



THE UNIVERSITY OF
CHICAGO
PRITZKER SCHOOL
OF MEDICINE

FINANCIAL AID GUIDEBOOK

2018-2019

INTRODUCTION

From an economic point of view, education is an investment with the expectation of enhanced earning power in the future. Such is true for nations and 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 educational pathway, even more now as a medical student. At a minimum, you already assumed a temporary sacrifice of earning power while an undergraduate, and may have, also added some indebtedness incurred in funding that phase of your education. In medical school, you even suspend earning power and may accumulate loan debt as you continue to invest in yourself.

For most entering students, debt or student loan debt is a new concept. 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. The general truth of this is born out of the experience of millions of individuals who have borrowed to fund their learning and in the universal framework of financial assistance that is such an essential part of higher education.

The Office of Financial Aid 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 offered information on ways to cut costs so that significant debt will not create significant problems during residency years and beyond. Now is the time to develop excellent, necessary 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. Budgeting 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 actual financial need. You are encouraged to contact the Office of Financial Aid if you need any form of assistance with drafting or refining your budget.

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 finance your medical education creatively. We suggest some approaches in this guide, and we encourage you to explore every avenue possible. Many students have found useful sources by being assertive in their search. We invite you also to explore Financial Information, Resources, Services and Tools (FIRST) (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 can 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.

Information in the Financial Aid Guidebook is current as of January 1, 2018. 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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2018-2019 FINANCIAL AID CALENDAR

September 2017 - March 2018	Fall and Winter is the optimum time to apply for outside scholarships.
October 1, 2017	Earliest date 2018-2019 FAFSA may be submitted for processing. Please use your 2016 tax information to complete the FAFSA; the preferred method is that you use the IRS Data Retrieval tool for accuracy.
May 1, 2018	All returning students must complete their FAFSA's and Pritzker Application no later than this date.
Begins September 2018	Financial Literacy and Debt Management Sessions begin for the class of 2019.
July 2, 2018	Online entrance interview for incoming students must be completed before aid will be disbursed.
August 7, 2018	Summer Anatomy orientation & registration begins for incoming students.

**FAFSA Code for UNIVERSITY OF CHICAGO
PRITZKER SCHOOL OF MEDICINE: 001774**

Pritzker School of Medicine

The University of Chicago
Biological Sciences Learning Center
924 East 57th Street, Suite 104W
Chicago, Illinois 60637-5416
(773)702-1938
FAX: (773)834-5412

Contacts:		
Mary Popoca	BSLC 104W-A	Associate Director of Financial Aid
Emily Sharp-Kellar	BSLC 104M	Senior Associate Director of Admissions
Bethany Shephard	BSLC 104M	Admissions and Financial Aid Administrator
Maria Hernandez	BSLC 104W	Admissions & Financial Aid Coordinator
Juana Villalpando	BSLC 104W	Admissions & Financial Aid Coordinator

Office Locations & Hours of Business:

Office of Financial Aid, Biological Sciences Learning Center 104W
9:00 a.m. to 5:00 p.m., Monday through Friday
(773) 702-1938
FAFSA CODE: 001774

Office of the Bursar, 6030 South Ellis Avenue, Edelstone Center 2nd Floor
9:00 a.m. to 4:00 p.m., Monday through Friday
(773) 702-8000

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? 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. Also, the guide 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 services that experience has demonstrated to be helpful to others.

COST OF ATTENDANCE: STUDENT BUDGETS

What does a medical education cost?

The real cost to educate a physician is higher 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 school. For example, there is the large and expensive physical plant for teaching, patient care (where education also takes place) and medical research. There is the necessity to provide a tremendous 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.

These infrastructure costs should also be considered in light of the fact an academic medical center takes financial responsibility for other impactful community-oriented efforts. The center provides care to those individuals who have the most challenging disease and trauma which often have neither the means nor insurance to cover the cost of their care. In 2015-2016 the University Chicago Medicine provided over two-hundred and ninety million dollars in uncompensated care.

