



TRACK 6 – PARENT PLUS LOANS

You are receiving this plan of action because we have determined that you have Parent Plus Loans in your student loan portfolio. There are two main types of Parent Plus Loans: Direct and FFEL.

Whether you have older FFEL Parent Plus Loans or Direct Parent Plus Loans, these must be consolidated to qualify for PSLF.

These loans can be forgiven if the borrower works for an eligible employer, is on the Income-Contingent Repayment (ICR) plan and makes 120 monthly payments (cumulative). If you have your OWN student loans from your higher education, you can consolidate all loans together. Please remember that the parent is the borrower and is responsible for the loan, not the student.

One option for Parent Plus borrowers is to do the “double consolidation” process (*see page 5*) so that you are potentially eligible for additional income-driven repayment programs that may have more favorable monthly payments than ICR. This is a highly technical process that you need to educate yourself on and seek support if you are unsure about your options. If you choose to forego the double consolidation, you will complete the consolidation steps below.

About the Income Driven Repayment Account Adjustment Opportunity

Student loan borrowers, we are excited about another federal student loan benefit available until December 31st. While there are many technicalities to it that we will explain later, the biggest takeaway for us regarding PSLF is that the government will count time in forbearance or incorrect payment types toward PSLF.

This means you have this final chance to change your loan type and have these previously ineligible payments count toward forgiveness. Consequently, many more public servants are now eligible for forgiveness! You could be one of them!

Further, if you have loans with different payment counts, your new Direct Consolidation Loan will take on the highest payment count of all underlying loans. For example, if you have a loan with 2 years of qualifying payments, and an older loan with 8 years of payments, consolidating both loans will result in them being counted as if you had paid on them both for 8 years.

The goal is to get your loans eligible for PSLF by consolidating all loans down to one or two Direct Consolidation Loan(s). At most, at the end of this process, you will have a Direct Subsidized Consolidation Loan and a Direct Unsubsidized Consolidation Loan (assuming you had both subsidized and unsubsidized loans prior to consolidation).

How To Do a Loan Consolidation

**Note: If you have Direct Loans that need to be consolidated and have been making payments on your Direct Loans during the COVID-19 forbearance, BEFORE you consolidate, you should contact your servicer and ask for a refund. Then, proceed with the steps below after the refund has been processed. Again, this only applies to payments made on DIRECT loans. You are not eligible for a refund of payments made on FFEL, Perkins, or HEAL loans.*

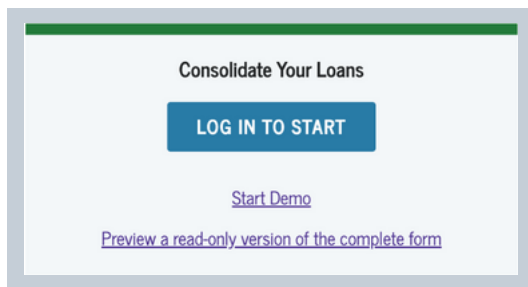
PLAN A: FOR BORROWERS WITH PARENT PLUS LOANS ONLY

Your next step is to consolidate and select the Income-Contingent Repayment (ICR) plan, which is the only eligible income-driven repayment plan for PSLF for new Direct consolidated loans from Parent Plus Loans.

Here is what you need to do to consolidate your loans (if you forego the double consolidation):

1. Sign into your studentaid.gov account to get started:
<https://studentaid.gov/app/launchConsolidation.action>

**Note that the site also has a Demo option available so that you can preview the steps.*



2. In the first step, select all your loans so that they will be consolidated.
3. Select 'Do not delay processing' in the Grace Period drop-down menu.
4. Under the Servicer Selection, select "yes" to indicate that you are pursuing PSLF.

5. Per the instructions, select MOHELA as your servicer from the drop-down menu.
 - 1.6. In the next step, you will select an Income-Driven Repayment (IDR) plan. Toggle the button next to "Show payment estimated under Public Service Loan Forgiveness (PSLF)." Because you are consolidating Parent Plus Loans only, IDR plan that always qualifies for PSLF is the Income-Contingent Repayment (ICR). You will not be eligible for REPAYE, PAYE, or IBR, so the website will not display a monthly payment amount for those options.

