



THE UNIVERSITY OF  
**CHICAGO**  
PRITZKER SCHOOL  
OF MEDICINE

FINANCIAL AID GUIDEBOOK

2016-2017

## FINANCIAL AID CALENDAR 2016-2017 ACADEMIC YEAR

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September 2015 - March 2016	Fall and Winter is the optimum time to apply for outside scholarships.
January 1, 2016	Earliest date 2016-2017 FAFSA may be submitted for processing. Family and student should complete tax returns as early as possible in preparation of completing the financial aid applications.
March 18, 2016	All students should have FAFSA submitted for processing <u>no later than</u> this date.
March 7, 2016	Exit Interview and Debt Management presentation by FIRST staff of the AAMC for <b>graduating M4s</b> .
April 29, 2016	Priority deadline for <b>MS3</b> and <b>MS4</b> financial aid packaging.  Financial assistance packages are assembled in the order in which they are received and award notices are mailed as the assistance packages are completed.
May 02, 2016	For <b>incoming students</b> , deadline to commit to one school for matriculation if holding multiple acceptances to U.S. medical schools.
February - May 2016	For <b>graduating seniors</b> , financial aid exit interviews with the Student Loan Administration.
June 3, 2016	Priority Deadline for <b>MS2</b> financial aid packaging
July 15, 2016	Online entrance interview for <b>incoming students</b> must be completed before aid will be disbursed. Go to: <a href="http://studentloans.gov">http://studentloans.gov</a>
August 4, 2016	Summer Anatomy orientation & registration begins for <b>incoming students</b> .

**FAFSA code for UNIVERSITY OF CHICAGO PRITZKER SCHOOL OF  
MEDICINE: G10141**

# Pritzker School of Medicine

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## INTRODUCTION

From an *economic* point of view, education is an investment with the expectation of enhanced earning power in the future. This is true for nations and for individuals. You may never have considered your education in this way; indeed you have been encouraged to focus on intellectual challenge, broadening your horizons, enjoyment of learning, and becoming a person who will be engaged in an analytic dialog with your surroundings throughout your life. Keep at that task. It is necessary, though, to thoroughly understand the economics of your own personal educational pathway, even more so now as a medical student. At a minimum, you already assumed a temporary sacrifice of earning power while an undergraduate, and more than likely, also added some indebtedness incurred in funding that phase of your education. In medical school, you also suspend earning power and more than likely incur debt as you continue to invest in yourself.

Most entering medical students have never been involved in financial arrangements that incur substantial debt. Medical education is expensive and the prospect of indebtedness can be a source of considerable anxiety. It helps to remember that you are investing in yourself. Faith in your *proven* abilities will allow you to handle the total indebtedness that you might assume for your education in a way that is both matter of fact and does not constrain your prospects for the future. The general truth of this is born out in the experience of millions of individuals who have borrowed to fund their learning and in the general framework of financial assistance that is such an important part of higher education.

The Office of Medical Education is dedicated to assisting every Pritzker student in managing the financial aspects of his or her education here, and in developing the skills to make informed, value-based decisions about financial aid. In this booklet, we provide information on the financial assistance process at the University of Chicago Pritzker School of Medicine. Along with this, we have provided information on ways to cut costs so that significant debt will not create major problems during residency years and beyond. Now is the time to develop good, basic fiscal skills, and a clear understanding of future goals and obligations as you pass through this phase of your education. If you have not already done so, it would be helpful to you if you learn some simple budgeting techniques and a method of recording monthly expenditures. This will enable you to review your expenses so that as yearly requests for assistance are made, you can do so with a realistic understanding of your true financial need.

Throughout your medical education we will offer formal and informal opportunities to acquire and nurture the skills to make sound decisions about loans and indebtedness that align with your principles and which will aid in your professional development. There are many ways to creatively finance your medical education. We suggest some approaches in this handbook, and we encourage you to explore every avenue possible. Many students have found useful sources by being assertive in their search. We encourage you to also explore Financial Information, Resources, Services and Tools (FIRST) ([www.aamc.org/FIRST](http://www.aamc.org/FIRST)) a resource to help you in your financial planning created by the Association of American Medical Colleges.

We hope that as you read this document, you have a much clearer understanding of what we are able to provide for you in your medical education years. On a yearly basis, we will do our very best to continue the same type of financial support for you, provided that our resources have not changed.

We look forward to working with you, and should you have questions or concerns, please do not hesitate to contact us.

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*Information in the Financial Aid Guidebook is current as of February 11, 2016. This booklet has been compiled through the efforts of several knowledgeable and experienced individuals. While every attempt has been made to achieve accuracy figures and statements in this document should be checked with additional sources before proceeding with financial or educational decisions.*

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## USING THIS GUIDEBOOK

We have organized this guidebook to reflect the sequence in which most persons approach the financial considerations and decisions related to education. This sequence may be thought of as a series of questions:

- WHAT IS THE COST OF MEDICAL EDUCATION?
- HOW WILL I MEET THE COST OF MEDICAL EDUCATION?
- HOW IS FINANCIAL NEED DETERMINED?
- AM I ELIGIBLE FOR FINANCIAL AID?
- WHAT IS THE APPLICATION PROCESS FOR FINANCIAL AID?
- HOW IS FINANCIAL AID PACKAGED?
- HOW AM I BILLED and HOW IS FINANCIAL AID DISBURSED?
- WHAT SHOULD I KNOW ABOUT MANAGING ANY DEBT THAT I ASSUME?

Some individuals will only need to ask the first two questions, others will find that the answers to all these questions are important to them. This guidebook is organized to follow this sequence; each major section is organized around one of the questions. In addition, the guidebook contains an Appendix of detailed information about a variety of topics that can be useful. Finally, scattered through the text we have included references to sources of information and service that experience has demonstrated to be useful to others.



## **COST OF ATTENDANCE: STUDENT BUDGETS**

### **What does a medical education cost?**

The real cost to educate a physician is greater than you might imagine. At over \$500,000, it is the most expensive graduate education curriculum offered in American higher education. This expense arises from the necessity to maintain and continually upgrade the diverse elements that form the environment necessary for medical education. For example there is the large and expensive physical plant for teaching, patient care (where teaching also takes place) and medical research. There is the necessity to provide a very large teaching faculty of medical and scientific experts and the staff to administer education and health care programs. There is a significant cost related to medical research, the vast majority of which is carried out in academic medical centers. Also, and importantly, an academic medical center provides care to those individuals who have the most challenging disease and trauma. Finally, many individuals who use an academic medical center such as the University of Chicago Hospitals have neither the means nor insurance to cover the cost of their care. The University Hospitals provide over three million dollars in charity care each year

Less than 10% of income to the Division of Biological Sciences, which includes the Pritzker School of Medicine, comes from student tuition. This indicates that to a large extent, a medical education at Pritzker is subsidized. Indeed, the majority of the cost is carried by yearly gifts to the medical center and the Pritzker School of Medicine, patient income, federal grants and contracts, state subsidies, and the endowment of the hospitals and University.

This guidebook is intended to help you think about and plan your finances so that you can meet this obligation with a minimum of stress and aggravation. Money matters are irksome or boring to many. If you are a member of this majority, please remember that time spent organizing and planning can substantially reduce stress while you are a medical student, a resident and intern, and a practicing physician for the decade or so after you begin practice. Please also know that our intent is to help you in technical matters and in a way that reduces the time and energy you devote to finances so that you can focus a maximum of both on your learning and personal growth.

### **2016-2017 Standard Student Budgets**

The standard student budget is the benchmark for calculating the cost of education for an individual and also one significant element in the calculation of financial aid. The standard budget meets all educational costs and provides for a modest living allowance. If an individual is receiving financial assistance, that assistance cannot exceed the costs provided in the standard student budget. The standard student budgets that follow were assembled from the best information available on January 1, 2016. The actual charge for tuition and fees is subject to change without notice. Projected expenses for all four years of medical school can be estimated using an approximate 3%-5% increase per year in tuition and other categories. The budget figures have been developed using average living expenses reported by the students or by external sources. Extenuating circumstances, such as dependents, are not calculated into the budget.

	<b>1st Year 10 months</b>	<b>2nd Year 9 months</b>	<b>3rd Year 12 months</b>	<b>4<sup>th</sup> Year 12 months</b>
<b>EST. TUITION</b>	\$51,237 (3 qtrs)	\$51,237 (3 qtrs)	\$67,659 (4 qtrs)	\$67,659 (4 qtrs)
<b>EST. FEES</b>	\$1,551	\$1,517	\$1,832	\$1,832
Transcript Fee	63			
Student Life Fee	1143	1,143	1,440	1,440
<b>DISABILITY INSURANCE</b>	345	375	392	392
<b>BOOKS &amp; SUPPLIES</b>	1,200	1,200	1,800	852
<b>LAB &amp; INSTRUMENTS MICROSCOPE RENTAL</b>	700	35	0	0
<b>LIVING EXPENSES</b> (room, board, utilities)	16,800 (1,680/mo)	14,400 (1,600/mo)	19,200 (1,600/mo)	19,200 (1,600/mo)
<b>Personal</b>	3,413 (341/mo)	2,925 (325/mo)	3,900 (325/mo)	3,900 (325/mo)
<b>USLME Fees (exams)</b>		600	1,875	
<b>TRANSPORTATION</b> *Residency Travel Included	2,226	1,908	2,544	*6,044
<b>TOTAL</b>	<b>\$77,127</b>	<b>\$73,823</b>	<b>\$98,810</b>	<b>\$99,487</b>
<b>Est. Health Insurance</b>	<b>\$4,276</b>	<b>\$3,948</b>	<b>\$3,948</b>	<b>\$3,948</b>
<b>Total w/ Health Insurance</b>	<b>\$81,403</b>	<b>\$77,771</b>	<b>\$102,758</b>	<b>\$103,435</b>

## Comment on Some Budget Items

### Housing & Food

The housing and food allowances are based on average living expenses that students report for the Hyde Park area. If you apply for financial aid and have housing expenses above the standard student budget, a clear rationale for the more expensive allowance must be provided and backed by substantive documentation if an adjustment in your budget is sought.

