

Bureau of Health Professions

November 28, 2000

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

Subject: Implementation and Amendment of the Revised HEAL Borrower Loan Status (BLS) Process
Lender Policy Memorandum L-2001-1

Lender Policy Memorandum L-2000-11 dated August 22, 2000 contained the the HEAL Program's revised borrower loan status update process designed to obtain additional necessary data from holders and servicers on a regular monthly basis. This process is slated to become effective January 1, 2001 and will allow the HEAL Program to complete a variety of mandated reports and effectively manage our \$3.5 billion loan portfolio.

Lenders and servicers, after reviewing the business rules, field definitions and constraints, and error messages, made suggestions to amend the package.

The HEAL Program did amend the BLS process and faxed an advance copy to lenders and servicers on November 2, 2000. The purpose of this policy memorandum is to formally issue the amended/revised HEAL Borrower Loan Status Process. As stated in policy memorandum L-2000-11, each lender is required to submit newly formatted data by **January 10, 2001** to report all borrower change actions which occurred in December 2000 unless other accommodations have been made. Those lenders that own and service a small number of loans, nevertheless must initially provide the HEAL Program all fields required on the BLS and update them semi-annually. It is recommended that test tapes be submitted to the HEAL Program in December 2000 prior to the implementation of these new procedures January 1, 2001.

If you have any questions regarding these new procedures please contact
Ms. Terri Ehrenfeld or Ms. Denise Sorrell of the HEAL Program at (301) 443-1540 or by Fax at (301) 594-6911.

Stephen J. Boehlert
Associate Division Director, HEAL
Division of Student Assistance

Enclosures

Revised 11/2/2000

HEAL Borrower Loan Status Business Rules

Basic Requirements/Reporting

- Borrower Loan Status (BLS) data must be submitted to HHS by the 10th of each month.
- BLS data must reflect status changes or other relevant information that occurred the prior month.
- HHS expects data reported by servicers/holders will be accurate and complete.
- The data must be submitted on a loan level basis. Loan ID for each loan must be unique on the tape submission, not submitted more than once.
- BLS data must be submitted to HHS in ascending order by loan id.
- HHS will produce an acceptance and/or an error transaction and summary reports for each BLS data submission.
- Servicers/holders must correct errors and resubmit the corrections on the HEAL returned electronic submission to HHS within 30 days from the process date reported on the Error Transaction Report (ASCII file).
- HHS assumes the last status action reflects the accurate status of the loan at the time it is reported.
- Each borrower status record includes all applicable data elements as defined by the attached HEAL Customer Tape Specifications (Lender-to-HEAL).
- Report monthly all HEAL loans with an outstanding balance and those HEAL loans that have been “closed” during the prior month due to a paid in full by borrower, paid in full by another party other than borrower, paid in full by Department of Ed, paid by claim, or HEAL refinanced. When a loan is reported once as “closed” it will no longer be reported on subsequent submissions.
- All required and applicable optional fields should be populated every month regardless of whether it changed from the prior month.

Definitions/Inferences

G - In Grace Period

- “In Grace Period” means that the borrower is in the nine month grace period.
- In “I” type deferments (internship or residency) the “Grace Period” follows the deferment.
- If not an “I” type deferment, the “Grace Period” begins immediately following separation from school or attendance less than full time.

- Nine months of grace must be completed prior to entering repayment.

I - Deferred (Repayment period postponed)/In-School

- Payments are deferred prior to the expiration of "In Grace Period".
- Internship/residency programs that begin prior to the expiration of the grace period.
- Fellowships and educational programs that begin within twelve months of the end of internship/residency are eligible for "I" type deferments and the grace period will start upon completion of this deferment.
- Graduates of chiropractic school are eligible for "Deferred" status immediately upon graduation - for 1 year and prior to the grace period.
- Borrowers currently in a full-time student status

R - Repayment

- "Repayment" means that a borrower is in the repayment period either on the 1st day of the 10th month following graduation after the 9 month grace period; or the 1st day of the 10th month after an "I" type deferment plus grace.
- Repayment date has been called conversion date.

