

Financing an Advanced Dental Education

Introduction

In general, there are two types of advanced dental education programs:

- Hospital based
- Academic based

In a hospital-based program, you are considered an employee (a resident) and receive a salary commonly referred to as a stipend. You are not eligible for financial aid unless you are in a combined program where you are also enrolled at least half-time in a degree-seeking program. However, in an academic-based program, you are considered a student and thus may need help financing your tuition and other education-related expenses, including living expenses. This primer is designed to help you determine how to finance your advanced dental education when you are enrolled in an academic-based program.

Cost Considerations

The financial aid office (FAO) at your academic institution can provide your cost of attendance each year (COA, also called your financial aid budget). The COA governs how much financial aid you can have annually from all sources combined.

- Focus on the items in your budget you can control, such as living, personal expenses, and transportation costs.
- Don't borrow your full COA if you don't need it and never borrow more than you really need.
- Due to changes in borrowing and repayment passed into law in July 2025 and generally effective July 1, 2026, some borrowers may need private loans to help cover their COA. Speak with your FAO before taking out private loans; private loan repayment options are less flexible than those on federal loans.

Student Loan Portfolio

Always check with your program and FAO about the availability of grants and scholarships. However, be prepared to borrow as an advanced dental education student. Your student loan portfolio may consist of:

- Direct unsubsidized loans.
- Direct PLUS (a.k.a. Grad PLUS).
- Private loans (as noted above, consult your FAO for more information).

SPECIAL NOTE: Grad PLUS is no longer available as of July 1, 2026, for borrowers who do not already have a Grad PLUS for their current degree program. For example, a post-doc student who is still in their academic-based program and has already borrowed a Grad PLUS for their current degree program may continue to borrow Grad PLUS. However, a first-year post-doc student in an academic-based program is not eligible for Grad PLUS, even if they had one previously during dental school or for another degree program.

Interest rates on federal loans are fixed and change each July 1 on new loans. Federal loans generally come due six months after students graduate or drop below half-time status. Private loans have different terms and conditions.

There are new annual and aggregate loan limits set for students (including professional degree students in dentistry and medicine), but for the most part, they are effective July 1, 2026 and only apply to students who are borrowing for the first time for their current degree program. Please see your FAO for details.

Important Reminders and Action Items

The following may help you stay on top of your finances during your advanced dental education program:

- Federal student loans should be deferred while you are enrolled at least half-time in our academic-based program.
- Stay in touch with your FAO, especially regarding recent changes to borrowing and repayment.
- Develop a realistic budget and stick to it.
- Set up an online account with your loan servicer (the third-party organization your lender uses for borrower correspondence).
- Use the AAMC/ADEA Dental Loan Organizer and Calculator (AAMC/ADEA DLOC) to help manage your student loan portfolio and estimate future repayment amounts.
- ADEA offers multiple resources to help with repayment, available at [adea.org](https://www.aadea.org) (do a search: Financial Resources for Students)

Winter/Spring 2026