

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 professional 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.bls.gov/news.release/archives/income080908.pdf)

2024 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	\$15,060	\$30,120
2	\$20,440	\$40,880
3	\$25,820	\$51,640
4	\$31,200	\$62,400
5	\$36,580	\$73,160
6	\$41,960	\$83,920
7	\$47,340	\$94,680
8	\$52,720	\$105,440

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 2023-2024 FAFSA (<https://studentaid.gov/h/apply-for-aid/afsa>)
 - a. Add parental information.
 - b. Students and parents must utilize the IRS data retrieval tool on the FAFSA or submit signed copies of their 2021 federal income tax return.
- 3) Submit the 2023-2024 [LDS Application](#) form.

Deadline: Sunday, March 10, 2024

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, and 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 that 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 before the completion of the Borrower's participation in such training for up to two years.

LENDER: The 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 before 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 at <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. Select “Start or Edit a 2023-24 FAFSA Form” at <https://studentaid.gov/h/apply-for-aid/afsa>.

A Better 2024-25 FAFSA Form

We may occasionally pause access to the FAFSA form to perform maintenance and improve the user experience. [Learn more about the 2024-25 FAFSA form.](#)

2024-25 FAFSA® Form

[Start New Form](#) [Access Existing Form](#)

Need to access last year's form? [Start or Edit a 2023-24 FAFSA Form](#)

3. Select “Make Corrections to My FAFSA Form”

2023-24

Current Application Status:

Processed Successfully

Congratulations, your FAFSA form was successfully processed.

[View Student Aid Report \(SAR\)](#)
Review your EFC, FAFSA answers, and financial aid history. [View SAR](#)

[Make Corrections to My FAFSA Form](#)
Change or correct information on a previous FAFSA submission. [Make Corrections](#)

4. Create a Save Key

2023-24 FAFSA® Form

Make Corrections to Student's 2023-24 FAFSA® Form

Create a save key:
The save key is for temporary use for you or your parent to return and complete this specific FAFSA form.

Create a Save Key [New](#)

Revoke Save Key [New](#)

[Previous](#) [Continue](#)

5. Enter Section 3 “Dependency Status”

SECTION 3 Dependency Status

Whether the student has children or dependents and the size of their household.

[Enter Section](#)

6. Scroll down to the “Independent Student Status” section. Select “Yes” to answer questions about your parents.

2023-24 FAFSA® Form

STUDENT INFORMATION

Independent Student Status

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:

- you are a law school or health profession student (such as a medical or nursing student), or
- your school requires personal information from all students.

Would you like to answer questions about your parents? Yes No

[Previous](#) [Continue](#)

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

8. Finally, you and your parents will utilize the FSA ID and password to sign and submit.