

## Educational Loan FAQs for Oregon's Loan Repayment Programs

### **What is a "qualifying educational loan"?**

Qualifying educational loan means one or more government or commercial loans received solely to cover the cost of post-baccalaureate health professional training or undergraduate educational training in the case of an expanded practice dental hygienist. This does not include credit card loans, lines of credit, private loans, and personal loans.

### **Do Loan Repayment Programs consider accrued interest to be qualifying debt?**

No. Loan Repayment Programs administered by the Office of Rural Health calculate award amounts based on the applicant's qualifying educational loan's principal balance. When calculating a Loan Repayment award, interest on qualified educational loans is deducted from the loan balance.

### **What type of loan documentation is required when submitting my application?**

Loan documentation must:

- Be in the form of lender statements dated within **30 days** of submission; **AND**

Clearly show:

- Your name; **AND**
- The account number; **AND**
- The current balance; **AND**
- The loan's date of origination and/or school name; **AND**
- The loan's original disbursement amount

Online printouts are acceptable as long as they include all of the required information. Loan documentation must be free of any notes and/or calculations. Any documentation that includes any handwritten or typed notes, calculations, highlights, redactions, or any other form of alterations will be deemed ineligible.

Most applicants report they can download detailed statements from their loan provider's website. However, some applicants have noted they need to call their loan provider to obtain the proper documentation.

### **Can I submit the monthly statement I receive from my loan provider as proof of my debt?**

Monthly statements that you receive from your loan provider often lack the required level of detail needed to prove debt origination information.

### **What if my educational loans have been consolidated?**

Consolidated educational loans may be allowed. However, detailed documentation on your consolidation will be required. Documentation must include the original disbursement dates, to which institution(s) the original loans were disbursed, and details on what was included in the consolidation. Most applicants report they can easily find this information on their lender's website.

### **What if my educational loans have been refinanced?**

Refinanced educational loans may be allowed. However, detailed documentation on what was included in the refinancing will be required. Documentation must consist of the original disbursement dates, to which intuition(s) the original loans were disbursed, and details on what was included. Most applicants report they are able to find this information on their lender's website easily. Loans that are refinanced with a private bank may not be eligible. Don't hesitate to get in touch with ORH for more information.

### **Do I need to submit my loan documentation in the form of PDFs?**

PDF is the preferred file type when submitting all documentation related to your application. ORH is able to accept .JPEG, .TIFF or .PNG files so long as they are attached to an email rather than embedded. ORH's email firewall blocks files embedded in emails. ORH is unable to accept files that can be altered (e.g., .doc & .TXT files), even if they are converted to a different file type before they are submitted.

### **What if I am unable to provide adequate documentation on my educational loans?**

Loan documentation supplied by applicants must meet Healthcare Provider Incentive Loan Repayment requirements and establish a clear link between current account balances and post-baccalaureate health professional training. A very small portion of applicants reports they are unable to obtain documents with the required level of detail. This is usually due to loans being consolidated more than once or loan providers selling loans and then deleting old account information. ORH is unable to accept loan documentation that does not meet the minimum requirements outlined by the program. Applications that do not meet the documentation requirements will not be reviewed for award consideration.

### **I have been impacted by COVID-19 and have placed my nonfederal student loans in forbearance. Are these loans eligible for repayment programs?**

If COVID-19 has impacted you, the [Oregon Health Care Provider Incentive Program](#) will allow you to apply to the program with nonfederal student loans in forbearance as long as the CARES act forbearance clause remains in effect. Regardless of the CARES act status, loans that are not in good standing will not be program eligible.

### **I have been awarded through a Loan Repayment Program, and I would like to make changes to the educational loans I submitted when I applied to my program. Could this affect my Loan Repayment award?**

Yes. Any changes made to your loans that ORH deemed as "qualifying educational debt" when you entered into your Loan Repayment program contract may seriously affect your Loan Repayment award. In the most severe cases, it could even put you in breach of your Loan Repayment program contract. Therefore, if you would like to make changes to your loans, you must first contact ORH to see how your proposed changes may affect your Loan Repayment award. Changes to your loans include, but are not limited to: consolidations, refinancing, transferring to a new loan servicer, paying off your loans in full while still under your Loan Repayment obligation, etc.

### **What if my educational loan servicer transfers my loans to another loan servicer?**

If your loan servicer informs you that they will be making changes to your loans, you must notify ORH as soon as possible. Documentation from your loan servicer must be submitted to ORH showing that your loans will be transferred, along with the current debt amount and the new account information. Loans transferred from your Federal account servicer to a private loan servicer will disqualify those loans, as Private Loans do not qualify for Loan Repayment programs.

### **What types of loans are NOT eligible for Loan Repayment?**

The following loans **do not** qualify for Loan Repayment:

- Loans for which the applicant incurred a service obligation, which will not be fulfilled before the deadline for submission of the provider's application;
- Loans for which the associated documentation cannot identify that the loan was solely applicable to the health profession education of the applicant;
- Loans not obtained from a Government entity or private student loan lending institution;
- Loans already repaid in full;
- [Primary Care Loans](#);
- Parent PLUS Loans (made to parents);
- Personal lines of credit;
- Loans subject to cancellation;
- Residency loans;
- Credit Card debt;
- Private loans;
- Loans currently inactive student status, in Forbearance, or deferment

Interest accrued on an eligible debt is not calculated to the final total qualified debt amount. Documentation of loans is required. Qualifying educational loans must have documentation to establish that they were contemporary with their education.

### **The CARES act placed my federal student loans into Forbearance. Will these loans still be eligible for repayment programs?**

In March of 2020, the CARES act automatically placed federal student loans in Forbearance. Federal student loans in CARES act forbearance that meet all other program requirements are eligible for submission. Federal Loans placed in Forbearance due to COVID-19 must be marked as such by the loan provider, and the loan documentation that you submit reflects the CARES act status. In addition, loans must have been in good standing/current at the time when the CARES act took effect. Regardless of their CARES act status, loans that are not in good standing will not be program eligible.

### **Who should I contact if I have questions about acceptable loans or required documentation?**

For additional information on Healthcare Provider Incentive Loan Repayment, don't hesitate to contact the Oregon Office of Rural Health at [ruralworkforce@ohsu.edu](mailto:ruralworkforce@ohsu.edu) or 503-494-4450.