Grading from dental school and beginning a practice are both exciting milestones in a dentist’s life. Unfortunately for many dentists and dentists-to-be, those two events can also be accompanied by student loan concerns. That’s because dental student debt burden continues to grow. For example, the average borrower in the class of 2018 finished dental school $251,869 in debt. For more than 40% of graduates, their debt exceeded $300,000.¹

It’s easy for those large sums to feel overwhelming, but careful planning can help you prepare for that debt as well as other expenses and unexpected events. The three questions in this brochure can help jump-start the process.
No single loan repayment plan is best for everyone. Start by evaluating your goals and your financial situation. Consider these two options:

- A typical 10-year repayment plan offers a quicker loan repayment schedule and less total interest paid versus a longer loan term, but it carries higher monthly payments, which reduces monthly cash flow.
- An extended loan repayment schedule lowers monthly payments and frees up more cash to put toward other expenses, but it equals more interest over the life of the loan. However, if your monthly obligations — such as living expenses — are low or stabilize after graduation, you may be able to put extra funds toward your loan, which can help trim time off the total loan repayment period.
Making realistic plans for your successful future as a dentist means considering what you’d do if you couldn’t work either for a short time or an extended period. And as a dentist, it’s particularly urgent to consider. According to a study of insured members of the American Dental Association, you have a one in four chance of becoming disabled at some point before retirement.

There are several options that can help you bridge this gap. One is to build an emergency fund; many experts recommend saving three to six months of salary to help cover just such circumstances. And an emergency fund can figure into the second essential in any dentist’s plan: disability insurance.

Disability insurance may be a must to help protect you and your family from financial loss if you can’t work for a period of time. For example, that monthly disability benefit can help pay for your living expenses and allow you to keep up on your student loan payments. That in turn can help you from falling behind on loan payments, protecting your credit and ensuring you won’t be subject to penalties and additional interest. (When reviewing disability products, consider looking for a policy that includes student loan repayment benefits to help pay off the amount you borrowed for dental school should you become disabled.)

A group disability policy specifically designed for dentists may be worth considering. A group disability policy can offer significant savings over time, which may free up additional cash flow to put toward your student loan payments. Finally, include your emergency fund in any considerations about the length of a waiting period before your disability insurance kicks in.
If you die before you’ve paid off your student loans, your debt could pass on to your family members. That’s just one reason why life insurance may be critical: It can provide funds to help pay off your loans and help secure your family’s future by providing a cash benefit. And much like disability insurance, group life insurance policies for dentists may offer lower premiums, which in turn may lead to greater financial flexibility. (Calculating the amount of life and disability insurance that’s best for your needs may be difficult. The ADA member insurance coverage calculator at insurance.ada.org/coverage-calculator.aspx can help.)

Build a more solid financial foundation: Create a plan now, before you graduate, to manage student debt, insure against income loss due to disability and build an emergency fund.