



2025-2026 Discharge Clearance Paperwork

Office of Student Services 65 1st Street Troy, NY 12180 Phone 518-244-2020

A. What is discharge clearance paperwork?

This is the paperwork that a borrower must submit if the borrower has a loan that has been discharged (permanently or conditionally) and is interested in borrowing a new federal loan for educational purposes. If a student is not interested in loans the paperwork is not necessary.

B. If my loan has already been discharged why more paperwork?

If a borrower whose prior loan was discharged due to total and permanent disability wishes to take out another federal student loan he must submit two documents.

- Physician certification stating student has the ability to engage in substantial gainful activity.
- Sign a statement that he/she is aware the new loan cannot later be discharged for any present impairment unless it deteriorates so that he/she is again totally and permanently disabled.

C. What is substantial gainful activity?

The phrase “substantial gainful activity” generally describes a situation in which a borrower is sufficiently physically recovered to be capable of attending school, successfully completing a program of study, and securing employment in order to repay the new loan the borrower is seeking.

D. Do I have to submit these documents each time I get a loan?

If the student remains consecutively enrolled at Russell Sage College then the student only needs to obtain the physician certification once. (A student who does not attend Russell Sage College in a 12 month period may have to resubmit physician certification statement.)

A student **must** resubmit the borrower acknowledgement form each time a loan is processed. *Please note this may mean we have to collect the acknowledgement form several times during the academic year.*

E. I have a conditional discharge. Does this change the process?

If the prior loan was conditionally discharged and the conditional period hasn't elapsed, the borrower must also sign a statement affirming that collection will resume on the conditionally discharged loan. Collection must begin before the new loan is disbursed. In addition, the signed statement must communicate that the borrower understands that unless his/her condition substantially deteriorates, the prior loan can't be discharged in the future for any impairment present when the conditional discharge was granted or when he/she requested the new loan.

F. My conditional discharge was first in default. Does it matter?

If a defaulted loan was conditionally discharged and then returned to repayment status, the student must make satisfactory repayment arrangements before receiving a new loan. A conditionally discharged defaulted loan remains in default until it is permanently discharged at the end of the conditional period.

G. How do I submit the documentation?

Please complete and return this paperwork to the Financial Aid Office at Russell Sage College
Mail: 65 1st Street, Troy, NY 12180

Please note: Once the discharge clearance documents are submitted they will be reviewed by The Russell Sage College financial aid office staff. If we have questions or need further documentation you will be notified via your Russell Sage College email address.

Reminder:

This paperwork is for borrowing new loans.

- These loans cannot be discharged in the future for any present impairment unless it deteriorates so that he/she is again totally and permanently disabled.
- If a student is not interested in loans this paperwork is not necessary.



2025-2026 Physician Certification Form: Discharged Loan

A. Student Information

Name: _____ Student ID: _____

_____, _____
City State Zip

B. Physician Certification

I certify the impairment of patient (whose information is listed under section A) has improved sufficiently to allow the borrower/patient to engage in substantial gainful activity. Substantial gainful activity is defined as the patient's/borrower's ability to work and earn money.

The patient/borrower regained the ability to engage in substantially gainful activity as of

MM/DD/YY

Physician's Signature Physician's Phone Number Date

I am a doctor of (check one)
 medicine osteopathy

Informational notes per Federal Student Aid Handbook Volume 1 Chapter 3:

- If a physician's certification does not appear to support the status, the school should contact the physician for clarification.
- The phrase substantial gainful activity generally describes a situation in which a borrower is sufficiently physically recovered to be capable of attending school, successfully completing a program of study, and securing employment in order to repay the new loan the borrower is seeking.



2025-2026 Acknowledgement Form: Discharged Loans

Reminder per federal regulations a borrower acknowledgement form must be collected from a student each time he/she receives a new loan. This means that this document may be requested several times during an academic year.

A. Student Information

Name: _____ Student ID: _____

_____, _____
City State Zip

B. Student Acknowledgement

I acknowledge I previously had a student loan(s) canceled due to total and permanent disability*. I further acknowledge that my physician has certified my impairment(s) has improved sufficiently so that I now have the ability to engage in gainful activity defined as able to work and earn money or attend school. I also acknowledge the student loan I am now applying for and may receive, and any subsequent student loan(s) unless my physician certifies the impairment has substantially deteriorated to the point of total and permanent disability*.

I acknowledge that if any of my loans are still in a conditional discharge status that I understand that collection will resume on the conditionally discharged loans. I understand that collection must resume before I can begin receiving new federal loans.

Student's Signature

Student's Printed Name

Date

*Total and permanent disability is defined as the condition of an individual who is unable to work and earn money or attend school because of an injury or illness that is expected to continue indefinitely or result in death. 34 CFR 682.200(b)