Q - In repayment, but deferred

- Payments are deferred after the expiration of the "In Grace Period".
- Borrower has used the nine month grace period.
- Borrower has enrolled, full time, in a HEAL school or at an institution of higher education, is participating in the Federal Family Education Loan Program (FFELP) or the Direct Loan Program, is a member of the Armed Forces, Peace Corps, VISTA or National Health Service Corps, or has completed an internship or residency training program in osteopathic general practice, family medicine, general internal medicine, preventive medicine, or general pediatrics and is practicing primary care, or provides health care to Indians through a health program/facility funded in whole or part by the Indian Health Service.

F - Forbearance

- Borrower is currently in a period of forbearance granted by the loan holder.
- Status preceding forbearance may only be a "G", "R" or "Q".
- A repayment date must have been or must be submitted prior to/or when receiving a forbearance.

PB - Paid loan in full by borrower

- Borrower has paid the HEAL loan in full to the holder.
- "Borrower paid loan in full" does not mean a claim has been paid on the loan by HHS.
- "Borrower paid loan in full" does not mean the loan has been consolidated.
- "Borrower paid loan in full" does not mean the loan has been sold to another HEAL holder.
- "Borrower paid loan in full" does not mean the loan has been consolidated with Department of Education.

PO - Paid loan in full by another party other than the borrower.

- Another party other than the borrower has paid the HEAL loan in full to the holder.
- Examples of another party other than the borrower are financial or educational institution, mortgage company, friend, family member, attorney, etc.
- "Other than borrower paid loan in full" does not mean a claim has been paid on the loan by HHS.
- "Other than borrower paid loan in full" does not mean the loan has been sold to another HEAL holder.
- "Other than borrower paid loan in full" does not mean the loan has been consolidated with Department of Education.

EP - Loan paid in full by Dept. of ED

- Borrower has consolidated/refinanced this HEAL loan with the Department of Education and the loan holder no longer holds this HEAL loan for this borrower.

Loan Status

- BLS actions are reported on a loan level.
- BLS actions are not reported on a disbursement or borrower level.
- Voided or canceled loan transactions are not valid BLS actions and therefore should not be reported.
- All BLS actions are reported to HHS within 45 days of the date the action occurs or the date the servicer/holder is notified of the action.
- Loan status must be one of the following values:
 - G - Grace
 - I - Deferred (Repayment period postponed)/In-School
 - R - Repayment
 - Q - In repayment, but deferred
 - F - Forbearance
 - PB - Paid loan in full by borrower
 - PO - Paid loan in full by another party other than the borrower
 - EP - Loan paid in full by Department of Education
- For multiple changes in one report period, only submit the most recent loan status.
- The loan status and borrower changes for all loans purchased in a given month is reported by the new purchaser (holder) to HHS within 45 days after the purchase transaction.
- The “effective date of loan status” refers to the date the action actually occurred on the status of the loan.
- The “effective date of loan status” is independent of the holder’s system posting date.
- Future, estimated, or projected status change dates will not be reported to HHS.
- If a loan is sold in a given month, the lender selling the loan **does not** report the loan to HHS.
- All loan statuses **must** have an effective date of loan status.
- Loans with statuses “G”, or “I” can not have a conversion to repayment date.
- Valid repayment statuses are “R”, “Q”, or “F”.
- Loans with statuses “R”, “Q”, or “F” **must** have a conversion to repayment date.
- Loan statuses “PB”, “PO”, and “EP” are considered closed statuses.
- Loan statuses “PB”, “PO”, and “EP” are reported to HHS only once.
- Loan statuses “PB”, “PO”, and “EP” **must** have a conversion to repayment date, if the loan was in a repayment status before the loan was closed.

- If a loan goes into a “Q” or “F” status the repayment date on the record does not change.

Repayment Date

- Repayment date is defined as the date the borrower actually begins repayment.
- Repayment date typically begins either the first day of the 10th month after the borrower graduates or the first day of the 10th month after an “I” type deferment.
- Repayment date **will not** be reported to HHS until the borrower actually goes into repayment.
- The repayment date value will not be changed if the borrower loan status changes from an “R” to a “Q” or “F”, only the effective date of loan status will change.
- The repayment date must appear on each submission except when submitting a loan status of “I” or “G” in which the field will be left blank.
- Future, estimated, calculated or projected repayment dates will not be submitted to HHS.

