

**TPD Loan Holder Notification File Overview**  
**Attachment to May 2013 Electronic Announcement**

In this document, we explain the “TPD Loan Holder Notification File (TPD LHN File).” The TPD LHN File will be used to communicate information to Federal Family Education Loan (FFEL) Program guaranty agencies, FFEL Program lenders or lender servicers, and Federal Perkins Loan (Perkins Loan) Program schools about individuals whose total and permanent disability (TPD) discharge applications are received by the U.S. Department of Education (the Department) on or after July 1, 2013.

For ease in reading, we use “borrower” to refer to the disabled individual who applies for discharge. We refer to FFEL Program guaranty agencies, FFEL Program lenders or lender servicers, and Perkins Loan schools collectively as “loan holders.” We use “we,” “us,” and “our” to refer to the Department. The Nelnet Total and Permanent Disability Servicer will continue to assist us in administering the TPD discharge process; we refer to the servicer by its name.

We present the information in this document as follows:

- Background
- TPD Loan Holder Notification File – Receipt Options
- TPD Loan Holder Notification File – SAIG Option for FFEL Program Guaranty Agencies
- TPD Loan Holder Notification File – E-mail to Designated Contact Option for All Entities
- TPD Loan Holder Notification File – Layout and Reason Codes
- Contact Information

**Background**

As explained in the first Electronic Announcement ([May 17, 2013](#)), there will be a new TPD discharge process beginning July 1, 2013, for those who apply on or after that date. The new TPD discharge process will apply to all of the Title IV loan programs—William D. Ford Federal Direct Loan (Direct Loan), FFEL, and Perkins Loan—and the Teacher Education and Access to College and Higher Education (TEACH) Grant Program. Under the new process, individuals seeking a TPD discharge will submit a single TPD discharge application directly to us rather than to their individual loan holders.

Throughout the new TPD discharge process, there will be several points when the Nelnet Total and Permanent Disability Servicer will notify loan holders (as well as our team of federal loan servicers who assist us in the servicing of federally-owned loans and TEACH Grants) of actions the loan holder must take related to a borrower’s account. The Nelnet Total and Permanent Disability Servicer will notify loan holders of the following:

- 1) That a loan holder must suspend collection activity on a borrower’s loans for up to 120 days while the borrower completes and submits the TPD discharge application
- 2) That a loan holder must suspend collection activity on the borrower’s loans indefinitely while we review the TPD discharge application to determine whether the borrower qualifies for discharge
- 3) That the TPD discharge application has been rejected, including the reason that the application has been rejected
- 4) That the TPD discharge application has been approved

**TPD Loan Holder Notification File Overview**  
**Attachment to May 2013 Electronic Announcement**

- If the borrower qualifies for discharge based on a physician’s certification or documentation from the Social Security Administration (SSA), our notification to loan holders provides the date of the physician’s certification or the date that we received the SSA documentation. Upon receiving this notification, the borrower’s loans must be assigned to us for discharge and a 3-year post-discharge monitoring period. Loan holders must return to the sender any payments that were received after the date of the physician’s certification or the date that we received the SSA documentation that supported the borrower’s eligibility for discharge.

After the loans have been assigned to us, and if the borrower has maintained eligibility for the discharge, we discharge the loans and notify the borrower and the loan holders that the loans have been discharged.

- If the borrower qualifies for discharge based on documentation from the Veterans Administration (VA), our notification to loan holders provides the effective date of the VA determination. Upon receiving this notification, the borrower’s loan holders discharge the borrower’s loans and return to the sender any payments received on or after the effective date of the VA determination that supported the borrower’s eligibility for discharge.

We will implement the notifications to loan holders described above through the use of the TPD LHN File that the Nelnet Total and Permanent Disability Servicer will send to loan holders in a comma separated values (\*.csv) file.

**TPD Loan Holder Notification File – Receipt Options**

FFEL Program guaranty agencies have the option of receiving the TPD LHN File through the Student Aid Information Gateway (SAIG) or via e-mail to a designated contact. FFEL Program lenders or lender servicers and Perkins Loan schools will receive the TPD LHN File via e-mail to a designated contact.

| <i>If the entity is a...</i>           | <i>The entity receives the TPD LHN File via...</i> |
|--|--|
| FFEL Program Guaranty Agency           | • SAIG <i>or</i> E-mail to Designated Contact      |
| FFEL Program Lender or Lender Servicer | • E-mail to Designated Contact                     |
| Perkins Loan School                    | • E-mail to Designated Contact                     |

As explained in the next two sections, each loan holder will need to take an action to ensure that the Nelnet Total and Permanent Disability Servicer knows the SAIG mailbox (TG number) or e-mail address to which it will send the loan holder’s TPD LHN Files.

