

AMA: Tips for managing medical school loans

July 4 2014



(HealthDay)—Creating a budget and other tips can help medical school graduates to manage their loan repayments, according to an article published by the American Medical Association (AMA).

The Association of American Medical Colleges (AAMC) estimates that the average [medical school](#) graduate of the class of 2013 left school with a debt of almost \$170,000. With this in mind, Chris Long, from Consolidated Planning Inc. in Columbia, S.C., shares five tips relating to managing education loans after graduation. Long spoke at the annual meeting of the AMA.

According to Long, knowing your actual take-home pay is important,

taking note of the amount after taxes. Loan payments should be budgeted first, before buying cars or homes. The AAMC's [Residency Calculator](#) can be used to determine how much will be left after loan repayments, housing costs, and essential costs of living. Loan forgiveness programs can be explored; those working in government or non-profit organizations may be eligible for such programs. The difference between income-driven payments and pay-as-you-earn options should be investigated for each individual loan. Finally, loans should not be ignored; those who are unable to make scheduled payments should consider deferment or forbearance, noting that the interest will continue to accrue with forbearance.

"Most people don't understand how these things work," Long said at the meeting. "As soon as you match, get your benefits information and know what you'll have access to [as a resident]. Start putting the numbers on a budget form, start thinking through your lifestyle and make sure you don't go further into debt with credit cards."

More information: [More Information](#)

Copyright © 2014 [HealthDay](#). All rights reserved.

Citation: AMA: Tips for managing medical school loans (2014, July 4) retrieved 6 May 2024 from <https://medicalxpress.com/news/2014-07-ama-medical-school-loans.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.
