



PRIMARY CARE LOAN

What is the Primary Care Loan?

The Primary Care Loan (PCL) is a low cost federal loan program for medical students committed to primary care health care practice. The interest rate is fixed at **5%** and begins to accrue following a **1 year grace period** after you cease to be a full-time student. The loan also offers deferment of principal and interest not found in other loan programs.

The PCL can act as a consolidation loan by paying off other educational loans borrowed while at OUHSC during medical school. The amount you can borrow is based on your eligibility and on the amount of PCL funds available to our office.

How do I qualify for a PCL?

You must:

- Be enrolled as a full-time student in a degree program leading to a doctor of medicine,
- Be a US citizen or eligible non-citizen,
- Not owe a federal grant refund or be in default on any federal loans,
- Maintain good academic standing, and
- Be registered with Selective Service if required by law.

What is the service obligation for PCL?

You must:

- Enter a residency training program in family medicine, internal medicine, pediatrics, combined medicine/pediatrics, general practice, or preventative medicine,
- Complete your residency program within 4 years of graduation, and
- Enter and remain in primary health care practice for either 10 years, including residency, or through the date on which the loan is repaid in full, whichever occurs first. *Annual certification is required.*

Examples of acceptable practice activities:

- Primary care clinical practice
- Clinical preventative medicine
- Senior/Chief Resident in primary care residency program
- Geriatrics
- Adolescent medicine or adolescent pediatrics
- Urgent care
- Sports medicine
- Hospitalist

Examples of unacceptable practice activities:

- Cardiology
- Gastroenterology
- Obstetrics/gynecology
- Surgery
- Dermatology



- Radiology
- Rehabilitation medicine
- Physical medicine
- Emergency medicine
- Any other subspecialty training or certification
 - You may obtain additional certification in primary health care while fulfilling your service obligation, as long as you complete your primary care residency program within 4 years after graduation. For example, if your primary care residency is completed in 3 years after graduation, you may obtain certification in an area of training to enhance your primary health care practice at any time and it will be considered an acceptable activity for fulfillment of your service obligation. However, you may not do additional training or obtain certification in any non-primary health care sub-specialty.

What if I do not fulfill the PCL obligation?

At the point you fail to fulfill your service obligation, the outstanding loan balance will be computed at a fixed interest rate of **7%** from the date of non-compliance, compounded annually.

When does PCL repayment begin?

Repayment begins following a 12 month grace period after graduation.

Interest is computed on the unpaid principal balance and begins to accrue upon the expiration of the grace period, unless you are eligible for deferment

How long does PCL repayment last?

Standard repayment for PCL loans is 10 years, but can be extended for up to 25 years. There are NO prepayment penalties.

Are there deferment options for PCL?

The PCL may be deferred for:

- Up to 4 years in an eligible primary health care residency program.
- Up to 3 years as a volunteer under the Peace Corps Act practicing in an eligible primary health care activity.
- Up to 3 years as a member of a uniformed service. To be eligible for deferment, you must be on sustained full-time active duty practicing in an eligible primary health care activity in the Army, Navy, Air Force, Marine Corps, Coast Guard, National Oceanic and Atmospheric Administration Corps, or the US Public Health Service Commissioned Corps.
- Periods of advanced professional training in primary health care.

Is PCL eligible for consolidation?

PCL is NOT eligible for federal loan consolidation because of the service obligation.

What happens to my PCL in the event of my death or disability?

Your obligation to repay the loan will be cancelled upon receipt of the required documentation in the event of your death or permanent and total disability.