

# Debt and Loans

**The purpose of this guide is to help you understand federal benefits and services that may be available to you. You can find more information about loan and debt repayment options as well as paying utility bills and addressing credit concerns.**



**Point your smart phone camera at this QR code to access the digital version of this guide.**

This resource guide was developed for the project Increasing Access to Decision-Making Support For Older Adults within the [Approaching Retirement](#) Life Experience.

The guide was prepared under the direction of the [President's Management Council](#), with particular support from the Office of Management and Budget, the General Services Administration, and funds made available for Federal Government Priority Goals to implement select Life Experience projects in support of the President's Management Agenda. Priority 2 of the President's Management Agenda focuses on delivering excellent, equitable, and secure Federal services and [customer experience](#) by designing, building, and managing government service delivery for key [life experiences](#) that cut across federal agencies.

This guide consolidates resources and benefits information from seven federal agencies to support older adults in their ability to make informed decisions about health care, finances, housing, and nutrition.

The guide incorporates expertise and materials from the following federal agencies and departments:

- Administration for Community Living, U.S. Department of Health and Human Services
- U.S. Department of Agriculture
- Centers for Medicare and Medicaid Services, U.S. Department of Health and Human Services
- Consumer Financial Protection Bureau
- U.S. Digital Service, Office of Management and Budget
- U.S. Department of Housing and Urban Development
- Internal Revenue Service, U.S. Department of the Treasury
- Social Security Administration

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This guide answers questions at a high level and points you to federal resources to take action or learn more.



## ***I am behind on my student loans. What can I do?***

**Whether you are just beginning to repay your student loan(s) or have been in repayment for a while there are solutions to make your payments more affordable.**

An income-driven repayment (IDR) plan can make your payments more affordable because they are based on your income. Under an IDR plan, payments may be as low as \$0 per month. Use the Department of Education’s Loan Simulator to estimate your monthly payments.

If you’ve had an increase in family size or a decrease in income, you can apply to have your current IDR plan recalculated.

### RESOURCES

#### **Apply for, or change, an Income-Driven Repayment Plan:**

Explore Income-Driven repayment options.

**Visit:** [studentaid.gov/idr](https://studentaid.gov/idr)

#### **Estimate your monthly payments:**

Use the Department of Education’s Loan Simulator to compare estimated monthly payment amounts for all federal student loan repayment plans, including Income-Driven plans.

**Visit:** [studentaid.gov/loan-simulator](https://studentaid.gov/loan-simulator)



It’s important to recertify every year! If you don’t recertify on time, you’ll be removed from the income-driven repayment plan and your monthly amount due will very likely increase.





## ***How can I get temporary relief for student loans?***

**A deferment or forbearance allows you to temporarily stop making your federal student loan payments or temporarily reduce your monthly payment amount. This may help you avoid default.**

In most cases, interest will accrue during your period of deferment or forbearance. This means your balance will increase and you'll pay more over the life of your loan.

If you're pursuing loan forgiveness, any period of deferment or forbearance likely will not count toward your forgiveness requirements. This means you'll stop making progress toward forgiveness until you resume repayment.

### **Consider another repayment plan first:**

Because of the impact on interest and potential loan forgiveness, it might be worth exploring another repayment plan before you consider deferment or forbearance. For example, your payments could be more affordable if you change to an income-driven repayment plan.

## RESOURCES

### **Apply for deferment or forbearance:**

Login to your federal student aid account(s) to apply for deferment or forbearance.

**Visit:** [studentaid.gov/manage-loans/lower-payments/get-temporary-relief](https://studentaid.gov/manage-loans/lower-payments/get-temporary-relief)

**Visit:** [studentaid.gov/manage-loans/lower-payments/get-temporary-relief/deferment](https://studentaid.gov/manage-loans/lower-payments/get-temporary-relief/deferment)



CFPB stands for the Consumer Financial Protection Bureau

## ***Is there financial help for my medical bills?***

**Financial assistance programs, sometimes called “charity care,” provide free or discounted health care to people who need help paying their medical bills.**

The law requires hospitals with 501(c)(3) nonprofit status to provide this free or discounted care. Hospitals are required to have a written Financial Assistance Policy (FAP) and a written Emergency Medical Care policy. These policies should be widely publicized.

### RESOURCES

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#### **Read about charity care and financial assistance policies:**

The IRS provides more information on their website.

