

# Total and Permanent Disability Discharge (TPD)

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**Some physical or mental impairments can qualify you for a total and permanent disability discharge on your federal student loans and/or TEACH Grant service obligation.**

A total and permanent disability (TPD) *discharge* relieves you from having to repay a *William D. Ford Federal Direct Loan (Direct Loan) Program* loan, *Federal Family Education Loan (FFEL) Program* loan, and/or *Federal Perkins Loan (Perkins Loan) Program* loan or complete a *Teacher Education Assistance for College and Higher Education (TEACH) Grant service obligation* on the basis of your total and permanent disability. Before your federal student loans or TEACH Grant service obligation can be discharged, you must provide information to the U.S. Department of Education (ED) to show that you are totally and permanently disabled. ED will evaluate the information and determine if you qualify for a TPD discharge.

If you think you might qualify and want to apply for a TPD discharge, you must provide the information ED needs to make a determination by completing a TPD discharge application and gathering supporting documentation that shows you are totally and permanently disabled. Depending on your situation, you will either attach the supporting documentation to your application or have your physician complete Section 4 of your application. Once everything is complete, you'll mail the discharge application and, if required, the supporting documentation to the Nelnet Total and Permanent Disability Servicer.

- **3-Year Post-Discharge Monitoring Period:**

***For borrowers who are approved for a TPD discharge based on SSA documentation or a physician's certification***

**Note:** The 3-year post-discharge monitoring period does not apply to borrowers who are approved for a total and permanent disability (TPD) discharge based on a Veterans Administration (VA) determination of unemployability due to a service-connected disability.

After the U.S. Department of Education (called “the Department” throughout this site) approves your discharge request on the basis of your total and permanent disability, your loan holders will transfer your federal student loans and/or Teacher Education Assistance for College and Higher Education (TEACH) Grant Program service obligation to us for discharge. If you are approved for TPD discharge based on Social Security Administration (SSA) documentation or a physician’s certification, you will be subject to a 3-year post-discharge monitoring period that begins on the date the discharge is approved.

## Monitoring

The Department will reinstate your obligation to repay your discharged federal student loans or complete your discharged TEACH Grant service obligation if at any time during the 3-year monitoring period:

- **You have annual employment earnings that exceed the Poverty Guideline amount for a family of two in your state, regardless of your actual family size;(refer to table at end of this document.)**
- You receive a new William D. Ford Federal Direct Loan (Direct Loan) Program loan, Federal Perkins Loan (Perkins Loan) Program loan, or TEACH Grant;
- A disbursement of a Direct Loan, Perkins Loan, or TEACH Grant that you received before the discharge date is made, and you do not ensure the return of the full amount of the disbursement within 120 days of the disbursement date; or
- You receive a notice from the SSA stating that you are no longer totally and permanently disabled, or that your disability review will no longer be the 5-year or 7-year review period indicated in your most recent SSA notice of award for Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits.

In addition, during the 3-year post-discharge monitoring period, you must promptly notify or respond to the Department if:

- You receive annual earnings from employment that exceed the **Poverty Guideline amount** for a family of two in your state, regardless of your actual family size;
- There is a change in your address or telephone number;
- You receive a request to provide the Department with documentation of your annual earnings from employment; or
- You receive a notice from the SSA that you are no longer totally and permanently disabled, or that your disability review will no longer be the 5-year or 7-year review period indicated in your most recent SSA notice of award for SSDI or SSI benefits.

## Reinstatement

If your obligation to repay your federal student loans or complete your TEACH Grant service obligation is reinstated under the conditions described earlier, you will again be responsible for repaying your loans or completing your TEACH Grant service obligation. However, you will not be required to pay interest that would have accrued on the loans during the time your loans were discharged due to total and permanent disability.

If your obligation to repay your federal student loans or complete your TEACH Grant service obligation is reinstated, we will notify you of the reinstatement by U.S. Mail and return your loans to the status that existed at the time you applied for a TPD discharge. The notice of reinstatement will include:

- The reason(s) for reinstatement
- An explanation that the first payment due date on the reinstated loans will be no earlier than 60 days after the date of the notification of reinstatement
- Information on how you may contact the Department if you have questions about the reinstatement or believe that the Department's determination was based on incorrect information

## Eligibility for New Loans or TEACH Grants

If the Department grants a TPD discharge of your federal student loans or TEACH Grant service obligation, you will not be eligible to receive a new Direct Loan, Perkins Loan, or TEACH Grant in the future unless:

- You obtain a certification from a physician that you are able to engage in substantial gainful activity; and
- You sign a statement acknowledging that the new loan or TEACH Grant service obligation cannot be discharged in the future on the basis of any injury or illness present at the time the new loan or TEACH Grant is made, unless your condition substantially deteriorates so that you are again totally and permanently disabled.

In addition, if you request a new Direct Loan, Perkins Loan, or TEACH Grant during the 3-year post-discharge monitoring period described earlier, you must resume repayment on the previously discharged loans or acknowledge that you are once again subject to the terms of your TEACH Grant service obligation before you can receive the new loan or TEACH Grant.

## Contact Information

If you have questions regarding the 3-year post-discharge monitoring period, you can call us seven days a week at 888.303.7818 from 8:00 a.m. to 8:00 p.m. (Eastern), or you can email us at [DisabilityInformation@Nelnet.net](mailto:DisabilityInformation@Nelnet.net).

# The 2016 Health & Human Services Poverty Guidelines

The following figures are the 2016 Health & Human Services (HHS) poverty guidelines published in the *Federal Register* on January 25, 2016.

Persons in Family or Household	48 Contiguous States and Washington, D.C.
1	\$11,880
<b>2</b>	<b>\$16,020</b>
3	\$20,160
4	\$24,300
5	\$28,440
6	\$32,580
7	\$36,730
8	\$40,890
For each additional person, add	\$4,160.00

*The TPD program may only count total earnings within the year. So if work commenced only part way through the year, and the earnings were not expected to exceed \$16,020, that may be taken into consideration, especially if the work ceases. It appears that the earnings to be reported are annual earnings, not monthly. If a person has gross earnings of more than **\$1335.00 per month**, they may need to track their wages to see if they will end up going over the annual limit.*