### Student Wellness and Health Insurance

The University of Chicago requires all enrolled students to pay a quarterly Student Wellness fee and to be covered by health insurance. The University provides a comprehensive health insurance plan that is noted in the student budget. If a student has other coverage, it is possible to waive the University Health Insurance with appropriate documentation submitted to the [University Health Insurance](#) (U-SHIP) office. The Student Wellness Fee cannot be waived.

### Disability Insurance

Medical students at the University of Chicago are required to obtain disability insurance. This insurance provides an individual with a typical physician salary should she or he become disabled at some point in their career prior to retirement. The Pritzker School of Medicine negotiated individual policies for each student as part of a group rate. The cost to individuals is substantially below that incurred at other schools. However, in order to obtain this excellent plan, the provider required that all students participate. Therefore, it is not possible to waive payment of this policy.

### Transportation

The amount in the budget includes an allowance for local transportation and for two flights home during the academic year. The amounts used are averages gathered from airline carriers.

## Allowable Additional Expenses

**Child Care Expenses.** Child care expenses can be costly. If financial assistance is being provided and the expense is more than the student (and spouse, if applicable) can meet while paying other educational and living expenses, an application should be made to the Office of Financial Aid for increasing the standard student budget. The additional financial need will be met first with Federal Stafford Loans and then with GradPlus loans. You will be asked to provide proof of expense in the form of a cancelled check, day care provider contract or a written statement from the provider.

Normally, the Financial Aid budget does not take into account costs engendered by students for psychotherapy, dental restorations, or unexpected medical expenses. With appropriate documentation, the Office of Financial Aid will consider an adjustment to the budget to meet these expenses

## Non-Allowable Additional Expenses

The following are expenses that you will or may incur while a student. For various reasons, the costs generally cannot be met through use of financial aid dollars.

- Federal regulations prohibit the use of federal dollars in supporting certain expenses. The most notable (and costly) are **automobile payments**. If a student purchases an automobile prior to medical school, we encourage that student to pay off the automobile loan before starting school.

## Tips on Cutting Costs

A financial goal should be to borrow as little as is possible in order to meet the financial obligations of your education. Living as frugally as is possible while in medical school will reduce the amount of money borrowed to meet expenses which in turn reduces the interest incurred and the amount that will have to be paid back during the early years of your medical career. There are some things that can be done that will enable you to borrow less and enjoy life more because anxieties are reduced by keeping excessive borrowing under control. You can make the biggest impact in your overall debt by careful financial planning in your first two years of medical school. Deferring discretionary spending can result in significant savings later.

## Most Used Approaches

The top ten cost-saving tips from upper-class students are

- **Have roommates in MS1 and MS2 (this alone could save you about \$7,500).**
- **Bring a sack lunch rather than buying food on campus or in the hospital.**
- **Brew your own coffee or tea rather than buy it at a coffee shop (this could save about \$500/year and is better for the environment, too).**
- **Don't buy books that aren't absolutely necessary, borrow books from the library or an upper-class student, or buy used books.**
- **Live within walking distance of campus and don't own a car the first two years of medical school - use public transportation or carpool with others.**
- **Avoid late payment and registration fees.**
- **Minimize trips back home. When you do go, make your reservations far enough in advance to take advantage of the super-savers.**
- **Put some money in savings each month (this can help cover the cost of interviewing for residency in MS4).**
- **Don't carry a credit card balance.**
- **Establish and live on a reasonable budget.**

Additional recommendations from students are:

- Buy food, stationery and other supplies when you visit your family; stores are often cheaper outside the city.
- Buy only one lab coat for anatomy. Share a microscope with someone.
- Rather than going to a \$10 film, rent movies, go to bargain matinees, or attend films on campus.
- Go to museums on days when they are free. Look in "The Reader" for other free or low-cost entertainment ideas.

## Making a Budget

In order to manage your expenses in a rational fashion, it is useful to set up a budget for yourself. This important activity should be a regular exercise which begins the summer before you matriculate to medical school (if you are not already doing so), and you should review your budget on a periodic basis. Knowing what your expenses are, and the sources of income you have to meet the expenses, not only removes a significant distraction from your life as a medical student, but also gives you more control over your financial life both now and later. Moreover, learning to live within your budget will assist you in avoiding financial trouble during school and post-graduate education, as well as minimize consumer and education debt.

Another valuable resource is the FIRST Budgeting Basics tool. You may access the article through this booklet by holding down the CTRL key and clicking this link [Budgeting Basics](#).

## Income

Consider all the sources of income you have—earnings (after deductions) and those of your spouse (if applicable), financial aid (after tuition and fees are deducted), tax returns expected, alimony, child support, veteran benefits, et al. You may also want to consider support your family will provide. Be sure to count the income only in the months that it will occur. Medical school provides a special challenge here, since your financial aid will be paid out in three or four disbursements. It helps to have a savings account into which you deposit the disbursement and then “pay yourself” from your savings into your checking account on a monthly basis.

## Expenses

**Fixed**—These are expenses that tend to appear in a regular and predictable pattern and do not vary much from one payment to the next. Examples of these include rent, car insurance, utilities, and a modest contribution to savings (\$50-\$100 per month).

**Variable**—These expenses will likely vary in both degree and occurrence; examples include food, phone, clothing, transportation, and car repair.

**Discretionary**—These are items not needed for survival and may be monthly or incidental. Such expenses might include cable TV, health club membership, dining out, etc. It is valuable to build into your budget money for discretionary expenses; however, while they add enjoyment to life, it is important to restrain spending on these to what your budget can bear. When the money runs out stop spending on discretionary expenses—do not use your credit card to “extend” discretionary spending.

It is likely that you will encounter at some time, a loss of income or an unanticipated increase in expense. You will need to be flexible, and financially solvent and savvy to react to these events. Some have learned that tracking expenses with a spreadsheet works best for them, while others will put the budgeted money into envelopes labeled “food”, “entertainment”, et al, and pay for expenses that way.

Sound fiscal behavior has benefits both immediately and in the long run. While you are a student having (and living within) a budget reduces stress and allows you to react to emergencies more easily. Living within a budget is likely to reduce the amount of money you borrow, as well. This, then, gives you more options in selecting a career, during your residency, and in your early career.

## Money Management Tips<sup>1</sup>

<u>Behaviors to Develop</u>	<u>Behaviors to Avoid</u>
❖ Planned, budget-based spending	❖ Impulse buying or spending
❖ Keeping good financial records	❖ Not knowing the due dates for bill payments and other bills
❖ Balancing checkbook each month	❖ Not paying the full credit card balance owed each month.
❖ Pay oneself each month out of annual or quarterly income or living expense refund.	❖ Using one form of credit to pay for another
❖ Allocating some resource for being nice to yourself.	❖ Using "plastic" for basic necessities

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<sup>1</sup> from Harvard Medical School's Loan Management Workbook.

## Reducing the Cost of Interviewing for Internships

Federal regulations prohibit the inclusion of internship interviewing costs in the student budget and therefore federal funds cannot be used to fund them. The following are some suggestions made by former fourth-year students for affording these expenses:

- Save a little each month beginning in MS1 toward the cost of interviewing.
- Try to schedule your interviews in one region (e.g. California) in the same timeframe so you only have to make one trip per region.
- Only interview in places you are sure you would want to live.
- Use frequent flyer miles - start accumulating them in your first year of medical school.
- Try to buy airline tickets in advance. Fly at off hours and take advantage of discounts.
- Try to drive with other students if possible.
- Stay with family, friends, friends of friends, or Pritzker alumni. The Organization of Student Representatives (OSR) has a school-by-school listing of medical students who will put you up for free.
- Use public transportation rather than renting a car or taking a cab.
- If you have to stay in a hotel and/or rent a car, find out if a classmate will be in the same city at the same time so you can share the costs.
- As a last resort, there are some lenders who offer private loans for this purpose: see Mary Popoca for suggestions.

## MEETING THE COST OF MEDICAL EDUCATION

By using the standard student budget as a start, and incorporating as many cost-saving measures as is possible, one can begin to organize resources to meet the financial requirements. There are a finite number of resource types and the availability and amount available from each type will vary by individual. Normally, 80% of students at Pritzker meet the cost of their education using a combination of five or six of these resources. Typically, a student will manage with a financial arrangement comprised of personal resources and family loans and gifts, private scholarships, Pritzker Scholarships and loans, and governmental loans. Eligibility for some of the resources depends on financial need: the shortfall that occurs when available family resources are less than the standard student budget.

