# Getting Started

**Basic Direct Loan Program Facts**

**for Medical University of Bialystok Students**

The best way for you to learn about the U.S. Federal Government's Direct Loan Program is to review the material presented on their Student Loan Website: [www.studentloans.gov](http://www.studentloans.gov) and by contacting E. Jane Sutter, the school’s U.S. Financial Aid Consultant to discuss your individual situation. Feel free to email her at: [jsutter@hmi-edu.org](mailto:jsutter@hmi-edu.org) or call/text 757 876-2056. or contact school Financial Aid Officer Elwira Baclawska at [elwira.baclawska@umb.edu.pl](mailto:elwira.baclawska@umb.edu.pl) or call 85-686-5123

**The U.S. Federal Direct Loan Program offers the following types of loans, each with different terms and conditions and each intended for specific student populations. They are:**

* **Subsidized Direct Loan:** For Undergraduate students with demonstrated

financial need, as determined by federal regulations. No interest is charged while a student is in school at least half-time, in grace the period and during deferment periods. Principal and any accrued interest do not have to be repaid while in-school.

* **Unsubsidized Direct Loan:** For both Undergraduate and Graduate students. These loans are not based on financial need; interest is charged during all periods, *even* during the time a student is in school and during grace and deferment periods. Principal and interest do not have to be repaid while in-school.
* **PLUS and GRAD PLUS :** Unsubsidized loans for the parents of dependent students and for graduate/professional students. PLUS loans help pay for education expenses up to the cost of attendance minus all other financial assistance. Interest is charged during all periods. Principal and interest do not have to be repaid while the student is in-school but they both accrue on the borrowers account. The loan for parents is referred to as “PLUS”. The loan for graduate students is referred as “GRADPLUS”.
* It is good to note that Sallie Mae offers MUL students a private loan called “ Smart Option” that may be competitive in interest and fees with the PLUS and GRAD PLUS loans in some circumstances. However, private loans do not have some of other preferred features of the Direct Loan Program. Careful consideration of all your options is advisable. Also, although other private lenders offer US students credit based loans, at this time, it is our understanding that only Sallie Mae offers their private loans to U.S. students studying outside of the United States.
* **Consolidation:** Eligible federal student loans can be combined into one Direct Consolidation Loan. Consolidating your loans may allow you to take advantage of certain benefits such as having a single monthly payment. You may also take advantage of benefits offered only in the Direct Loan Program such as Public Service Loan Forgiveness and the Income Contingent Repayment Plan.

***Student borrowers are not required to begin making payments until after they drop below half-time attendance. Additional Direct Loan postponement and repayment options are available during U.S. Medical Residency.***

* **Graduate vs. Undergraduate Status:** Your loan eligibility is very much determined by your grade level/year in school.
  + MUB students in the 6 year program are all considered undergraduate for the first 3 years of the program and graduate for the last 3 years of the program.
* **Dependent vs. Independent Status:** Your loan eligibility is also very much determined by your dependency status:
  + - All graduate students are considered independent. They do not have to submit information about their parents on the FAFSA. They are eligible for a maximum of $20,500 from Unsubsidized Direct Loans. The remainder of the funds needed to cover their Cost of Attendance (COA) from the GRAD PLUS program which is a credit based program.
    - Most undergraduate students are "dependent" unless they are 24 years

old or married in which case they are "independent". Independent undergraduate students’ parents may not apply for a PLUS loan and the student may not apply for a GRAD PLUS loan. Thus Sallie Mae Smart Option is the only available option.

* + - Undergraduate students receive increased amount of both subsidized and unsubsidized Direct Loan funding as they progress through their educational program. The amount they receive from each of the subsidized and unsubsidized Direct Loan programs differs for "dependent" and "independent" undergraduates.
    - Eligible Dependent Undergraduate Students can borrow from $5,500 to

$7,500 per academic year (2 semesters) depending on their grade level/year in school.

* + - Dependent Undergraduate student's parents may apply for the credit based PLUS Direct Loan. They can receive funding for the entire Cost of Attendance not covered by the student's Direct Loans.
    - Eligible Independent Undergraduate Students can borrow from $9,500 to

$12,500 per academic year (2 semesters) depending on their grade level/year in school.

* + - Independent Undergraduate students may not apply for GRADPLUS or Parent PLUS loans. They may apply for a Private Education Loan to receive funding for the entire Cost of Attendance not covered by the student's Direct Loans.

**Cost of Attendance:** COA is a term referring to the maximum amount that a student and/or his parent can borrow for the academic year (2 MUB semesters).

* + - The Cost of Attendance for each year of study is available in the Consumer Disclosure section of the MUB website.
    - The Cost of Attendance includes the annual tuition and fees charged by the University as well as the expected living expenses such as on or off campus rent, food, books and supplies, transportation, Direct Loan fees, and miscellaneous expenses.