

Student Loan Solutions

Discussion with MSD of Wabash County



EDUCATORS STRUGGLE WITH **SKY HIGH** STUDENT LOAN DEBT

More than sixty percent of educators have student loan debt, and that debt weighs heavily on their decision to stay in the profession.



34%

are considering leaving the profession due to

FINANCIAL STRESSES

88%

would be more likely to stay in the profession if they could get their

STUDENT LOANS FORGIVEN

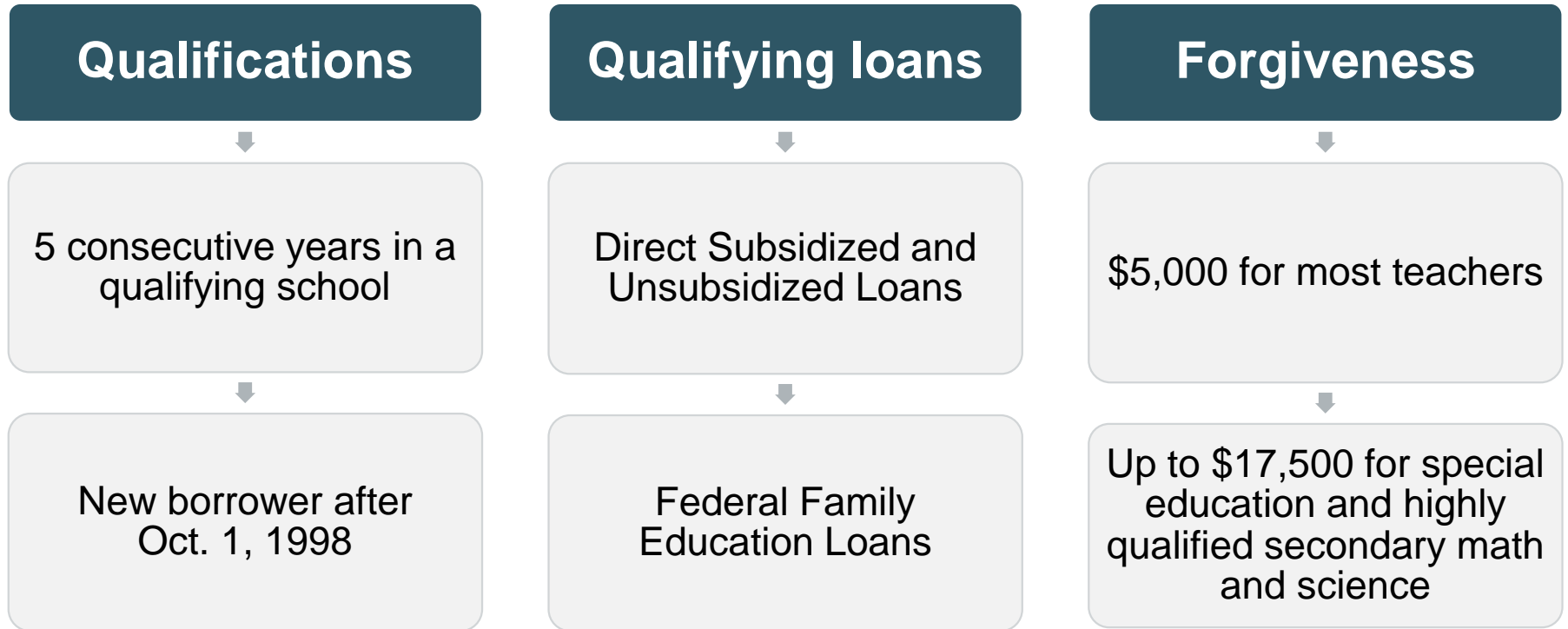
70%

would stay in the profession longer if they could get a

LOWER PAYMENT
on their student loans

Teacher Loan Forgiveness

Designed for current and former classroom teachers



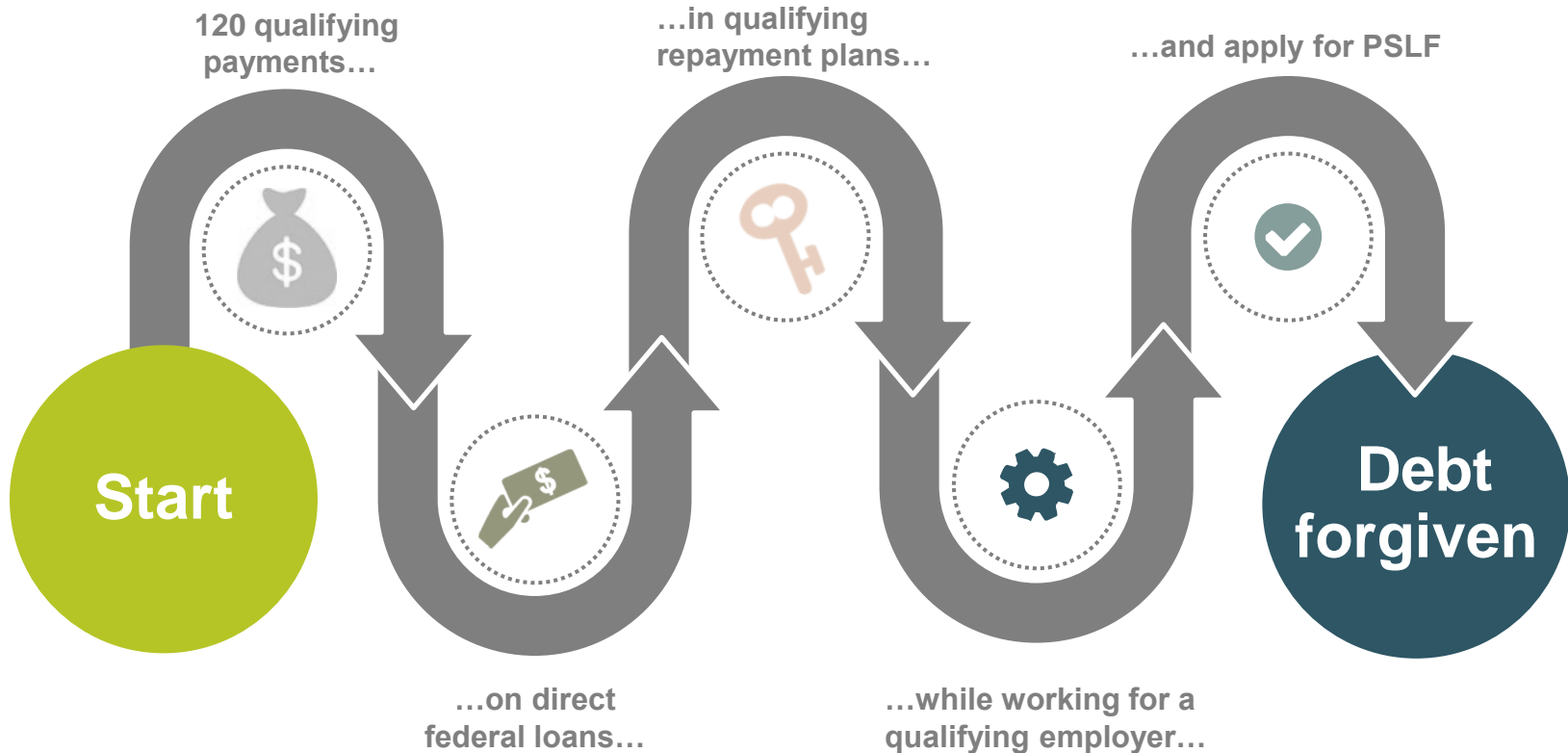
Must teach in a low-income elementary school, secondary school or educational service agency listed in the Teacher Cancellation Low Income directory. Definition of "secondary" varies by state.

Source: Federal Student Aid.

Public Service Loan Forgiveness (PSLF)

This program is available to all full-time public school employees

After program completion, the amount forgiven = **remaining loan balance**



**LOWER PAYMENTS now and FORGIVENESS later
= powerful RETENTION incentive**

Educators miss forgiveness opportunities

Low awareness

- **Less than 4%** of public school employees have applied for PSLF
- **77%** haven't been informed by their loan servicer about forgiveness opportunities

High failure rate

98% of PSLF applicants are denied due to:

- Non-qualifying payments (59%)
- Missing information (26%)
- No eligible loans (11%)
- Other reasons (2%)

Most problems are preventable with awareness and planning

Repayment plans based on income

Income driven repayment plans qualify for PSLF and may lower payments

Teacher profile: \$36,000 income | \$35,000 student loan debt at 5.5% interest rate | single

