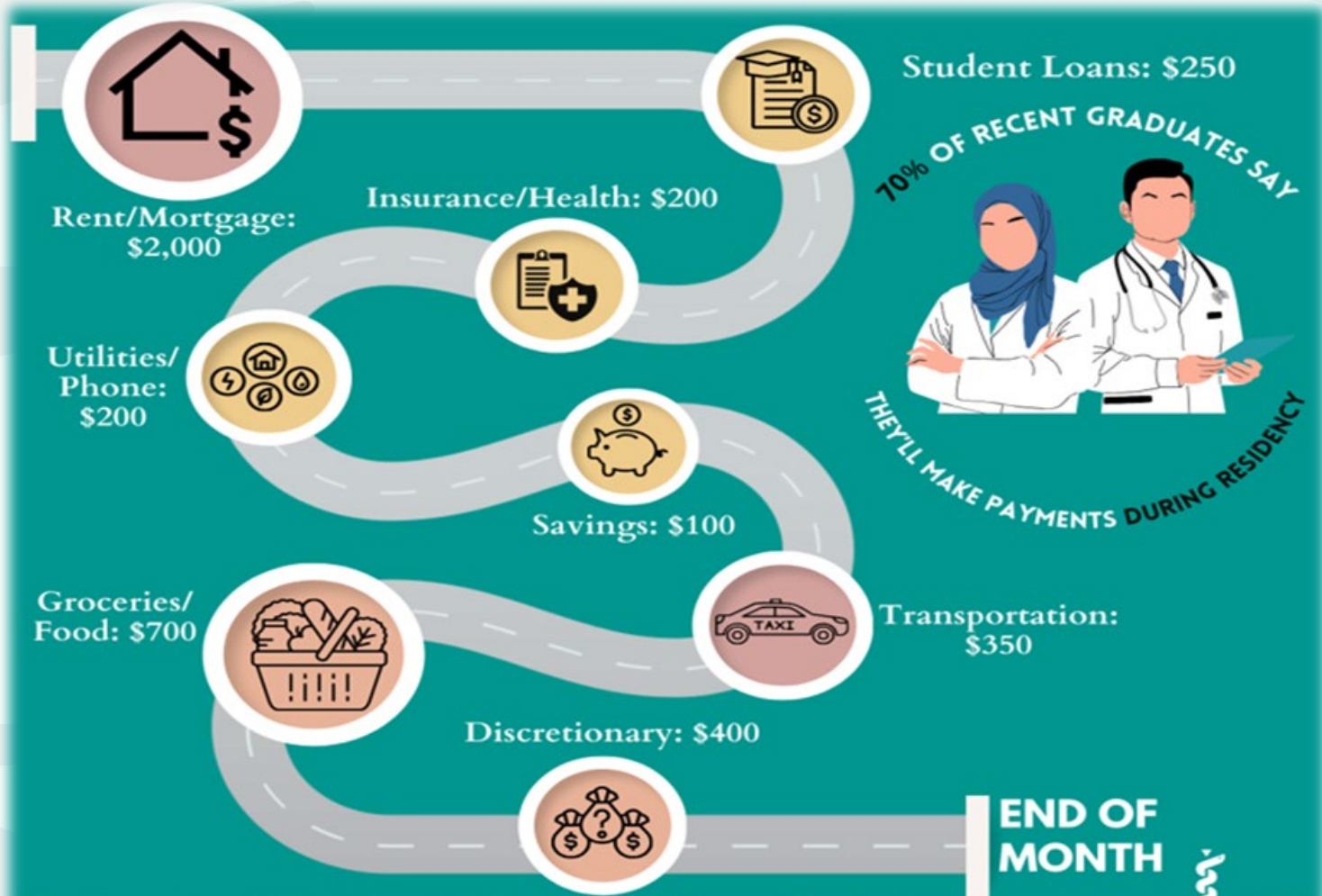
PAY TO THE ORDER OF **Dr. Median** \$ **4,200**

DOLLARS _____

MEMO **Monthly Paycheck** *Teaching Hospital*

- Medicare: \$78
- State/Local Taxes: \$214
- Social Security: \$332
- Federal: \$534

Monthly Net Income: \$4,200



*Based on a projected 2024 resident stipend, paycheck breakdown and budgeted living cost



Budget Worksheet for Residents

For more information about budgeting as a resident, review this infographic.