These costs highlight the challenges of supporting students in their studies to be a physician. Because tuition does not cover the full cost of medical education at Pritzker, it must be subsidized. Indeed, the majority of the cost is carried by income from the clinical operation supplemented by yearly gifts to the medical center and the Pritzker School of Medicine, federal grants and contracts, state subsidies, and the endowment of the hospitals and University.

This guide 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 daunting or tedious 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 to practice. Please also know that we intend 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.

2018-2019 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 expenses and provides for a modest living allowance. If an individual is receiving financial assistance, that assistance cannot exceed the expenses provided in the standard student budget. The standard student budgets that follow were assembled from the best information available on January 1, 2018. 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.

	1st Year 10 months	2nd Year 9 months	3rd Year 12 months	4th Year 12 months
EST. TUITION	\$55,416 (3 qtrs)	\$55,416 (3 qtrs)	\$73,178 (4 qtrs)	\$73,178 (4 qtrs)
EST. FEES	\$1,611	\$1,536	\$1,868	\$1,880
Transcript Fee	75	-	-	-
Student Life Fee	1,221	1,221	1,540	1,540
Disability Insurance	315	315	328	340
BOOKS & SUPPLIES	1,200	1,200	1,800	852
LAB & INSTRUMENTS MICROSCOPE RENTAL	665	35	-	-
LIVING EXPENSES (room, board, utilities)	16,800 (1,680/mo)	14,400 (1,600/mo)	19,200 (1,600/mo)	19,200 (1,600/mo)
Personal	3,413 (341/mo)	2,925 (325/mo)	3,900 (325/mo)	3,900 (325/mo)
USLME Fees (exams)	-	610	1,895	-
TRANSPORTATION *Residency Travel Included	2,226	1,908	2,668	*6,044
TOTAL	\$81,331	\$78,030	\$104,509	\$105,054
** Est. Health Insurance	\$4,734	\$4,368	\$4,368	\$4,368
Total w/ Health Insurance	\$86,065	\$82,398	\$108,877	\$109,422

* Residency travel is incorporated into the Autumn quarter of the MS4 budget.

** Health Insurance is an estimate based on the 2017-2018 academic year. Actual Health rates Insurance will be published during Summer 2018.

- Annual Loan Fees of \$312.00 are also added to cost of attendance for students who choose to borrow student loans.

Comments on Select Budget Items

Housing and 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, you must provide a clear rationale for the more expensive allowance and submit supporting documentation for an adjustment in your budget.

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 before 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, 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 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 child care expenses are beyond your traditional means and you need assistance, a written request should be submitted to the Office of Financial Aid for increasing the standard student budget. The additional financial need will be met first with Federal Direct Unsubsidized loan and then with the GradPlus loan. You will be asked to provide proof of expense in the form of a canceled check, daycare provider contract, or a written statement from the provider.

Typically, the Financial Aid budget does not account for costs (for the student) related to 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 costs.

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 the 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 before 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 to meet the financial obligations of your education. Living frugally while in medical school minimizes your expenses and reduces borrowing of federal loans. Responsible borrowing is significant because a reduction in loans is a reduction in overall interest accrual. You can make the most significant impact on your total debt by careful financial planning in your first two years of medical school. Deferring discretionary spending can result in substantial savings later.

Most Used Approaches

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

- Have roommates in M1 and M2 (this alone could save you about \$7,500).
- Bring a sack lunch rather than buying food on campus or in the hospital.
- Brew your 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 into 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

It is useful to set up a budget for yourself to manage your expenses. This vital 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 costs, 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 Association of American Medical Colleges (AAMC) "[Budgeting Basics: Managing Your Money During the Lean Years.](#)"

Income

Consider all the sources of income you have. Examples can include earnings (after deductions) and those of your spouse (if applicable), financial aid (after tuition and fees are deducted), tax returns expected, alimony, child support, and veteran benefits. You should also factor in family support, if available. Be sure to count the income only in the months that it will occur. Medical school provides a unique 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, phone, and a modest contribution to savings (\$50-\$100 per month).

