

Flight

Financial Literacy Information for Graduate/Professional Health Students of Today
Take **FLIGHT**.



Special Points of Interest:

- IBR and PAYEE
- One On One Counseling
- Scholarships, Awards & Fellowships
- Economy 101

IBR and PAYE now account for 10.5 percent of borrowers in repayment...

Many in the policy-making community and the media frequently say that enrollment in Income-Based Repayment (IBR) and the Pay As You Earn (PAYE) repayment plans for student loans is low, has lagged, or has failed to reach some putative optimal level. The U.S. Department of Education analysis of the latest enrollment figures suggest those are inapt descriptions, although it's hard to gauge what the level and pace of enrollment in these programs ought to be.

By way of background, IBR and PAYE allow borrowers to make payments on their loans as a share of their incomes and qualify for loan forgiveness after 10, 20 or 25 years of payments, depending on their circumstances. The enrollment information that the Department of Education released allows us for the first time to see statistics covering a full year.

IBR & PAYE Enrollment as Share of Total in Repayment

Year/Qtr	Borrowers	Loan Balance
2013 Q3	6.0%	14.4%
2013 Q4	6.9%	16.1%
2014 Q1	7.7%	17.4%
2014 Q2	9.3%	20.0%
2014 Q3	10.5%	21.8%

Source: U.S. Department of Education, New America

First, enrollment in IBR and PAYE programs continues to grow and the programs now account for 10.5 percent of borrowers in repayment. That's up from 6 percent a year ago. By loan balance, the programs account for a whopping 21.8 percent of the Direct Loan portfolio in repayment. Year over year, the number of borrowers enrolled has more than doubled. The amount of debt being repaid through the programs is up nearly as much (93.5 percent). The rate of growth appears to be fairly constant as well, so the next set of numbers that the Department releases in three months should show further gains.

Read more : <http://www.edcentral.org/borrowers-using-income-based-repayment-double-one-year/>

IBR & PAYE Enrollment 2013-2014 Q3

	Borrowers (millions)	Loan Balance (billions)
2013 Q3	0.95	\$52.2
2014 Q3	1.9	\$101.0
Change	101.1%	93.5%

Source: U.S. Department of Education, New America



Additional Resources on
Financial Literacy

studentaid.ed.gov

aamc.org/first

360financialliteracy.org

mymoney.gov

Schedule Your One on One Entrance Counseling

Just a reminder, all first year students are **required** to schedule and complete a one-on-one counseling session with their Financial Aid Counselor by December.

Financial Aid Counselors:

[Gloria Dobbs](#) (Health Professions)

[Phyllis Faulkner](#) (Pharmacy)

[Jacquelyn LeSueur](#) (Nursing)

[Janice Maddox](#) (Dentistry & College of Graduate Health Science)

[Christopher Pollard](#) (College of Medicine)

Entrance Counseling
One-On-One-Session 

SCHOLARSHIPS, AWARDS, FELLOWSHIPS

NIH Loan Repayment Programs (LRP)

The National Institutes of Health LRPs repay the student loans of doctoral level, biomedical or behavioral researchers conducting research funded by nonprofit institutions. Approximately **1,500** scientists benefit from the \$70 million plus NIH invests each year through the extramural LRPs. The FY 2015 NIH Extramural LRP application cycle is open from **September 1, 2014 through November 17, 2014**. The application is available online at www.lrp.nih.gov

ECONOMY 101: MONEY MARKET ACCOUNTS

The term "money market account" is one that many of us have heard, but when pressed to define its meaning, a majority of people will scratch their heads. So what exactly is a money market account? A savings account? An investment vehicle? The answer is...both.

Offered by banks and credit unions, money market accounts have many of the characteristics of a traditional savings account, but also add a safe, conservative element of investment. The money you deposit in this type of account is usually invested in short-term, fixed-income securities, such as U.S. Treasuries.

Money market accounts often require a larger initial deposit to open, and may require that the account balance be maintained at a certain level. In return, they tend to offer higher interest rates than many savings accounts. Often, the larger your account balance, the higher the interest rate you will earn.

Locations:

910 Madison Ave. Suite 105 Memphis, TN 38163
(901) 448-7703

Hours:

Monday - Friday
8:00 a.m. - 5:00 p.m.

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