Loan for Disadvantaged Students (LDS) Guidelines

The Loans for Disadvantaged Students (LDS) program provides long-term, low-interest rate loans to full-time (12+ hours for Fall and Spring Term), financially needy students from disadvantaged backgrounds to pursue a medical degree. LDS is made available through the U.S. Department of Health and Human Services (DHHS).

An individual from a disadvantaged background is defined by the U.S. Department of Health and Human Services as one:

- Who comes from an environment that has inhibited the individual from obtaining the knowledge, skill and ability to enroll in and graduate from a health professions school
- Who 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

### 2021 Poverty Guidelines for the 48 Contiguous States and the District of Columbia

<table>
<thead>
<tr>
<th>Persons in Family/Household</th>
<th>Poverty guideline</th>
<th>Low Income Threshold (200% Poverty Guideline)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$12,880</td>
<td>$25,760</td>
</tr>
<tr>
<td>2</td>
<td>$17,420</td>
<td>$34,840</td>
</tr>
<tr>
<td>3</td>
<td>$21,960</td>
<td>$43,920</td>
</tr>
<tr>
<td>4</td>
<td>$26,500</td>
<td>$53,000</td>
</tr>
<tr>
<td>5</td>
<td>$31,040</td>
<td>$62,080</td>
</tr>
<tr>
<td>6</td>
<td>$35,580</td>
<td>$71,160</td>
</tr>
<tr>
<td>7</td>
<td>$40,120</td>
<td>$80,240</td>
</tr>
<tr>
<td>8</td>
<td>$44,660</td>
<td>$89,320</td>
</tr>
</tbody>
</table>

Household Size is the number of exemptions listed on the parent’s Federal Income Tax plus the student if not included. Income Level is

LDS applicants **must provide parental information on their FAFSA** for determination of eligibility, **regardless of age or marital status**. This requirement cannot be waived. **Unless the parents are deceased, a student who does not provide parental income information will not be considered for LDS funds.** If parents are deceased, please provide documentation, i.e. death certificate, obituary, etc. for both parents.

### LOAN REPAYMENT

- LDS has a 0% interest rate while you are in school and during your internship and residency years. Then the loan accrues a 5% fixed-interest rate upon expiration of your grace period unless you are eligible to defer payment.
- Repayment begins following a 12-month grace period after you cease to be a full-time student.
- Loans are repayable over a period of not less than 10 years, no more than 25 years, at the discretion of the institution.
- LDS can be consolidated with Stafford and other federal loans if you are concerned about being eligible for the Public Service Loan Forgiveness Program.
**LOAN DEFERMENT**

Periodic installments of principal and interest need not be paid, and interest shall not accrue, while the Borrower:

- Serves on active duty as a member of a uniformed service of the United States, for up to three years.
- Serves as a volunteer under the Peace Corps Act, for up to three years.
- Pursues advanced professional training, including internships and residencies.
- Pursues a full-time course of study at a health professions school eligible for participation in the Loans for Disadvantaged Students Program.
- Leaves the Institution with the intent to return to the Institution as a full-time student, to engage in a full-time educational activity which is directly related to the health profession for which the Borrower is preparing, as determined by the Secretary of Health and Human Services for up to two years.
- Participates in a fellowship training program or a full-time educational activity which is directly related to the health profession for which the Borrower’s prepared at the Institution, and is engaged in by the Borrower within 12 months after the completion of the Borrower’s participation in advanced professional training as described in the promissory note section 4(c) for up to two years.

**LENDER:** University of Illinois (through funding from the U.S. Department of Health and Human Services (DHHS))

**LOAN SERVICER:** Heartland ECSI (https://heartland.ecsi.net/)

**LDS awards are subject to the Cost of Attendance budget constraints. If you have accepted full financial aid prior to receiving LDS, we will make adjustments to your loans as needed.**

Deadline to submit application: Sunday, January 30, 2022
How to add parental information to your FAFSA


2. Login to your 2021-2022 FAFSA at https://studentaid.gov/h/apply-for-aid/fafsa

3. Select “Edit FAFSA Form”

4. Create a Save Key

5. Enter “Dependency Status” Section

6. Select “Yes” to answer questions about your parents

7. Complete the “Parent Demographics” and “Parent Financials” sections

8. Sign and submit with you and your parent’s FSA ID