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

Discretionary—These are items not needed for survival and maybe monthly or incidental. Such expenses might include cable TV, health club membership, dining out, etc. It is valuable to include money for discretionary expenses while building your budget; however, while they add enjoyment to life, it is essential 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.

Some have learned that tracking expenses with a spreadsheet work 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 efficiently. Living within a budget is likely to reduce the amount of money you borrow, as well. These practices, then, gives you more options in selecting a career, during your residency, and in your early career.

Money Management Tips¹

Behaviors to Develop	Behaviors to Avoid
❖ 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	❖ Making partial payments or carrying a balance from month-to-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 resources for being kind to yourself	❖ Using "plastic" for necessities

Reducing the Cost of Interviewing for Residency

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.

¹ from Harvard Medical School's *Loan Management Workbook*.

- 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 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, some lenders offer private loans for this purpose.

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 of each kind will vary by individual. Usually, 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 typically do not require repayment in kind or 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. Funding from this source can be applied towards your educational expenses at an accredited medical school. You must report these funds to the Office of Financial Aid 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 about scholarships for which you may be qualified. 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 Office of Financial Aid 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 service. Fellowship and scholarship monies have 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 a particular course of study, and some are awarded based on financial need as part of a financial aid package.
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 the Associate Director of Financial Aid before committing 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 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 higher the contribution by an individual and his or her family, the lower the amount an applicant of financial assistance 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 substantial 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 scenario 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. 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 a small pool of loan monies available to its students. Students must complete the FAFSA with parental information included for consideration. 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. **William D. Ford Federal Direct Loan (Direct Loan) Program.** Funds under this program are federal student loan dollars. Interest rates are set by Congress annually, and the rates are fixed. There are two programs currently available:
 - Direct Unsubsidized Loans are loans made to eligible graduate and professional students, but in this case, the student does not have to demonstrate financial need to be eligible for the loan. For loans disbursed between July 1, 2017 through June 30, 2018, the interest rate is 6%.
 - Direct PLUS Loans are loans made to graduate or professional students to help pay for education expenses not covered by other financial aid. For loans disbursed between July 1, 2017 through June 30, 2018, the interest rate is 7%.
8. **Commercial “alternative” 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 and authorized by under Title IV of the Higher Education Act of 1965. To determine your maximum eligibility for student loans, a student must complete the Free Application for Federal Student Aid (FAFSA) to help the Office of Financial Aid calculate your financial need using the formula below:

$$\begin{array}{r} \text{Standard Student Budget} \\ - \text{Family Contribution} \\ \hline \text{Financial Need} \end{array}$$

This formula is guided by a federally determined methodology. All medical schools use this method of determining financial need. The calculation of financial need begins with an analysis of family financial resources performed in a uniform way from the **FAFSA**, 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 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 prior year for which the federal tax return was filed, is the form utilized for the FAFSA for the upcoming aid year. For example, your 2016 Federal tax returns are required to complete the 2018-2019 FAFSA.

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 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 his or her Institutional Loans 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 course, 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 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

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 through 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 does 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 state financial aid a student must be a U.S. citizen or a 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. A 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 assistance.
- 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 the Associate Director of Financial Aid for details.

To maintain federal loan program eligibility, a student must be enrolled at least half-time. At the University of Chicago Pritzker School of Medicine, this means 100 or more course credits per academic quarter. The first year budget is prepared for a ten and a half month period, and the second year student budget is prepared for a nine-month period. For third and fourth year students, the budgets are prepared for a twelve-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 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 that is considered.

Satisfactory Academic Progress

The academic requirements for the M.D. degree include satisfactory completion of the curriculum as prescribed by the Committee on Academic Promotions as outlined in the Academic 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 Committee on Academic Promotions 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 progress of each student working toward an 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 Committee on Academic Promotions.

