

# Total and Permanent Disability Discharge: Helping More Older Borrowers Become Student Loan Debt Free

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## Introduction

Under the Total and Permanent Disability (TPD) Discharge Program, people who cannot work due to a physical or mental condition may qualify to have all of their federal student loans canceled. Recent improvements to the program mean that more borrowers can receive an automatic discharge of their student loans without submitting a discharge application. Through a data-matching program with the Social Security Administration (SSA), the Department of Education can identify and automatically discharge the loans of borrowers who qualify for TPD discharge based on SSA disability or retirement status. The Department has a similar automatic discharge process for veteran borrowers who qualify based on their veteran disability status with the Department of Veterans Affairs (VA).

Borrowers who do not qualify for automatic TPD discharge can still apply to have their loans discharged by having a qualified medical professional fill out the [application form](#) confirming the borrower's disability. The application process has recently been simplified. The application form is easier to complete, and a wider range of medical providers can now complete the form.

Additionally, there is no longer an income-monitoring period for TPD discharge. This means that borrowers who receive this discharge will not have to report their income in the years after receiving the discharge and will not face reinstatement of the loans on the basis of post-discharge income. However, borrowers who receive TPD discharges may still have loans reinstated if they obtain additional federal student loans within three years after receiving a TPD discharge, including Parent PLUS Loans for their children's education.

## Screening Older Adults with Student Loan Debt for Total and Permanent Disability Discharge

Ask the following questions for any borrowers with federal student loans, including Parent PLUS Loans:

- Are you unable to work due to an ongoing disability or a physical or mental condition?
- Do you receive some type of disability benefits, such as VA benefits, SSI benefits, or Social Security benefits?
- Are you retired and unable to return to work due to a physical or mental condition or disability?

**If the borrower answered yes to any of these questions, they may be eligible to have all of their federal student loans canceled** through the Total and Permanent Disability Discharge program, whether or not they are current on their payments.

## Who is Eligible for a Total and Permanent Disability Discharge?

There are a few ways federal student loan borrowers can qualify for Total and Permanent Disability Discharge:

- **Medical Professional Certification.** Any borrower who is unable to work due to a disability may qualify if a medical professional — such as a doctor (MD), physician’s assistant (PA), nurse practitioner (NP), or licensed psychologist — completes the Total and Permanent Disability Discharge form certifying the borrower is unable to engage in any substantial work activity because of a physical or mental impairment that:
  - » Is expected to result in death; or
  - » Has lasted for at least 60 months (Five years); or
  - » Is expected to last for 60 months (Five years).
- **Veterans.** Any borrower who is a veteran and cannot work due to service-connected disability qualifies for TPD discharge.
- **Social Security Recipients.** Borrowers who receive Social Security benefits may qualify for TPD discharge if:
  - » The borrower receives Social Security Disability benefits, and their medical review period is not for another five to seven years; or
  - » The borrower receives Social Security Disability benefits, and their medical review is within the three-year category and has been renewed at least once; or
  - » The borrower receives Social Security Disability benefits and has a disability onset date at least five years prior to when they first received disability benefits; or
  - » The borrower qualifies for the Social Security compassionate allowance program (View a [list of medical conditions eligible for SSA compassionate allowance](#)); or
  - » The borrower receives Social Security retirement benefits, but they were in one of the Social Security disability categories discussed above before they were switched to retirement benefits.

## Applying for Total and Permanent Disability Discharge

Many borrowers are eligible for automatic TPD discharges based on data-matching with the SSA and VA, but those who aren’t eligible for an automatic discharge or who haven’t yet received an automatic discharge can apply for a discharge.

The application process is relatively simple and should not take more than a few minutes to complete – though borrowers who are applying based on medical professional certification will need a medical professional to complete part of the application. Borrowers can apply using a short paper form available on [Federal Student Aid’s TPD Discharge website](#) or [Federal Student Aid’s forms library](#).

Borrowers who meet the VA or SSA requirements above can apply using the form and include proof of their eligibility, such as their Social Security Benefits review period letter (this document is also known as a Benefit Planning Query (BPQY)) or proof of 100% service-connected disability for veterans. However, even if borrowers don’t have that proof, they can still apply using the medical professional certification.

Borrowers who rely on a medical professional certification to prove their disability must have a qualifying medical professional complete Section 4 of the TPD application form. Qualifying medical professionals include doctors, physician's assistants, or nurse practitioners. It should only take the provider a few minutes to complete the form, but providers must write legibly, state their title, and briefly describe the borrower's disabling physical or mental limitations. Advocates may need to help the borrower work with their medical provider to fill out the form, as some providers may not be familiar with the process and may be reluctant to complete the form. In these cases, sending the provider a short advocacy letter explaining what the form is and how to complete it can be persuasive.

Once the borrower applies for the discharge, Nelnet, the student loan servicer in charge of the TPD program, will review the application, along with any supporting documentation, to ensure that the application is complete. Nelnet will then let the borrower know if the application has been approved. If the application is approved, the borrower will get a letter confirming that their loans have been discharged and they no longer owe anything on their federal student loans.

While there is no longer a post-discharge income monitoring period for TPD Discharge, the borrower could still face reinstatement of their loans if they apply for additional financial aid (including Parent PLUS Loans for their child) within three years after receiving a TPD discharge.

## Conclusion

Helping disabled older borrowers with student loan debt is easier now thanks to improvements to the Total and Permanent Disability Discharge Program. If you are assisting older student loan borrowers who are not working, you can screen them for eligibility and help eligible borrowers apply for Total and Permanent Disability Discharge to protect their income and help them become debt-free.

## Additional Resources

For additional information about student loans and the Total and Permanent Disability Discharge program, visit the following resources:

- [Federal Student Aid Total and Permanent Disability \(TPD\) Discharge](#)
- [Federal Student Aid Website](#)
- [NCLC's Student Loan Borrower Assistance](#)
- [NCLC's Student Loan Toolkit](#)

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**Case consultation assistance is available for attorneys and professionals seeking more information to help older adults. Contact NCLER at [ConsultNCLER@acl.hhs.gov](mailto:ConsultNCLER@acl.hhs.gov).**

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