Deferment Type

- The Deferment Type field should only be populated if the status being submitted is a “I” or “Q”.
- Deferment Type must be one of the following values:
 - FT - Full time attendance at a HEAL school or FFELP school
 - IR - Internship/Residency
 - GF- Graduate fellowship training or educational activity
 - PC - Peace Corps
 - AC - Voluntary service in Vista/Action program
 - AP - Service in National Health Service Corps or full time active duty in Armed Forces
 - CH - Graduate of Chiropractic school
 - PP - Completed Internship/Residency training and practicing Primary Care (Osteopathic General Practice, Family Medicine, General Internal Medicine, Preventive Medicine or General Pediatrics)
 - IH - Providing health care to Indians through a health program/facility funded in whole or part by the Indian Health Service

Rev. 11/2/2000

Status Update Data Dictionary

<u>Field Name</u>	<u>Field Definition and Constraints</u>
Loan ID	Format is: YYYYBB999999 . Number assigned or approved by HHS for all insured loans. YYYY indicates the government fiscal year in which the loan was disbursed, BB is the HHS assigned block number, followed by a 6 position sequentially generated number.
SSN	Social security number for borrower currently on the HEAL database. If there is a SSN change, report old SSN in this field and new SSN in "New SSN" field.
Last Name of Borrower	Last Name of the borrower.
First Name of Borrower	First Name of the borrower.
Middle Initial of Borrower	Middle Initial of the borrower's name.
File Type	"SO" or "SE" will always be reported in this field to indicate a Status Update file type of "status original" or "status error".
Holder ID Number	HHS assigned number for the holder of the loan.
Servicer ID Number	HHS assigned number for the servicer of the loan.
New SSN	Report the new SSN, if applicable, in each loan record in data file for this borrower. If new SSN, then old SSN is reported in "SSN" field. If no change, leave blank.
Current Loan Status	Loan status of borrower's loan in the month the data were reported. Refer to section on Loan Status.
Effective Date of	Date loan status change actually begins. Data in this field is Loan Status submitted to HHS <i>no later than 45 days</i> after the date of occurrence or the date the servicer/holder is notified of the action.
Actual Graduation/ Separation Date	Actual date the borrower graduated or withdrew from school.
Deferment Type	Refer to prior section on Deferment Type.

<u>Field Name</u>	<u>Field Definition and Constraints</u>
Repayment Date	Actual date the borrower's loan went into repayment.
Current Repayment Plan	Current type of Repayment Plan borrower is enrolled (G-Graduated, I-Income Sensitive, or L-Level).
Current Outstanding Loan	The balance of current Principal, Interest and other fees on the Balance borrower's loan.
Current Principal Balance	The balance of current Principal on the borrower's loan.

Current Monthly Payment	Current Monthly payment the borrower is billed on a particular loan.	Amount
Current Interest Rate	Format is: 99.999. Current Interest Rate which is calculated by T-Bill rate + additional interest on a particular loan.	
Number of Days Delinquent/Past Due	The Number of Days Delinquent or Past Due on a particular loan.	
Refinanced Loan Y or N	Yes or No, indicating whether the particular loan is a refinanced/consolidated loan.	
Borrower's Street Address (Home)-first line	Current street address of the borrower.	
Borrower's Street Address (Home)-second line	Addition to borrower's street address shown on first line.	
Borrower's City (Home)	Current city in which borrower resides.	
Borrower's State (Home)	Current state in which borrower resides. Must be a valid US state code, "FC" for foreign country, "AA" for Military Americas, "AE" for Military Europe/Mid East/Africa/Canada or "AP" for Military Pacific.	
Borrower's Zip Code (Home)	Borrower's current zip code.	
Borrower's Country (Hm.)	Current country in which borrower resides.	
Borrower's Phone Number (Home)	Current phone number for the borrower. Include area code.	
Borrower's E-mail Address	Borrower's current e-mail address.	
Borrower's Street Address (Business)-first line	Current street address of borrower's place of business.	
Borrower's Street Address (Business)-second line	Addition to borrower's place of business street address shown on first line.	
Borrower's City (Business)	Current city of the borrower's place of business.	
Borrower's State (Bus.)	Current state in which borrower works. Must be a valid US state postal code, "FC" for foreign country, "AA" for Military Americas, "AE" for Military Europe/Mid East/Africa/Canada or "AP" for Military Pacific.	
Borrower's Zip Code (Business)	Current zip code of borrower's place of business.	
Borrower's Country (Bus.)	Current country of borrower's place of business.	
Borrower's Phone No.	Current phone number for the borrower's place of business.	(Business) Include area code.
HEAL Process Date	Date the HEAL program processed the original BLS electronic submission.	