**TPD Loan Holder Notification File – SAIG Option for FFEL Program Guaranty Agencies**

A FFEL Program guaranty agency that is currently enrolled for the SAIG “Borrower Services” service will be able to receive the TPD LHN File in the SAIG mailbox (TG number) it identifies to the Nelnet Total and Permanent Disability Servicer for this purpose. Each time there is new or updated borrower information to provide to the guaranty agency, the Nelnet Total and Permanent Disability Servicer will send the comma separated values (\*.csv) file to the designated SAIG mailbox (TG number) in the TPDNOTIN message class.

**TPD Loan Holder Notification File Overview**  
**Attachment to May 2013 Electronic Announcement**

We strongly encourage FFEL Program guaranty agencies to use the SAIG option for receiving the TPD LHN File. Assuming that a guaranty agency is already enrolled for the SAIG “Borrower Services” service, the only step the guaranty agency must take is to inform the Nelnet Total and Permanent Disability Servicer of the SAIG mailbox (TG number) to which the guaranty agency wants the notification file sent. As an option, the guaranty agency may choose to test with the servicer during the designated testing period, June 12 – 14, 2013.

**☑ ACTION ITEM – Provide SAIG Mailbox, Contact Person, and Test Period Status**

A FFEL Program guaranty agency that wants to use the SAIG option for receiving the TPD LHN File must inform the Nelnet Total and Permanent Disability Servicer via e-mail of the SAIG mailbox (TG number) to which the guaranty agency wants the notification file sent. In addition, the guaranty agency must provide information for a contact person and let the servicer know if it wants to test during the June 12 – 14, 2013 period.

- If the guaranty agency wants to test with the Nelnet Total and Permanent Disability Servicer, *the agency must send its e-mail before Wednesday, June 12, 2013.*
- If the guaranty agency does not want to test with the Nelnet Total and Permanent Disability Servicer, *the agency should send its e-mail no later than Friday, June 14, 2013.*

*Note:* The Nelnet Total and Permanent Disability Servicer cannot begin notifying the guaranty agency of borrowers who apply for TPD discharge on or after July 1, 2013 until the servicer receives the guaranty agency’s SAIG mailbox (TG number) and contact person information.

A FFEL Program guaranty agency’s e-mail to the Nelnet Total and Permanent Disability Servicer should be addressed and include information as follows:

|                |   |
|----------------|---|
| <b>To</b>      | <ul style="list-style-type: none"> <li>• disabilityinformation@nelnet.net</li> </ul>  |
| <b>Subject</b> | <ul style="list-style-type: none"> <li>• TPD LHN File Info for [GUARANTY AGENCY NAME]</li> </ul>  |
| <b>Body</b>    | <ul style="list-style-type: none"> <li>• Guaranty Agency Name</li> <li>• SAIG Mailbox (TG number) for TPD LHN File Transmittal</li> <li>• Contact Person’s Name</li> <li>• Contact Person’s E-mail Address, Phone Number, and Fax Number</li> <li>• June 12 – 14, 2013 Test Period Status (will test or will not test)</li> </ul> |

If a FFEL Program guaranty agency does not want to use the SAIG option for receiving the TPD LHN File (or is not currently enrolled for the SAIG “Borrower Services” service), the guaranty agency must receive the file via e-mail to a designated contact. See the “TPD Loan Holder Notification File – E-mail to Designated Contact Option for All Entities” section for information on the other option available to guaranty agencies.

**TPD Loan Holder Notification File Overview**  
**Attachment to May 2013 Electronic Announcement**

**TPD Loan Holder Notification File – E-mail to Designated Contact Option for All Entities**

In addition to a FFEL Program guaranty agency that does not want to use the SAIG option, all FFEL Program lenders and lender servicers and all Perkins Loan schools must receive the TPD LHN File via e-mail to a designated contact. Each time there is new or updated borrower information to provide to the loan holder, the Nelnet Total and Permanent Disability Servicer will send the comma separated values (\*.csv) file to the e-mail address identified for this purpose.

