

Student Loan Solutions

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Presentation for the Florida Educational Negotiators

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The Horace Mann Companies



Who is Horace Mann?



Serving educators since 1945



Educators are taking care of our children's future, and we believe they deserve someone to look after theirs.

Helping protect what you have today ...



Auto
insurance



Home/renters
insurance



Life
insurance



Supplemental
insurance

and plan for a successful tomorrow.



Student
Loan
Solutions



Budget



Credit



Retirement

Educators are the of our communities

We offer solutions to help educators with their challenges both in and out of the classroom.



- DonorsChoose
- Refreshments on conference days
- Volunteering
- Planning calendars



- PASS program
- PIE program
- Appreciation and recognition programs



- State Teachers' Retirement System Workshop*
- Student Loan Solutions Workshop
- Financial Success Workshop

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%

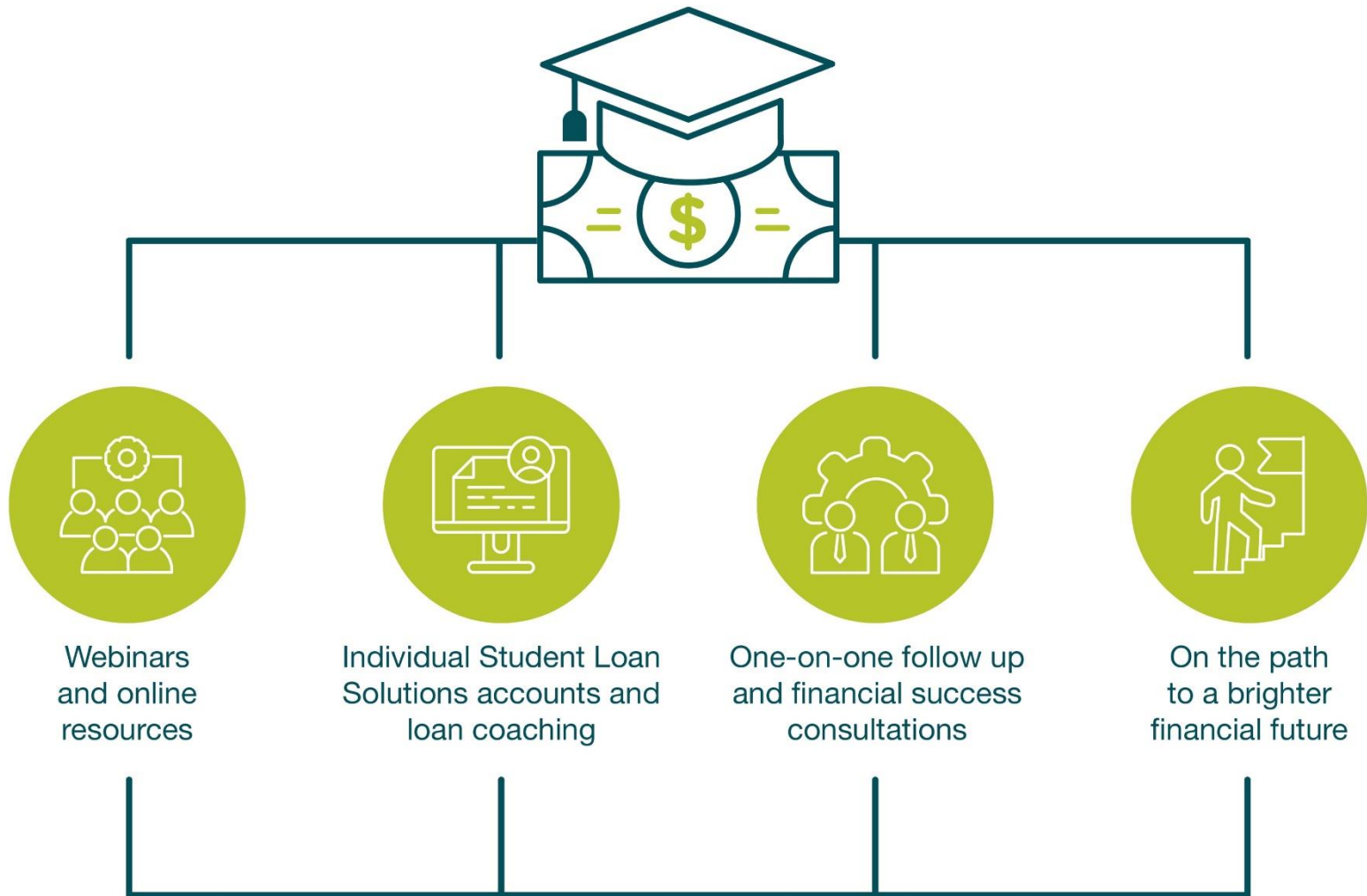
would stay in the profession longer if they could get a lower payment on their student loans