	Repayment plan	First monthly payment	Last monthly payment	Total amount paid	Loan forgiveness after 10 years
<i>Default plan</i>	Standard	\$380	\$380	\$45,606	\$0
<i>Common servicer suggestion</i>	Extended Repayment Plan	\$215	\$215	\$64,556	\$0
<i>Better strategy</i>	Pay As You Earn	\$141	\$199	\$20,279	\$34,156

Plans that DON'T qualify for PSLF

- Graduated
- Extended Fixed
- Extended Graduated

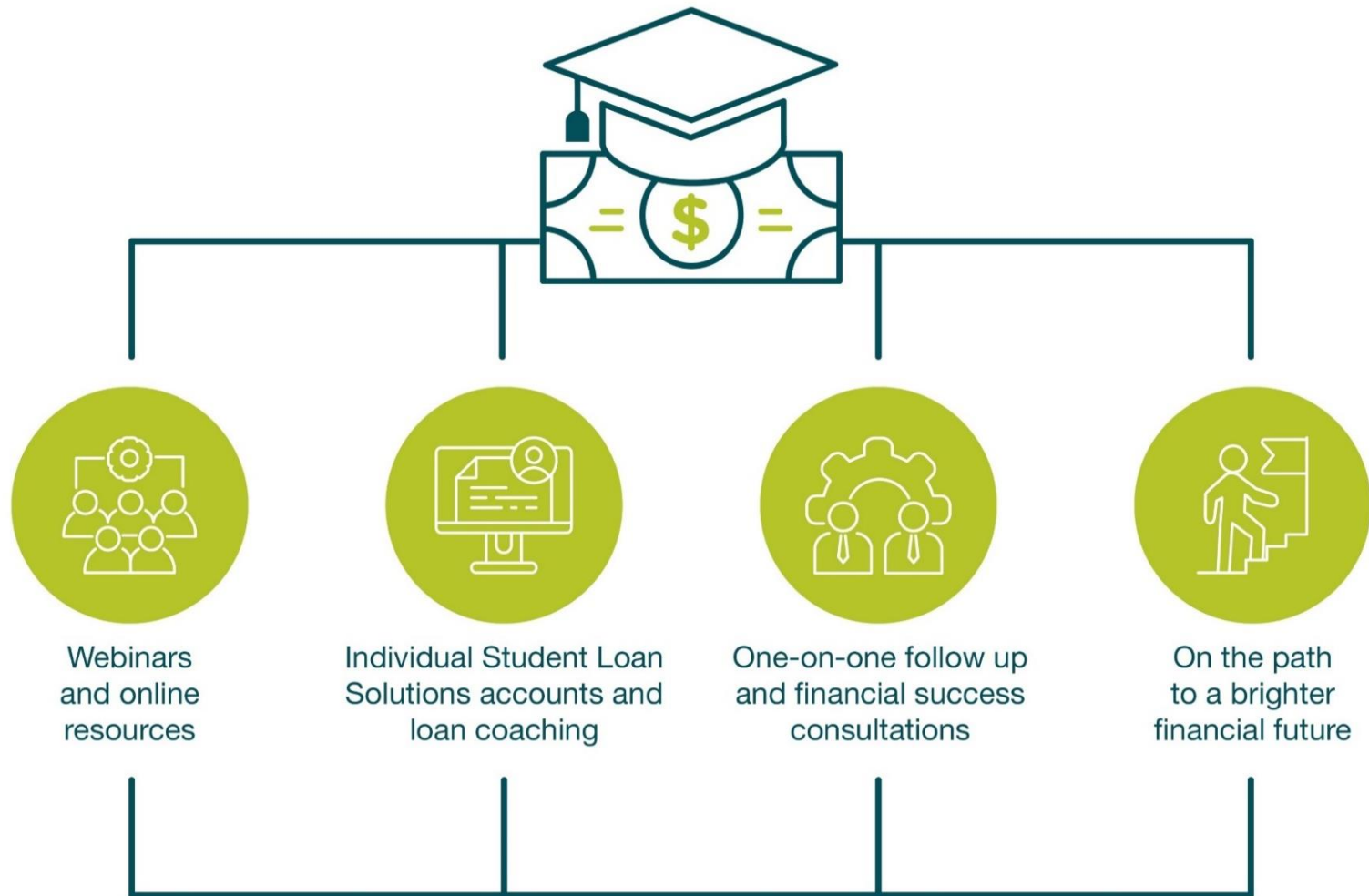
Beware! In best interest of loan servicer

Plans that DO qualify for PSLF

- PAYE
- REPAYE
- IBR
- ICR

Source: Tuition.io Strategy Finder calculator. Assumptions match the Federal Student Aid Repayment Estimator, including a 2% annual salary increase. The teacher profile above is a hypothetical example provided for illustrative purposes only and is not an individualized recommendation.