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 Academic 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 Academic Promotions.

The normal timeframe for completion of required coursework 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 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 concerning 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 approve an individual student to repeat a portion or all of a school year (after incomplete or unsatisfactory coursework or an approved leave of absence), the maximum time for financial aid eligibility is six 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 coursework 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 Assistant Dean for Medical Education, the Associate Director of Financial Aid, and the Senior Associate Director of Admissions. The Office of Financial Aid shall provide a copy of this policy to each student at the time of initial enrollment. The faculty are made aware of this policy each year through the 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

minimal; 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.

Federal Loan Program Eligibility

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 of 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 adverse 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

All students are required to complete the Pritzker application; it is only necessary to complete the Free Application for Federal Student Aid (FAFSA) if you plan to borrow federal and institutional loans. All newly admitted students will receive these instructions in their “Next Steps” email following notification of acceptance to Pritzker.

Returning students will receive a reminder email detailing their process for the next academic year in the early portion of the spring quarter annually. Reapplication is required yearly for continuing students. All applications are processed on a rolling basis.

Deadlines

Financial Aid offers 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: Pritzker Financial Aid Application - MS1

Continuing Students: Pritzker Financial Aid Application - Returning

All Students (seeking Federal and Institutional Loans):

Federal Direct Unsubsidized Loans, and Grad Plus Loans

In addition to Pritzker Financial Aid Application – MS1 (for Entering Students) or the Pritzker Financial Aid Application – Returning (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 October 1, annually, to the Federal Student Aid Processor online. File early enough to allow for the three week processing time. The FAFSA code number for the University of Chicago Pritzker School of Medicine is **001774**. 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.
2. Student's Federal IRS Transcript or Tax Return and W-2s are 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 Loan Aid or Federal Title VII funds (Disadvantaged or Primary Care Programs)

In addition to Pritzker Financial Aid Application – MS1 (for Entering Students) or the Pritzker Financial Aid Application – Returning (for Continuing Students), 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 Office of Financial Aid 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 emailed to applicants on a rolling basis as the Office of Financial Aid completes applications. Award letters are 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 the 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

All initial quarterly [EBills](#) (excluding summer) reflect and deduct pending financial aid from the total amount due. All subsequent [EBills](#) for an enrollment period will expect all anticipated financial aid to be disbursed to your student account and will no longer be deducted from the total due. For additional information on the billing service through the University of Chicago, please visit the [Bursar's website](#). You can view your [student account](#) for specific charges.

Financial Aid sources administered through the Pritzker School of Medicine are typically scheduled to disburse one week prior to the start of each academic quarter. Students must be enrolled in at least 100 units, have accepted their awards by way of the [student portal](#), and have completed all outstanding requirements related to the Financial Aid process. Students should review the [disbursement schedule](#) for financial planning purposes.

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 Unsubsidized, 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 before 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 requirements must be completed through Heartland ECSI at the beginning of the academic year.

- **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 Unsubsidized 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:
Pritzker Loan	<ul style="list-style-type: none"> • Accept the estimated award • Review the MED Loan Application Disclosure 	<ul style="list-style-type: none"> • The Office of Financial Aid will assign an institutional loan and interest based on fund availability. • You will receive an email from Heartland ECSI to review and complete the appropriate disclosure forms.
Federal Direct Unsubsidized and GradPLUS Loan	<ul style="list-style-type: none"> • Continuing students who wish to borrow GradPLUS must contact the Office of Financial Aid in writing of the amount they wish to borrow • Complete one time Master Promissory Note (MPN) with lender 	<ul style="list-style-type: none"> • Funds will be disbursed electronically and directly to student's account.

