

Bureau of Health Professions  
Division of Student Assistance

May 22, 1981

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

Subject: Application Deadline for HEAL Loans

It has recently come to our attention that HEAL lenders are rejecting applications for HEAL loans because there is insufficient time for the loan to be processed and disbursed before the end of the academic year.

Section 60.33 of the HEAL Regulations describes the process for making application for a HEAL loan. The regulations do not contain a cutoff date for making application for such a loan. Lenders may, however, establish their own cutoff dates. It was expected that the amount of the HEAL loan applied for would be based on anticipated educational expenses for either the academic year, semester or quarter rather than after the expense that had been incurred. However, since such situations have arisen, the Department of Health and Human Services will insure loans if the student and the student's institution complete their portion of the application form before the end of the academic year and if it is clearly documented that the loan is to pay educational expenses already incurred. The lender must submit the application to the Department no later than 30 days after the end of the academic year if it is operating under a Standard Insurance Contract. In all cases, disbursements must occur no later than 60 days for the end of the academic year.

We trust that this will clarify the Department's position on the application procedure. Please contact the HEAL Program staff at (301) 443-1540 if you have questions or need assistance.

Sincerely yours,

Michael Heningburg  
Director  
Division of Student Assistance

(Revised February 27, 1989)