**Visit:** [irs.gov/charities-non-profits/financial-assistance-policies-faps](https://irs.gov/charities-non-profits/financial-assistance-policies-faps)

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#### **Check your state’s charity care laws:**

Laws may differ across states. CFPB has information about this topic.

**Visit:** [consumerfinance.gov/ask-cfpb/is-there-financial-help-for-my-medical-bills-en-2124](https://consumerfinance.gov/ask-cfpb/is-there-financial-help-for-my-medical-bills-en-2124)

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#### **Learn about your protections against surprise medical bills:**

Centers for Medicare & Medicaid Services (CMS) offers detailed information about your protections.

**Visit:** [cms.gov/medical-bill-rights](https://cms.gov/medical-bill-rights)



CFPB stands for the  
Consumer Financial  
Protection Bureau

## ***How do I ask about charity care or financial assistance?***

### **Step 1: Ask for a free copy of the hospital's Financial Assistance Policy.**

### **Step 2: Fill out an application form.**

You may need to provide information about your income, including last year's tax forms or a current pay stub, and your expenses, including your rent or mortgage payment, utilities, credit cards, and other expenses.

### **Step 3: Speak with your provider.**

Ask your provider:

- How long does it take to process my application for financial assistance?
- How do I get answers to questions about the application?
- What happens to my bill while I wait?

### **Step 4: Notify any debt collectors.**

Notify any debt collectors that you're seeking financial assistance for the bill and tell them to pause collections while that process plays out. If they already reported it on your credit, you can dispute the bill.

### **Step 5: Follow up with your provider about the status of your application as necessary.**

**CFPB has guidance on charity care. Visit: [consumerfinance.gov/ask-cfpb/is-there-financial-help-for-my-medical-bills-en-2124](https://consumerfinance.gov/ask-cfpb/is-there-financial-help-for-my-medical-bills-en-2124)**



## ***I am unable to pay my mortgage, how can I get help?***

**Option 1: Many mortgage servicers have programs to help people avoid foreclosure. The servicer may ask you to fill out a mortgage assistance application.**



### RESOURCES

#### **Call your mortgage servicer:**

When you reach out to your mortgage servicer, be prepared to explain the following:

- Why you are unable to make your payment
- Whether the problem is temporary or permanent
- Details about your income, expenses and other assets like cash in the bank
- If you are a servicemember and have received permanent change of station (PCS) orders. This is important to mention, because you may qualify for loss mitigation options because of your military move

Find the contact information of your mortgage servicer on their website or your most recent mail if applicable.

See page 9 for option 2: Find a HUD-approved Housing Counselor





## ***I am unable to pay my mortgage, how can I get help (continued)?***

*HUD stands for the U.S. Department of Housing and Urban Development*

**Option 2: HUD offers guidance to homeowners who might find themselves with financial concerns through a network of over 1,500 national, state, and local HUD-approved Housing Counseling Agencies.**

A housing counselor can:

- Determine whether you qualify for any programs or additional help
- Help you understand the options your servicer offers to help you avoid foreclosure and determine which options might work best for you
- Guide you through the process of working with your servicer and any other programs and paperwork you may need
- Help you at little or no cost with budgeting, credit card debt, or other financial problems that may be making it hard to pay your mortgage



### **RESOURCES**

#### **Find a HUD-approved housing counselor:**

Search the HUD database or visit the Housing Opportunities for People Everywhere (HOPE) Hotline, which offers personalized advice from housing counseling agencies. It's open 24 hours a day, seven days a week.

**Visit:** [HUD.gov/findacounselor](https://www.hud.gov/findacounselor)

**Call:** 1-800-569-4287

**Call:** If you are deaf, hard of hearing or have a speech disability, use 1-202-708-1455 for TTY



## ***I am struggling to pay my utility bills, what are my options?***

The federal government offers free utilities assistance through the Low-Income Home Energy Assistance Program (LIHEAP), Low-Income Household Water Assistance Program (LIHWAP), and the Weatherization Assistance Program.



### RESOURCES

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#### **Get help paying for your heating, cooling or emergency energy needs:**

LIHEAP can help you pay your heating or cooling bills or get emergency services during an energy crisis.

**Visit:** [liheapch.acf.hhs.gov/search-tool](https://liheapch.acf.hhs.gov/search-tool)

**Call:** 1-866-674-6327

Representatives are available  
Weekdays from 9:00 a.m.  
- 7:00 p.m. ET

**Email:** [energyassistance@ncat.org](mailto:energyassistance@ncat.org) Include your state, territory, or tribe.

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#### **Get help paying for your water bill:**

LIHWAP can help you pay your water bill.