How To Do a Loan Consolidation (Cont'd)

**Important: Repayment plans that are NOT eligible for PSLF may be displayed, as in the example screenshot below. We have crossed out the plans that are NOT eligible for PSLF and highlighted in green the ones that are. In this example, the borrower would choose either REPAYE or PAYE since they both are eligible for PSLF and have the lowest estimated payment. It is crucial that you choose a repayment plan that qualifies for PSLF.*

The standard repayment plan that appears in the screenshot below does NOT qualify for PSLF. The Standard repayment plan only qualifies if it is the 10-year/120-month term repayment plan.

Repayment Plan	Estimated Monthly Payment	Total Payment	Term	PSLF Eligible
Standard	\$407 - \$407/month	\$146,362	360 months	No
Graduated	\$355 - \$527/month	\$156,828	360 months	No
Extended Fixed	\$432 - \$432/month	\$129,747	300 months	No
Extended Graduated	\$355 - \$615/month	\$140,475	300 months	No
Revised Pay As You Earn (REPAYE)	\$324 - \$571/month	\$52,660	120 months	Yes
Pay As You Earn (PAYE)	\$324 - \$571/month	\$52,660	120 months	Yes
Income-Based Repayment (IBR)	\$486 - \$715/month	\$75,655	120 months	No
IBR for New Borrowers	\$324 - \$571/month	\$52,660	120 months	No
Income-Contingent Repayment (ICR)	\$632 - \$661/month	\$76,849	120 months	No

7. Select an Income-Driven Repayment plan from the drop-down menu:

Repayment Plan Request

Choose the repayment plan for your new Direct Consolidation Loan:

8. Complete the remainder of the application (read the terms and conditions, enter personal information, review, and sign).

Per the studentaid.gov site: “There is no application fee to complete a Direct Consolidation Loan application. You may be contacted by private companies that offer to help you consolidate your loans, for a fee. These companies have no affiliation with the U.S. Department of Education (ED) or ED’s Federal Loan Servicers.” We are highlighting this so that you are aware that you do not need to pay for services to pursue PSLF. See below for numbers to call and free resources, including a PSLF Support Group on Facebook.

How To Do a Loan Consolidation (Cont'd)

PLAN B: FOR BORROWERS WITH BOTH PARENT PLUS LOANS AND THEIR OWN STUDENT LOANS:

Your next step is to consolidate and select the Income-Contingent Repayment (ICR) plan, which is the only eligible income-driven repayment plan for PSLF for new Direct consolidated loans from Parent Plus Loans.

To be eligible for PSLF on all your loans, you will need to consolidate if you have:

- Parent Plus Loans and
- Your own federal student loans: Direct, FFEL, Perkins, or HEAL.

When completing the consolidation application, you will need to choose all loans to consolidate, select the Income-Contingent Repayment (ICR) plan, which is the only eligible income-driven repayment plan for PSLF for new consolidated loans from Parent Plus Loans.

Once the consolidation is complete, you will need to submit a PSLF Application for all PSLF-eligible employment. If your loans and your employment date back to October 1, 2007, certify all your employment back to October 2007.

If you have not met the 120 months of qualifying public service, you will continue to re-certify your Income-Contingent Repayment plan as well as your employment with the PSLF Application annually until forgiveness.

** Note: It is important that you re-certify income by the deadline each year.*

Please heed a potential risk involved with consolidating Parent Plus loans with non-Parent Plus loans. The Parent Plus loan's only PSLF-eligible repayment option is the Income Contingent Repayment plan. This plan requires a higher payment calculation than the other PSLF-eligible repayment plans. The risk is to people taking action who have newer non-Parent Plus loans mixing with newer Parent Plus loans. If you are in that situation, then please join office hours to discuss when you received both sets of loans to let our loan expert evaluate your best course of action.

Double Consolidation of Parent Plus Loans, Optional

For some borrowers, the ICR plan is 20% of a borrower's discretionary income, which can become a high monthly payment over a 10-year period.

