

The Top Ten Things Advanced Dental Education Program Directors Should Know About Student Loans

1. The financial aid office remains the number one point of contact for dental school graduates with questions about student loans, including those pursuing advanced dental education programs.
2. The AAMC/ADEA Dental Loan Organizer and Calculator (AAMC/ADEA DLOC) is a debt management tool that provides dental students, residents and fellows a secure place to both organize and track their student loans, and it allows borrowers to customize repayment and forgiveness estimates based on their loan portfolios and career plans, including advanced dental education programs. The AAMC/ADEA DLOC is free for seven years and is available at adea.org/DLOC.
3. In general, dental residents enrolled at least half time in academic-based residency programs are eligible for an in-school deferment on their federal student loans.
4. In general, dental residents in hospital-based residency programs are considered employees of their teaching hospitals and are not eligible for the in-school deferment. However, they may postpone payments on their federal loans with a mandatory internship residency forbearance, which is based solely on their status as dental residents. Dental fellows may be eligible for a graduate fellowship deferment after completion of their residency programs.
5. Dental residents and fellows should work with their loan servicers on all repayment matters, including postponement, and should keep their contact information current at all times.
6. Interest rates on new federal loans change every July 1 and are fixed for the life of the loan.
7. Dental school graduates interested in careers in the non-profit sector, such as academic dentistry, may be eligible to have their federal direct loans forgiven tax free after 10 years through the government's Public Service Loan Forgiveness (PSLF) program. You may be asked to sign a PSLF Form for residents and fellows who are trying to qualify for PSLF, as this helps them track their payments toward PSLF by confirming their employer is an eligible non-profit.
8. Many recent dental school graduates are not strong candidates for federal consolidation, as they tend to have all federal direct loans serviced by one loan servicer who can offer single billing. Borrowers do not get a lower rate when they use federal consolidation.
9. Refinancing with private lenders to secure a lower interest rate may be available for dental school graduates, though we urge caution about refinancing during residency programs.
10. There are a number of significant changes regarding student loan repayment, including a new repayment plan called SAVE (Saving on a Valuable Education), that dental school graduates may be interested in. ADEA provides resources to help dental school graduates with repayment, including recorded modules and printed materials on topics such as income-driven repayment plans, PSLF, consolidation, and refinancing, available at adea.org under Information for Current Students and Residents.

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