

INCOME DRIVEN REPAYMENT PLAN REQUEST FORM

The proposed Income Driven Repayment Plan Request form is far too long and dense to be usable by the average student loan borrower. It should be straightforward, easy to read, and easy to complete. Because borrowers can apply for an income-driven plan on studentloans.gov, the people who use this form are most likely to be people who do not have reliable access to the internet. As a whole, this population is more vulnerable and may be less able to complete a complicated form. In our experience, if a borrower cannot easily complete a form, then he or she is less likely to fill it out, or will fill it out incorrectly.

A complicated and long form will make it less likely for people to enroll in an IDR or complete the annual renewal process, and will exacerbate the already existing IDR attrition problem. Particularly, the skip logic used in this form is exceptionally confusing and hard to follow. While occasionally useful, the over-reliance on skip logic requires borrowers to do too much reading and remember too many steps. Moreover, whether a question is answered depends on several questions before it, making it extremely hard to review the form to ensure that the form was completed correctly.

While not perfect, the current IBR-ICR Selection form is much easier to use. The table for selecting the repayment plan is clean and eye catching. While some of the sections could be even less wordy, they are fairly straightforward and easy to complete. We recommend modifying the existing form to include the REPAYE plan instead of creating a new form. We have provided an example form showing how this could be accomplished (see Attachment A).

We agree that if a borrower cannot easily complete a form, that the borrower is less likely to fill it out or will fill it out correct. However, we do not believe that the proposed form is more complicated; instead, we believe it is less complicated. The incidence of borrowers who complete the current IDR form incorrectly is actually quite high, and the reason for that is due to the current lack of instruction about how the form is to be completed. Borrowers confronted with dense blocks of text that provide instruction are less likely to read them and are correspondingly more likely to incorrectly complete the form. By using skip-logic throughout the form, borrowers are more likely to read and follow the instructions that they should read to complete the form correctly. In developing the proposed form, FSA requested that a sample of borrowers with little subject-matter knowledge complete both the current form and the proposed form. Borrowers had less difficulty completing the proposed form than the current form.

Moreover, while we have accepted many of the forms of simplifications in language that the commenter proposed, several of the commenter's substantive comments would create a form that does not adhere to business practices that benefit borrowers or significantly increase confusion. The commenter appears to be under the impression that borrowers only select or are only considered for one repayment plan when submitting the form. However, not only do we allow a borrower to specifically request that the borrower's servicer choose his or her income-driven plan to provide the best plan to the borrower, but we also embed in the form a request that the borrower's servicer provide the best income-driven plan to the borrower in circumstances where the borrower doesn't qualify for the plan he or she requests. This require that all borrowers be held to the REPAYE standards for documentation of income and requires that borrowers no longer certify a single family size, as the family size definition for REPAYE is different than it is for other income-driven plans.