Student loan debt help = employee retention

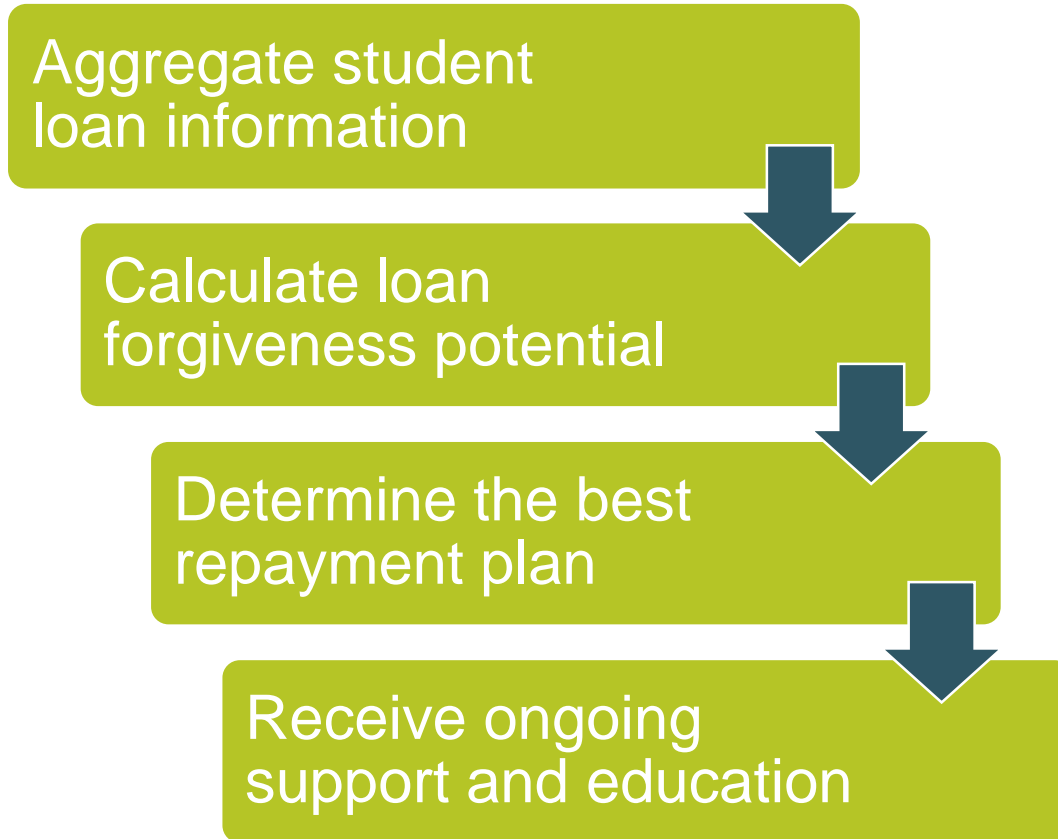
Representative employer	Non-participant turnover	Participant turnover	% lower turnover
Healthcare - senior care	66%	19%	71%
Education	32%	13%	57%
Employer services	36%	16%	57%
Technology hardware	32%	16%	48%
Energy/Utility	16%	10%	40%
Municipal government	20%	13%	38%
Healthcare - hospital	32%	24%	25%
Financial services	34%	26%	24%
Industrial manufacturer	27%	22%	20%

Source: Horace Mann Student Loan Solutions account partner, Tuition.io, based on representative employer clients active in 2020. Turnover metrics are cumulative from each employer's student loan repayment benefit program launch through August 21, 2020. Periods of performance range from 1.6 to 3.6 years.