However, there is a work-around to access the other PSLF-eligible IDR plans through the so-called double-consolidation loophole described in further detail here:

<https://www.studentloanplanner.com/parent-plus-double-consolidation/>

How To Sign and Submit the PSLF Certification and Application

Using the online [PSLF Help Tool](#), complete a PSLF Application for each eligible employer since October 1, 2007, and for any employment that overlaps repayment of student loans to submit for signature.

Before you begin, you will need to know your employment dates and the best point of contact to e-sign your form plus their email address. If you are unsure, contact payroll at your current and/or previous employers to verify.

NEW Digital PSLF Application Process – RECOMMENDED METHOD:

To complete a new PSLF Certification and Application, you will need to log in with your account username and password (FSA ID). As you go through the tool, you will have an opportunity to apply your digital signature. Following that action, you will be presented with information and prompts to request your employer's signature. You will need to provide the correct email address for an authorizing official to receive an email from us requesting they certify your employment and digitally sign the form.

Your employer knows to expect an email from DocuSign (dse_NA4@docusign.net) on behalf of the Department of Education's office of Federal Student Aid. Once digitally signed, your form will be electronically submitted to the PSLF servicer (MOHELA) for processing.

Baptist Health's Point of Contact is:

Shannon Wilkerson and Sandra Harris

Email: payroll@baptist-health.org

IMPORTANT: Baptist employees should use a personal email address to sign the PSLF Application via DocuSign, not a Baptist Health email account.

PSLF Applications will be processed within 24 business hours of receipt.

Locations & EINs

Address:

For the purposes of the PSLF Application and Employment Certification Form, all Baptist Health Locations, regardless of physical location, use the same address:

9601 Baptist Health Drive, Little Rock, AR 72205

Baptist Health Location EINs:

Stuttgart: 61-1570855

Conway: 46-1629800

Fort Smith (Hospital): 82-5426152 – *includes Van Buren*

Fort Smith (Clinics): 82-5433043

Baptist Health Extended Care (BHEC): 26-1286647

Baptist Health: 71-0236856 – *includes Little Rock, North Little Rock, Heber Springs Hospital, Hot Spring County, Arkadelphia, and Baptist Health Rehab Institute (BHRI)*

Foundation: 23-7169407

Parkway Village: 71-0574341

Parkway Health Center: 71-0675933

Arkansas Health Group: 71-0781138

PSLF Tips:

If you are certifying your employment for the first time and have had multiple employers since October 1, 2007, you will need one form for each employer. Make sure you have the best email address for your previous employer(s) before beginning. Create and submit ALL new PSLF Applications at the same time.

*Note: If you have worked for the same employer but had breaks in employment, you will need a separate form for each work period. For example, if you worked for Baptist Health from 2010–2012, went to work somewhere else from 2012–2020, and then returned to Baptist Health in 2020 until present, you will need to submit two forms to Baptist Health (one for 2010–2012 and another for 2020–present) and a separate form to your employer from 2012–2020, assuming they are a qualifying employer.

Make sure you remain eligible for PSLF moving forward.

Certify your IDR Plan: Your student loan servicer will remind you to recertify your IDR Plan annually. You must recertify your income by the deadline, or you will see your monthly payment jump to the 10-year standard repayment amount. Set a reminder on your calendar and stay on top of this!

Certify Employment: Certify your PSLF-eligible employment every 12 months using the PSLF Help Tool.

PSLF Tip: Public servants are not obligated to work at a qualifying employer and pay 120 months (10 years) consecutively to remain eligible for and receive PSLF. Public servants leave the public sector to work in the private sector or take time off all the time. Furthermore, anyone can return to public service to resume earning qualifying PSLF months towards PSLF again. Most importantly, once you have certified any of your past PSLF employment, your progress towards the 120 months is officially certified, so you do not need to continue to submit applications for the same periods of past employment.

