Dear Student:

Greetings from the Tulane University Health Sciences Office of Financial Aid. We know you must be proud and excited about the next academic step you are about to undertake. However, we expect that one of your concerns is, “How am I going to afford to pay for medical school without mortgaging my future?” Let us assure you, this important and valid question is being asked by many of your peers who are facing a similar situation. In fact, the question should be asked by all students entering medical school. We hope the following information will help you in exploring your financial options and making decisions regarding your medical education.

Each year, more and more medical students find it necessary to rely upon student aid programs in financing their medical education. Last year nearly 80% of Tulane medical students applied for and received some form of financial assistance. As a new student, we want to inform you of the financial aid programs available and how we determine your eligibility for those programs.

**FINANCIAL AID APPLICATION PROCESS**

Applying for financial aid is a relatively simple process. The key is to start early and to be complete and accurate in your answers to required application questions and in your submission of required documents. We must receive the following items before your aid application is considered complete and ready for processing:

1) Results from your completion of a **2017-2018 Free Application for Federal Student Aid** (a/k/a **2017-2018 FAFSA**). NOTE: We encourage you to complete the FAFSA online by using “FAFSA on the Web” at: [www.fafsa.ed.gov](http://www.fafsa.ed.gov). If you completed a FAFSA last year (2016-2017), then you may be eligible to complete a “Renewal FAFSA on the Web”. Check out [www.fafsa.ed.gov](http://www.fafsa.ed.gov) for more details.

2) A completed 2017-2018 Tulane School of Medicine Financial Aid Addendum (addendum is available at our web site).

3) Other documentation as requested (refer to the 2017-2018 Financial Aid Application Checklist).

That is basically all there is to the initial application process.

**FINANCIAL AID INFORMATIONAL RESOURCES**

Please take time to carefully review all of the information on the application process which can be found on our website [http://tulane.edu/financialaid/hsc/som/som-application.cfm](http://tulane.edu/financialaid/hsc/som/som-application.cfm) regarding the application for financial aid.

Your FAFSA data is used in determining your financial need and, therefore, the amount and type of federal student loan programs for which you qualify. For descriptions of the federal loan programs please refer to the “Tulane University, A Comprehensive Guide to Graduate Financial Aid,” which is available on our web site.

We highly recommend that you visit the website ([https://www.aamc.org/services/first/first_for_students/](https://www.aamc.org/services/first/first_for_students/)) that the Association of American Medical Colleges (AAMC) and its members have developed for medical students known as: **FIRST** for Medical Education. Detailed information is provided about the sources of funding available to medical students. Emphasis is placed on maintaining your own financial health, living on a student budget and the importance of maintaining good credit. Please take time to visit this excellent informational resource.
SCHOLARSHIPS

TULANE SCHOLARSHIP PROGRAMS
The Tulane School of Medicine administers several scholarship programs, all of which are listed in the school’s Bulletin/Catalogue. Scholarship awards are generally determined either by academic merit and/or financial need. The Admissions Committee automatically considers all accepted students for scholarships awarded strictly upon the basis of academic merit. Your completion of the FAFSA and the Financial Aid Addendum (complete with all requested parental data) are required for the Office of Financial Aid to evaluate your eligibility for a Tulane need-based scholarship. Scholarship awards vary in amount with the average award being approximately $5,000 per academic year.

MILITARY SCHOLARSHIPS
The U. S. Army, Navy, and Air Force offer full scholarships, covering tuition and fees, and a stipend for books, supplies, and living expenses. In exchange for their financial assistance, you agree to serve the military’s medical needs for a period of time following your graduation and residency. If you would like information about military scholarship programs we recommend that you contact your local recruiter or visit the following internet addresses:

Army:  http://www.goarmy.com/amedd/medical/corps_benefits.jsp
Navy:  https://www.navy.com/joining/college-options/hpsp.html

NATIONAL HEALTH SERVICE CORPS SCHOLARSHIPS
This highly competitive scholarship program is available for students interested in the primary care specialties and committed to serving part or all of their career in a health professional shortage area. The NHSC program pays for tuition and fees, books, supplies and equipment for up to four years and a monthly stipend for living expenses. For information and application materials call (800) 221-9393 or visit the following website: http://nhsc.hrsa.gov/scholarships/index.html.