The suitability of each resource will also depend on an individual's career plans and other personal considerations. While some students begin medical school knowing what specialty they will pursue, many students change their mind several times. Throughout medical school you will work through the elements of career planning, including self-understanding, exploring a variety of medical careers, and finally choosing a specialty to meet your career objectives. People whose choice of careers matches their values, skills and interests tend to be more satisfied and successful in their working lives. Your career choice might influence the resources you elect to use. These resources are:

1. **Private grants, fellowships and scholarships** that carry no obligations. These awards do not require repayment in kind or in service. They are granted by private foundations, fraternal and other social organizations, ethnic groups, civic societies, state and local governments and other sources. Some of them have eligibility restrictions, i.e., a fund might be dependent on a professional affiliation. The awards typically range from \$500 to \$10,000 per year but can be more. Most can be applied to education at any accredited medical school, but must be reported to the Financial Aid Office to be included in your financial aid package. There is no limit to the number of these awards a student may hold. The usual time for application is September through February. The Office of Financial Aid maintains a listing of scholarship opportunities for incoming and returning Pritzker students. We would also encourage you to seek out free search engines, such as Fastweb, to learn of scholarships for which you may be qualified. Many Pritzker students meet a significant part of their educational costs with this type of award. Private awards are taken into account in figuring financial need if a student with such awards applies for further financial assistance. If you are awarded a scholarship or fellowship after your financial aid package has been determined, the financial aid office will work with you to adjust your package returning the highest interest loans first. Examples of these grants, fellowships and scholarships may be found on page 28.

2. **Pritzker School of Medicine scholarships** that carry no obligations. These awards do not require repayment in kind or in service. The Pritzker School of Medicine has about \$10 million dollars in scholarship money for students in the regular MD curriculum. This fellowship and scholarship money has been given as gifts to the University by grateful alumni, families of alumni, grateful patients of the University Hospitals, former faculty, and a host of friends of the University and University Hospitals. Much of this fellowship and scholarship fund is awarded for merit or for a particular course of study, and some is awarded based on financial need as part of a financial aid package. Nearly all Pritzker students who have financial need are awarded some University fellowship or scholarship money.
3. **Governmental scholarships** that carry a service obligation. These are awards from governmental agencies that generally require a payback of one year of service for each year of scholarship. Some practice restrictions can apply also. Included are scholarships from the military services, and from the National Health Service Corps. Some individual states also have service scholarships. These scholarships generally meet the full cost of the standard student budget and individuals with such scholarships can graduate without any debt. For some students, these scholarships are a terrific resource. Typically, there are six to eight students at Pritzker who are receiving service scholarships. Students are strongly encouraged to consult with Charles Todd prior to making a commitment to a service obligation program. Further information on governmental scholarships may be found on page 26.
4. **Family resources.** Many students have personal and family resources that they make available to be used to meet the cost of a medical education. You are very fortunate if part or all of the cost of your education can be met in this way. Family members, especially grandparents, are often willing to advance a monetary gift that they had intended for graduation. Family resources are taken into account if a student applies for financial aid and these family resources determine the amount of eligibility that a student might have. Financial aid almost always includes loans and the greater the contribution by an individual and his or her family, the lower the amount a financial aid applicant will have to borrow, especially from the more expensive loan programs.
5. **Family loans.** Some students can arrange for no-interest or low-interest loans from family members for all or part of their educational costs. Such loans can be a creative way of reducing the amount a student has to borrow through governmental or commercial programs that have a substantive interest rate. Some students feel uncomfortable accepting the amount of money a family is willing to contribute as a gift. In such a circumstance they can work out a loan that fits their career plans and length of residency. In such a plan a student can begin repaying the loan while parents are retired and in need of income. Alternatively, relatives may be willing to pay the interest on other loans while you are in school. This can effect a significant saving. We have an [example](#) of an Intergenerational Loan Note for your convenience.
6. **Pritzker School of Medicine low-interest loans.** The Pritzker School of Medicine has about \$400,000 in loan monies available to its students. Alumni, faculty, grateful patients, and friends of the University and University Hospitals have donated this money. Award of these loans is made as part of a financial aid package based on financial need.
7. **Governmental subsidized low-interest loans.** These are Federal Perkins Loans through the University of Chicago where the government (taxpayer) subsidizes the interest rate and also pays the interest while the student is at least half-time in an accredited curriculum. These are no longer available to new borrowers due to changes in federal regulations. The Perkins loans are awarded from a small pool of funds allocated the University and are restricted to those students with exceptional need. A qualified student may borrow up to \$8000 per year in Perkins Loan funds. Awards of this loan are made as part of a financial aid package based on financial need. Further information on governmental loans may be found on page 28.
8. **Governmental unsubsidized low interest loans.** These are Unsubsidized Stafford loans through the Direct Lending program where the government (taxpayer) subsidizes the interest rate but does not pay the interest that accumulates while the student is in school. These are the loans with the most favorable terms after family, Perkins, and Pritzker. Unsubsidized Stafford loans are not based on financial need and a student may borrow within the constraints of the standard student budget up to \$40,500/year. In addition to this loan is the GradPlus loan. The GradPlus is a fixed rate federal loan through which one may borrow up to cost of education. The GradPlus is available based on credit-worthiness. Further information on governmental loans may be found on page 28.
9. **Commercial “alternative” unsubsidized loans.** These loans have neither their interest rate nor the

accrued interest subsidized, and they typically have higher interest rates than governmental loans, and therefore are the most expensive of the loan funds available. They should only be used when all other options have been exhausted. These loans come with a variety of rates, payback schedules, fees and other considerations. If you need to borrow from these sources the Associate Director of Financial aid is prepared to help you find those alternative loans that best suit your needs. Further information on alternative loans may be found on page 29.

## **DETERMINING FINANCIAL NEED**

Financial aid is available to any student whose personal and family financial means cannot meet the costs of a medical education at Pritzker. This shortfall is called financial need and is met by financial aid.

### **Standard Student Budget**

#### **— Family Contribution**

#### **Financial Need**

The determination of financial need is a technical process guided by a federally determined methodology. All medical schools use this method of determining financial need. The determination of financial need begins with an analysis of family financial resources performed in a uniform way from the **FAFSA** (Free Application for Federal Student Aid, [www.fafsa.ed.gov](http://www.fafsa.ed.gov)) submitted to the Department of Education. An expected family contribution is determined using the financial information provided on the FAFSA. The family contribution consists of an expected contribution from the student and from his or her family. Financial need can be recalculated as the circumstances of an individual or his or her family changes, and must be done at minimum once per year.

### **Family Contribution**

When the Office of Financial Aid receives the data from the FAFSA, a uniform Federal Methodology has been applied, where both parental and student income and assets have been considered and a contribution from each determined. If a student is married or has a domestic partner, the assets of the spouse or domestic partner are also considered in making the analysis. The most recent year for which the IRS 1040 has been filed (in financial aid jargon, called the "base year") is the year utilized.

#### **Parent Contribution**

A parent is defined as the custodial parent(s) or the parent(s) who has provided the most financial support during the last 12 months or during the most recent year that you actually were supported by a parent. If your parent is widowed or divorced and has remarried, parent information should include the current spouse.

To be eligible for Pritzker Scholarships a student must provide parent financial information if he or she will not reach the 30th birthday on the first day of the Summer Anatomy, or for continuing students, the first day of their academic year.

Unavailable Parent - If the custodial parent(s) is unavailable, the Office of Financial Aid requires that the student document this circumstance. An affidavit from an attorney, physician, social worker, or clergy familiar with the family situation is recommended.

Parents who decline to provide information present the greatest barrier to the appropriate financial aid decisions. Students who find themselves in this situation and feel they qualify for financial aid should use the appeal process. In such circumstances, our financial aid program strives to help students find access to resources that minimize the amount a student will have to borrow and provide for loans that have the most favorable costs.

#### **Spouse or Domestic Partner Contribution**

The spouse of a married student or the domestic partner is expected to contribute to the support of the student as well as to provide for his/her own support and that of any children. Federal methodology is



used to calculate the expected contribution from the spouse's income and assets. If the spouse is also a student, considerable care should be taken in planning how to pay for both educations.

## **ELIGIBILITY FOR FINANCIAL AID**

Most students have financial need and most are eligible for some form of financial aid. The Office of Medical Education administers financial assistance to approximately 90% of enrolled medical students each year. The financial and personal circumstances of every student are unique and the financial aid solutions that may be applied to financial need therefore differ among students. Our financial aid program strives to help each student obtain the most favorable financial aid for which he or she is eligible in meeting the shortfall between the cost of attendance and family resources. Following are common factors that can have an impact on eligibility for financial aid. Some apply to financial aid in general and some only apply to a certain type or types of aid. In considering financial aid in general, it is important to remember that the financial assistance available as scholarships and loans from the Pritzker School of Medicine though generous, is limited, and most individuals will have to borrow from various governmental and alternative loan programs.

### **Statement of Non-Discrimination**

Race, sex, creed, ethnic identity, age, sexual orientation, national origin, or disability do not affect eligibility for financial aid.

### **Change in Family or Personal Financial Circumstances**

Changes in the financial circumstances of a student and his or her family can have an impact on the amount of financial aid for which an individual is eligible. Students may request that their financial aid awards be reviewed for adjustment at any time during the academic year if their personal or family financial circumstances change unexpectedly.

### **Citizenship**

To be eligible for Federal and/or state financial aid a student must be a U.S. Citizen or an U.S. permanent resident. Specific citizenship classes that are eligible for federal or state financial aid programs include:

- U.S. citizen
- U.S. permanent resident. An U.S. permanent resident is a non-citizen who holds an I-151 card ('Green Card'). Permanent residents applying for financial aid must submit a copy of both sides of their I-151 card as part of their application for financial aid.
- Citizens of freely associated states.