Error Message Number(s) Error numbers that inform the servicer that problems do exist with the particular loan record. The BLS record is not accepted and the HEAL database is not changed. Servicers are responsible to fix the record and resubmit.

Item # for Error 1 (Missing Data) Item numbers that indicate which field(s) received an Error 1.

Item # for Error 2 (Invalid Data) Item numbers that indicate which field(s) received an Error 2.

Filler Blank spaces.

Revised 11/2/2000

BORROWER LOAN STATUS

Error Messages

Error Reasons:

1. Required value is missing.
2. Supplied value is invalid.
3. Cannot find SSN in HEAL file.
4. Loan ID supplied is invalid since the HEAL system contains no record of the supplied Loan ID ever being issued.
5. Loan ID supplied is associated with another borrower's SSN.
6. New SSN already exists in HEAL file for another borrower.
7. Loan ID is submitted more than once on the electronic submission.
8. Repayment Date submitted is before HEAL Last Disbursement Date.
9. Effective Date of Loan Status submitted is before HEAL First Disbursement Date.
10. Effective Date of Loan Status is greater than HEAL tape-received date.
11. "I" (Deferred/In-School) or "G" (Grace Period) Loan Status submitted and repayment date submitted.
12. "I" (Deferred/In-School) Loan Status submitted and HEAL Loan Status is PB, PO, or EP.
13. "I" (Deferred/In School) Loan Status submitted and Effective Date of Loan Status is prior to the Grad/Sep date submitted. (Since last graduating class will be 6/30/2001, this error message will not take effect until July 2001.)
14. "G"(Grace) Loan Status submitted and HEAL Loan Status is PB, PO, or EP.
15. "G"(Grace) Loan Status submitted and the Effective Date of Loan Status is prior to the Grad/Sep. Date submitted.
16. Repayment date submitted is less than 270 days after Grad/Sep Date in the HEAL database.
17. Repayment date submitted with a status of G (Grace) or I (Deferred/In-School).
18. "R" (Repayment) Loan Status submitted, and HEAL Loan Status is PB, PO, or EP.
19. "R" (Repayment) Loan Status submitted, and Effective Date of Loan Status is prior to the Grad/Sep. Date submitted.
20. "Q" (In repayment, but deferred) Loan Status submitted, and Effective Date of Loan Status is prior to the Grad/Sep. Date submitted.
21. "Q" (In repayment, but deferred) Loan Status submitted, and Effective Date of Loan Status is prior to the Repayment date in the HEAL database.
22. "Q" (In repayment, but deferred) submitted, and HEAL Loan Status is EP, PB, or PO.
23. "Q" or "I" submitted, and deferment type was blank.
24. "F" (Forbearance) submitted, and HEAL Loan Status is EP, PB, or PO.
25. "F" (Forbearance) Loan Status submitted, and Effective Date of Loan Status is prior to the Grad/Sep. Date submitted.
26. "F" (Forbearance) Loan Status submitted, and Effective Date of Loan Status is prior to the Repayment Date in the HEAL database.
27. "PB" Loan Status submitted, and HEAL Loan Status is EP or PO.
28. "EP" (Dept. of Education Consolidation) Loan Status submitted, and HEAL Loan Status is PB or PO.

29. "PO" Loan Status submitted, and HEAL Loan Status is PB or EP.
30. "PB, PO, or EP" Loan status submitted with outstanding balance greater than \$0.
31. Loan is part of a HEAL consolidation.
32. Loan is part of a paid claim.
33. Repayment Plan is not a G=Graduated, I=Income Sensitive or L=Level.
34. Current Outstanding Loan Balance must be greater than or equal to \$0 and less than \$500,000.
35. Current Outstanding Principal Balance must be greater than or equal to \$0 and less than \$300,000.
36. Current Monthly Payment Amount must be greater than or equal to \$0 and less than \$5,000.
37. Current Interest Rate must be greater than or equal to 4.750% and less than or equal to 20.000%.
38. File Type must be "SO" or "SE".

