

Loans for Disadvantaged Students (LDS) Guidelines

The Loans for Disadvantaged Students (LDS) program provides long-term, low-interest rate loans to full-time, 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. DHHS 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 profession 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](https://www.census.gov/poverty/)

2023 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA		
Persons in family/household	Poverty guideline	Low Income Threshold (200% Poverty Guideline)
1	\$14,580	\$29,160
2	\$19,720	\$39,440
3	\$24,860	\$49,720
4	\$30,000	\$60,000
5	\$35,140	\$70,280
6	\$40,280	\$80,560
7	\$45,420	\$90,840
8	\$50,560	\$101,120

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.

APPLICATION REQUIREMENTS:

- 1) Registered full time in the Fall and Spring terms (12+ credit hours)
- 2) Complete or correct the 2022-2023 FAFSA (<https://studentaid.gov/h/apply-for-aid/fafsa>)
 - a. Add parental information.
 - b. Student and parent must utilize the IRS data retrieval tool on the FAFSA or submit signed copies of their 2020 federal income tax return.
- 3) Submit the 2022-2023 [LDS Application](#) form.

Deadline: Sunday, March 12, 2023

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 are not required to 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 LDS 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 (including internships and residencies) or prior to the completion of the Borrower's participation in such training for up to two years.

LENDER: University of Illinois (through funding from the U.S. 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 adjust your loans as needed.***

Awarding priority will be given to first-time LDS borrowers.

Adding Parental Information to your FAFSA:

1. Create an FSA ID for your parent,
<https://studentaid.gov/fsa-id/create-account>

Create an Account

Whether you're a student, parent, or borrower, you'll need to create your own account to manage the student loan journey.

Get Started

Already have an account? [Log In](#)

What You Can Use Your Account For

- Filling out the *Free Application for Federal Student Aid (FAFSA®)* form
- Signing your *Master Promissory Note (MPN)*
- Applying for repayment plans
- Completing loan counseling
- Using the *Public Service Loan Forgiveness Help Tool*

What You'll Need

- Social Security number
- Your own mobile phone number and/or email address

2. Login to your 2022-2023 FAFSA at
<https://studentaid.gov/h/apply-for-aid/fafsa>

The screenshot shows the FAFSA application status for the 2022-23 year. The status is "Processed Successfully". A message reads: "Congratulations, your FAFSA form was successfully processed." Below this, a section titled "What Happens Next" lists four bullet points: 1. Your FAFSA information was made available to the school(s) you listed on your FAFSA form. 2. Your school(s) will use your FAFSA information to determine the aid you may be eligible to receive. 3. Your school(s) will contact you if they need more information or to discuss your financial aid award. 4. If you have questions about your financial aid package, contact your school(s). At the bottom, it states: "Original Application: Submitted on 11/29/2021; Processed on 11/30/2021". Below the status, there is a section "You may take the following additional actions:" with a button labeled "Add or Change Schools" and a sub-button "Add/Change Schools".

3. Select "Make Corrections to My FAFSA Form"

The screenshot shows a button labeled "Make Corrections" with a pencil icon. The text next to it says: "Make Corrections to My FAFSA Form. Change or correct information on a previous FAFSA submission."

4. Create a Save Key

The screenshot shows the "2022-23 FAFSA Form" page. The section is titled "Make Corrections to Student's 2022-23 FAFSA Form". It includes instructions: "Create a save key. The save key is for temporary use for you or your parent to return and complete this specific FAFSA form." There are two input fields: "Create a Save Key" and "Reenter Save Key", each with a "Show" button. At the bottom, there are "Previous" and "Continue" buttons.

5. Enter Section 3 "Dependency Status"

The screenshot shows the "SECTION 3 Dependency Status" page. It features a house icon and the text: "SECTION 3 Dependency Status. Whether the student has children or dependents and the size of their household." Below this is a large blue button labeled "Enter Section".

6. Select "Yes" to answer questions about your parents.

The screenshot shows the "Independent Student Status" page. It features a person icon and the text: "You are considered an 'Independent' student. This means you are not required to answer questions about your parents. However, you may want to answer questions about your parents if". Below this are two bullet points: "you are a law school or health profession student (such as a medical or nursing student), or" and "your school requires parental information from all students." At the bottom, there is a question: "Do you want to answer questions about your parents?" with radio buttons for "Yes" (selected) and "No".

7. Complete the "Parent Demographics" and "Parent Financials" sections.

8. Sign and submit the FAFSA with your and your parent's FSA ID and password.