

CCOMMON CENTS

YOUR FINANCIAL LITERACY NEWSLETTER

What do I need to know?**All Students:**

All CCOM students are required to have health insurance. **If you have alternative coverage then submit your proof of insurance on MyUI by Sept. 9. YOU NEED TO DO THIS EVERY YEAR** or you will be automatically enrolled into the University's basic insurance plan (SHIP) and charged \$312 per month. If you are taking out SHIP insurance, we will send out information about increasing your loans to cover the cost of these monthly insurance premiums in early October.

**Spring 2027 Loan
Disbursements Dates:**

**M2 and PA2 : January 4
M1, M3, M4, PA1: January 11**

M3 Students:

Your fall semester refund that you received in July included \$680 for USMLE Step 1 registration fees. Make sure that you set this amount aside when budgeting.

M4 Students:

The refund that you received in July included \$1,840 for ERAS application expenses. Make sure that you set this amount aside when budgeting.

Financial Services Office Hours

Monday - Friday 8:00 - 5:00
Please stop by 1216 MERF if you need to speak with one of us! Appointments are not needed.

Is there a topic that you would like to see covered in a future edition of CCOMmon Cents? Send an email to chris-roling@uiowa.edu

Do Student Loans Impact Your Credit Score?

One of the most common questions that I get is whether student loans impact your credit score. If a student leaves their program with \$200,000 in student loan debt, are they going to have a higher interest rate when they try to buy a house or a car? This is a good question and the answer is both yes and no.

The loans themselves are not a direct line of credit so they will not negatively impact your credit score. So in this regard, taking out student loans does not impact your credit score.

Once you enter repayment, your student loan payments will impact your credit score because you are establishing a payment history. If you make your monthly student loan payments on time, this will improve your credit score because you are developing a good payment history. Conversely, if you miss making your monthly loan payments (or don't pay them on time), it will end up hurting your credit score.

There is one other factor to consider—your debt to income ratio. When lenders are determining whether or not to offer you a mortgage loan, they will check your debt to income ratio. When lenders calculate your debt to income ratio, they are basically trying to decide if you can afford the monthly payments. So they are looking at your monthly required student loan payment—not the overall amount that you borrowed. So, a high student loan balance is not going to negatively impact the interest rate that you receive as long as you can afford to make the monthly payment.

Renter's Insurance

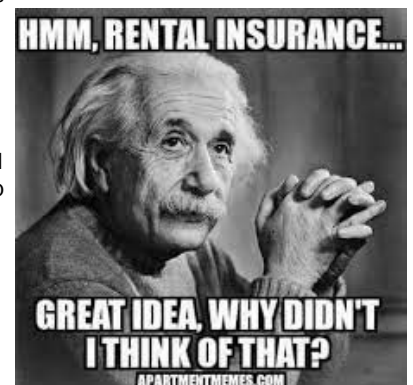
During medical school, most students rent a house or an apartment but many students do not purchase renter's insurance. Landlords carry insurance on the building itself, but this does not cover any of the personal items inside the building. So if your apartment is broken into or there is a fire, you will end up paying to replace all of those personal items yourself. Renter's insurance is a cheap way to protect yourself. (as low as \$15/month!)

The first step is to take inventory of all of the items in your apartment and take pictures of the more valuable items. Once you have that list, it will be easier to determine the amount of coverage that you will need to have. Shop around with different insurance companies to find the best quote for coverage.

Be sure to figure out if the plan will cover the cost of replacing all of the items or if it only covers the value of the items. Remember that items tend to decrease in value over time. So if the computer that you have had since undergrad gets destroyed, your insurance policy may only cover the current value of the computer—not the cost of replacing the computer.

Renter's insurance may not cover damages caused by natural disasters so you will want to make sure to check your policy to be sure that you have the coverage that you need!

Renter's Insurance is relatively inexpensive so it is definitely worth looking into. You may never need the insurance, but in case of a fire, theft, vandalism, lightning, wind, & water damage you will be glad that you have it!

**Litigation Tracker for Physician Associates**

We are all anxiously awaiting to see what the courts will decide on the whether the Physician Associate programs will be considered a graduate or a professional program. Here is a [link](#) that you can use to keep track of the progress on the court's ruling. Each case includes a brief summary, regular status updates, and links to related coverage from *Today's News*.