MONTHLY INCOME:

Salary (after deductions)	— \$0.00
Spouse salary (after deductions)	— \$0.00
Investment income	— \$0.00
Gifts	— \$0.00
Other	— \$0.00
Total Monthly Income	— \$0.00

MONTHLY FIXED EXPENSES:

Savings	— \$0.00
Rent/mortgage	— \$0.00
Phone	— \$0.00
Taxes (federal, state)	— \$0.00
Vehicle payments	— \$0.00
Other transportation	— \$0.00
Personal loans	— \$0.00
Education loans	— \$0.00
Insurance (life and health)	— \$0.00
Home/renter insurance	— \$0.00
Auto insurance	— \$0.00
Auto registration/taxes	— \$0.00
Other	— \$0.00
Total Fixed Expenses	— \$0.00

MONTHLY VARIABLE EXPENSES:

Food/household supplies	— \$0.00
Dining out	— \$0.00
Clothes	— \$0.00
Laundry/dry cleaning	— \$0.00
Gas, oil, auto maintenance	— \$0.00
Parking	— \$0.00
Medical/dental/eye care	— \$0.00
Entertainment	— \$0.00
Travel/vacation	— \$0.00
Utilities	— \$0.00
Music/books/journals	— \$0.00
Personal care	— \$0.00
Subscriptions	— \$0.00
Cable TV and internet	— \$0.00
Credit card payments	— \$0.00
Charity/contributions/gifts	— \$0.00
Savings for interviews/relocation	— \$0.00
Test prep course/materials	— \$0.00
Exam/licensing fees	— \$0.00
Other	— \$0.00
Total Variable Expenses	— \$0.00
Plus Total Fixed Expenses	— \$0.00
Equals Total Monthly Expenses	— \$0.00
Total income	— \$0.00
Less Total Expenses	— \$0.00
Equals Total Discretionary Income (or Deficit)	— \$0.00

Put A Monthly Budget In Writing

<i>Fall 2023</i>	August	September	October	November	December		Total Spend	Average Spend
Food	\$ 300	\$ 400	\$ 350	\$ 375	\$ 200		\$ 1,625	\$ 325
Travel	\$ 75	\$ 100	\$ 125	\$ 100	\$ 300		\$ 700	\$ 140
Toiletries	\$ 50	\$ 50	\$ 75	\$ 50	\$ 50		\$ 275	\$ 55
Entertainment	\$ 50	\$ 100	\$ 50	\$ 250	\$ 50		\$ 500	\$ 100
Study Materials	\$ 200	\$ 50	\$ -	\$ -	\$ -		\$ 250	\$ 50
Total	\$ 675	\$ 700	\$ 600	\$ 775	\$ 600		\$ 3,350	\$ 670
<i>Spring 2024</i>	January	February	March	April	May			
Food	\$ 275	\$ 325	\$ 300	\$ 300	\$ 325		\$ 1,525	\$ 305
Travel	\$ 200	\$ 75	\$ 50	\$ 75	\$ 50		\$ 450	\$ 90
Toiletries	\$ 30	\$ 50	\$ 50	\$ 65	\$ 50		\$ 245	\$ 49
Entertainment	\$ 50	\$ 75	\$ 75	\$ 150	\$ 50		\$ 400	\$ 80
Study Materials	\$ 100	\$ -	\$ 25	\$ -	\$ 50		\$ 175	\$ 35
Total	\$ 655	\$ 525	\$ 500	\$ 590	\$ 525		\$ 2,795	\$ 559

- Review bank or credit card statements often
- Keep accurate financial records
- Know your spending limits

Life Events Will Affect Your Plan

Making a plan is just the first step. You then need to update it as your life changes.

- Changes in income.
- Change to your investment risk-tolerance as you approach retirement.
- Change to marital status.
- Changes to the number of dependents.
- Set new goals once you've achieved previous goals.





Additional Resources for You

Guide to Money Management and Student Loans

This **NEW** guide discusses applying for financial aid, borrowing student loans, managing money, and repayment options after medical school and during residency.

Guide to Money Management and Student Loans

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Search

Guide to Money Management and Student Loans

Entering Medical School

Continuing Your Medical Education

Graduating Medical School

Residency

There are many important concepts to know about money management and borrowing student loans. The information found in this guide will help you establish a strong financial foundation as well as help you navigate the borrowing process at specific points in your medical education.

The **Entering Medical School** chapter contains information about:

- Applying for financial aid.
- Understanding your aid offer.
- Managing undergraduate loans.
- Understanding cost of attendance.
- Borrowing and budgeting wisely.