Students who are ineligible for federal financial aid will be considered for a very limited amount of Pritzker School of Medicine loans. They may also seek assistance through the International Student Loan Program. Students should see Charles Todd for details.

To receive funds from a federal loan program, a student must be enrolled at least half-time. At the University of Chicago, this generally means 150 course credits per academic quarter. The first year budget is developed for a ten month period and second year student budgets are developed for a 9 month period. For third and fourth year students the budgets are developed for a 12 month period.

### **Dependent / Independent Status**

In the social context, we generally think of an independent individual as not depending on the financial support of family or other social or governmental unit. Because medical students are enrolled full time unless they have adequate personal financial assets (independent) they must spend their years as a student dependent on some source or sources of financial support. Most students will be dependent on non-personal sources of financial support: a combination of family support and financial aid. In the determination of financial aid, dependence has a particular technical definition that is applied to determine eligibility for some programs but not all. A scholarship or loan program may elect to consider all applicants dependent on family resources to some degree and require financial information from both the applicant and the applicant's parents in order to determine the amount for which the individual is eligible. Alternatively, a scholarship or loan program may elect to consider all applicants who meet a criterion, usually it is a certain age, as independent and may or may not require parental financial information in determining eligibility.

### **Satisfactory Academic Progress**

The academic requirements for the M.D. degree include satisfactory completion of the curriculum as prescribed by the Committee on Promotions as outlined in the Guidelines utilized by students enrolled in the Pritzker School of Medicine. Student progress is monitored at prescribed times. Students not making satisfactory academic progress as per the Promotions Committee may lose some or all eligibility for financial aid.

### **Satisfactory Academic Progress for Financial Aid Policy**

Federal law and regulations require that all students receiving financial assistance from Federal Title IV funds maintain satisfactory academic progress. The following policy presents the standards adopted by the University of Chicago Pritzker School of Medicine. The policy applies to all students receiving financial aid.

The academic requirements for the M.D. degree include the satisfactory completion of the curriculum designated by the faculty. The progress of each student working toward a M.D. degree is monitored carefully and the determination for satisfactory academic progress (SAP) for financial aid eligibility is made annually after the Spring Quarter meeting of the Promotions Committee.

The Financial Aid Committee reviews and monitors the qualitative and quantitative assessment of performance for each student given by the faculty in all courses for which the student has enrolled. A student who does not satisfactorily complete all course requirements may be permitted to remediate. In this case, a student is assigned a plan and schedule by the Committee on Promotions. This plan deviates from the norm and will require the student to achieve a satisfactory qualitative assessment in all enrolled courses for one academic year. Throughout this period they will be on financial aid remediation. A student in this status must achieve remediation on the schedule outlined by the Committee on Promotions.

The normal timeframe for completion of required course work for the M.D. degree is four academic years. Due to academic or personal difficulties, a student may require additional time. In such situations a schedule may be established for the student that departs from the norm and that may require repeating a year of study. To be considered to be making Satisfactory Academic Progress for financial aid eligibility, the student must complete the first two years of the curriculum by the end of the third year after initial enrollment. The maximum time permitted for financial aid eligibility for the M.D. completion is six years.

A student may be granted a personal or medical leave of absence for a variety of reasons. The period of leave for which the student has been approved may be excluded from the maximum time frame in which an individual student will be expected to complete the program. This determination will be made by consideration of an appeal, submitted by the student, to the Financial Aid Committee. The period of time for which a student is registered to pursue full-time research or other academic interest shall be excluded from the maximum time frame in which an individual student will be expected to complete the degree.

Medical students who are accepted for transfer from other medical schools will be evaluated with respect to levels of academic progress attained, and a determination will be made as to remaining years of financial aid eligibility. This determination will be made by the Financial Aid Committee.

Since the Promotions Committee may give approval for an individual student to repeat a portion or all of a school year (subsequent to incomplete or unsatisfactory course work or an approved leave of absence), the maximum time for financial aid eligibility is 6 years, excluding time spent on an approved academic leave of absence. The required number of units to be completed at the end of each enrollment period will vary in these cases, according to what portion of the curriculum must be repeated. Students approved to repeat course work are meeting the school's standards for Satisfactory Academic Progress.

A student on financial aid remediation may appeal that status by indicating in writing to the Dean for Medical Education existence of mitigating circumstances which should result in reinstatement of financial aid eligibility. The Financial Aid Committee will consider each appeal on its merits.

The Associate Director of Financial Aid shall have primary responsibility for conducting the annual review of Satisfactory Academic Progress and reporting the results of the review to the Financial Aid Committee. This committee will be appointed annually by the Dean for Medical Education and is composed of the Associate Dean for Multicultural Affairs, the Associate Dean for Medical Education, the Associate Dean for Medical Education-Administration, the Assistant Dean for Admissions and Financial Aid, the Director of Admissions and Outreach, the Associate Director of Financial Aid, and the Associate Director of Admissions and Financial Aid. The Office of Financial Aid shall provide a copy of this policy to each student at the time of initial enrollment. Faculty are made aware of this policy each year through distribution of the Academic Standard Guidelines.

### **International Students**

International students are not eligible for loans from state or federal programs. International students are required to submit a letter to the University International Affairs Office documenting how they plan to finance their Pritzker education. Should an international student be eligible for low-interest loans from Pritzker, the amount would be very small; therefore, considerable personal and or family resources are necessary to finance a Pritzker medical education. Pritzker Loans require a U.S. citizen as a cosigner and the University will not waive this requirement. There is a private International Student Loan Program available to international students. Students interested in it should see Mary Popoca.

### **Federal Loan Program Eligibility**

In order to qualify for federal loans, a student must:

- Be enrolled or accepted into a degree or certificate program at an eligible school;
- Be a citizen in the U. S. or be a permanent legal resident;
- Neither owe a grant refund nor be in default on any educational loans;
- Register with Selective Service if required to do so by law;
- Sign a Statement of Educational Purpose stating that proceeds from the loan will be used only to pay for education expenses at the school the student is or will be attending.
- Maintain Satisfactory Academic Progress

### **Credit-Readiness**

Potential borrowers should be aware that bad credit could affect loan eligibility. The GradPlus and unsubsidized alternative loan programs perform credit checks and require a borrower to be credit-ready, credit-worthy, or to have a credit-worthy co-borrower. Outlined below are characteristics of good and bad credit. Refer to the appendix for instructions on how to obtain a copy of your credit report.

#### **Good Credit**

- A continuous pattern of prompt payments.
- All accounts are current with no serious delinquencies in the recent past.
- No outstanding negative items of public record, such as loan defaults, legal attachment to property.
- Favorable available credit to debt ratio.

**Bad Credit**

- Late payments (bills paid 60 to 90 days after they are due).
- Slow payments (bills consistently paid but always after the due date).
- Accounts with current or recent delinquency.
- Collection action, account closed for non-payment, accounts charged off, repossession, foreclosure, or governmental claim.
- Bankruptcy, judgment, suit, lien, or garnishment.

## APPLICATION PROCESS

Application packets are emailed to all those accepted for admission in the current admissions cycle. Application packets are emailed to continuing students beginning in February. Reapplication is required yearly for continuing students. All applications are processed on a rolling basis.

### Deadlines

Awards are made on a rolling basis. All applicants for financial aid receive our best effort in forming a package of financial aid assistance. Some scholarships and loans have intractable deadlines. Individual attention should be paid to these deadlines and, in general, it is a wise practice to submit documents at the earliest possible time rather than at or near a deadline.

### Required Documents

The following items are required of all students applying for specific sources of federal or institutional aid

**Entering Students:** [NeedAccess](#)

**Continuing Students:** Pritzker School of Medicine Application for Financial Aid.

### Pritzker Merit Scholarship Aid Only

**Entering Students:** Complete the [NeedAccess](#) Pritzker School of Medicine application.

**Continuing Students:** Pritzker School of Medicine Application for Financial Aid.

### Federal Stafford Unsubsidized Loans, Perkins Loan, and GradPlus Loans

In addition to Need Access (for Entering Students) or the Pritzker Application (for Continuing Students), the following forms are required:

1. **Free Application for Federal Student Aid (FAFSA)** or Renewal FAFSA. File as soon as possible after January 1 to the Federal Student Aid Processor over the Internet. File early enough to allow for the 3 week processing time. The **FAFSA code** number for University of Chicago Pritzker School of Medicine is **G10141**. There is no fee charged for processing this form. As a strong recommendation, please use the suggested **IRS Data Retrieval mentioned in the FAFSA instructions**. For information about filing online check out the Department of Education web site [www.fafsa.ed.gov](http://www.fafsa.ed.gov)
2. **Student's Federal IRS Transcript or Tax Return and W-2's is not required.** **If you are selected for verification, you will be notified regarding the specific documents that must be submitted.** If you did not file taxes, you will be asked to provide a signed copy of our Tax Waiver form.
3. **Alien Registration Card.** Permanent residents of the United States must submit a copy of both sides of their alien registration card ("green card"). This needs to be done only once during the student's enrollment.

### Pritzker Need-Based Scholarship or Loan Aid, or Federal Title VII funds (Disadvantaged or Primary Care Programs)

In addition to Need Access (for Entering Students) or the Pritzker Application (for Continuing Students), and the FAFSA, the following forms are required:

**Alien Registration Card.** Permanent residents of the United States must submit a copy of both sides of their alien registration card ("green card"). This needs to be done only once during the student's enrollment.

NOTE: International students may submit a paper FAFSA worksheet to the Financial Aid Office including parental data if they wish to be considered for Pritzker School of Medicine Loans. The student and his or her parents should submit a copy of the most recent tax returns with a translation and an indication of the exchange rate. If there are no tax returns, the student should submit documentation of personal and family income.

