



Financing Medical Education

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Outline

1. How to apply for student aid (FAFSA)
2. What are the actual numbers
3. Paying for Medical School
 - A. Loans
 - B. Scholarships
 - C. Loan Repayment/forgiveness
4. Budgeting/Financial literacy





How to Apply



- Apply online through the Free Application for Federal Student Aid (FAFSA). Note FAFSA priority deadline is April 1.
- Independent, Graduate/Professional Student
- Parental information is required by UWSOM to be considered for UW scholarship and Title VII aid.

www.FAFSA.ed.gov

MT-UWSOM Costs-higher MRPIP

1st Year (4 Quarters)		2nd Year (4 Quarters)		3rd Year (4 Quarters)		4th Year (4 Quarters)	
Resident Tuition	\$13,836	Resident Tuition	\$36,845	Resident Tuition	\$56,287	Resident Tuition	\$56,287
Books	\$3,048	Books (Step 1, Fall quarter)	\$1,854	Books (Step 2, Fall quarter)	\$1,904	Books	\$1,244
Room & Board	\$30,232	Room & Board	\$30,232	Room & Board	\$30,232	Room & Board	\$30,232
Personal	\$3,344	Personal	\$3,344	Personal	\$3,344	Personal	\$3,344
Transportation	\$2,104	Transportation	\$2,335	Transportation	\$3,028	Transportation	\$3,028
Fees	\$1,516	Fees	\$1,456	Fees	\$1,316	Fees	\$1,316
MRPIP	\$14,280	MRPIP	\$14,280	MRPIP	\$14,280	MRPIP	\$13,980
TOTAL	\$68,360	TOTAL	\$90,346	TOTAL	\$107,963	TOTAL	\$109,731

MT-UWSOM Costs-lower MRPIP

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Fees	\$1,516	Fees	\$1,456	Fees	\$1,316	Fees	\$1,316
MRPIP	\$5,712	MRPIP	\$5,712	MRPIP	\$5,712	MRPIP	\$5,712
TOTAL	\$59,579	TOTAL	\$81,778	Total	\$101,823	Total	\$101,163

Student Debt



Public
Average:
\$197,843

Private
Average:
\$222,381

MT WWAMI
\$226,272

Range
\$160-
270,000

Range
\$175-
500,000+





Student Loans



- **Most common financial aid award**
 - Direct (Stafford) Loan
 - Graduate PLUS Loan
- **Less common loans**
 - Primary Care Loan (PCL)
 - Loan for Disadvantaged Students (LDS)
 - Health Professions Student Loan (HPSL)
 - Private/Alternative Student Loan

Direct (Stafford) Loan



Federally regulated loan with funding based on FAFSA application



Eligibility ranges from \$5,500 up to \$138,000 Interest rate is fixed annually



Origination fee applies (~1% of loan amount). Interest set by Federal Govt. 2024: 6.5% and 8%



Graduate PLUS Loan



Federally regulated loan

Must not have adverse credit

Maximum loan amount is the student's cost of attendance minus any other financial aid received

Interest rate is fixed annually (2024: 9%)

Origination fee applies (~4% of loan amount)





SCHOLARSHIPS

Scholarships and Tuition Offsets

- Scholarship for Disadvantaged Students (not all schools have this)
- National Health Service Corps
- Military Health Professions Scholarship Program
- Private Scholarships*



National Health Service Corps Scholarship



- Scholarship pays for tuition, fees, educational costs, and a monthly living stipend
- Commitment to work at least 2 years in a medically underserved area
(<http://nhsc.hrsa.gov/>)
- Breakout session on NHSC and Montana Loan Repayment for those interested.

Military Health Professions Program

- Army, Navy, and Air Force
- Scholarship pays for tuition, fees, other educational costs, and a monthly stipend
- Service requirement
- Gain rank through training





Montana Medical Programs



WWAMI (in state tuition first 2 years)

- 30 spots yearly for Montana students

WICHE- Professional Student Exchange Program

- 5-6 Spots yearly for Montanans (not at schools in Montana)
- Pending biennial legislative approval
- <http://www.wiche.edu/psep>





LOAN REPAYMENT OPTIONS

Loan Repayment/Forgiveness Options



- Public Service Loan Forgiveness
- State Loan Forgiveness
 - MRPIP
- National Health Service Corps
- Military*
- Hospital/employer based*

Public Service Loan Forgiveness



- Work full-time in a public service job (government or not-for-profit job)
- Remaining balance forgiven after 120 on-time monthly payments (10 years)
- Federal Direct Loan Borrowers (Stafford and Grad PLUS)
- **Must make income-based repayments**
- <https://studentaid.ed.gov>



Montana



- Montana Rural Physician Incentive Program (MRPIP)
\$150,000 over 5 years
- Helps pay debts of physicians practicing in rural and underserved parts of MT
- Comes out of fees assessed on MT med students going to WWAMI or WICHE programs.
- <https://mus.edu/Prepare/Pay/Loans/MRPIP.asp>



National Health Service Corps



Loan Repayment Program

- Pays up to \$75,000 towards loan debt for 2 year contract
 - Workshop available to talk about this more if interested.
 - Specialty/location specific
- <https://nhsc.hrsa.gov/loanrepayment/>





FINANCIAL LITERACY

Financial Literacy



Before you start medical school:

- Reduce or eliminate any monthly financial obligations: **credit cards**, car payments, cell phone
- Create a realistic, conservative budget
- Understand the cost of attendance and how financial aid will assist you
- Save as much money as possible prior to the start of school-work on a savings cushion for emergencies
- Protect your credit report
- Apply broadly for scholarships!

Budget based on UWSOM

- \$35,680 room, board, transportation, personal (3000/month)
 - Rent/mortgage, insurance, phone, utilities
 - Credit card
 - Food
 - Transportation
 - Car payment/insurance
 - Health (gym, equipment, meds etc)
 - Incidentals
 - Fun stuff/social
 - Emergency fund



What does repayment look like?

- UWSOM Total: \$200,000* for four years tuition, living expenses, and costs
 - At 5% interest rate for 30 years this is \$1100/month (10 years \$2150/month)
 - At 5% interest rate x 30 years you pay total \$396000 (difference of interest \$196000)
 - At 8% for 30 years this is \$1470/month (10 year term \$2425/month)
 - Interest paid over 30 yrs: \$328,000 (over 10 yrs 91K)





SO HOW DO YOU DO IT?





So how do you do it?



Montana average salaries:

Primary care \$210,000

Specialty care \$260,000



So how do you do it?



- Budget & don't be extravagant
- Keep living like you are in medical school/resident as long as you can
- Try to consolidate loans at lower rates
- Look for scholarships early and often
- Look for loan repayment at every opportunity

Questions?

- <https://www.uwmedicine.org/school-of-medicine/md-program/financial-aid>

