



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Bureau of Health Professions

Health Resources and  
Services Administration  
Rockville MD 20857

**OCT 1 2008**

TO: Holders and Servicers Participating in the Health Education Assistance Loan (HEAL) Program

FROM: Associate Administrator

SUBJECT: Maximum HEAL Interest Rates for the Quarter Ending December 31, 2008  
Lender Policy Memorandum L-2008-6

Section 60.13 (a)(4) of the HEAL Regulations requires the Secretary of Health and Human Services to announce the maximum quarterly interest rate in effect for HEAL loans.

For loans made before January 27, 1981, the variable interest rate is  $5 \frac{1}{4}$  percent.

For variable rate loans executed on or after January 27, 1981 through October 21, 1985, the interest rate is  $5 \frac{1}{4}$  percent.

For variable rate loans executed on or after October 22, 1985, the interest rate is  $4 \frac{3}{4}$  percent.

The average bond equivalency rate for a 91-day U.S. Treasury Bills during the period July 1, 2008 through September 30, 2008 was  $1.627$  percent.

We have attached the HEAL quarterly interest rates for the last four quarters. Interest rates since the inception of the program are available upon request.

If you have any questions regarding the HEAL interest or Treasury Bill rates, please do not hesitate to contact Ms. Carolyn Robinson at (301) 443-3760.

/s/  
Marcia K. Brand, Ph.D.

Attachment

## HEAL Variable Interest Rates

### HEALTH EDUCATION ASSISTANCE LOAN (HEAL) PROGRAM

Division of Health Careers Diversity and Development

Rates for Quarter Ending	<u>Loans Made</u> Prior to 01/27/1981	<u>Loans Made</u> On or After 01/27/1981*	<u>Loans Made</u> On or After <u>10/22/1985**</u>
December 31, 2008	5 1/4 %	5 1/4 %	43/4 %
September 30, 2008	5 1/4 %	5 1/4 %	43/4 %
June 30, 2008	5 5/8 %	5 5/8 %	5 1/8 %
March 31, 2008	7 1/8 %	7 1/8 %	65/8 %

\*Legislation Amended - 12 percent annual interest cap repealed - quarterly interest rate on loans made on or after 01/27/1981, became a floating rate based on 91-day T-Bill rate plus 3 1/2 percent.

\*\*Legislation Amended - Variable interest rate calculation amended - quarterly interest rate on loans made on or after 10/22/1985 is based on loans made on a floating rate of the average 91-day T-Bill rate plus 3 percent.