## **Award Notifications**

Award notifications are mailed to applicants on a rolling basis as the financial aid office completes applications. Award letters are generally emailed to continuing students in March through July. Students do not need to wait for an award letter before investigating and applying for outside sources of scholarships and loans and are encouraged to look into outside resources continuously.

The Office of Financial Aid must be notified in writing if:

- a) Any outside scholarships, assistantships, fellowships, or loans are awarded.
- b) Any significant change in financial circumstances occurs after submission of the financial aid application
- c) The student's status is anything other than full-time and in good standing at Pritzker School of Medicine.

## **Appeal Process**

A student who wishes to appeal a financial aid decision should submit a letter to the Office of Financial Aid detailing the reasons for the appeal along with supporting documentation. All appeals are considered by the Committee for Financial Aid appointed annually by the Dean of Medical Education.

## BILLING & DISBURSEMENT OF FINANCIAL AID

Five to six weeks prior to each quarter of enrollment, you will receive your first billing statement from the Office of the Bursar. The statement will include **estimated** charges for tuition and fees for the upcoming quarter. It will also include credits for deposits paid, scholarships awarded and loans for which the Office of Financial Aid has processed applications. **The estimate of your financial aid on the first statement may be different than your actual aid.** You are requested to estimate the expected balance that will not be covered by financial aid and submit that amount approximately three weeks after the statement is mailed.

**You will receive another billing statement during the second week of the quarter.** This statement will include actual charges and will differ from the first billing statement in that the loans which were processed and which appeared on the previous billing statement may not necessarily appear on the second billing statement. A Perkins Loan will be listed as a credit only if you signed the promissory note at the Student Loan Administration Office. You will receive credit for the Stafford, Pritzker Medical School Loans, and any unsubsidized loans only if the University has received the funds and applied them to your account.

**Payment of this bill is due three weeks after it is mailed. If you fail to pay the balance due on the second billing statement, you will be assessed a \$100 late payment fee.** The Bursar's Office will waive late fees if you are waiting for a loan check that you applied for at least 30 days in advance of a given quarter or if the University delayed your application process resulting in the late fee. Non-receipt of the bill will not be accepted as a legitimate reason for waiving late payment fees. If a student has not received a bill a week after the mailing date, it is possible that the bill may be lost in the mail. If you do not receive your bill at the expected time, it is your responsibility to contact the Bursar's Office to obtain instructions prior to the payment due date. The Bursar's Office offers student the option to get their bill electronically. To sign up for this free service or for more information please go to: <http://bursar.uchicago.edu/electronic-billing>

Further information on the billing service will be provided by the Bursar's Office at the University. You can view your student account at <https://my.uchicago.edu>.

### Tuition Refund Policy

A student who is given approval to withdraw part or all of his or her registration shall be granted a reduction of a portion of the original charge in accordance with the following schedule. Approval of the withdrawal, with the date it becomes effective, must be certified by the Office of Medical Education.

Full reduction of tuition (less service charge)	End of 1st week of quarter
65% reduction of tuition charge	End of 3rd week of quarter
50% reduction of tuition charge	End of 4th week of quarter
30% reduction of tuition charge	End of 5th week of quarter

No reduction of tuition charge is made after Friday, the end of week 5 in the quarter.

### Federal Return of Title IV Funds Policy



A student who receives Title IV funds, and who withdraws completely before completing 60% of the quarter for which the student has been charged, will be required to return a portion of the Title IV funds they received. Title IV funds, relevant to graduate student assistance at the University, are defined as Federal Stafford, Federal Perkins, and Federal Graduate PLUS loans.

A student earns Title IV funds in proportion to the length of time he or she is enrolled for the first 60% of each quarter. The length of time a student is enrolled is determined by subtracting the number of days the student attended the University from the number of days in the enrollment period. The last day of attendance is determined by the date the student begins the University's withdrawal process.

For the purposes of return of Title IV funds, the official withdrawal date from the University is the date the student first contacts the University official designated in his or her area of study to discuss withdrawal. An official Intent to Withdraw Form will be completed at this point of contact. If the student fails to use the official withdrawal process, the University will use the last date the student participated in an "academically related activity" (e.g., lab, exam, or submission of an assignment) that can be confirmed by an employee of the school. If the student leaves without notifying the University and a date the student last participated in an "academically related activity" cannot be established, the midpoint of the quarter will be considered the official last date of attendance for the purpose of returning unearned Title IV funds.

The University will be responsible for determining the student's and the University's portion of the earned Title IV financial assistance. Federal law specifies the order in which the funds are allocated. Title IV funds will be the first resource applied to tuition, fees, and room and board charges. These charges are the charges assessed prior to the student's withdrawal date and do not reflect the adjustment in charges that may have resulted from the University Tuition Refund Schedule.

## **Disbursement of Pritzker School of Medicine Loans & Scholarships**

Pritzker scholarship awards are credited to the student's bill at the beginning of each quarter.

Loans are applied to a student's bill in different ways depending on the type of loan, and Institutional loans must be signed for in the Student Loan Administration at the beginning of the academic year.

- **Federal Perkins Loans.** Perkins loans are credited directly to the bill after the student signs the promissory note for the first quarter. After the note is signed, funds will be credited to the student's tuition account at the beginning of each quarter.
- **Pritzker Loans.** Pritzker loans are credited directly to the bill three business days after the student signs the promissory note for the first quarter. Pritzker loans must be signed annually. After the note is signed, funds will be credited to the student's tuition account at the beginning of each subsequent quarter.
- **Federal Stafford Loans and other bank loans.** Federal loans will be credited to your bill at the start of each quarter once you are registered. If you have a private loan, and it comes as a paper check it is usually made co-payable to you and the school; the check(s) must be signed by you and taken to the Bursar's Office to be credited to the tuition bill. Lenders that have an Electronic Funds Transfer agreement with the University of Chicago will transfer the funds to the University and they will be applied to your account.

The chart below outlines the procedures that will help students receive their student loan funds.

Loan Type	Steps students need to complete	THEN:
Federal Perkins Loans	<ul style="list-style-type: none"> <li>Accept Federal Perkins Award</li> <li>Complete Reference Form (one time only)</li> <li>Sign Master Promissory Note at the Student Loan Administration Office (one time only)</li> </ul>	<ul style="list-style-type: none"> <li>Federal Perkins Award Loans are disbursed directly to student's tuition account.</li> </ul>
Pritzker Loan	<ul style="list-style-type: none"> <li>Complete Reference Form (one time only)</li> <li>Sign Promissory Note each year at the Student Loan Administration Office.</li> </ul>	<ul style="list-style-type: none"> <li>Student Loan Administration mails promissory note to cosigner.</li> <li>Once all paperwork is returned to Student Loan Administration Office, funds are disbursed electronically to student's tuition account</li> </ul>
Federal Stafford and Grad Plus Loan	<ul style="list-style-type: none"> <li>Indicate award amount to the financial aid office on Financial Aid Confirmation form</li> <li>Complete one time Master Promissory Note (MPN) with lender</li> </ul>	<ul style="list-style-type: none"> <li>Funds will be disbursed electronically and directly to student's account.</li> </ul>

### Disbursement of Private Outside Scholarships

It is not a federal regulation that private outside scholarship checks be made co-payable to the recipient and the School. Sometimes the check is mailed to the Office of Financial Aid; if it is co-payable, the student will be notified to come in to sign the check and it will be sent to the Bursar's Office to be credited to the tuition bill. If the student receives the scholarship check directly, the student is responsible for ensuring that the funds pay any outstanding balance on the tuition bill. Private scholarship checks are not required to be disbursed by quarter and the various benefactor organizations use a variety of procedures for disbursement. Student recipients should inquire of their benefactors how their award will be paid. Students must be sure that the Office of Financial Aid has recorded any and all outside scholarships on their financial aid award letter.

### The Refund Check

Financial aid in excess of the billed charges is refunded to the student electronically if the student has signed up for direct deposit or in the form of a mailed University check once the tuition and fees have been paid in full. **This "refund" comprises the living expense portion of the standard student budget.** It is crucial that a student carefully consider the amount of the check when it is received. Occasionally, errors in processing do occur and the check is less than budgeted for living expenses for the quarter. Conversely, the check can include a greater amount than required by the budget. In either case, it is your responsibility to make certain that the error is corrected. You do not want to spend a \$1000 over payment and then find (as you will) that you have to pay it back out of the next quarter's refund check.

To calculate the estimated amount of refund expected each quarter, students should subtract the cost of tuition, school fees and loan origination fees from the amount of financial aid requested.

### Agency Billing

If an outside agency (e.g. military, National Health Service Corps) will be paying part or all of your tuition and fees, you should contact the Office of Financial Aid. The Financial Aid office will assist you in coordinating the payments from the agency to the University and to you.

## DEBT MANAGEMENT

Medical students can acquire sizeable debts by the time they complete their education. A well-paying career that will allow you to discharge your debt is a near certainty for most physicians. A good reason to fully understand the principles of debt management is to avoid fear of the unknown so that financial concerns do not detract from your education and early career. A wonderful resource both now and throughout residency is the AAMC Financial Information, Services, Resources and Tools (FIRST) ([www.aamc.org/FIRST](http://www.aamc.org/FIRST)). We strongly urge you register with the FIRST site and utilize the resources found there.