Letters/Communication You May Receive

Pay Attention To:

- 1. Consolidation Cancellations** - You may not get a letter about this, but we have heard of consolidations being cancelled mid-process. It is not right, but it is happening and should be monitored. The easiest way to track is for you to keep an eye on your student loan account at your current servicer and once it zeroes out, that indicates movement to MOHELA.
- 2. IDR Plan Determinations** - If you get a monthly payment that is vastly different than what was indicated on your consolidation or IDR application, you need to contact your loan servicer to discuss and correct this.
- 3. PSLF Application Rejections** - Carefully read the reason(s) that your application is being rejected, fix/correct it, and resubmit as soon as possible.

Who to Call

The U.S. Department of Education's Federal Student Aid Office awards all federal student loans to student loan borrowers and is the primary resource for PSLF. The U.S. DOE awards contracts to student loan servicers to carry out the day-to-day management of federal student loans. Federal Student Aid is charged with oversight of those contracts.

Website: <https://studentaid.gov/about>

1. Contact the FSA if you have any questions about any of the following:

- Who is my loan servicer?
- Income-driven repayment plan application, recertification, and changes
- Loan consolidation
- Technical support for the Public Service Loan Forgiveness (PSLF) Tool on StudentAid.gov

Website: <https://studentaid.gov/help-center/contact>

Phone: 800-433-3243

2. Contact your loan servicer, the company that sends you statements and to whom you send monthly payments, if you have any questions about your current student loans and/or your account.

All federal student loan servicers are listed on FSA's website.

Website: <https://studentaid.gov/manage-loans/repayment/servicers>

MOHELA: Is the loan servicer for PSLF accounts

Website: <https://www.mohela.com>

Phone: 888-866-4352

3. Escalation Pathways

If you believe that there has been an error regarding:

- Your income-driven repayment plan determination,
- Your PSLF application for qualifying employment, and/or
- Your qualifying payment count toward 120

Start by contacting your loan servicer's customer service, which should be MOHELA.

If their response is dissatisfactory, go to Federal Student Aid and file a complaint via your online account

Website: <https://studentaid.gov/feedback-center/>

It is also recommended to file a complaint with the Consumer Financial Protection Bureau

Website: <https://www.consumerfinance.gov/complaint/>

You may also want to consider filing a request for help with your state Attorney General.

4. PSLF Reconsideration Portal

If after following these escalation pathways you are still dissatisfied with the results of your payment count or employer qualification, you can file a complaint via the Reconsideration Portal to get the DOE and FSA to look at your account again to reconsider:

- Payment Count and/or
- Employer Qualification

Website: <https://studentaid.gov/manage-loans/pslf-reconsideration>

PSLF Tip: if you need PSLF Reconsideration of Payment Count and Employer Qualification, you are advised to submit your case under both options for two requests.

Recommendations

Documentation

From the time you take out any student loans until you achieve PSLF, it is strongly advised to keep ALL documents related to your PSLF Journey. Examples of documentation would be:

- Master Promissory Notes
- Consolidation applications
- Income Driven Repayment applications
- Income tax returns, W2s, and paystubs
- Checking account statements
- Student Loan billing statements and payment confirmations
- Copies of completed PSLF Applications and copies of acceptance/rejection from the loan servicer
- Any emails or other correspondence between you and FSA, your loan servicer, etc.
- Print a hard copy of anything that you receive in the inbox of your online account
- Document each time you make a phone call or send a Direct Message via social media to your student loan servicer. Make sure to include the date, time, customer service representative name and ID #, and the purpose of your call/message

Stay informed

If you are on Facebook, join the [Public Service Loan Forgiveness Program Support Group](#). They currently serve 150,000+ members on their journey toward PSLF. The goal of the group is to provide primary source updates regarding the program affecting public servants in all 50 states and the District of Columbia.

Website: <https://www.facebook.com/groups/pslfprogramsupport>

Remember

- PSLF is a long-term commitment.
- It is in your best interest to keep all the documentation for your files related to your 10 years of qualifying employment and the 120 qualifying payments you make.
- If you need to submit proof of anything later, send a copy rather than your original.
- Stay up to date on news and developments related to federal student loans. There is a lot of discussion in the current administration about the future of student loans and the many positive fixes coming to the PSLF program!