A formula for success



Webinars
and online
resources

Individual Student Loan
Solutions accounts and
loan coaching

One-on-one follow up
and financial success
consultations

On the path
to a brighter
financial future

** Potential savings of educators assisted by Horace Mann with Public Service Loan Forgiveness from October 2016 through 2020 based on assumptions established by the U.S. Office of Federal Student Aid. For more information regarding the U.S. Office of Federal Student Aid assumptions, refer to www.studentaid.gov/loan-simulator.*

Program serves an unmet need for help to qualify and apply for loan forgiveness

82% of educators want to see if they qualify for loan forgiveness

79% of educators want help on how to apply for forgiveness

Impact in 2020:

>85%
learned they could be better off

\$75,000
average Public Service Loan Forgiveness (estimate)

\$330/month
average loan payment savings (estimate)

> \$100 million
additional student loan forgiveness potential

Sources: Based on potential savings of educators assisted by Horace Mann with Public Service Loan Forgiveness from October 2016 through 2020 based on assumptions established by the U.S. Office of Federal Student Aid. Monthly savings are based on 2020 only. For more information regarding the U.S. Office of Federal Student Aid assumptions, refer to www.studentaid.gov/loan-simulator. Horace Mann Educators Student Loan Debt Study, June 2020.

Student loan debt help = employee retention

Reduction in employee turnover with Tuition.io

Real clients with contributions toward loans

Representative employer	Non-participant turnover	Participant turnover	% lower turnover
Health care – senior care	58%	22%	61%
Education	38%	18%	52%
Technology hardware	34%	18%	46%
Energy/utility	17%	11%	40%
Municipal government	22%	14%	38%
Employer services	28%	18%	38%
Health care – hospital	24%	18%	26%
Industrial manufacturer	29%	23%	20%
Financial services	32%	27%	15%

Source: Tuition.io. turnover metrics are cumulative from each employer's student loan repayment benefit program launch through January 31, 2021. Periods of performance range from two to four years.

Other organizations contract directly with Tuition.io and pay an annual licensing fee

Number of employees	Standard annual cost
1 to 1,500	\$ 7,200
2,500	\$ 7,500
5,000	\$ 15,000
10,000	\$ 30,000

With Horace Mann program:

- NO cost to district
- NO cost to employees
- We fully sponsor access because we know it helps address a major financial burden for most educators

Companies that trust the Tuition.io platform for their employees

For profits

- Ford
- ADP
- Hulu
- Estee Lauder

Public service

- Freddie Mac
- Trilogy Healthcare
- Children's Hospital & Medical Center

SLS Accounts powered by Tuition.io

Robust resources and tools to better manage student loans

Comprehensive information and calculators

Secure loan linking to 100s of loan servicers

Quick access to your Horace Mann representative

The screenshot shows the Tuition.io user dashboard. On the left is a dark purple sidebar with navigation links: Dashboard, My Account Activity, Repaying Student Debt, Planning For College, Questions You Have, Need Help?, FAQ, Email us | Call us, About Us, and Blog. The main content area features a 'Link your student loan accounts' section with a warning icon and a '+ ADD LOANS' button. Below this are three cards: 'Student Loan Coaches', 'Loan Forgiveness', and 'Types Of Student Loans'. On the right, a 'Horace Mann Representative' card displays contact information for Katie Hageman, including her name, company (Hageman Family Insurance Agency LLC), address, phone number, email, and website. A 'Chat' button is visible in the bottom right corner.

Strategy Finder

Helps determine best strategy for repaying federal loans, including help to qualify for Public Service and Teacher Loan Forgiveness

Erin consider switching to the **Pay As You Earn Repayment Plan + Public Service Loan Forgiveness**. You could save **\$25,327**.