PRIVATE SCHOLARSHIPS
Many foundations, organizations, and other entities offer financial support to medical students. We strongly urge students to take an aggressive approach in attempting to secure such support on their own. An excellent way to search for possible private scholarships and loans is on the Internet at the following URL address: http://www.finaid.org. Potential private sector assistance may also be found by contacting your local chamber of commerce, hospitals, and medical society. You should attempt to identify any support that may be available to you by virtue of your ethnicity, race, gender, religion, and social organizations to which you or your family may belong.

LOANS

WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM
The Federal Direct Unsubsidized Loan program will typically be a major source of financing for Tulane medical students. If eligible, students may borrow up to $40,500 per year of Federal Direct Unsubsidized funds. “Unsubsidized” means that the student pays the interest on the loan while in school (or agrees to capitalize the interest and add it to the principal upon repayment).

The fixed interest rate for loans borrowed between 7/01/16 and 6/30/17 is 5.31%. The interest rate for each academic year can be described as variable-fixed. In June of each year, the interest rate for the following academic year is determined by the government. Loans taken out that year will have an interest rate that is fixed for the life of that loan (meaning until the loan is paid off). The next year, the process is repeated and the interest rate for that year is determined.

FEDERAL PERKINS LOANS
Congress has terminated the Federal Perkins Loan program effective 10/01/2015, and so, no awards can be offered to incoming students.

FEDERAL DIRECT GRADUATE PLUS LOANS
The Federal Direct Graduate PLUS Loan program, introduced in 2006, is an unsubsidized loan which requires that the borrower pass credit worthiness criteria. Eligible borrowers may borrow up to the cost of attendance less other aid received. The fixed interest rate for loans borrowed between 07/01/16 and 6/30/17 is 6.31%. The interest rate for a Graduate PLUS loan will adjust in the same manner as the Federal Direct Unsubsidized Loans.
NON-FEDERAL PRIVATE ALTERNATIVE LOANS
Private alternative loans are non-federal credit based loans that usually have variable interest rates, thus you need to check with your lender regarding the exact terms. These loans require that the borrower pass credit worthiness criteria and allow for students to borrow up to the cost of attendance less other aid received. Students who are eligible are recommended to borrow from the Federal Direct Graduate PLUS Loan program.

LOANS FOR DISADVANTAGED STUDENTS
This loan program is designed for students who are either financially disadvantaged or come from an environment which would inhibit a student from obtaining the MD degree. The amount of the award depends on the availability of funds. You must submit a signed copy of your parents’ 2014, 2015 and 2016 federal income tax returns if applying for this program.

PRIMARY CARE LOANS
The US Department of Health and Human Services (DHHS) offers this loan program whereby recipients must sign an agreement to enter a primary care field of medicine, with primary care being defined as either family practice, pediatrics, or general internal medicine. Should a recipient deviate from these areas of medicine, or begin a sub-specialty training program after completing residency, a significant monetary penalty is assessed. Therefore, with only rare exceptions, this program is somewhat less desirable for first year medical students (since most students wish to experience the medical school curriculum before committing to a primary care field). Eligibility for the Primary Care Loan requires full disclosure of parental information by the applicant, including submission of a signed copy of your parents’ 2014, 2015 and 2016 federal income tax returns. For more information on the primary care loan, visit the following website: http://www.hrsa.gov/loanscholarships/loans/primarycare.html.

THE FINANCIAL AID PROCESS - REVISITED
Once your Tulane financial aid file is complete, we will determine your eligibility for the various available aid programs. We will send you an award notification letter detailing the types and amounts of aid for which you are eligible. You must go to Gibson Online and accept, reduce, or decline that aid that was offered to you. Your financial need is calculated by subtracting your calculated expected contribution towards your educational costs from the university’s approved cost of attendance budget. The 9 1/2 month budget for first year medical students during the 2017-2018 academic year is not available yet, so the 2016-2017 academic year is as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition &amp; Fees</td>
<td>$60,234.00</td>
</tr>
<tr>
<td>Books &amp; Supplies</td>
<td>1,500.00</td>
</tr>
<tr>
<td>Room &amp; Board</td>
<td>14,372.00</td>
</tr>
<tr>
<td>Transportation</td>
<td>3,152.00</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>3,030.00</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,654.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$83,942.00</strong></td>
</tr>
</tbody>
</table>

Federal regulations governing financial aid allow for some adjustments to a student’s budget in situations of unusual financial circumstances. If you provide us with a written request, including documentation of circumstances and specific expenses incurred, we will reconsider your budget and award.