10/30/2000

Revised
10/26/2000

1	Loan ID	Number	12	1-12	YYYYBB999999

2	Social Security Number	Character	9	14-22	999999999
3	Last Name of Borrower	Character	30	24-53	XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXX
4	First Name of Borrower	Character	25	55-79	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
5	Middle Initial of Name	Character	1	81-81	X
6	File Type *	Character	2	83-84	SO (status original) or SE (status errors)
7	Holder ID Number	Number	6	86-91	999999
8	Servicer ID Number	Number	6	93-98	999999
9	New Social Security Number	Character	9	100-108	999999999
10	Current Loan Status	Character	2	110-111	Values: G, R, F, I, Q, PB, PO, EP
11	Effective date of loan status	Date	8	113-120	YYYYMMDD
12	Actual Graduation/Separation Date	Date	8	122-129	YYYYMMDD
13	Deferment Type	Character	2	131-132	Values: FT, IR, GF, PC, AC, AP, PP, CH, IH
14	Repayment date	Date	8	134-141	YYYYMMDD
15	Current Repayment Plan	Character	1	143-143	G =Graduated, I =Income Sensitive, L =Level
16	Current Outstanding Loan Balance	Number	9	145-153	999999.99
17	Current Principal Balance	Number	9	155-163	999999.99
18	Current Monthly Payment Amount	Number	7	165-171	9999.99
19	Current Interest Rate	Number	6	173-178	99.999
20	# of Days Delinquent/Past Due	Number	4	180-183	9999
21	Refinanced Loan Y or N	Character	1	185-185	Y=Yes and N=No
22	Borrower's street address (home)-1st	Character	60	187-246	Street Number and Name
23	Borrower's street address (hm)-2nd	Character	60	248-307	Street Number and Name
24	Borrower's city (home)	Character	30	309-338	City
25	Borrower's state (home)	Character	2	340-341	State
26	Borrower's zip code (home)	Number	9	343-351	Can be either 5 or 9 digits. No dashes.
27	Borrower's country (home)	Character	25	353-377	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
28	Borrower's phone number (home)	Number	10	379-388	9999999999
29	Borrower's e-mail address	Character	50	390-439	Email Address
30	Borrower's street address (bus.)-1st	Character	60	441-500	Street Number and Name
31	Borrower's street address (bus.)- 2nd	Character	60	502-561	Street Number and Name
32	Borrower's city (business)	Character	30	563-592	City
33	Borrower's state (business)	Character	2	594-595	State
34	Borrower's zip code (business)	Number	9	597-605	Can be either 5 or 9 digits. No dashes.
35	Borrower's country (business)	Character	25	607-631	XXXXXXXXXXXXXXXXXXXXXXXXXXXX

36	Borrower's phone number (business)	Number	10	633-642	9999999999
37	HEAL Process Date	Date	8	644-651	YYYYMMDD
38	Error Message Number (s)	Char/Num	50	653-702	9,99,99,99
39	Item # for Error 1 (missing data)**	Char/Num	50	704-753	9,99,99,99,99
40	Item # for Error 2 (invalid data)**	Char/Num	50	755-804	9,99,99,99,99,99
41	Filler		96	805-900	Blanks

* Item #6 will be replaced with "SE".

** Series of numbers representing error message(s) separated by commas. For error numbers 1 and 2, the corresponding Item # from Lender-to-Heal tape specification is also listed.

Items #1-36 will be record received from lender.

Revised 10/30/2000

Item #	Field Name	Required / Optional	Type	Size	Column	Format
1	Loan ID	R	Number	12	1-12	YYYYBB999999
2	Social Security Number	R	Character	9	14-22	999999999
3	Last Name of Borrower	R	Character	30	24-53	XXXXXXXXXXXXXXXXXXXXXXXXXXXX