The Nelnet Total and Permanent Disability Servicer will send the TPD LHN File to the designated contact as a secure attachment to an e-mail.

- The e-mail will be sent from the address “TPDNotification@nelnet.net” with the subject “N!! Loan Holder Notification File.”
- The notification file will be transmitted as needed (that is, only when there is new information for the loan holder) Monday – Friday of each week except on the following days: New Year’s Day, Birthday of Martin Luther King, Jr. Holiday, Washington’s Birthday Holiday, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day After Thanksgiving, and Christmas Day.
- The Nelnet Total and Permanent Disability Servicer uses an e-mail security appliance to secure all Personally Identifiable Information (PII) that is transmitted via e-mail. The appliance automatically encrypts outbound e-mail communications containing PII and provides a secure electronic message delivery process. Upon receipt of the first encrypted e-mail, a loan holder’s designated contact will need to electronically register his or her contact information to receive the attachment. Once the designated contact is registered, he or she will not need to register again.

The only step a FFEL Program guaranty agency that does not want to use the SAIG option, a FFEL Program lender or lender servicer, or a Perkins Loan school must take is to designate its contact for e-mail receipt of the TPD LHN File through a new National Student Loan Data System (NSLDS) contact type. The new NSLDS contact type is “Disability Processing.”

**ACTION ITEM – Designate Contact through NSLDS “Disability Processing” Contact Type**

A FFEL Program guaranty agency that does not want to use the SAIG option, a FFEL Program lender or lender servicer, or a Perkins Loan school must designate its contact for e-mail receipt of the TPD LHN File through the new NSLDS Disability Processing contact type. The entity designates its contact via the ORG tab on the [NSLDS Professional Access Web site](#). The ORG tab is updated and available for this purpose.

- A FFEL Program guaranty agency that does not want to use the SAIG option, a FFEL Program lender or lender servicer, or a Perkins Loan school *should designate its contact via the ORG tab on the NSLDS Professional Access Web site no later than Sunday, June 30, 2013.*

**Note:** The Nelnet Total and Permanent Disability Servicer cannot begin notifying an entity of borrowers who apply for TPD discharge on or after July 1, 2013 until the servicer receives the entity’s contact for e-mail receipt of the TPD LHN File.

**TPD Loan Holder Notification File Overview**  
**Attachment to May 2013 Electronic Announcement**

A FFEL Program guaranty agency that does not want to use the SAIG option, a FFEL Program lender or lender servicer, or a Perkins Loan school designates its TPD LHN File contact as follows:

|               |  |
|---------------|--|
| <b>Step 1</b> | Log in to the <a href="#">NSLDS Professional Access Web site</a> and click on the ORG tab at the top of the page.    |
| <b>Step 2</b> | Under Organization Contact List, click on the Add New Contact button.  |
| <b>Step 3</b> | Under Organization Contact Add, click on the dropdown menu for Available Functions and select Disability Processing. |
| <b>Step 4</b> | After selecting Disability Processing, enter all data elements for the TPD LHN File contact.                         |
| <b>Step 5</b> | Click on the Submit button.  |

**Note to Perkins Loan Schools:** A Perkins Loan school may designate its Perkins Loan servicer to receive the TPD LHN File by entering the servicer’s information under the Disability Processing function. If a Perkins Loan school chooses to designate a school staff member instead of its servicer, the school must keep its servicer informed of the TPD discharge information.

Upon submission of the new contact for Disability Processing, the Organization Contact List will be updated to reflect the new function and contact. In addition, the designated contact information for the FFEL Program guaranty agency that does not want to use the SAIG option, the FFEL Program lender or lender servicer, or the Perkins Loan school will be forwarded to the Nelnet Total and Permanent Disability Servicer for use when e-mailing the TPD LHN File to the loan holder. If the loan holder needs to change its designated contact for the notification file in the future, it will do so by returning to the ORG tab on the [NSLDS Professional Access Web site](#), clicking on the number to the left of the Disability Processing function, updating the contact information, and clicking on the Submit button.

**TPD Loan Holder Notification File – Layout and Reason Codes**

As explained above, the TPD LHN File is a comma separated values (\*.csv) file. Each time the Nelnet Total and Permanent Disability Servicer sends the notification file to a loan holder there may be information included for one borrower or for multiple borrowers. Overall, the notification file includes 15 data fields—one field for the date the file is transmitted (field 1), six fields for borrower matching criteria (fields 2 – 7), and eight fields for reason code and application status information (fields 8 – 15).

