

INDIANA UNIVERSITY SCHOOL OF MEDICINE

Loans for Disadvantaged Students (LDS) 2015-2016 Application

The purpose of the LDS program through the U.S. Department of Health and Human Services (DHHS) is to provide low-interest rate loans to eligible individuals from disadvantaged backgrounds that are enrolled full-time in good standing at an eligible health professions school.

Eligibility:

An individual from a disadvantaged background is defined by the DHHS is someone who:

- Comes from an environment that has inhibited the individual from obtaining the knowledge, skill and abilities required to enroll in and graduate from a health professions school; or
- Comes from a family with an annual income below a level based on low-income guidelines according to family size published by the U.S. Bureau of the Census, adjusted annually for changes in the Consumer Price Index, and adjusted by the Secretary of Health and Human Services for use in health professions and nursing programs.

Eligible students must also be:

- A citizen, national or a lawful permanent resident of the United States or the District of Columbia, the Commonwealths of Puerto Rico or the Marianas Islands, the Virgin Islands, Guam, the American Samoa, the Trust Territory of the Pacific Islands, the Republic of Palau, the Republic of the Marshall Islands and the Federated State of Micronesia.

Application: To apply for the LDS the student must have completed the Free Application for Federal Student Aid (FAFSA) with parental information. For consideration, the parental data must be included regardless of dependency status. Students must also submit copies of both their and their parents Federal Tax Returns. **Application submission priority date: July 1, 2015.**

Amount: Up to \$10,000 per academic year, based on the availability of funds.

Interest rate: 5% fixed interest. Interest does not accrue during periods of grace or deferment.

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Loans for Disadvantaged Students (LDS) 2015-2016 Application Checklist

The following documents are required to be considered for and receive the LDS. They must be submitted by **July 1, 2015** to receive LDS consideration.

- The LDS Application
- The 2015-2016 FAFSA with parental data (this is completed since this is how you were identified to be eligible)
- The 2015-2016 Verification documents as listed on the LDS application
- The LDS Application & Solicitation Disclosure (Do Not Return – For Information Only)

This section is to be completed with the IU Student Loan Administration in conjunction with the MSA-Student Financial Services (If LDS is awarded)

- The LDS Promissory Note
- The LDS Private Education Loan Applicant Self-Certification
- The LDS Approval Disclosure and The LDS Final Disclosure

All documents must be returned to:

Indiana University School of Medicine

MSA - Student Financial Services

635 Barnhill Drive, MS158

Indianapolis, IN 46202-5120

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Application submission priority date: **July 1, 2015**

APPLICANT INFORMATION:

Last Name:

First Name:

M.:

I certify that the information reported is complete and correct.

Date:

ELIGIBILITY CRITERIA

1. Are you a U. S. Citizen, National, or lawful permanent resident of the United States, the commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa or the Trust Territory of the Pacific.

YES

NO

2. Do you come from an environment that has inhibited you from obtaining the knowledge, skill and abilities required to enroll in and graduate from a health professions school?

YES

NO

3. Does your parent's annual income fall below a level based on poverty guidelines according to family size published by the U. S. Census Bureau? To answer this question, please refer to the chart on the next page.

YES

NO

4. Does your annual income fall below a level based on poverty guidelines according to family size published by the U. S. Census Bureau? To answer this question, please refer to the chart on the next page.

YES

NO

5. Do you intend to serve in a medically underserved community upon completion of medical school? Although not a requirement to receive the funds, it is data that we have to provide to retain eligibility for the funding as an institution.

YES

NO

6. Do you intend to practice in primary care upon completion of medical school? Although not a requirement to receive the funds, it is data that we have to provide to retain eligibility for the funding as an institution.

YES **NO**

7. Do you come from a rural background? If yes, what town? Although not a requirement to receive the funds, it is data that we have to provide to retain eligibility for the funding as an institution.

YES **NO**

8. Do you intend to serve in a rural area upon completion of medical school? Although not a requirement to receive the funds, it is data that we have to provide to retain eligibility for the funding as an institution.

YES **NO**

PLEASE SUBMIT THE FOLLOWING?

Your 2014 Federal 1040 signed.

YES **NO**

(Block out the SSN)

Parental 2014 Federal 1040 signed.

YES **NO**

(Block out the SSN)

In the area below write a brief statement about why your background qualifies you for the LDS.
(Attach a second page, if needed.)

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Source: <http://aspe.hhs.gov/poverty/15poverty.cfm>

2015 Poverty Guidelines			
Persons in Family	48 Contiguous States and the District of Columbia	Alaska	Hawaii
1	\$ 11,770	\$ 14,720	\$ 13,550
2	\$ 15,930	\$ 19,920	\$ 18,330
3	\$ 20,090	\$ 25,120	\$ 23,110
4	\$ 24,250	\$ 30,320	\$ 27,890
5	\$ 28,410	\$ 35,520	\$ 32,670
6	\$ 32,570	\$ 40,720	\$ 37,450
7	\$ 36,730	\$ 45,920	\$ 42,230
8	\$ 40,890	\$ 51,120	\$ 47,010
For families with more than 8 persons add:	\$4,160 for each additional person.	\$5,200 for each additional person.	\$4,780 for each additional person.

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Loans Disadvantaged Students Disclosure

LDS Interest Rate

Your Interest Rate during the life of the loan will be 5%. The grace period is 12 months, during which no interest accrues.

LDS Fees

Zero processing fees.

LDS Cost Example

1. **Grace Period** - 12 months after graduation, no payment due, but original amount may be paid in full without any pre-payment penalties or interest accrual.
2. **Repayment Period** – 10 standard repayment schedule, but can request up to 25 years.
3. **Deferments** –
 - Military or Uniformed Service**, up to 3 years and includes U.S. Public Health Commissioned Corps and NOAAC
 - Peace Corps**, up to 3 years
 - Advanced professional training including internship/residency**, no max.
 - Full-time course of study at a health profession school**, no max.
 - Interruption of Studies**, 2 years
 - Graduate Fellowship**, 2 years
4. **Forbearance** – Payments are postponed and interest continues to accrue.
5. **Cancellation** – Disability and death.
6. **Loan Consolidation** – Can be included in a Direct Loan Consolidation.

Standard Repayment (after 12 month grace, up to 3 years of residency, 2 years fellowship deferment) – monthly amount is calculated using the Total borrowed multiplied by .010607.

Example, if you only borrowed \$10,000 and made 120 payments for the 120 months in the standard repayment schedule, the totaled paid will have been \$12,727.71

About this example: 1) Loan is repaid on-time over 10 years, 2) Original amount borrowed is repaid after grace period and residency/fellowship, provided borrower submits deferment forms as appropriate.