

Forbearance for Health Professionals

Forbearance is an adjustment to your repayment schedule. During forbearance, interest accrues, and you will be responsible for paying it. Unpaid interest will be capitalized, or added to the principal, when the forbearance ends. You may be eligible for forbearance if you meet any of the following conditions:

- Economic hardship
- Internship or residency
- Excessive debt
- Disaster
- Identity theft
- Military mobilization
- National and community service
- Temporary disability

Eligibility

All Stafford loans, PLUS loans, Direct loans, and FFELP and Direct Consolidation loans may be eligible for a forbearance provided you meet the qualification criteria. Even if you have exhausted your eligibility for internship/residency deferment, or your promissory note does not provide for an internship/residency deferment, you may still be eligible for internship/residency forbearance. If you are not eligible for a certain type of forbearance, you may qualify for deferment, lower payment options, or other types of forbearance. Contact your servicer to confirm loan eligibility for a forbearance.¹

How do I apply for forbearance?

You can obtain an application from your servicer (the company that sends your student loan bills), complete the application, and return it to your servicer for review along with any supporting documentation required on the application. Some servicers may grant a verbal forbearance over the phone. If you're not sure who your servicer is or how to reach them, please contact American Student Assistance® (ASA) at 866.493.5563 or information@amsa.com. Based on your individual situation, your servicer will determine whether or not to grant forbearance. You should continue to make your monthly loan payments until your servicer notifies you that your forbearance has been granted. You can contact ASA® or your servicer if you have questions about whether you may qualify for forbearance and how to apply.

What happens if I don't repay or postpone my loan?

If you don't make a scheduled payment, your loan will be considered delinquent, which can negatively impact your credit. If you don't make payments on your loan for 270 days, it will go into default. The following serious consequences can result from default:

- Negative information will be reported to the consumer reporting agencies, will appear on your credit reports, and will remain for at least 7 years.
- Your state and federal tax refunds can be seized.
- Your wages can be garnished by your loan holder.
- Legal action can be taken.
- You may be disqualified from borrowing additional student loans while your loan is in default.
- You will be ineligible to receive all forms of federal student aid.
- Your ability to borrow other loans (car, mortgage, etc.) may be impacted.
- Employment opportunities may be affected.

Whenever you have trouble repaying your student loan, contact your loan servicer or ASA immediately—we can help explain the options available. For more information on qualifying and applying for a deferment, please contact ASA at 866.493.5563 or information@amsa.com.

¹Borrowers of SLS and health professions student loans (HPSLs) are encouraged to contact their lenders or servicers for information regarding forbearance eligibility. Borrowers of health education assistance loans (HEALs) are encouraged to contact their institutions' student loan offices for information regarding forbearance eligibility.