**Visit:** [acf.hhs.gov](https://acf.hhs.gov) for resources in your state or territory. This resource offers many language options.

**Email:** [lihwapstates@acf.hhs.gov](mailto:lihwapstates@acf.hhs.gov) for other questions.

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#### **Make your home more energy efficient to reduce your bill:**

The Weatherization Assistance Program can help reduce your energy bills by making your home more energy-efficient. There are income eligibility restrictions.

**Visit:** [energy.gov](https://energy.gov)

**Call:** 1-202-586-5000

If you are deaf, hard of hearing or have a speech disability, use 7-1-1 to access TTY



CFPB stands for the Consumer Financial Protection Bureau

## ***I have a past due bill in collection, what are my options?***

**If a debt collector contacts you, use the opportunity to find out about the debt, which will help determine if they’re legitimate and if you really owe it.**

When a debt collector first contacts you about a debt, they are, in general, legally required to provide you with certain information about the debt during that initial communication or within five days of the initial communication. This validation information includes the name of the creditor, the amount you owe, and how to dispute the debt.

If the debt collector doesn’t or can’t provide this information, it could be a scam. Never give sensitive financial information to the caller, at least not until you’ve confirmed they’re legitimate.

### RESOURCES

#### **Submit a complaint with the CFPB:**

If you are having an issue with debt collection, the CFPB may be able to help.

**Visit:** [consumerfinance.gov/complaint](https://consumerfinance.gov/complaint)

#### **Learn how to communicate with debt collectors:**

CFPB provides guidance on what you should do when a debt collector contacts you.

**Visit:** [consumerfinance.gov/ask-cfpb/what-should-i-do-when-a-debt-collector-contacts-me-en-1695](https://consumerfinance.gov/ask-cfpb/what-should-i-do-when-a-debt-collector-contacts-me-en-1695)



## ***My credit report is inaccurate, what can I do?***

**If you identify an error on your credit report, you may need to send a dispute letter to both the institution that provided the information as well as the credit reporting company.**



### **RESOURCES**

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#### **Check your credit report:**

Use the Annual Credit Report tool to get a free copy of your credit report once per year from all three major credit reporting companies (Equifax, Experian, and TransUnion).

**Visit:** [annualcreditreport.com/index.action](https://annualcreditreport.com/index.action)

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#### **Submit a dispute with an information furnisher:**

Use the sample letter on the Consumer Financial Protection Bureau (CFPB) website to submit a dispute with the institution that provided the information (information furnisher).

**Visit:** [consumerfinance.gov/consumer-tools/credit-reports-and-scores/sample-letters-dispute-credit-report-information/](https://consumerfinance.gov/consumer-tools/credit-reports-and-scores/sample-letters-dispute-credit-report-information/)

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#### **Submit a dispute with a credit reporting company:**

Submit a dispute with a credit reporting company. If available, include documentation and details of the disputed item, and circle or highlight.

**Visit:** [consumerfinance.gov/consumer-tools/credit-reports-and-scores/sample-letters-dispute-credit-report-information/](https://consumerfinance.gov/consumer-tools/credit-reports-and-scores/sample-letters-dispute-credit-report-information/)



## ***How can I learn about building and maintaining good credit?***

**Most credit counselors offer services through in-person meetings at local offices, online, or on the telephone.**

Credit counseling organizations can advise you on your money and debts, help you with a budget, develop debt management plans, and offer money management workshops. Working with a credit counselor can be a great way of getting free or low-cost financial advice from a trusted professional.

Counselors discuss your financial situation with you and help you develop a personalized plan to solve your money problems.



### **RESOURCES**

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#### **Find a credit counseling organization:**

Try the Financial Counseling Association of America and/or the National Foundation for Credit Counseling. The U.S. Department of Justice also provides a list of approved credit counselors.

**Visit:** [fcaa.org](http://fcaa.org)

**Visit:** [nfcc.org](http://nfcc.org)

**Visit:** [justice.gov/ust/list-credit-counseling-agencies-approved-pursuant-11-usc-111](http://justice.gov/ust/list-credit-counseling-agencies-approved-pursuant-11-usc-111)

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#### **Check to see if credit counselors are reputable:**

Check with your state attorney general and state consumer protection agency to make sure your list of potential credit counselors are reputable.

**Visit:** [usa.gov/state-consumer](http://usa.gov/state-consumer)

**Visit:** [naag.org/find-my-ag](http://naag.org/find-my-ag)