### Loan Counseling

The Pritzker School of Medicine is very concerned about student debt, and makes every effort to insure that debt is not a significant factor in restricting career options. As such, counseling occurs over the four years and we urge you to take advantage of every opportunity to educate yourself about your financial situation and future. Each year, at the time that application materials become available, all students will receive a Financial Aid Summary which will include their total borrowing to date. Students are invited to make an appointment with Mary Popoca to discuss their debt.

All students who borrow from Title IV and Title VII federal loan programs are required to go through an Entrance Interview. Entrance Interviews are conducted online at:

<http://studentloans.gov>

At that interview your rights and responsibilities for various loan programs can be reviewed. Should a student not complete this interview, disbursement of loans will be withheld.

All students should seek advice about their loans at any time they feel that further understanding would improve their ability to manage their financial responsibilities. Charles Todd is available for individual counseling by appointment. There are two moments when loan counseling is very important, and the latter of the two is required:

#### First-Year Students

All first-year students who are taking loans are strongly encouraged to have an individual loan-counseling interview with Mary Popoca.

#### Fourth-Year Students

All fourth-year students who borrowed federal or institutional loans are required to go through financial aid exit Interviews. Students are required to conduct a federally approved online exit interview for their Stafford or Grad Plus borrowing. In March of each year, the AAMC FIRST personnel also present comprehensive information about debt management during residency and thereafter to the MS4 class.

Student Loan Administration personnel meet for a personal exit session with those who have borrowed either Perkins or Pritzker loans. At this interview all the loan programs in which a student has borrowed will be reviewed to note terms and conditions and discuss any questions that students have regarding programs.

#### On-Going

Throughout a student's medical education here, the Office of Medical Education will offer topical seminars on various aspects of fiscal planning and strategies, credit, and debt management.

## APPENDICES

### Governmental Service Commitment Scholarships

#### **National Health Service Corps**

NHSC offers scholarships providing payment of tuition and fees, books, supplies, and equipment, and a monthly stipend. Selected applicants have priority for continued financial support for up to four years based on the availability of funds. Applicants must be U.S. citizens. For each year of support, upon completion of training recipients serve one year in a health professional shortage area as assigned by the NHSC. The minimum service obligation is two years. Priority for selection is given to applicants who: 1) are prior recipients of the EFN Scholarship or the NHSC Scholarship; 2) have primary care specialty goals; and 3) come from disadvantaged backgrounds as defined in the federal program FADHPS. Applications are available in the Office of Financial Aid in January and are due in Maryland by the end of March. For additional information, visit: <http://nhsc.hrsa.gov/loanrepayment/>. There is a significant penalty for failing to fulfill the service obligation.

#### **Commissioned Officer Student Training & Extern Program (COSTEP)**

COSTEP students work in one of the eight Public Health Service (PHS) agencies: Agency for Health Care Policy & Research; Agency for Toxic Substances & Disease Registry; Alcohol, Drug Abuse, and Mental Health Administration; Centers for Disease Control; Food & Drug Administration; Health Resources & Services Administration; Indian Health Service; National Institutes of Health. Students may also work in other federal programs staffed by PHS health professionals including the Bureau of Prisons, U.S. Coast Guard, Immigration & Naturalization Service, and the Environmental Protection Agency. Students receive about \$2,500 per month. Academic credit for some COSTEP experience is also available. These highly competitive positions are available year round for duty tours of 31 to 120 days. To be eligible, students must: be U.S. citizens, have completed at least one year of medical, dental, or veterinary school. Application deadlines are February 1, May 1, and October 1. For more information visit:

<http://www.usphs.gov/student/jrcostep.aspx>

<http://www.usphs.gov/student/srcostep.aspx>

#### **Native Hawaiian Health Professions Scholarships**

The Health Resources & Services Administration (HRSA) offers a scholarship program for Native Hawaiians. The program has a budget of approximately \$1 million for Native Hawaiians entering allopathic or osteopathic medical schools and other health professions schools based on program needs and availability of funds. The scholarship covers full tuition and fees and provides a monthly stipend. The minimum service commitment is two years. Recipients will serve primarily in community health facilities for Native Hawaiians, as designated by the Secretary, Department of Health & Human Services.

<http://www.nhhsp.org/>

#### **IHS Scholarships for Native Americans**

There are three programs offered: the Preparatory Scholarship and the Pre-professional Scholarship for undergraduate students and the Professional Scholarship for medical students. The Professional Scholarship funds students up to four years; has a minimum service obligation of two years; and students must be of American Indian or Alaska Native descent. Preference is given to those with official documentation of tribal membership, or proof that they are natural children or grandchildren of a tribal member. Scholarships cover tuition, books, fees, selected incidentals, tutorial services, and equipment. A monthly stipend is also provided. The application deadline is usually in mid-April. <http://www.ihs.gov/JobCareerDevelop/DHPS/Scholarships/>.

#### **Primary Care COSTEP Clerkship Program**

This program offers third- and fourth-year medical students hands-on training and practice while receiving academic credit. Clerkship sites are community and migrant health centers and homeless health care programs in medically underserved rural and urban areas. Participants receive a monthly stipend as well as funds for travel to and from the clerkship location. To be eligible, medical students must have participated in one of the following: NHSC Scholarship program; PHS-National Minority Mentor Recruitment Network; PHS-National Hispanic Mentor Recruitment Network; the NHSC Health Promotion/Disease Prevention Project; or COSTEP. In addition, all participants must be U.S. citizens and meet the eligibility requirement of the PHS Commissioned Corps. The application deadlines are February 1, May 1, and October 1. For more information, visit: <http://www.usphs.gov/student/>

## **Illinois Department of Public Health Scholarship Program (ILDPH)**

Recipients of this scholarship receive coverage for full tuition, mandatory fees, and a monthly stipend. After licensure, the recipient must serve one year for each year of scholarship support in a primary care field in a designated physician shortage area in Illinois. In order to be considered for this scholarship, you must be an Illinois resident. There is a penalty for failing to complete the service obligation. Scholarship recipients who fail to fulfill the obligation shall pay to the Department an amount equal to 3 times the amount of the annual scholarship grant received for each unfulfilled year of the obligation together with interest at 7% per year on that amount. Applications are available in the Office of Financial Aid. The deadline for receipt of applications in Springfield is approximately mid-June. If you have further questions about the program, [http://www.idph.state.il.us/about/rural\\_health/rural\\_scholarship.htm](http://www.idph.state.il.us/about/rural_health/rural_scholarship.htm)

## **Armed Forces Health Professions Scholarships**

Students willing to exchange military service for support during medical school may be interested in the military scholarship program. These scholarships cover the cost of tuition, fees, books and supplies, and living expenses. There are two-, three-, and four-year scholarships available. There is a minimum three-year service commitment. Students considering military scholarships are urged to apply as soon as possible because of the increased competition for the awards. These scholarships are not based on financial need. NOTE: There is no voluntary withdrawal.

For more specific information on eligibility and for application forms, contact directly:

### **Air Force**

Medical Recruiter  
USAF Recruiting Office  
800 S. Wells St., Suite #130  
Chicago, IL 60607-4529  
(312) 922-2925  
[372RCGHPBFlt-Chicago@randolph.af.mil](mailto:372RCGHPBFlt-Chicago@randolph.af.mil)  
[www.airforce.com/careers/](http://www.airforce.com/careers/)

### **Navy**

Navy Recruiting District Chicago  
2834B Greenbay Road, Suite 266  
Great Lakes, IL 60088  
(847)-688-7100 Extension 134  
(800) 762-6199 Extension 170  
[www.navy.mil](http://www.navy.mil)

### **Army**

Health Care Recruiting Team  
SFC Chris Howell  
2215 Enterprise Drive, Suite 1505  
Westchester, IL 60154  
(708) 492-0450 or (708) 227-4453.  
[www.goarmy.com/amedd/hpsp](http://www.goarmy.com/amedd/hpsp)

### **Army Reserve**

U.S. Army Reserve  
1020 Milwaukee Ave, Suite 320  
Deerfield, IL 60015-3555  
(847) 541-3644  
[www.healthcare.goarmy.com](http://www.healthcare.goarmy.com)

## **Outside Private Scholarships, Loans, or Fellowships**

There are a number of private agencies and organizations which provide scholarship and low-interest loan assistance to students and in some cases, specifically to medical students. The eligibility criteria and deadlines vary according to the guidelines established by the organization; these funds can be merit-based and/or need-based. Obtaining an outside scholarship or loan can help meet unmet need which you may have, may be used to replace a higher cost loan, or to replace a parent contribution which is not forthcoming.

**Any scholarship or fellowship is considered to be a resource that must be included in your financial aid package and you are required to notify the Financial Aid Office upon receipt of such aid. The direction we are required to take for students receiving such awards is to replace their loan(s) by the amount of the scholarship or fellowship. The benefit is students will be reducing their overall loan debt and easing your future total repayment obligation.**

Students should check with university or public libraries for other available resource guides. Students have been known to substantially reduce their borrowing by accessing outside sources of funding. Be resourceful; it can pay off! The following are some examples of the many opportunities available.

### **National Medical Fellowships (NMF)**

NMF awards need-based scholarships to first and second year students. Applicants must be a member of a minority group currently designated as underrepresented in the medical profession and must be U. S. citizens or permanent residents. Scholarship applications are available in March. The deadline for previous scholarship applicants is April 30, and for new applicants, August 31. For more information <http://www.nmfonline.org/>

### **Achievement Rewards for College Scientists (ARCS) Foundation, Inc.**

The ARCS Foundation, Inc., awards, based on recommendation by the Office of Medical Education, scholarships of up to \$10,000 per year to exceptional students. Recipients must be U.S. citizens, demonstrate financial need, and have research experience. Awards are renewable with the recommendation of the Office of Medical Education and the approval of the ARCS Foundation Inc.

