

PRIMARY CARE LOAN PROGRAM

The Primary Care Loan (PCL) program is a low cost federal loan program for medical students committed to primary health care practice. The interest rate is 5 percent and begins to accrue following a one year grace period after you cease to be a full-time student. When compared to other federal student loans and private loans, the PCL provides significant savings. The loan also offers deferment of principal and interest not found in other loan programs.

SERVICE OBLIGATION

- You must enter a residency training program in family medicine, internal medicine, pediatrics, combined medicine/pediatrics, preventive medicine, or osteopathic general practice.
- You must complete your residency program within four years of graduation.
- You must practice in primary health care until the loan is paid in full.

Examples of primary health care and non-primary care residency and practice activities for the PCL Program:

<u>PRIMARY HEALTH CARE (Acceptable)</u>	<u>NON-PRIMARY HEALTH CARE (Unacceptable)</u>
<ul style="list-style-type: none">▪ Clinical Preventive Medicine▪ Occupational Medicine▪ Public Health▪ Public Policy Fellowship▪ Senior Residencies in one of the above▪ Faculty administrators / policy makers certified in one of the primary health care disciplines▪ Geriatrics▪ Adolescent Medicine▪ Adolescent Pediatrics▪ Sports Medicine	<ul style="list-style-type: none">▪ Cardiology▪ Gastroenterology▪ Obstetrics/Gynecology▪ Surgery▪ Dermatology▪ Radiology▪ Rehabilitation Medicine▪ Psychiatry▪ Emergency Medicine

What if I do not fulfill the primary care service obligation?

At the point you fail to fulfill your service obligation, the outstanding loan balance will be computed annually at an interest rate of 18 percent from the date of noncompliance.

LOAN REPAYMENT

- Repayment begins following a twelve-month grace period after you cease to be a full-time student.
- Interest at 5 percent is computed on the unpaid principal balance and begins to accrue upon expiration of your grace period unless you are eligible to defer payment.
- Loans are repayable over a period of not less than ten years nor more than twenty five years, at the discretion of the institution.

Deferment Benefits:

- Up to four years in an eligible primary health care residency program.
- Up to three years as a volunteer under the Peace Corps Act practicing in an eligible primary health care activity.
- Up to three years as a member of a uniformed service. To be eligible for deferment, you must be on sustained full-time active duty practicing in an eligible primary health care activity in the Army, Navy, Air Force, Marine Corps, Coast Guard, National Oceanic and Atmospheric Administration Corps or the U.S. Public Health Service Commissioned Corps.
- For periods of advanced professional training in primary health care.

Consolidation:

- PCL is not eligible for consolidation because of the service obligation.

Death or Disability:

- Your obligation to repay the loan will be canceled upon receipt of the required documentation in the event of your death or permanent and total disability.