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Subject: Revised Total and Permanent Disability Discharge Application

Summary: The letter announces the approval of a revised Discharge Application: Total and Permanent Disability for use by borrowers in the Federal Family Education Loan (FFEL), William D. Ford Federal Direct Loan (Direct Loan), and Federal Perkins Loan (Perkins Loan) programs, and by recipients of grants under the Teacher Education for College and Higher Education (TEACH) Grant Program

**Note:** The PDF version of the Discharge Application has been corrected (see [DCL GEN-09-02](#)). The link on this letter now points to the corrected form.

Dear Colleague:

The Office of Management and Budget (OMB) has approved a revised Discharge Application: Total and Permanent Disability. The revised form will be used by FFEL, Direct Loan, and Perkins Loan program borrowers to apply for discharge of their loans based on a total and permanent disability, and by TEACH Grant recipients to apply for total and permanent disability discharges of their TEACH Grant service obligations.

The revised Discharge Application: Total and Permanent Disability incorporates the changes made to the terms of total and permanent disability discharges made by the [Title IV final regulations](#) for the FFEL, Direct Loan, and Perkins Loan program that were published on November 1, 2007 (effective July 1, 2008), as well as the provisions of the [TEACH Grant Program final regulations](#) published on June 23, 2008 that allow for the discharge of a TEACH Grant recipient's service obligation based on total and permanent disability.

The revised form also reflects one of the changes made by the Higher Education Opportunity Act (Public Law 110-315) (HEOA) to the provisions of the Higher Education Act governing total and permanent disability discharges. This change established a new standard for determining that certain veterans are totally and permanently disabled for Title IV loan discharge purposes. Specifically, a veteran who has been determined by the Secretary of Veterans Affairs to be

unemployable due to a service-connected condition or disability and who provides documentation of that determination will be considered totally and permanently disabled for loan discharge purposes, and will not be required to provide any additional documentation to establish his or her eligibility for discharge. This new standard will also apply to eligible veterans who request a discharge of a TEACH Grant service obligation based on total and permanent disability.

Additional information related to the HEOA change affecting veterans that is described above may be found in [Dear Colleague Letter GEN-08-12/FP-08-10](#). We will issue a separate Dear Colleague Letter that explains the new standard for veterans and provides detailed operational guidance to FFEL Program lenders, guaranty agencies, and Perkins school lenders on documentation requirements and special procedures for processing total and permanent disability discharge requests from veterans who are covered by the HEOA provision.

Other HEOA provisions affecting total and permanent disability discharges require implementing regulations and thus will necessitate further changes to the discharge application at a later date.

In addition to revising the application to reflect the necessary regulatory and statutory changes, we have also significantly revised and expanded the Physician's Certification section of the form. Our experience with the prior version of the discharge application has shown that in many cases the physician who certifies the form does not provide sufficient information to clearly establish that the discharge applicant is totally and permanently disabled in accordance with the regulatory definition. To address this issue, we have revised the questions for the physician so that they request more detailed information about the applicant's disabling condition, and we have added more space for physicians to provide the requested information.

### Implementation of the Revised Discharge Application: Total and Permanent Disability

The OMB-approved revised Discharge Application: Total and Permanent Disability (expiration date 12/31/2011) is attached to this letter. In light of the new discharge standard for certain veterans, program participants are urged to begin distributing the attached revised form to borrowers as soon as possible. Beginning July 1, 2009, only the attached revised form may be provided to borrowers. However, the previous version of the form (expiration date 05/31/2008) may continue to be accepted after this date.

### Imaging Technology

The attached form instructs the borrower to complete and sign the form in ink. This is to accommodate imaging technology, but a pencil signature does not invalidate a form.

The blank space at the top, bottom, or sides of the form may be used for bar coding.

### Printing Instructions

The attached form must be printed with black ink on white paper. The typeface, point size, and general presentation of the form may not be changed from the version that was approved by

OMB. However, program participants may change the order of the program names that appear in the header of the form so that the name of the program for which the form is being used appears first. (For example, a Perkins school could change the order of the program names so that Federal Perkins Loan Program appears first.) In addition, program participants may remove bold type in section headings or may add bold or italic type to the instructions.

FFEL Program loan holders and Perkins school lenders should pre-print the address to which the completed form should be sent, along with appropriate contact information, at the bottom of Section 3 on Page 1 of the form.

### Obtaining Copies for Reproduction

The revised form, in both Microsoft Word and PDF format, is provided as an attachment to this letter. The form will also be available in PDF format on the web site of the [National Council of Higher Education Loan Programs](#) (NCHELP).

FFEL Program guaranty agencies and Perkins school lenders are responsible for ensuring that the form used is identical to the form approved by OMB. No changes may be made to the form except as expressly authorized above.

Sincerely,

Jeff Baker, Director  
Policy Liaison and Implementation

Attachments/Enclosures:

[Discharge Application: Total and Permanent Disability in PDF Format, 112KB, 4 pages](#)

[Discharge Application: Total and Permanent Disability in Microsoft Word Format, 228KB, 4 pages](#)



[Plugins & Viewers](#)