TULANE BILLING POLICIES
Tulane bills students at the start of each semester during the academic year. Each billing is for one-half of the year’s tuition and fees plus any other charges incurred (such as bookstore purchases, campus controlled rent, monthly parking fees, etc.). Your first billing will also usually include the fall portion of the cost of the university’s health insurance, although this amount may be canceled if you provide proof of coverage under another health insurance program. At the end of each month a finance charge is applied to any unpaid account balance on your student account. Contact the Tulane University Accounts Receivable Office (504-865-5368) or visit their web site (http://pandora.tcs.tulane.edu/acstrec) if you have any questions regarding your billing statements. WE ENCOURAGE YOU TO VISIT THE AFOREMENTIONED ACCOUNTS RECEIVABLE OFFICE WEBSITE TO SIGN UP FOR DIRECT DEPOSIT OF ALL FUTURE TULANE REFUNDS. FAILURE TO DO SO MAY RESULT IN A DELAY IN THE DISBURSEMENT OF YOUR SCHEDULED REFUND. You should establish a realistic budget for your living expenses. Determine what amount of your financial aid will be needed to help you meet your living expenses. WE RECOMMEND THAT YOU ARRIVE AT SCHOOL WITH ADEQUATE FUNDING TO FINANCE YOUR LIVING EXPENSES FOR THE FIRST TWO MONTHS.
CREDITWORTHINESS TESTS FOR SUPPLEMENTAL LOAN PROGRAMS

For Federal Direct Graduate PLUS Loans and/or non-federal private loans, a creditworthy evaluation on all applicants is performed. Student borrowers (and/or their co-signers for non-federal private loans) must pass the lender’s creditworthiness standards prior to their approval of a supplemental loan application. (NOTE: There is no creditworthiness evaluation requirement for the processing of Federal Direct Unsubsidized Loans, Loans for Disadvantaged Students, or Primary Care Loans.)

Before applying for Federal Direct Graduate PLUS loans or non-federal private education loans (or if you are ever denied credit), you should request a copy of your credit report from a local agency or from one of the national credit reporting agencies. Review the report carefully, paying particular attention to the number of accounts, total account balances, and the timeliness of payments. If you find any derogatory information that appears to be incorrect, you should contact the credit reporting agency. Unfortunately, errors can occur in your credit report. Common reasons for errors are: inconsistent reporting by creditors, wrong or misplaced dates, wrong amounts, double reporting, incorrect reporting due to common names, parents and students having the same address and name, and incomplete reporting of demographic information. Items that are reported in error can be corrected, but it can take several months to have the corrections made. In order to expedite delivery of a private loan for your medical education, you should correct any credit problems prior to starting the loan application process.

Most credit reporting agencies will charge you a fee for your credit report. These fees can vary by your state of residence. Thus, you should call the credit reporting agency to verify the fee before you mail your request. Submit the fee by check or money order made payable to the company from which you are requesting the credit report. You are entitled to a free copy of your credit report if you have been denied credit within the past 60 days. Here is a listing of the three major national credit reporting agencies:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Phone Number</th>
<th>Website</th>
</tr>
</thead>
</table>

When a medical student faces a dire emergency, Tulane is able to offer a short-term loan. Emergency loans are in amounts of up to $500 and students are allowed a maximum of two loans (or total of $1,000) per academic year. Loans not repaid within 30 days are assessed at an interest rate of approximately one and one-half percent per month.

FINAL COMMENTS

For now, you need to adhere to the following schedule:
1. Complete the 2017-2018 FAFSA and submit it to the federal processor after October.
2. Complete the 2017-2018 Financial Aid Addendum online after October.

Watch for financial aid correspondence via e-mail. Most financial aid applicants should hear from us between March and April about their financial aid package.

We hope this letter proves informative to you. If you need additional information, or have any questions concerning the material provided, please visit our web site ([http://tulane.edu/financialaid/hsc/](http://tulane.edu/financialaid/hsc/)) or feel free to contact our office at (504) 988-6135. Again, congratulations on your pursuit of a Tulane medical education. We wish you continued success in the upcoming academic year.

Sincerely,

Michael T. Goodman
Associate Vice President
University Financial Aid