

Bureau of Health Professions

Health Resources and  
Services Administration  
Rockville MD 20857

MAY 14 1998

To: Refinancing Lenders, Secondary Markets, and Servicers in the Health Educational Assistance Loan (HEAL) Program

Subject: Loan Refinancing Application/Promissory Note; Reduction in Information Collected and Development of New Form

Lender Policy Memorandum L-1998-11

The HEAL Refinancing Program was initiated in July 1993. Since that time the HEAL Program has used the HEAL Student Loan Application (HRSA-700) minus the school section for the refinancing application along with a separate consolidation promissory note. In addition, lenders were given individual approval to use HEAL Refinancing forms they developed. Many lenders decided to use a combined refinancing application/promissory note in an effort to make the refinancing process as easy as possible. The successful use of these combined forms, coupled with our desire to make the refinancing process simpler by reducing the amount of information collected, has led the HEAL Program to revise its form by reducing the number of questions and combining the application and promissory note into a single form. The new HEAL combined refinancing application/promissory note will include the items listed below.

#### I. Student Application:

- 1a. Name: Last, First, Middle initial
- 1b. Former Name: Last, First, Middle initial
2. Social Security Number
3. Birth date
4. Current Address: Street Name, City, State, Zip code
5. Area Code & Telephone Number: Day and Evening
6. Graduation or Withdrawal, Date
7. Driver's License Number and State Code
8. Employer Information: Name, Address, and Telephone Number
- 9a. Name of nearest living relative other than spouse or spouse's parents not living in the same household - Address and Area Code/Telephone Number
- 9b. Name of spouse or if not married, a living relative (if none, a life-long friend) - Address and Area Code/Telephone Number

#### 11. Borrower Authorization:

A separate borrower authorization form may also be used by lenders who accept applications by telephone. The separate form must remain a part of the borrower's official loan file.

### III. Promissory Note

'Promise to Pay' portion  
Underlying loan table to be completed by the lender  
Remainder of current promissory note provisions

**All** Refinancing Lenders will be required to use this new form once it receives official clearance in approximately six months. Until the new form is available, lenders may use their current form and are authorized to collect only the items listed above. As you can see, certain information on the new refinancing application is no longer required and does not have to be collected. On the other hand, if your application does not ask for all the information identified on the list, those items will not be required until the revised form is available and does not have to be added to your current application.

In addition, because the new form does not include a reference to repayment options offered by the various lenders, a separate form should be developed by each lender which explains their repayment schedules and allows the borrower to choose the repayment schedule that best suits his/her needs. This form would also become a part of the-borrower's official loan file.

Thank you for your continued participation in the HEAL Refinancing Program. If you have any questions regarding this policy memorandum, please contact Ms. Terri M. Ehrenfeld of the HEAL Branch at (301) 443-1540 or at [TEhrenfeld@hrsa.dhhs.gov](mailto:TEhrenfeld@hrsa.dhhs.gov).

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