

8 GREAT WAYS STUDENT AID REFORM WORKS FOR YOU

Since 2007, in three key student aid reform bills, the Democratic-led Congress has lowered education costs and increased opportunities for American students:

1

INCREASED THE MAXIMUM PELL GRANT AWARD TO \$5,550 THIS YEAR

By 2017, the maximum Pell Grant is expected to be \$5,975. The value of the Pell Grant had been shrinking—paying 75% of college costs in 1977, and just 33% last year.

2

MADE YOUR STUDENT LOAN REPAYMENTS MORE AFFORDABLE

Right now you can cap your student loan payment at 15% of your discretionary income, and any balances you have left after 25 years will be forgiven. For new borrowers starting in 2014, this goes down to 10% of your discretionary income, with balances forgiven after 20 years.

3

LOWERED STUDENT LOAN INTEREST RATES ON YOUR NEED-BASED LOANS

Subsidized Stafford loan rates have been dropping and will continue to decrease over the next two years, going down to 4.5% in the 2010-2011 school year and reaching 3.4% in the 2011-2012 school year.

4

INVESTED IN STUDENTS, NOT BANKS

By switching all schools to the more efficient Direct Loan program, the government will save \$61 Billion over the next 10 years—money that will now be used to help you, rather than to give subsidies to banks.

5

MADE IT EASIER TO APPLY FOR FEDERAL STUDENT AID & PLAN FOR TEXTBOOKS

We streamlined the Free Application for Federal Student Aid (FAFSA) process down from 100 questions and created a two-page FAFSA-EZ form—giving families extra time to plan for college expenses. On textbooks, colleges are now required to provide you with advance information on textbook pricing to help you plan. And publishers must provide pricing information on “unbundled” versions of every “bundled” textbook they sell.

6

INVESTED IN COMMUNITY COLLEGES - \$500 MILLION A YEAR FOR NEXT 4 YEARS

All students—including those who are returning to school after being in the workforce—will have access to high-quality, low-cost higher education. More courses will be available, at times that work for you.

7

INVESTED \$3 BILLION IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND MINORITY-SERVING INSTITUTIONS

This can renew, reform, and expand programming to provide students with the support they need to stay in school and graduate.

8

ENDED OFFSHORING OF AMERICAN JOBS

Direct loans can only be serviced by workers in the United States. Last year, Sallie Mae was forced to bring 2,000 jobs back to U.S. soil to win a direct loan contract.

8 GREAT WAYS HEALTH REFORM WORKS FOR YOU

This year, President Obama and a Democratic-led Congress have lowered health care costs and increased health security for Young Americans:

1

- **ALLOWED EXTENDED COVERAGE UNTIL AGE 26 THROUGH YOUR PARENTS**

Reform allows you to stay on your parents' health care plans until your 26th birthday. Between now and 2014, this only applies if your employer doesn't offer you coverage. Beginning in 2014, it applies to all young people, even if you get insurance through your job. This will help to cover the one in three young adults who are uninsured.

2

- **LOWERED YOUR COSTS WITH FREE PREVENTIVE CARE FOR BETTER HEALTH**

Reform means free preventive care to all people insured under new plans, and invests in preventing illness and disease instead of just treating them when it's too late and costs more. Simple prevention can stop a small health problem from getting worse as you get older.

3

- **GIVEN YOU NEW PATIENTS' RIGHTS THAT SAVE YOU MONEY**

This year, reform eliminates lifetime limits on how much insurance companies cover if you get sick, and tightly restricts yearly limits. In 2014, reform caps what insurance companies can force you to pay in co-pays & deductibles, bans "gender rating" that allows women to be charged more for the same coverage, and bans new group plans from having eligibility requirements that have the effect of discriminating in favor of higher wage employees—who tend not be younger workers.

4

- **GIVEN YOU SECURITY THAT YOUR HEALTH CARE IS NOT TIED TO A JOB**

Reform means affordable health insurance is available to those without job-based coverage, starting in 2014, and provides substantial premium assistance to those who still can't afford it. Young adults are just starting jobs and careers, and often don't have access to job-based coverage. Even when they do, they often can't afford health insurance—or must endure a waiting period as a new employee.

5

- **ENSURED YOU HAVE HEALTH CARE WHEN YOU NEED IT MOST – WHEN YOU'RE SICK**

You can no longer be dropped from your plan if you get sick. If you have a "pre-existing condition," beginning in 2014, you can no longer be denied coverage or charged higher rates—and between now and 2014, you can enter an interim high-risk pool to get insurance. This year, discrimination is banned for children under age 19 who have pre-existing conditions.

6

- **PROVIDED YOU A CHOICE OF COMPETITIVE PRICES AND PLANS**

Reform creates Health Insurance Exchanges, or marketplaces, you can shop in if you don't get insurance through your job. Starting in 2014, you get the benefits of group purchasing power like big businesses have.

7

- **MADE IT EASY WITH ONE-STOP SHOPPING**

Insurance "Exchanges" or marketplaces will allow you to simply and easily compare prices and health plans online and choose what's right for you. The typical young adult risks losing coverage when you change jobs, move, or hold a part-time or temporary job. Under reform, it doesn't matter.

8

- **PAID FOR REFORM SO YOUR GENERATION'S NOT STUCK WITH THE BILL**

Health insurance reform is actually projected to lower the deficit by \$1.3 trillion over the next two decades. It lowers health care costs over the long term—so it makes sense it lowers the cost to taxpayers.