



Primary Care Loan Program Overview

To be considered for the Primary Care Loan, the student needs to file the Application for Health Professions Loans to indicate willingness to make the primary care commitment and to document the parental information or if the student qualifies for the exemption.

Parental Information Exemption:

Effective on Primary Care Loans made after March 23, 2010, an eligible student seeking an MD degree must demonstrate financial need by filing the FAFSA. If the student is at least 24 years of age and has not been listed as a dependent on his/her parents income tax forms for at least the last three years, parental information is not required. The student must provide documentation of independent status if requested.

Loan Specifics:

The Primary Care Loan (PCL) program interest rate is 5 percent and begins to accrue following a one-year grace period after you cease to be a full-time student. When compared with other federal student loans and private loans, the PCL provides significant savings. The loan also offers deferment of principal and interest not found in other loan programs. However, the loan is not eligible for consolidation and is not eligible for Public Service Loan Forgiveness.

The maximum amount of PCL funds available for first- and second- year students is cost of attendance; however, funding may be limited based on what is available and number of applicants. If funds are available loans to third- and fourth-year students may be increased to repay outstanding balances on other loans taken out while in attendance at this school.

Primary Care Commitment:

The Primary Care Loan, if accepted, requires the student to agree to (a) enter and complete a residency training program in primary care not later than 4 years after the date on which the Borrower graduates from the Institution (b) practice in primary health care in a State (as defined in 42 USC 295) for 10 years (including the years spent in residency training) or through the date on which the loan is repaid in full, whichever occurs first, and certify to the Institution on an annual basis until the loan is repaid in full that he/she is practicing in primary health care and (c) not enter any subspecialty training (i.e. non- primary care residency, fellowships, etc. that could lead to board certification in a subspecialty) from the time of graduation until the loan is repaid in full.

Primary Health Care is defined as family medicine, general internal medicine, general pediatrics, or preventive medicine, or osteopathic general practice. **Residency Training Program in Primary Health Care is defined** as a 3-year residency program in allopathic or osteopathic family medicine, internal medicine, pediatrics, combined medicine/pediatrics, or preventive medicine approved by the Accreditation Council on Graduate Medical Education (ACGME) or the American Osteopathic Association (AOA) or a general practice residency program approved by the AOA. This may include participation in a rotating or primary health care internship approved by the AOA.

NOTE: Primary Care Loans made on or after March 23, 2010 now includes the years spent in the primary care residency program in the 10-year primary care service period. This provision was not in previous Primary Care Loan promissory notes.

Primary Care: Acceptable Specialties

Clinical Preventive Medicine
Occupational Medicine
Public Health
Public Policy Fellowship
Senior Residencies in one of the above
Faculty administrators / policy makers certified in one of the primary health care disciplines
Geriatrics
Adolescent Medicine
Adolescent Pediatrics
Sports Medicine

Non-Primary Care: Unacceptable Specialties

Cardiology
Gastroenterology Obstetrics/Gynecology
Surgery
Dermatology
Radiology
Rehabilitation Medicine
Psychiatry
Emergency Medicine

Non-compliance: If the student accepts primary care funding and fails to complete the primary health care residency and practice, the loan will be recomputed at an interest rate of 2 percent per year greater than the rate at which the student would pay if compliant. For instance, the compliant rate is currently 5 percent per year, so the service default rate would be at 7 percent per year beginning on the date of noncompliance and ending when the loan is paid in full. The non-compliant borrower is not eligible for the deferment provisions outlined in the promissory note. Primary Care Loans made previous to March 23, 2010 carried an 18% non-compliance interest rate and no change has been made for loans made under previously signed promissory notes.

It would not be advisable to make a commitment to primary care on this federal loan and have a record of non-compliance when being considered for advancement in your profession, so consider the obligation carefully.

Pre-payment: The Borrower may, at his or her option and without penalty, prepay all or any part of the principal and accrued interest at any time.

If offered an award, review the promissory note carefully before accepting the funds.

PCL Summary Chart

Maximum loan:	Varies: Up to the cost of attendance
Loan fees:	None
Interest accruing during school:	None
Grace Period:	12 months
Repayment Period:	10 – 25 years at the discretion of the Institution
Deferments include:	Advanced professional training in primary care, including internship and residencies.
	Interest accruing during approved deferment: 0%
Interest during repayment:	5%

More information can be found at the following HRSA website:

<https://bhw.hrsa.gov/sites/default/files/bhw/pcl.pdf>