Take Advantage of the FIRST Program

The screenshot displays the AAMC website's navigation bar with links for AAMC.ORG, STUDENTS & RESIDENTS, CAREERS IN MEDICINE (CIM), and AAMC STORE. A search bar is located on the right. Below the navigation, the page title reads "AAMC | Students & Residents". A secondary navigation bar includes links for "Choosing a Medical Career", "Applying to Medical School", "Attending Medical School", "Applying to Residency", "Training in a Residency or Fellowship", and "Quick Links". The breadcrumb trail shows "Home / FIRST (Financial Information, Resources, Services, and Tools)".

FIRST (Financial Information, Resources, Services, and Tools)

FIRST provides you with unbiased and reliable guidance about paying for medical school, managing money, and successfully repaying your student loans.

- Guide to Money Management and Student Loans**
This guide discusses applying for financial aid, borrowing student loans, managing money, and repayment options after medical school and during residency. 
- Guide to Public Service Loan Forgiveness (PSLF)**
This guide outlines the PSLF program, eligibility guidelines, and actions to take to qualify for the program. 
- FIRST Fact Sheets**
Read about financial topics important to premed students, current students, and residents. 
- FIRST Videos and Webinars**
Watch videos and recorded FIRST webinars. Also, register to attend a future FIRST webinar about financing medical school, general money management, repaying student loans, and more. 
- FIRST Resources**
Review frequently downloaded publications, infographics, and charts about financial aid, loans, credit, budgeting, and loan repayment. 
- The MedLoans® Organizer and Calculator (MLOC) Tool**
The MedLoans® Organizer and Calculator tool was developed to assist medical students and residents with managing their education debt. The MLOC tool 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. 
- FIRST for Financial Aid Officers**
The AAMC provides a variety of resources and tools to help Financial Aid Officers (FAO) support and guide medical students. Visit this page to access materials for financial aid staff. An AAMC log-in is required to access some of these resources. 

Search FIRST

Sign In To The MLOC® Tool, DLDC Or OLOC

Register For The Next FIRST Webinar (January 26, 2024)

ALERTS

- The new SAVE Plan replaces the Revised Pay As You Earn (REPAYE) Plan. Read more about the plan at studentaid.gov/SAVE.

Sign up to Receive the FIRST Newsletter

Provide your name and email address, scroll down to Student Resources, and select [FIRST Newsletter](#).

Contact FIRST

first@aamc.org

AAMC Financial Wellness

Access free financial calculators, articles, and videos to help you create a budget, track your spending, create financial goals, and enhance your financial knowledge about credit, financial planning, money management, and more!

VISIT AAMC FINANCIAL WELLNESS

FIRST

Financial Information, Resources,
Services, and Tools



Next Steps

✓ Before Graduation

Step 1: Find out what loans you have, who your servicer(s) are, and when your payments will be due by logging into your [Federal Student Aid \(FSA\) account](#). Set up an account on your loan servicer's website if you haven't done this yet.

Step 2: If any of your loans don't have a grace period contact your, co loan servicer(s) to select a [repayment plan](#) or request a [deferment or forbearance](#).

✓ After Graduation

Step 3: Determine if you want (or need) to apply for a Direct Consolidation Loan.

Consolidation is not a requirement (or necessary) for all borrowers. Borrowers can only apply for a Direct Consolidation Loan after the loan servicer is officially notified of the student's separation date, which is handled by staff at the medical school.

✓ At the Beginning of Residency, Annually, and if you Change Employers

Step 4: If interested in [Public Service Loan Forgiveness \(PSLF\)](#), complete the borrower section of the PSLF form, have your employer complete their section, and then submit the PSLF form to [MOHELA](#) (PSLF servicer).

✓ Before the end of Your 6-Month Grace/Post-Enrollment Deferment Period

Step 5A: If you want to make payments during residency: about 60 days before the end of your grace period, apply for your repayment plan. Apply for an [income-driven repayment plan](#) on the Federal Student Aid (FSA) website or by contacting your loan servicer(s). *If you submit your application too early, it can be denied, and you may have to re-apply.*

Step 5B: If you want to postpone payments during residency: contact your loan servicer at least 30 days before the end of your grace period to request a [mandatory residency forbearance](#).

✓ Annually

Step 6A: If you are enrolled in an [income-driven repayment \(IDR\) plan](#), submit your income and household size information to your servicer by the servicer's re-certification due date. Check with your loan servicer for the re-certification date and mark this on your calendar.