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 Process

Financial aid more than 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.** You do not want to spend an overpayment 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. The University offers a direct deposit service through which students can choose to have their refunds (financial aid or loan dollars that exceed the amount owed) deposited directly to the U.S. checking or savings account of their choice. This service enables you to have quicker access to funds as opposed to waiting for a paper check through the mail. If you do not have a U.S. bank account, it is strongly suggested that you open one. If you opt not to sign up for direct deposit, your refund check (if applicable) will be mailed to your current address on file. To sign up for direct deposit, students may register online via the [myUChicago](#) student portal. To enroll in [myUChicago](#) Direct Deposit, log in with your CNET ID and password, from the home screen click “My Account” and then click on “Direct Deposit.” For additional details, the Bursars Office details all necessary steps on their [website](#) to set up direct deposit and receive refund credits.

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 Office of Financial Aid 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 the fear of the unknown so that financial concerns do not detract from your education and early career. An excellent, resource both now and throughout residency is the AAMC Financial Information, Services, Resources and Tools ([FIRST](#)). We strongly urge you register with the FIRST site and use the resources found there.

Loan Counseling

The Pritzker School of Medicine is very concerned about student debt and makes every effort to ensure 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 the Associate Director of Financial Aid 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 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. The Associate Director of Financial Aid 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 any member of the Financial Aid team.

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 Unsubsidized 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 financial planning and strategies, credit, and debt management.

APPENDICES

Governmental Service Commitment Scholarships

National Health Service Corps (NHSC)

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. 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 an U.S. citizen who has completed at least one year of medical, dental, or veterinary school. Application deadlines are February 1, May 1, and October 1.

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.

IHS Scholarships for Native Americans

There are three programs offered: the Preparatory Scholarship, 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.

Junior & Senior COSTEP Extern Programs

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. Also, 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.

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. 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.

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 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

Navy

Navy Recruiting District Chicago
2834B Greenbay Road, Suite 266
Great Lakes, IL 60088
(847) 688-7100 Extension 134 LT. Powers
(800) 762-6199 Extension 170 LT. Working
(847) 688-7100 Extension 159 Senior CPO Buckner
(847) 688-7100 Extension 161 PO Acevedo
(847) 688-7100 Extension 122 ENF BRYAN

Army

Health Care Recruiting Team
SFC Chris Howell
2215 Enterprise Drive, Suite 1505
Westchester, IL 60154
(708) 492-0450 or (708) 227-4453

Army Reserve

Health Care Recruiting Team
Staff Sergeant Todd Balzer
2215 Enterprise Drive Suite 1505
Westchester, IL 60154
(708) 492-0450

Outside Private Scholarships, Loans, or Fellowships

There are some 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 an 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 Office of Financial Aid 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 total future repayment obligation.

Students should check with university or public libraries for other available resource guides. Students have been known to reduce their borrowing by accessing outside sources of funding substantially. 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 a 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 an 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 an unmet need and to reduce the amount of unsubsidized borrowing. To be eligible for an ISMS loan, a student must be a second, third or fourth 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.

Loan Sources

Federal Direct Unsubsidized Loans

The "Unsubsidized" loan is a federal loan program and is 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 Direct Graduate Plus Loans

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

Pritzker School of Medicine Loans

The "Med/Institutional" loans are funds that 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 Associate Director of Financial Aid when submitting a loan application. Please note that you cannot borrow Alternative Loans more than 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 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, Executive Director of Medical School Education, 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.

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

P.O. Box 2104
Allen, TX 75013-2104
(888) 397-3742

www.experian.com

Equifax

P.O. Box 740241
Atlanta, GA 30374-0241
(866) 349-5191

www.equifax.com

TransUnion

P.O. Box 1000
Chester, PA 19016
(800) 888-4213

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.

[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 general osteopathic practice, obstetrics/gynecology, general surgery, orthopedics, ophthalmology, otolaryngology, radiology, anesthesiology, psychiatry, emergency medicine, internal medicine, and pediatrics.

[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.

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 is done in a medically underserved area within the state offering the program. Click [here](#) to search the AAMC's Loan Repayment/Forgiveness Scholarship database.

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 (AGI): 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 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 funds are 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.

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 Unsubsidized 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 Direct (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 the 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.