Simple Steps to Repayment for Dental School Graduates

These simple steps should help you determine an effective repayment strategy as you graduate from dental school and move into your career in dentistry, including any advanced dental education work.

Step 1: Know what you borrowed, who services your loans, and when they come due.

1. See StudentAid.gov for a listing of all federal loans, including direct subsidized, direct unsubsidized, direct PLUS (Grad PLUS), and direct consolidation loans, regardless of their status and regardless of when you took them out, plus information on your loan servicer is listed under loan details.
2. Check your records, with your financial aid office, or your credit report for loans not listed at StudentAid.gov.
3. Most federal loans come due 6 months after graduation, unless the 6-month grace period has already been used prior to dental school; check disclosure statements for other loans

Step 2: Determine your repayment objectives and constantly review them.

1. **Aggressive repayment** to minimize interest accrual and reduce total repayment costs.
    a. Consider repayment plan that provides manageable payments, including income-driven repayment plans (IDRs) like RAP or IBR, but work with your loan servicer to target extra payments against your highest rate loans or against lower balance loans to pay them off first.
    b. Consider time-driven plans before looking at income plans.
2. **Cautious repayment** with an interest in minimizing payments to help maximize cash flow, typical of many new graduates, especially those with a large gap between federal debt and income.
    a. Consider an income-driven repayment plan for manageable payments, if needed.
3. **Maximize eligibility for Public Service Loan Forgiveness (PSLF)**
    a. Use an income plan and while PSLF is part of your repayment strategy, consider no aggressive payments, but review this strategy each year when you renew eligibility for your income plan or whenever you have changes in income, family size, or career plans; you might consider PSLF if you are interested in a career in academic dentistry.

Step 3: Select a repayment plan to meet your repayment objectives.

1. Use AAMC/ADEA Dental Loan Organizer and Calculator at adea.org/DLOC to run repayment and forgiveness estimates under all repayment plans for which you may be eligible. DLOC is free for seven years and reflects changes to repayment based on legislation passed in July 2025, most of which became effective July 1, 2026.
2. Work with your loan servicer for actual repayment amounts when you select a repayment plan.
3. Use the Repayment Calculator at StudentAid.gov/repayment-calculator to estimate payments under income plans and to estimate impact of changes in salary, marital status, family size, and dependents on payments under income plans.

Important Reminders

- There is no penalty for early or aggressive repayment under any federal repayment plan.
- Your principal balance will not come down until you cover all outstanding interest.
- In general, you can switch repayment plans, but work closely with your loan servicer.
- Documentation is important, especially when speaking with your loan servicer.
- Effective July 1, 2023, accrued an unpaid interest does not capitalize when you enter repayment (you are still responsible for paying the interest, but it will not become part of your principal balance).

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