Step 6A: If you are enrolled in a [mandatory residency forbearance](#) and want to continue it, be sure to submit the forbearance request form annually before the original request expires.

Next
Steps to
Take

Tips During Residency

FIRST

Financial Information, Resources,
Services, and Tools



Tips During Residency

MANAGING YOUR FEDERAL STUDENT LOANS



BEFORE GRADUATION

- Read the details of your federal student loans.
- Prepare a budget based on your residency stipend.
- Thirty days before graduation, contact your servicer to manage any loan that don't have a grace period.
- Learn about the various repayment plans, and review repayment scenarios with the [Federal Loan Organizer and Calculator \(FLOAC\)](#).
- Investigate loan forgiveness and loan repayment assistance options.



AT GRADUATION

- Direct Unsubsidized Loans enter a six-month grace period, and Direct PLUS Loans enter a six-month post-enrollment deferral.
- During this time, no payments are required, and interest continues to accrue until the loans are paid in full.
- Keep your loan information in a safe place, maintain accurate records, and update your servicer and studentaid.gov with your new address whenever you move.
- Determine if a Direct Consolidation Loan is necessary for your situation.



BEGIN RESIDENCY

- If you are interested in Public Service Loan Forgiveness (PSLF), complete the [PSLF form](#).
- Repayment begins six months after graduation. Request a repayment plan at least 60 days before the end of your grace or post-enrollment deferral period.
- If you want to postpone payments during residency, request a [mandatory residency forbearance](#) from your servicer 30 days before the end of your grace or post-enrollment deferral period.



ANNUALLY

- Complete the PSLF form every year and if you change employers.
- If you want to postpone payments throughout residency, submit a [mandatory residency forbearance request form](#) to your servicer each year before the current request form expires.
- If you are enrolled in an income-driven repayment (IDR) plan, recertify your income and household size by your servicer's recertification due date.

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Tips During Residency

MANAGING YOUR MONEY



DEVELOP YOUR RESIDENCY SPENDING PLAN

- Determine your income and expenses during residency and create a budget. Review this [resident stipend infographic](#) for a sample budget.
- Put your plan in writing (or use a free online budgeting tool), review it periodically, and make adjustments when necessary.
- Use FIRST's [budgeting resources](#), and access money management tools and activities from the [AAMC Financial Wellness program](#).



CHECK YOUR CREDIT REPORTS AND MAINTAIN GOOD CREDIT SCORES

- Access your credit reports to view your outstanding credit obligations, monitor your credit, and prevent identity theft.
- Report inaccuracies to the appropriate credit bureaus by filing a dispute online. Report identity theft or fraud via the [Federal Trade Commission's website](#).
- Increase your credit score by paying your bills on time, reducing your debt (e.g., credit cards, loans), and limiting applications for new credit.



MAKE SURE YOU ARE PROPERLY INSURED

- Learn about the different types of insurance (e.g., disability, accident, life, malpractice).
- Determine the type and amount of insurance you need now and in the future, and contact a qualified insurance provider, if necessary.



THINK ABOUT RETIREMENT AND INVESTMENT PLANNING

- Take advantage of employer-sponsored retirement accounts. Speak to your employer's human resources office to find out if there are benefits available to assist with retirement and investment planning.
- Consider using the services of a [financial planner](#).

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Financial Wellness for Medical School and Beyond

The AAMC wants to provide you with practical information that can help you with budgeting, money management, credit, debt management, and more. With the AAMC Financial Wellness program, you can access articles, interactive exercises, and a curriculum covering a multitude of financial topics. To get started, visit aamc.org/financialwellness.

Financial Wellness at FIRST

- Measure your financial health and get personalized recommendations
- Complete online courses
- Assess your risk of identity theft, create financial goals and a spending plan, track your expenses, and much more

FIRST Webinar Series (upcoming and recorded)



- Improving and Monitoring Credit
- Financial Literacy with the AAMC
- Public Service Loan Forgiveness (PSLF)
- Preparing for Your Financial Life During Residency
- Home Financing vs Renting for Medical Students
- Filing Taxes as Medical Student
- Repayment Strategies for Graduating Medical Students
- Choosing Insurance
- MedLoans Organizer and Calculator

The AAMC's FIRST program provides financial information, resources, services and tools for students and residents.

Contact us:
first@aamc.org



Please share your feedback!