### **Rock Sleyster Memorial Scholarship**

Each medical school in the U.S. and Canada submits nominees of qualified candidates in accordance with the size of the third year class. Candidates must be U.S. Citizens and about to enter the senior year. Scholarship, financial need, and demonstrated interest in psychiatry are considered by the student's school in submitting nominees. The amount of the award is \$2,500. Applications must be submitted no later than May 1. Students interested in being considered should notify the Office of Financial Aid.

### **Illinois State Medical Society Loan**

The Society allocates funds to the Medical School each year to be awarded by the Office of Financial Aid. The funds are allocated to second, third, and fourth year students to meet unmet need and to reduce the amount of unsubsidized borrowing. To be eligible for an ISMS loan, a student must be a 2nd, 3rd or 4th year student enrolled in an Illinois medical school, be an Illinois resident, and become an ISMS student member. Awards are made in the Autumn Quarter of each year.

## **Governmental Loans**

### **Unsubsidized Direct Loans**

This is a federal loan program and is generally the first unsubsidized loan which we recommend students borrow. This loan is not based on financial need. Deferment categories: in-school, unemployed, total disability, and economic hardship.

### **Federal Perkins Loan (formerly Nat. Direct Student Loan/NDSL)**

This is a federal loan administered by the Office of Financial Aid and awarded as part of the financial aid package on the basis of greatest need.

### **Primary Care Loan or PCL**

This is a federal loan available to students who demonstrate financial need and who are willing to sign a primary care contract. Primary care medicine has been defined as general internal medicine, general pediatrics, family medicine, or preventive medicine. The contractual obligation includes: completion of a primary care residency not more than four (4) years after graduating from medical school and practice of primary care medicine until the loan has been repaid. The

penalty for breaking the obligation is as follows: the interest is recalculated at 18% from the time of noncompliance and is compounded annually, and the amount is to be repaid within three (3) years of breaking the obligation. For this reason, most PCL loans are awarded to 4th year medical students entering a primary care residency.

## Grad Plus

The Grad Plus loan is a federal loan available to graduate and professional students. Grad Plus loans have a higher fixed interest rate than Stafford loans and do not offer a grace period. In addition, they are not subsidized. Even so, they tend to be the next best source of borrowing.

## Pritzker School of Medicine Loans

These funds are administered by the Office of Financial Aid and are derived from contributions by alumni, private donors, foundations, and organizations. Applicants must be enrolled in the Pritzker School of Medicine and must demonstrate need as determined through the FAFSA process. Pritzker Loans are awarded as part of the loan package. The names and terms of the specific loan funds are listed later in the appendix.

## Commercial Alternative Loan Programs

The following loan programs are considered unsubsidized loans. For these types of loans the borrower (rather than the federal government or the school) is responsible for paying the interest that accrues from the time the loan is disbursed. Because there is no interest subsidy, these loan programs are more costly than the subsidized loans. Before borrowing one of these loans, students are encouraged to explore all other available options (e.g. working, outside scholarships or low-interest loans, reducing living expenses, borrowing from family or friends) and to visit the Office of Financial Aid. If all other options have been explored and it is necessary to take out an unsubsidized commercial loan, a student should review the terms of the loan programs carefully to determine which one is best suited to his/her circumstances. Information to be considered when choosing a loan program includes:

- **interest rates** - On what are they based? Are they fixed or variable rates? Is there a cap?
- **repayment terms** - What is the length of repayment? What deferment options are available?
- **upfront fees** - What fees are charged (application fee, guarantee fee, insurance fee, or origination fee)?
- **credit guidelines** - What credit requirement is there? (Eligibility for most is based on credit-readiness of the borrower or on having a credit-worthy cosigner.)
- **special options** - Does the program offer any (line of credit, ability to secure the loan with a home mortgage, insurance if the loan is not forgivable upon the death of the borrower)?
- **backend incentives** - Reduction in interest rates offered by lenders for using direct repayment from your checking account or making payments on time.

The cost of borrowing from these programs can be reduced if interest payments are made while in school; this is one way a family member or friend can help with the financing of medical education.

Applications are obtained by contacting the lenders. Students who wish to borrow from these unsubsidized loan programs should meet with the Director of Financial Aid when submitting a loan application. Please note that you cannot borrow Alternative Loans in excess of the amount of the student budget as defined for financial aid purposes.

## Summer Research Opportunities

Each summer, research stipend awards are available to medical students and to entering medical students. Summer research is usually conducted under the auspices of a specific faculty member in the Division of Biological Sciences. Applications are available in the Office of Medical Education, and the deadline for submitting these is the middle of April. Awards are made in the early part of May.

## Teaching Assistantships

Several paid teaching assistantships are available after the first year of medical school. Contact Lori Orr, Director of Medical School Education, [lorr@bsd.uchicago.edu](mailto:lorr@bsd.uchicago.edu), for information.

## **Obtaining a Copy of Your Credit Report**

As part of the financial aid application process, it is recommended that potential borrowers request a copy of their credit history and review it for accuracy and completeness, and to have errors corrected as soon as possible. This can save a good deal of time and energy at a later date.

You are entitled to an annual credit report free of charge which is based upon the information from the following three agencies. To request this report, go to: <https://www.annualcreditreport.com/cra/index.jsp>

The purpose of a consumer credit report is to report your credit history and whether or not you repay loans on time for the things you buy (including your education). Corrections to your credit report should be made not only with the credit bureau but also with the creditor (the store or bank which extended the credit and reported the information to the credit bureau).

There are three national credit-reporting agencies; it is a good idea to make separate requests from all three because the information on the reports isn't always identical. Most credit-active consumers have at least four files in their names. All requests must be made in writing. All agencies will supply a free copy if you have been denied credit within 60 days.

### **Experian**

PO Box 2104  
Allen, TX 75013-2104  
(888) 397-3742

[www.experian.com](http://www.experian.com)

### **CSC Credit Services (Equifax)**

PO 674402  
Houston, TX 77267-4402  
(800) 753-1312

<http://www.equifax.com>

### **TransUnion Corporation**

PO Box 390  
Springfield, PA 19064-0390  
(800) 888-4213

[www.transunion.com](http://www.transunion.com)



## Loan Repayment Programs

These are just a few of the loan repayment/forgiveness programs available. For a more extensive list, please visit: [AAMC Loan Forgiveness and Scholarship Programs](#)

### National Health Service Corps

Physicians with the specialties of family medicine, general pediatrics, general internal medicine, general psychiatry, or obstetrics/gynecology may receive repayment of up to \$35,000 per year in health professions educational loans through this program. In exchange for loan repayment, participants are obligated to serve full-time upon completion of training at a designated NHSC-LRP site of their choice. The program pays toward the participant's qualified government and commercial health professions educational loans for each year of full-time salaried service. The NHSC also pays 39% of the increased Federal, State, and local income taxes caused by the government's payments. Selection is based on the staffing needs of the NHSC. Service commitments are from two to four years. Applicants must have a valid license to practice in the assigned State at the time of service. U.S. citizenship is required. For more information, <http://nhsc.hrsa.gov/>

### Indian Health Service

The IHS Program pays up to \$20,000 per year toward the participant's qualified government and commercial health professions educational loans. The IHS also pays 20% of the increased Federal, State, and local income taxes caused by the government's payments. A two-year minimum service commitment is required. IHS is recruiting physicians in the following categories: family practice or osteopathic general practice, obstetrics/gynecology, general surgery, orthopedics, ophthalmology, otolaryngology, radiology, anesthesiology, psychiatry, emergency medicine, internal medicine, and pediatrics. For more information, <https://www.ihs.gov/dhps/programperformancedata/lrp/>

### NIH Research

This program pays a maximum of \$35,000 a year directly to participants' lenders for qualifying educational debt during an initial, minimum two-year service period. The actual loan repayment is based, in part, on the availability of funding as well as the proportion of the participant's qualifying debt relative to their NIH basic pay or stipend at the effective date of participation. Individuals wishing to apply to this program must first obtain a firm employment commitment from an Institute, Center or Division Personnel Department at the NIH. To be eligible, one must: 1) have a Ph.D., M.D., D.O., D.D.S., D.M.D., D.V.M., or equivalent; 2) be a U.S. citizen or permanent resident; 3) have educational debt in excess of 20% of their annual NIH salary or stipend at entrance on duty, resulting from governmental or commercial loans obtained to support their undergraduate and/or graduate education; 4) not have an existing service obligation to federal, state, or other entities. Such person will NOT be considered for the NIH AIDS Program unless and until the existing service obligation is discharged. For more information <http://www.lrp.nih.gov/>

### State Loan Forgiveness Programs

Many states have service-based loan forgiveness programs. Some state programs are limited to residents of the state offering the program; in some cases, to be eligible for the program, a student must be attending a certain medical school(s); and most state programs require that the service be done in a medically underserved area within the state offering the program.

## Glossary of Terms

**ACCRUED INTEREST:** Interest that is accumulated to be paid in installments at a later time (usually when the principal becomes due) rather than being paid on a regular schedule from the time the loan is made. Accrued interest may be compounded or simple.

**ADJUSTED GROSS INCOME:** Income after all deductions, such as social security payments, federal, state and local taxes, health and life insurance premium payments, and retirement benefits; also referred to as NET INCOME.

