

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
Service

**Public Health**

Bureau of Health Professions  
Resources and  
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Administration

**Health**

**Services**

**Rockville MD**

**20657**

To: Schools and Lenders Participating in the Health  
Education Assistance Loan (HEAL) Program

Subject: Allocation of Fiscal Year (FY) 1994 HEAL Insurance  
Authority Based on \$375 million  
HEAL Lender Policy Memorandum 93-18  
HEAL School Policy Memorandum 43

The purpose of this policy memorandum is to share with Health Education Assistance Loan (HEAL) schools and lenders FY 1994 HEAL insurance authority allocation decisions based on a preliminary HEAL guarantee level of \$375 million (the amount authorized for HEAL for FY 1994). We hope that this "early alert" will be beneficial to all members of the HEAL community as plans are made for the coming fiscal year.

We requested that HEAL lenders submit FY 1994 HEAL needs to us by August 20, 1993. In requesting this material we explained to lenders in a letter dated June 23, 1993, and confirmed in subsequent telephone conference calls that FY 1994 insurance authority would be allocated in accord with Section 702b(2)(B) of the HEAL statute and specifically in accord with the following:

Allocations were made, in order of priority, to lenders whose lending terms yield the lowest cost to the borrower; and were based on lender requests for insurance authority by discipline and the percentage of insurance authority that has historically been used by each discipline.

We have analyzed lender submissions in accord with the above and are providing you with an allocation table reflecting a guarantee level of \$375 million. **Please Note:** The guarantee level is preliminary and only for planning purposes. Final FY 1994 HEAL insurance authority allocations will depend on FY 1994 Congressional appropriation action.

We hope this information allows you to plan for FY 1994 funding cycles. Should you have any questions, please contact Ms. Sylvia Brown or Ms. Laura Bailey of the HEAL Applications Staff at (301) 443-1540. Thank you..

Michael Heningburg  
Director  
Division of Student Assistance