Financial Aid FAQs in Consideration of Early Graduation

How does the President’s announcement of 0% interest rates for federal student loans work?
All loans owned by the U.S. Department of Education, including Direct Unsubsidized and Direct PLUS Loans, will have interest waived beginning March 13, 2020 through September 30, 2020. During that time, your federal loans will automatically be adjusted so that interest doesn’t accrue. This adjustment will not change your monthly payments, rather any payments made during the 0% interest rate period will be applied in full to your outstanding principal balance but only after all the interest that accrued prior to March 13 is paid. NOTE: Perkins Loans are handled separately, follow-up with the loan servicer of your Perkins Loans.

Who can tell me if my loans will have their interest rate temporarily reduced to 0%?
Contact your loan servicer(s) online or by phone to determine if your loans are eligible. A loan servicer is the entity to which you make your monthly payment. If you do not know who your servicer is or how to contact them, visit StudentAid.gov/login or call us at 1-800-4-FED-AID (1-800-433-3243; TTY for the deaf or hearing-impaired 1-800-730-8913) for assistance.

Is my financial aid affected if I am allowed to graduate early?
Many things are uncertain, the Department of Education is anticipating the financial aid should not be affected by early graduation. Students who may have changes to spring registration should contact our office to see how their aid will be affected.

If I am graduating early, when will my 6-month grace period start?
The grace period starts on the first day that you are reported as being separated from school. This date will be communicated by the University Registrar to the DOE. This usually happens one month after degrees are conferred, which will be April 10 for early graduates. Students should always contact their loan servicers to determine when the grace period begins and ends.

Student who maybe have already used their 6 months grace period, should contact their loan servicers immediately, as with new COVID-19 legislation, these students may be exempt from payments.

How do I return any unwanted living expenses I received from my spring financial aid?
You can submit a request via the UIC student portal, which the specific amount. Once our office processes this request, a bill will generate on your student account and you can return the funds by making a payment to the university. The deadline for returning funds is April 20, 2020.

Are university fees being refunded to students?
The financial aid office does not assess student fees.

Am I eligible for financial aid for remote learning? Is financial aid affected by remote learning?
Yes, you are eligible for federal financial aid and it is not affected while enrolled in remote learning. Students must be enrolled at least half-time (i.e., 6 credits per term) to receive financial aid.

Can I still make a request for budget for additional expenses?
YES. Please email our office at medicinefinaid@uic.edu regarding your situation. The deadline for submitting all budget request for the spring 2020 term is April 8, 2020. Go to the financial aid aid website under 2019-2020 forms. Our staff is working remotely and is responding to emails daily. We may be able to help with additional expenses such as medical, extra child care costs, additional rent and computer
purchase. Please note that funding is limited, and any funding options we can approve will be in the form of federal loans.

Will summer term financial aid be affected by COVID-19 and how?
At this time, we will continue to move forward with summer financial aid as a regular term. If any changes arise, students will be notified.

I currently have federal student loans and the COVID-19 outbreak may affect my ability to make payments, what are my options?
If you have graduated, or are no longer enrolled, the following guidance was offered on the Department of Education’s FAQ, “To provide relief to student loan borrowers during the COVID-19 national emergency, federal student loan borrowers are automatically being placed in an administrative forbearance, which allows you to temporarily stop making your monthly loan payment. This suspension of payments will last until Sept. 30, 2020, but you can still make payments if you choose.”

Students enrolled at least half-time (i.e., 6 credits) are automatically eligible for an in-school deferment and no payments will be required. If you have graduated or are no longer enrolled, and your loans are in repayment, you may be eligible for forbearance which would allow you to temporarily stop making your monthly loan payment. Please contact your federal loan servicer for more information on this.

Do any of the recent federal student loan changes apply to private student loans?
No, currently the loan changes mentioned above are only applicable to federal student loans. If you have questions or concerns about your private student loan payments, you will need to contact your private student loan lender for possible options.

Will the 0% interest rate from March 13, 2020 through September 30,2020 have a “harmful” impact on student loan borrowers?
No, this six-month time frame of 0% interest will not harm borrowers; it is a benefit to borrowers because federal loans will not accrue interest during this time frame. This means that a borrower, depending on how much they have borrowed, could have up to several thousand dollars in interest that does not accrue on their loans.

If I graduate early (on April 10), when will my loans enter repayment?
You should contact your servicer to determine the exact time when your federal loans enter repayment. For most federal loans borrowed during medical school, repayment typically begins six months after graduation, which for an April 10 graduation would be October 10, but follow-up to confirm this with your loan servicer. Most borrowers have the option of either entering repayment via an income-driven repayment plan such as Pay As You Earn (PAYE) or Revised Pay As You Earn (REPAYE). The first required payments under these plans could be due in November (for an early graduate). Though, also after the grace period is over, a graduate has the option to request a postponement of payment using a Forbearance – which is a period of time in which no payments are required, but monthly interest continues to accrue.

How much will my monthly loan payment be if I enter repayment on my federal loans?
In the PAYE or REPAYE plan, a borrower’s monthly payment is linked to their income. A resident earning a typical first-year stipend amount such as $58,000 would have a monthly loan payment of roughly $320. If you filed taxes for 2019 that reflect less income, the first 12-months of payments could be less than this estimated amount.