



Dynamic Chiropractic – May 22, 1992, Vol. 10, Issue 11

"ChiroLoan" Aides Chiropractic Students -- Eliminates HEAL Dependency

ACC and EFS Finalize \$80 Million Financial Aid Package

By Editorial Staff

The Association of Chiropractic Colleges (ACC) and Educational Funding Services (EFS) of Herndon, Virginia recently finalized plans for "ChiroLoan," an \$80 million student financial aid package. The ACC is sponsoring the package and EFS will handle its administration.

The \$80 million of the ChiroLoan program will be disbursed over four years in \$20 million annual increments to all participating campuses. Any chiropractic institution accredited by the Chiropractic Council on Education (CCE) is eligible. Money will be available to second, third, and fourth year students with \$6,000 as the maximum amount available per academic year. Those students who are "credit worthy," meaning those who have a positive credit history or no credit history at all, are eligible. Students with a negative credit history are eligible for the program if they have a cosigner.

Other participants in the program include Key Bank of Maine, a well-known lender in the student loan market, and United Student Aid Funds (USAF), the largest guarantor of student loans in the country.

Stephen Galvin, president of EFS explained: "We reviewed several different guarantee agencies, servicing operations, and student loan lenders before selecting USA Funds and Key Bank of Maine as partners in the program. We are confident that they bring the expertise and financial stability that are critical to the program's success."

Through the ChiroLoan program, the student will have a single source of borrowing, a simplified application process, and electronic transfer of money once a loan has been funded. Students will be able to access Stafford Loans, Supplemental Loans to Assist Students (SLS), Parents' Loans for Undergraduate

Student (PLUS), and the newly-established ChiroLoan through this program. ChiroLoan will use a state-of-the-art financial management system designed to assist students and institutions with identifying those factors that lead to default.

The ACC began discussions months ago on the development of loan programs designed to eliminate dependency on Health Education Assistance Loans (HEAL). Gerard Clum, D.C., president of the ACC and of Life College of Chiropractic West chaired a committee to draft a plan of action. Other committee members included Kenneth Padgett, D.C., president of New York College of Chiropractic (NYCC); Reed B. Phillips, D.C., Ph.D., president of Los Angeles College of Chiropractic; and Neil Stern, D.C., of Parker College of Chiropractic.

This is the first time any lending institution has put forward private sector dollars on an unguaranteed basis for use by chiropractic students. Previously, the ACC stated, all programs accessed by students throughout the profession have been guaranteed or insured by the federal government.

ACC representatives met on April 24-25 in Chicago to begin the process of implementing the ChiroLoan program. Each chiropractic institution will be able to choose from a host of options to tailor the system to that institution's particular needs. Electronic application filing and electronic fund transfer are two of the features. Money will be disbursed by June 1, 1992.

Said Dr. Clum of the ChiroLoan program: "It is almost impossible to overestimate the value that a program of this nature holds for the chiropractic profession."



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