The first time the Nelnet Total and Permanent Disability Servicer includes a borrower’s information in the TPD LHN File, the servicer will populate the date field, the borrower matching criteria fields, the reason code field, and the applicable application status information fields. After the initial notification, each subsequent time the Nelnet Total and Permanent Disability Servicer includes the borrower’s information in the TPD LHN File, there will be a new date in the date field, no changes in the borrower matching criteria fields, and changes only in the reason code and application status information fields.

Every time the Nelnet Total and Permanent Disability Servicer includes a borrower’s information in the TPD LHN File, there will be an entry in the Reason Code field (field 8). One of five reason codes will be populated in this field to inform the loan holder of actions that must be taken related to the borrower’s account.

**TPD Loan Holder Notification File Overview**  
**Attachment to May 2013 Electronic Announcement**

The TPD LHN File reason codes are as follows:

| <i>Reason Code</i> | <i>Reason for Notice</i>   | <i>Regulatory Basis</i>  |
|--------------------|--|--|
| <b>120SUSP</b>     | Instructs loan holders to suspend collection activity for 120 days   | 34 CFR 674.61(b)(2)(ii)(C)<br>34 CFR 674.61(c)(2)(ii)(C)<br>34 CFR 682.402(c)(2)(ii)(C)<br>34 CFR 682.402(c)(9)(ii)(C) |
| <b>INDEFSUSP</b>   | Instructs loan holders to suspend collection activity indefinitely, while the Department reviews the borrower's TPD Discharge application                            | 34 CFR 674.61(b)(2)(viii)<br>34 CFR 674.61(c)(2)(viii)<br>34 CFR 682.402(c)(2)(vii)<br>34 CFR 682.402(c)(9)(viii)      |
| <b>APPAPPR</b>     | Notifies loan holders that a TPD Discharge application has been approved   | 34 CFR 674.61(b)(3)(iii)<br>34 CFR 674.61(c)(3)(i)<br>34 CFR 682.402(c)(3)(iii)<br>34 CFR 682.402(c)(9)(x)             |
| <b>APPREJ</b>      | Notifies loan holders that a TPD Discharge application has been rejected   | 34 CFR 674.61(b)(3)(vi)<br>34 CFR 674.61(c)(3)(iii)<br>34 CFR 682.402(c)(3)(v)<br>34 CFR 682.402(c)(9)(xi)             |
| <b>DISCRG</b>      | Notifies loan holders that the federal student loan(s) that was assigned to the Department on the basis of an approved TPD Discharge application has been discharged | 34 CFR 674.61(b)(3)(v)<br>34 CFR 682.402(c)(3)(iv)   |

The complete TPD LHN File layout, including Field Number, Field Name, Max Length, Type, Required Field, Value, and Business Rule information, is provided in the second attachment to our May 2013 announcement. The attachment is titled "TPD Loan Holder Notification File Layout."

**Contact Information**

We appreciate the financial aid community's participation in our implementation of the new TPD discharge process. Please continue to monitor the [IFAP Web site](#) for subsequent Electronic Announcements in the "TPD Discharge Information" series.

For assistance with TPD LHN File issues, direct your questions to our contact centers as follows:

- If you are with a FFEL Program guaranty agency and need assistance with providing SAIG mailbox (TG number), contact person, and test period status information to the Nelnet Total and Permanent Disability Servicer, contact the Nelnet Total and Permanent Disability Servicer as outlined on the current [Total and Permanent Disability Discharge and Veterans Disability Discharge Contact Information page](#).

**TPD Loan Holder Notification File Overview**  
**Attachment to May 2013 Electronic Announcement**

- If you are with a FFEL Program guaranty agency that does not want to use the SAIG option, a FFEL Program lender or lender servicer, or a Perkins Loan school and need assistance with designating your contact for e-mail receipt of the TPD LHN File through the new NSLDS “Disability Processing” contact type, contact the NSLDS Customer Support Center at 800/999-8219. You can also contact Customer Support by e-mail at [nslds@ed.gov](mailto:nslds@ed.gov).
- If you need assistance with the TPD LHN File after file transmittal begins on July 1, 2013, contact the Nelnet Total and Permanent Disability Servicer as outlined on the [Total and Permanent Disability Discharge and Veterans Disability Discharge Contact Information page](#).