						X
4	First Name of Borrower	R	Character	25	55-79	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
5	Middle Initial of Name	O	Character	1	81-81	X
6	File Type	R	Character	2	83-84	SO (status original) or SE (status errors)
7	Holder ID Number	R	Number	6	86-91	999999
8	Servicer ID Number	R	Number	6	93-98	999999
9	New Social Security Number	O*	Character	9	100-108	999999999
10	Current Loan Status	R	Character	2	110-111	Values: G, R, F, I, Q, PB, PO, EP
11	Effective date of loan status	R	Date	8	113-120	YYYYMMDD
12	Actual Graduation/Separation Date	R	Date	8	122-129	YYYYMMDD
13	Deferment Type	R**	Character	2	131-132	Values: FT, IR, GF, PC, AC, AP, PP, CH,
14	Repayment date	R***	Date	8	134-141	YYYYMMDD
15	Current Repayment Plan	R****	Character	1	143-143	G= Graduated, I= Income Sensitive, L= Level
16	Current Outstanding Loan Balance	R	Number	9	145-153	999999.99
17	Current Principal Balance	R	Number	9	155-163	999999.99
18	Current Monthly Payment Amount	R	Number	7	165-171	9999.99
19	Current Interest Rate	R	Number	6	173-178	99.999
20	# of Days Delinquent/Past Due	R	Number	4	180-183	9999
21	Refinanced Loan Y or N	R	Character	1	185-185	Y=Yes and N=No
22	Borrower's street address (home)-1st	R	Character	60	187-246	Street Number and Name
23	Borrower's street address (hm)-2nd	O	Character	60	248-307	Street Number and Name
24	Borrower's city (home)	R	Character	30	309-338	City
25	Borrower's state (home)	R	Character	2	340-341	State
26	Borrower's zip code (home)	R	Number	9	343-351	Can be either 5 or 9 digits. No dashes.
27	Borrower's country (home)	R	Character	25	353-377	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
28	Borrower's phone number (home)	R	Number	10	379-388	9999999999
29	Borrower's e-mail address	O	Character	50	390-439	Email Address
30	Borrower's street address (bus.)-1st	O	Character	60	441-500	Street Number and Name
31	Borrower's street address (bus.)- 2nd	O	Character	60	502-561	Street Number and Name
32	Borrower's city (business)	O	Character	30	563-592	City
33	Borrower's state (business)	O	Character	2	594-595	State
34	Borrower's zip code (business)	O	Number	9	597-605	Can be either 5 or 9 digits. No dashes.
35	Borrower's country (business)	O	Character	25	607-631	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
36	Borrower's phone number (business)	O	Number	10	633-642	9999999999
37	Filler	R		58	643-700	Space characters

R=Required

O=Optional, report when data is available

* If reporting SSN change, then "required" on all loan records for the borrower reported on this tape.

** Required only when loan status is a "I" or "Q".
*** Required except when submitting statuses of "G" or "I".
**** Required for all loan statuses except "G" or "I".

HEAL Borrower Loan Status Update Report
Acceptance Transaction Report
Borrower Loan Status Updates Received From Holder (XXXXXX), Servicer (XXXXXX)
File Name = XXXXXXXX Received Date = XXXXXXXX Processed Date = XXXXXXXX

HEAL Loan ID SSN Last Name First Name Middle Initial Holder ID Servicer ID

HEAL Borrower Loan Status Update Report

Summary Transaction Report

Borrower Loan Status Updates Received From Holder (XXXXXX), Servicer (XXXXXX)

File Name= xxxxxxxx Received Date= xxxxxxxxxxxxxx Processed Date= xxxxxxxxxxxx

Number of Records Received =

Number of Records Passing Edit =

Number of Records Failing Edit =

If you have any questions or problems, please contact your HEAL representative at DHHS at (301) 443-1540.
Please refer to the File Name #, Received Date, and Processed Date displayed in the report header in all correspondence with the HEAL Program.



Bureau of Health Professions

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

Subject: Maximum HEAL Interest Rates for the Quarter Ending March 31, 2001.
Lender Policy Memorandum L-2001-2

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 **9 3/4 percent**.

For variable rate loans executed on or before January 27, 1981 through October 21, 1985, the interest rate is **9 3/4 percent**.

For fixed rate loans executed during the period January 1, 2001 through March 31, 2001, and for variable rate loans executed on or after October 22, 1985, the interest rate is **9 1/4 percent**.

The average bond equivalency rate for 91-day U.S. Treasury Bills during the period October 1, 2000 through December 31, 2000 was **6.23 percent**.

We have enclosed 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. Sarah Moore at (301) 443-0603.

Stephen J. Boehlert
Associate Division Director, HEAL
Division of Student Assistance

Attachment

