Sources of Aid for Physician Assistant Students

University of Iowa Campus-Based Federal Loans

1. **Federal Direct Unsubsidized Stafford/Ford Loan**: This is a non-deferred, non-need-based federal loan program with many of the same terms and conditions as the Federal Direct Subsidized Stafford Loan Program. At this writing, the maximum loan for graduate study is $20,500 per year. There is an overall educational loan indebtedness cap under the Stafford program of $138,000. The unsubsidized loan is not based on financial need and does not include interest subsidy during in-school periods. *Borrowers are responsible for accrued interest either by making quarterly interest payments while in school, or by delaying interest payments until after graduation.* The annual interest rate charged during repayment on all Stafford Loans will be a fixed rate of 6.8% for all loans disbursed on or after July 1, 2006. The interest rate charged during repayment on all Stafford Loans disbursed prior to July 1, 2006 will be an annual variable interest with a cap of 8.25%.

2. **Federal Direct PLUS Loan**: Beginning July 1, 2006, graduate students are able to borrow PLUS loans (previously these loans have been available only to the parents of dependent undergraduate students). These loans are unsubsidized loans and currently have a fixed interest rate of 7.9% which begins to accrue at disbursement. The limit for PLUS loans is your Cost of Attendance minus other financial aid awarded. Passing a satisfactory credit check is required to be eligible to receive this loan.

3. **Federal Perkins Loan**: This is a federally funded loan program administered by The University of Iowa Office of Student Financial Aid. To be eligible, you must be at least a half-time student with financial need of more than half of your overall educational costs. There is a $40,000 lifetime maximum limit, including undergraduate Perkins loans. There is a nine-month grace period after the borrower ceases to be at least a half-time student. The interest rate is fixed at 5% per annum simple interest beginning when the loan enters repayment. The repayment period is up to ten years however PA students who practice for a total of 5 years will have their Perkins loan forgiven as long as they file the appropriate paperwork through the University’s servicer, ECSI. More information can be found at: [http://www.ecsi.net/prospects2/contact.html](http://www.ecsi.net/prospects2/contact.html)

5. **Institutional Grants**: May be awarded to students, based on specific financial criteria, and determined each year depending on availability of funds.