Our unique formula for your staff's success



Our newest benefit helps your staff



- **82%** of educators say they want help to see if they qualify for loan forgiveness
- **79%** say they want help on how to apply for forgiveness

The Strategy Finder

Helps determine the best strategy for repaying federal loans, including help to qualify for Public Service Loan Forgiveness and/or lower student loan debt payments

Example: **Average new teacher in Florida (2019)**

\$39,000 income | \$40,000 student loan debt at 5.5% interest rate | Single

Erin consider switching to the **Pay As You Earn Repayment Plan + Public Service Loan Forgiveness**. You could save **\$28,558**.

	Select the plan you want	Estimated Payoff Amount	Years to repay	Monthly Payment	Estimated Total Interest Paid	Estimated Amount Forgiven
<input type="radio"/>	Top Strategy PAYE + PSLF	\$23,564	10 Year(s)	\$166-229 changes with income	\$22,055	\$38,491
<input type="radio"/>	Your current plan 10 Year Standard	\$52,122	10 Year(s)	\$434	\$12,122	\$0

[COMPARE ADDITIONAL PLANS...](#)

[DOWNLOAD PDF](#)

[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, \$39,000 income, \$40,000 student loan debt at 5.5% interest rate, lives in Florida.

Support and guidance

We provide next steps, links to needed documents, and optional one-on-one appointments with student loan coaches 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.

Student Loan Coaches

Speak with a student loan expert. Schedule time for a call.



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.

One-on-one consultations

Complimentary results review to help ensure your staff is on a path toward financial success

Power of reinvesting student loan debt savings

Savings in addition to state pension

	Estimated retirement savings @ age 62	
	Age when you start	
	First 10 years \$239/month to 403(b)	After 10 years \$380/month to 403(b)
25	\$392,000	\$506,000
30	\$278,000	\$355,000
35	\$194,000	\$244,000
40	\$131,000	\$161,000
45	\$85,000	\$100,000
50	\$50,000	\$54,000

Educators miss forgiveness opportunities

Low awareness

- **Less than 2%** of eligible, full-time public school employees have applied for Public Service Loan Forgiveness
- **77%** haven't been informed by their loan servicer about forgiveness opportunities

High failure rate

98% of applicants are denied due to:

- Non-qualifying payments (57%)
- Missing information (24%)
- No eligible loans (14%)
- Other (5%)

