

CANCELLATION FOR PERKINS LOANS

A borrower may have all or part of his/her Perkins loan (including interest) cancelled for engaging in teaching, public service, service in the Peace Corp or ACTION, or service in the military.

The Department of Education defines the following groups that are eligible for cancellation:

Licensed Nursing -

- **RN (Registered Nurse)**
- **LPN (Licensed Practical Nurse)**
- **CNA (Certified Nursing Assistant)**
- **MA (Medical Assistant)**
- **ARNP (American Registered Nursing Practitioner)**

Licensed Medical Technician - An allied health professional (working in fields such as therapy, dental hygiene, medical technology or nutrition) who is certified, registered or licensed by the appropriate state agency in which he or she provides health care services; an allied health professional is someone who assists, facilitates or complements the work of physicians and other specialist in the health care system. Such as:

- **Occupational Therapist**
- **Occupational Therapist Assistant**
- **Physician Assistant**
- **Physical Therapist**
- **Physical Therapist Assistant**
- **Anesthesiologist Assistant**
- **Medical Assistant**
- **Orthotist / Prothetist**
- **Perfusionist**
- **Respiratory Therapist (Advanced)**
- **Respiratory Therapist (Entry Level)**
- **Dental Assistant**
- **Dental Hygienist**
- **Dental Lab Technician**
- **Speech - Language Pathologist**
- **Clinical Lab Technician / Med Lab Tech - Assoc. Degree or Certificate**

Cancellation Rates:

- **15% After the First Year and 15% after the Second Year of full time employment**
- **20% After the Third Year and 20% after the Fourth Year of full time employment**
- **30% After the Fifth Year of full time employment**

Cancellation Procedures:

Per the Department of Education - The school (MUSC) determines, based on the borrower=s documentation, whether the borrower is entitled to have any portion of his or her loan cancelled. This responsibility cannot be delegated. The borrower applies for cancellation of his or her Perkins loan by obtaining the appropriate cancellation forms from the MUSC Student Accounting Department or Website (or the school=s billing service - presently ACS Company). The Borrower submits the form to MUSC's Student Accounting Department along with all supporting documentation that the Student Accounting department requests by the deadline the school establishes.

MUSC Procedures:

- **According to the Department of Education regulations all Perkins Loan borrowers must have a nine month grace period after graduation or after leaving the school for any other reason**
- **If a deferment is not granted before the grace period ends, the borrower must start repaying the loan at the end of the grace period**
- **For a May graduate the grace period ends on March 1 of the following year with payment due April 1**
- **When a borrower starts employment he or she should submit a deferment form for a one-year period starting with the date of employment. E.G. - A borrower starts work on June 15, 2003 he or she should submit the deferment form for a period starting 6/15/2003 to 6/15/2004 within thirty days of starting their employment.**
- **Deferment Forms should be submitted to MUSC - Student Accounting Department**
- **Included with the deferment forms should be a copy of the borrowers license and either a letter from the employer on their letterhead stating the starting date of employment or the new employer should fill out section II of the deferment form and certify it with their seal**

- **Once all of the proper forms are received by Student Accounting we will put the borrower in a one-year deferment status which means that there would not be any payment due or interest accumulating during this time period**
- **Cancellation Forms should be submitted to the MUSC Student Accounting Department at the end of each year of employment by the borrower and within thirty days of that date**
- **Included with the cancellation forms should be a copy of the borrowers license and either a letter from the employer on their letterhead stating the starting date of employment or the new employer should fill out section II of the deferment form and certify it with their seal**
- **The employment must be full time without any gaps between employers**
- **MUSC reports credit history monthly to the credit bureaus**
- **If deferment or cancellation forms are not submitted on time this will cause payment to become due and would result in late payment on your credit history. This history can not be changed.**
- **Perkins Loans can be cancelled because of total & permanent disability or because of death. Please call Student Accounting at (843)792-6709 for more details.**