Total amount saved from lower monthly payments

Plus, amount forgiven after 10 years of service

Plan you want	Estimated Payoff Amount	Years to repay	Monthly Payment	Estimated Total Interest Paid	Estimated Loan Forgiveness
<input checked="" type="radio"/> Top Strategy PAYE + PSLF	\$20,279	10 Year(s)	\$141-199 changes with income	\$19,435	\$34,156
<input type="radio"/> Your current plan 10 Year Standard	\$45,606	10 Year(s)	\$380	\$10,606	\$0

[COMPARE ADDITIONAL PLANS...](#)

[DOWNLOAD PDF](#)

[SEND TO AGENT](#)

[PRINT PDF](#)

Calculations for potential forgiveness and monthly payments are estimates based on information entered and certain assumptions and are not guaranteed to be accurate or complete. The strategy above is a hypothetical example provided for illustrative purposes only. Example assumes: Single, \$36,000 income, \$35,000 student loan debt at 5.5% interest rate, 2% annual salary increase.

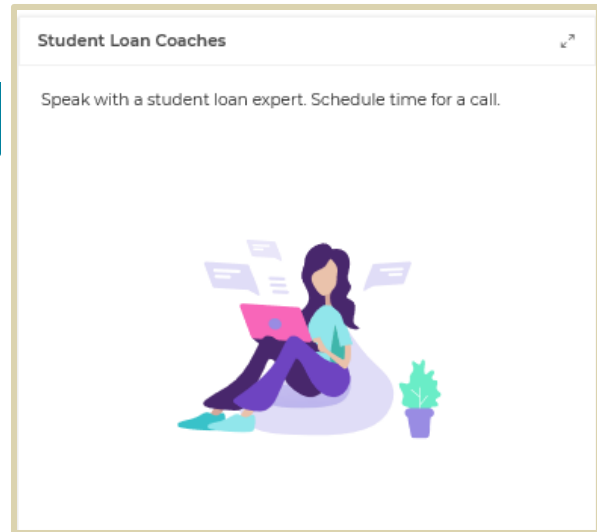
Instructions and support to get started

Provides next steps and links to get started, plus loan coaching by phone, chat or email

PAYE

How to switch to the Pay As You Earn repayment plan

- 1 Submit the [Income-Driven Repayment Plan Request Form](#) .
- 2 Your servicer will automatically update your payment amount, but it can take some time. You can check on the status of your application by [contacting your servicer](#) .
- 3 PAYE needs to be renewed every year. Be sure to [update your income and family size](#) annually to stay on this plan.



PSLF

How to qualify for Public Service Loan Forgiveness

- 1 Make sure you're on the PAYE repayment plan.
- 2 Make sure you're in eligible employment by completing & submitting the [Employment Certification Form](#) . Track your progress toward PSLF by submitting your ECF at least annually.
- 3 After making 120 months of eligible payments, submit your application for PSLF. While you wait for approval, be sure to continue making your minimum monthly payments to remain eligible for forgiveness.

- Live technical support (phone, chat, email) M-F, 7am-7pm CST
- Loan Coach support by appointment (phone, chat) or email

Sponsored partnership options

Employee benefits	
Webinars	x
Account tools	x
• Loan forgiveness calculator	x
• Loan linking and notifications	x
Loan coaching	x
• Default	x
• Loan forgiveness	x
• CARES Act	x
1:1 financial consultations	x
District partner benefits	
Employee communications package	x
Loan forgiveness tracking	3-year
Student loan debt benchmarking	3-year

Comprehensive service level for all employees under any program duration

Impact reports with three-year commitment to program. Includes:

- Employee participation
- Average student loan debt
- Estimated loan forgiveness
- Estimated monthly savings
- Benchmarks at state and national level

Next steps

1

Questions

2

Partnership duration

3

Webinar date (s)

4

Employee communications

5

Point of contact

The information provided here is for general informational purposes only and should not be considered an individualized recommendation. Horace Mann and Tuition.io are private, independent companies not affiliated with the Department of Education or the federal government. Horace Mann does not negotiate, adjust or settle debts. No assistance provided by Horace Mann constitutes official action for purposes of student loan forgiveness programs or guaranteed results. Tuition.io is an employer benefit student loan debt management platform that helps borrowers, through their employer or other sponsor, reduce and better manage their student loan burden.

Thank you!

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