

Call script and guide for 20/220 economic hardship deferment pathway advocacy

Leadership contacts on relevant committees

Senator Edward M. Kennedy (D-MA)

Chairman, Senate Health, Education, Labor, and Pensions (HELP) Committee
317 Russell SOB (Personal office)
428 Dirksen SOB (Committee)
Washington, DC 20510
Phone: 202-224-4543 (Office), 202-224-5375 (Committee)

Senator Michael B. Enzi (R-WY)

Ranking Minority Member, Senate HELP Committee
379A Russell SOB (Personal office)
428 Dirksen SOB (Committee)
Washington, DC 20510
Phone: 202-224-3424 (Office), 202-224-6770 (Committee)

Senator Christopher J. Dodd (D-CT)

Chairman, Subcommittee on Children and Families (HELP Committee)
448 Russell SOB (Personal office)
132 Hart SOB (Committee)
Washington, DC 20510
Phone: 202-224-5630 (Committee), 202-224-2823 (Office)

Senator Lamar Alexander (R-TN) (Former Secretary of Education)

Ranking Member, Subcommittee on Children and Families (HELP Committee)
455 Dirksen SOB (Personal office)
607 Hart SOB (Committee)
Washington, DC 20510
Phone: 202-224-4944 (Office), 202-224-5800 (Committee)

COSPONSOR OF S. 2303

Congressman George Miller (D-CA)

Chairman, House Committee on Education and Labor
2205 Rayburn HOB (Personal office)
2181 Rayburn HOB (Committee)
Washington, DC 20515
Phone: 202-225-2095 (Office), 202-225-3725 (Committee)

Congressman Buck McKeon (R-CA)

Ranking Minority Member, House Committee on Education and Labor
2351 Rayburn HOB (Personal office)
2101 Rayburn (Committee)
Washington, DC 20515
Phone: 202-225-1956 (Office), 202-225-4527 (Committee)

CO-SPONSOR OF H.R. 4344

Congressman Ruben E. Hinojosa (D-TX)

Chairman, Subcommittee on Higher Education, Lifelong Learning, and Competitiveness,
House Education and Labor Committee
2463 Rayburn HOB (Personal office)
2181 Rayburn HOB (Committee)
Washington, DC 20515
Phone: 202-225-2531(Office), 202-225-3725 (Committee)

Congressman Ric Keller (R-FL)

Ranking Minority Member, Subcommittee on Higher Education, Lifelong Learning, and
Competitiveness
House Education and Labor Committee
419 Cannon HOB (Personal office)
2101 Rayburn HOB (Committee)
Washington, DC 20515
Phone: 202-225-2176 (Office), 202-225-4527 (Committee)

Bills to be discussed in script:

S. 2303

Introduced by Senators Richard Burr (R-NC) and Johnny Isakson (R-GA) on November 2, 2007.

Additional co-sponsors of S. 2303 as of March 20, 2008 include Senators Tom Coburn (R-OK) and Lamar Alexander (R-TN).

H.R. 4344

Introduced by Congressmen Timothy Walberg (R-MI), Vernon Ehlers (R-MI), Howard McKeon (R-CA), Charles Boustany (R-LA), Frank Lucas (R-OK), John Kline (R-MN), and Tom Price (R-GA) on December 11, 2007.

Additional co-sponsors as of March 20, 2008 include Congressmen Peter Hoekstra (R-MI), Adam Putnam (R-FL), and Mark Souder (R-IN).

Additional background material and resources:

www.ama-assn.org/go/loandeferment - the AMA website providing a detailed history of this issue and previous advocacy efforts

<http://www.ama-assn.org/ama1/pub/upload/mm/16/economic-hardship-v2.pdf> - RFS presentation on the details surrounding the 20/220 pathway and impact on loans

Calling Script Text

Good morning/afternoon,

My name is (_____). I am a resident calling Representative/Senator (*fill in last name*) to express my strong support for Senate bill S. 2303, introduced by Senators Burr and Isakson, and the companion House bill, H.R. 4344, introduced by Congressmen Wahlberg, McKeon, Ehlers and others. These bills would reverse the provision in the "College Cost Reduction and Access Act" (H.R. 2669) which eliminated the economic hardship deferment in October of 2007, known as the 20/220 pathway.

The 20/220 pathway allows 67% of entering residents to defer huge student loan debts for 3 years while completing residency training. The elimination of this deferment option would lead me to begin unaffordable payments on my loans.

This means that I face, as a resident, the scenario of having to make monthly payments on a debt burden of over _____ (*\$139,517 is the average, or, insert your debt here*), or go into forbearance and accumulate even more interest, at a time when I will be least capable of doing so.

I ask that Representative/Senator (_____) help resident physicians avoid unaffordable medical education loan payments during the most vulnerable times in our training. He/She can do this by supporting bills S. 2303 and H.R. 4344, or through the addition of such language to the HEA Reauthorization Act (H.R. 4137/S. 1642).

Thank you so much for your time. Can I send a follow-up email to you with further information?

Should the Representative/Senator have any questions, please feel free to call me at

Questions and Answers

Question: Won't the Income Based Repayment program provide you with sufficient relief during residency?

Answer: Although the Income Based Repayment (IBR) program might be a good alternative for some and the availability of that option is appreciated, the IBR will not provide the immediate relief that the economic hardship deferment does because it will not allow the typical medical resident to postpone repayment of their loans – it will only cap those payments – during a time when such payments will be unaffordable.

Question: Isn't forbearance another option that you can pursue to postpone repayment while you are in residency?

Answer: Although forbearance is an option to postpone loan repayment, there are several concerns about forbearance which include the variability of terms between different lenders (compared to deferment), the lack of subsidization of interest on "subsidized Stafford" loans (which economic hardship deferment continues to subsidize for up to three years), and the capitalization of interest from year to year which significantly increases total debt. These concerns make forbearance a much less preferred option compared to the economic hardship deferment.

Question: Hasn't this issue been resolved through actions at the Department of Education?

Answer: Although the Department of Education did maintain the 20/220 pathway through a rule issued in November of 2007, during its negotiated rulemaking process this year the Department has indicated that it only intends to maintain the pathway until the Income Based Repayment (IBR) program's effective date of July 1, 2009, by which time there will need to be a legislative solution to this problem in order to preserve economic hardship deferment for medical residents.