**AMORTIZATION:** The gradual reduction of a loan debt by periodic installment (usually monthly) payments of principal and interest.

**BALLOON PAYMENT:** The last payment of a loan that is much larger than the preceding payments. When balloon payments occur, frequently the borrower cannot afford to pay the balance, necessitating the negotiation of another loan to pay off the first one. If there are to be balloon payments, they should be clearly stated in the loan contract.

**BANKRUPTCY:** A legal action in which a person who is unable to meet financial obligations is declared bankrupt by a decree of the court; under the Federal Bankruptcy Law this person's property becomes liable to administration to satisfy creditors.

**BORROWER:** Any "legal entity" who obtains funds from a lender by the extension of credit for a period of time; said borrower signs a "promissory note" as evidence of the indebtedness.

**CANCELLATION:** Unlike regular consumer loans, the balance of a student loan may be canceled upon the death or disability of the borrower. Student loans may also be canceled in full or in part for service in a particular geographic location or in a particular field. Each service-cancelable loan has its own stipulations.

**CAPITALIZING INTEREST:** Having interest payments added to the principal amount borrowed rather than paying them as they become due in the period between assumption of a loan and its repayment period; doing this increases the principal and thereby adds significantly to the monthly payment during the repayment period.

**COMPOUNDED INTEREST:** The action by or the frequency with which interest is computed and added to the principal to arrive at a new balance. If the promissory note indicates that the interest will be compounded, the lender will, at stated intervals, assess interest. The first time this is done, the interest rate will be computed on the original principal; the sum of the first interest amount and the original principal become the new amount on which the next interest assessment is made. Note: Given the same rate of interest and the same original principal for the same length of time, a borrower will pay back more if compound interest is charged.

**CONSOLIDATION:** Combining one's loans by the process of selling and transferring all loans to ONE HOLDER.

**CO-SIGNER:** A second credit-worthy party, who is required to sign a promissory note for a loan with a borrower who has no collateral or credit history; this party, by signing, guarantees that the loan will be repaid if the borrower defaults.

**CREDIT BUREAU:** An agency that compiles and distributes credit and personal information to creditors. Such information may include payment habits, number of credit accounts, balance of accounts, and length and place of employment. Note: You have the right to examine your credit file, and to explain or correct information. There is usually a fee for this, but there is no charge if you have been denied credit because of information in the file.

**CREDIT LIFE INSURANCE:** Some credit and loan contracts require that the borrower purchase life insurance to cover payment of the debt in the event of his or her death. The borrower may choose to purchase this through the creditor, if available, or may elect to purchase the insurance coverage from another source. If such insurance is required as a part of your contract, you are well advised to comparison shop so that you can compare costs and benefits.

**DEFAULT:** Failure to meet financial obligations on maturity of notes or contractual agreements; failure to make loan payments at stipulated times. Defaults are recorded on the permanent credit record and can result in liability for prosecution.

**DEFERMENT:** A specified and limited period of time during which payments on principal and interest need not be made; in some cases deferments can be granted for residency and further study.

**DEFERRED INTEREST:** Interest payments that are delayed while a borrower is not gainfully employed; when the borrower again becomes a wage earner, the interest payments are resumed. This benefit is generally characteristic of federal and state guaranteed student loans.

**DELINQUENT:** The borrower fails to make an installment payment when due, or to meet other terms of the promissory note.

**DISBURSEMENT:** The date the loan check is issued by the lender.

**DISCLOSURE STATEMENT:** Statement of the actual cost of a loan to the borrower showing the interest rate and any additional finance charges. This must be presented to the borrower by the lender at the time the promissory note is signed and the loan contract negotiated.

**DISCOUNTED NOTE:** Deduction of the interest from the principal by the lender at the time the loan is issued. The borrower must still repay the full face value of the note. It is important to note that this practice raises the interest rate.

**ELECTRONIC FUNDS TRANSFER** – The student loan lender wires student loan proceeds to the school electronically.

**FIXED INTEREST:** Interest which does not change during the life of the loan, is determined at the time that the loan is negotiated, and is given in the disclosure statement and the promissory note.

**FORBEARANCE:** A special arrangement whereby a lender delays payment of principal and/or interest payments to relieve a borrower's financial hardship during the repayment period.

**GRACE PERIOD:** The reasonable length of time allowed by programmatic specification for postponed payment of loans for which a borrower incurs no loss or penalty. Some loans enter repayment immediately following the borrower's graduation; others have a grace period so that repayment does not begin until several months after graduation.

**GRADUATED REPAYMENT:** A form of payment schedule calling for various monthly payment amounts over the life of the loan based on periodic appraisal of income or simply the passage of time.

**GUARANTEE AGENCY:** A state or private non-profit agency that administers a student loan insurance program.

**HOLDER:** The entity which holds a legally effective note.

**GROSS INCOME:** Total contract salary; income before deductions.

**INSURANCE FEE:** A fee charged for several federal loans which actually serves as default insurance. The fee is usually subtracted from the principal, and the amount charged is based on the borrower's year in school and the grace period.

**INTEREST:** The price paid or fee charged for the use of borrowed money, computed as a percentage of the principal borrowed for a given period of time.

**LEGAL RATE OF INTEREST:** The maximum rate of interest for the particular type of transaction, permitted by laws of the state having jurisdiction over the legality of such transaction.

**MAKER:** The borrower.

**MATURITY DATE:** The date upon which a promissory note becomes due and payable.

**NEED ANALYSIS:** The computation of expected student and family contribution to the cost of a medical education and consequent "need" for financial assistance; it is based on analysis of detailed financial information about the income and assets of the student, spouse, and family.

**NEGATIVE AMORTIZATION SCHEDULE/PAYMENTS:** The monthly payment is insufficient to repay the scheduled amortized loan amount.

**NET INCOME:** Income after all deductions, such as social security payments, federal, state and local taxes, health and life insurance premium payments, and retirement benefits; also referred to as ADJUSTED GROSS INCOME.

**ORIGINATION FEE:** Fee charged by a bank to process a loan; when charged it is deducted from the principal.

**PAYOUT NOTE:** Conversion of the interim note or notes to payout status; at this point, a borrower begins to repay the principal with interest according to a repayment schedule negotiated prior to the issuance of the payout note.

**PER DIEM:** Daily.

**PRINCIPAL:** The face value of the loan; the amount upon which interest is charged.

**PRO FORMA:** Projection of income and expense, usually prepared annually, based on historical performance.

**PROMISSORY NOTE:** A legally binding contract between a lender and a borrower, which includes all the terms and conditions of the loan, and is signed by both parties at the time the loan is made; promissory notes should be signed for every loan negotiated.

**RECORDATION:** The act by which all loans and contracts are recorded locally or federally as standing legal obligations.

**SECONDARY MARKET:** A state or private agency that purchases Stafford loans from lenders.

**SERVICER:** The entity designated to track and collect a loan on behalf of the holder.

**SIMPLE INTEREST:** Interest calculated on the original principal only.

**VARIABLE INTEREST:** Rates of interest that are tied to a certain index (depending on the loan) and change periodically as the index changes.

## STUDENT RIGHTS & RESPONSIBILITIES AS APPLICANTS FOR FINANCIAL AID

### STUDENT RIGHTS

As an applicant for financial aid, you have a right to:

- know what financial aid programs are available.
- know deadlines for submitting applications for each financial program.
- know how financial aid will be distributed, and how decisions on this distribution are made.
- know how your financial need was determined. This includes how costs for tuition and fees, room and board, travel and transportation, books and supplies and personal/miscellaneous were considered in your budget.
- know how much of your financial need, as determined by the Pritzker School of Medicine, has been met.
- know the school's refund policy.
- know what portion of your financial aid package consists of loans (which must be repaid) and scholarship (which is a gift). If the aid is a loan, you have the right to know what the interest rate is, and when repayment begins.
- appeal a financial aid decision and to have your financial need recalculated after submitting additional revised documentation.
- be counseled on ways to cut costs; how to find jobs; to select service-related programs and to be informed of any new programs available to students during the academic year.
- be provided Entrance and Exit interviews as a borrower of federal loan programs (Federal Perkins, Federal Primary Care Loan/PCL, Federal Stafford (Subsidized and Unsubsidized)).
- have the elements of Satisfactory Academic Progress explained, as well as the consequences of not meeting it. In addition, if you fail to achieve Satisfactory Academic Progress and are suspended from the program, you have the right to know how to be reinstated or to appeal the process.
- know that the materials submitted for determining your financial assistance are held in confidence in the institution.

### Student Responsibilities

As an applicant for financial aid, it is your responsibility to:

- **read** financial aid information provided by the school.
- complete all application forms accurately and submit them in a timely manner to the appropriate location.
- provide correct information. Misrepresentation of information on financial aid forms is a violation of law and may be considered a criminal offense which could result in indictment under the United States Criminal Code and/or disciplinary action by or expulsion from the University. Funds obtained on the basis of false information must be repaid immediately.
- respond in writing to all requests for additional documentation, verification, corrections and/or new information. This applies to the Pritzker School of Medicine Office of Financial Aid and the University, lenders or servicers.
- keep copies of all forms that are signed and be responsible for reading the fine print and understanding what is required.
- accept responsibility for all forms that are signed.
- perform work that is agreed upon in accepting a Work-Study position.
- use all money from federal loan programs for the purpose of education only.
- inform all lenders of changes in name, address enrollment status within 60 days until loans are completely repaid.
- attend Entrance and Exit interviews if any University or federal loans have been received.