

A photograph of the Harvard Medical School campus. In the background, a large, white, classical building with many columns stands under a clear blue sky. To the right, a modern, multi-story building is visible. The foreground features a green lawn with shadows of trees, and some flowering plants in the bottom left corner. A semi-transparent white box with a diagonal split is overlaid on the left side of the image, containing the text.

Financing a Medical Education

Financial Aid

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Applying for Aid

- **Application Timelines Vary**
 - Check the website or contact the institution you are applying to, for deadlines differ depending on the school
- **Application Materials Include**
 - Free Application for Federal Student Aid (FAFSA)
 - College Scholarship Service Profile (CSS Profile)
 - Institutional Aid Applications
 - Scholarship Applications



Timelines to Consider

- **September-December**

- Review financial literacy information provided by the Federal Student Aid website, AAMC's FIRST (Financial Information, Resources, Services, and Tools) program as well as SALT, American Student Assistance's web-based tool
- Learn the Financial Aid Policies of the schools you are applying to

- **March-May**

- Review financial aid websites for priority deadlines for need-based institutional aid consideration
- Tuition and cost of attendance budgets are made available
- Award letters are sent out to aid recipients

- **June**

- Applicants applying for federal student loans will need to complete documents including Federal Loan Entrance Counseling and Master Promissory Note

- **July-September**

- Attend mandatory financial aid presentations highlighting topics like debt management, financial literacy and budgeting

Total Cost of Attendance (COA)

- Tuition + Fees + Estimated Cost of Living
 - Note: Each school will prescribe an estimated cost of living but you have some control with your spending habits

Cost	Public (Resident)	Private
Median Tuition and Fees	\$39,142	\$63,989
Median Cost of Living	\$24,548	\$23,636
Median COA	\$63,690	\$87,625
Median 4-Yr. COA for Class of 2021	\$259,347	\$346,955

1st Expectation is to Utilize Family Resources

2nd Consider Forms of Financial Assistance

- **Scholarships**

- Need-based
- Merit
- External

- **Student Loans**

- Federal Loans
 - Direct Unsubsidized (2020 4.30%)
 - Direct GradPLUS (2020 5.30%)
 - Assigned a loan servicer
- Institutional Loans
 - Typically subsidized and managed by the Institution
- Private Loans

- **Employment**

- Federal Work Study
- Outside Employment Opportunities



Federal vs. Institutional

- **Federal Needs Analysis**

- Apply via FAFSA
- Excludes parent data
- Direct Unsubsidized Loan
- Graduate PLUS Loan

- **Institutional Needs Analysis**

- Apply via CSS Profile
- Includes parent data
- More detailed review and often additional documentation required
 - e.g. Tax Returns, W2's, Business Returns, Schedules
- Used to determine need based institutional funding



Key Loan Concepts

- **Subsidized vs. Unsubsidized**

- *Subsidized Loan*: Interest does not accrue during in-school, grace, and periods of qualified deferment
- *Unsubsidized Loan*: Interest Accrues at the time of disbursement

- **Fixed vs. Variable Interest Rate**

- *Fixed*: Interest rate remains the same
- *Variable*: Interest rate may change

- **Federal, Institutional, Private Loan Borrowing**

- **Forbearance vs. Deferment**

- *Forbearance*: Interest accrues but not required to make payments
- *Deferment*: No interest accrues and not required to make payments when necessary paperwork is completed

- **Effects of Capitalization**

- Accrued interest is added to the principal balance of the loan thus increasing your overall borrowing

FACTS on Medical Student Education According to the AAMC

- 73% of 2020 US Medical School Graduates Borrowed
 - 84% of both Public and Private Borrowers combined had debt >\$100,000
 - 54% of both Public and Private Borrowers combined had debt >\$200,000
 - 20% had debt >\$300,000
- HMS Class of 2020
 - Graduated with Average School Debt : \$106,877
- 2020 National Average Public Med School Debt: \$199,391
- 2020 National Average Private Med School Debt: \$219,829

Budgeting

- **Budgeting Helps Control Finances**

- Put it in writing
- Check periodically
- Make necessary adjustments

- **Promotes Financial Responsibility**

- **Useful Budgeting Websites**

- www.aamc.org/services/first
- www.mint.com
- <https://www.huecu.org/other-services/balance-financial-fitness/>
- <https://www.smartsheet.com/top-excel-budget-templates>



- **Not Factored in Cost of Attendance**
 - Living expenses in excess of student budget
 - Relocation costs
 - Auto expenses
 - Financial support to others aside from legal dependents
 - Credit card payments
 - Various application and associated interview costs



Repayment Options

Flexible Repayment Options:

- 10 Year Standard, Extended, Income-Based Repayment plans (IBR, ICR, PAYE, REPAYE)

Public Service Loan Forgiveness (PSLF)

- The [Public Service Loan Forgiveness](#) program through the federal government offers loan forgiveness for qualifying professionals with qualifying federal loans, who are working in public service careers. The balance that is forgiven is not taxable. *May not be around....*

National Health Service Corps (NHSC)

- Primary care clinicians are eligible for [scholarship](#) and [loan repayment assistance](#) in exchange for working in an HPSA (Health Professional Shortage Areas) and with underserved communities

State and Federal Loan Forgiveness Programs

- There are also loan forgiveness opportunities through some state and federal loan programs. To learn more about these opportunities take a look at the [AAMC's list](#) of state and federal loan repayment and forgiveness programs.

Pre-Medical School Educational Loans

- **Know the Terms of Your Loans**
 - In-school deferment upon enrollment in medical school
 - Enrollment Verification from Registrar
 - Contact lenders for more information

The National Student Loan Data System

- Your federal loan information available at:
www.nslds.ed.gov
- *Federal PIN required to access site*



Helpful Resources

- **HMS:** www.hms.harvard.edu/finaid
- **IBR/PAYE:** <http://studentaid.ed.gov>
- **PSLF:** <http://studentaid.ed.gov>
- **NHSC:** www.nhsc.hrsa.gov
- **AAMC:** www.aamc.org/first
- **MedLoans Organizer:** www.aamc.org/services/first/medloans



A top-down view of a wooden desk with various medical and office items. On the left is a black stethoscope with a silver chest piece and a silver ID badge with a photo. At the top center is a white computer keyboard. On the right are surgical scissors, a black and white marker, a syringe, and a small vial. The text 'Good Luck!' is written in white serif font, with a vertical line to its left.

Good Luck!

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