Most problems are preventable with awareness and planning

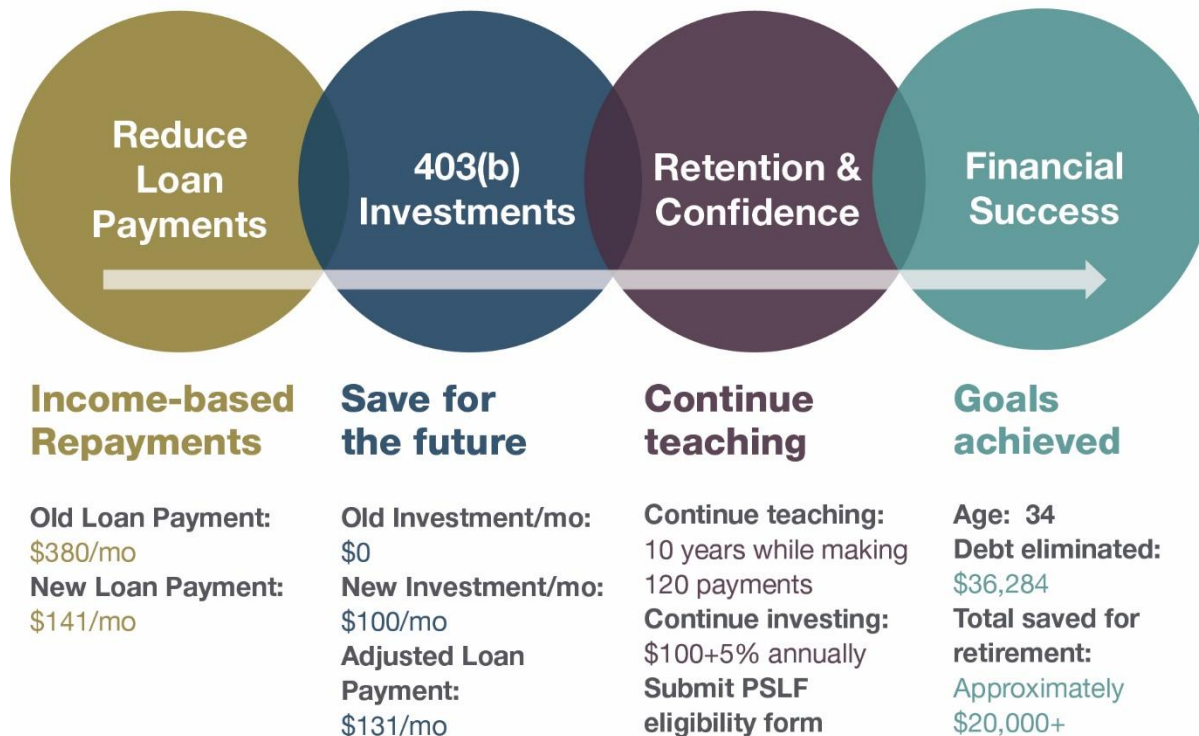
A meaningful local impact

Our program has helped find \$16M+ in loan forgiveness for FL educators this year alone – together we can help many more

	Florida Jan-Aug 2019	US Jan-Aug 2019
Educators helped	345	6,122
Average monthly savings	\$414	\$303
Forgiveness identified	\$16,175,589	\$227,899,497

A life-changing individual impact

Meet Kate Age: 24 AGI: \$36,000	Beginning Student Loan Debt Total: \$35,000	Monthly Payments: \$380/mo for 120 months Retirement Savings: \$0/mo
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Pinellas County elementary school teacher

“I never thought I would ever be able to pay off the student loan debt”

34 years old

Completed masters degree
in June 2019

1st loan payment due
December



- Converted to direct loans
- Switched to an Income Driven Repayment plan
- Redirected savings to LIVING EXPENSES and SAVING FOR FUTURE

Projected Public Service Loan Forgiveness = **\$81,000**

Monthly payment from **\$463 to \$53 per month**

Sponsored Partnership Opportunities

		Standard	Premium	Platinum
		1 year duration	3 year duration	Add-on option with Section 125 Plan
EMPLOYEE BENEFITS	Workshops and webinars	✓	✓	✓
	Account tools	✓	✓	✓
	— Loan forgiveness strategy finder	✓	✓	✓
	— Loan linking	✓	✓	✓
	Loan coaching	✓	✓	✓
	— Default	✓	✓	✓
	— Loan forgiveness	✓	✓	✓
	— CARES Act	✓	✓	✓
	1:1 financial consultations	✓	✓	✓
EMPLOYER BENEFITS	Student loan benchmarking		✓	✓
	Loan forgiveness tracking		✓	✓
	Dedicated school/district portal			✓
	Custom employee benefit program			✓
	— PTO conversion option			✓
	— Match option			✓
	Promo kit (fliers, emails, intranet)	✓	✓	✓
	Local press kit & support	✓	✓	✓



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For more information or to explore a partnership:

- Please contact Jim.Yale@horacemann.com
- Visit <https://horacemann.com/student-loan-debt-help/schools>
- Watch for our follow-up eMail tomorrow

