

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

**Public Health Service**

Bureau of Health Professions

**Health Resources and  
Services Administration  
Rockville MD 20857**

**JUL 28 1993**

To: Lenders and Holders Participating in the Health  
Education Assistance Loan (HEAL) Program  
Subject: Forbearance for HEAL Borrowers Due to the "Great  
Flood of 1993" in the Midwest  
Lender Policy Memorandum 93-13

This policy memorandum is to notify HEAL lenders and holders that the Department is authorizing forbearance on a case-by case basis for any HEAL borrower whose livelihood was adversely affected by the "Great Flood of 1993" in the Midwest. Any such period is to be considered as a forbearance authorized by the Secretary and would be in addition to the 2-year period of forbearance which lenders and holders can grant under 42 CFR 60.37 without prior approval from the Secretary. As in any forbearance, interest will continue to accrue and be compounded in accordance with the terms of the HEAL promissory note.

To qualify for this forbearance, the HEAL borrower must provide the lender or holder with certified evidence that his/her home residence has been severely damaged or destroyed or that his/her livelihood has been adversely affected by under/unemployment related to the flooding of their health professions practice. This forbearance may be granted for up to 6 months at a time, at the lender's or holder's discretion, but may not exceed 18 months. When granting such a forbearance, the lender or holder is to instruct the borrower that he/she must provide documentation of his/her continued hardship at 6 month intervals and must notify the lender or holder immediately when the hardship ceases.

We hope this information is helpful. Please contact Ms. Terri Ehrenfeld of the HEAL Branch at (701) 443-1540, if you have any questions or need our assistance.

Sincerely,

Michael Heningburg  
Director  
Division of Student Assistance

