September 18, 2022

To:

Consumer Financial Protection Bureau

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From:

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Dear CFPB,

I am writing this complaint about the company Navient/Navi-Refi. I refinanced my Federal loans with Navient/Navi-Refi. I later found out that I had Federal loans that were fully forgivable for my non-profit place of work, and my time of service, and time paying on my loans, etc. Navient/Navi-Refi may have had some wordings in their loan documents, but these are brief and nonexplanatory, and my complaint and issue is with the fact that I spoke directly to the Navient/Navi-Refi representative before refinancing and not once did they mention Federal vs Private loans and all that this entails, or public service workers, or qualified public employers, or the PSLF program; and, moreover, I spoke to another Navient/Navi-Refi representative after refinancing to complain about what had happened to me, and she informed me, twice—two separate phone calls—that if she had had me on the line to convert my loans, then she too would not have informed me of the varied options, like the PSLF program, and the repercussions of my converting Federal into private loans. And further, this was all occurring in the setting and time when this Federal forgiveness program was being revamped, and when Navient was in the middle of settling significant lawsuits, and on their Navient settlement websites have stated they will be fully informative and that the settlements require conduct reform to retrain their representatives into “specialists who will advise distressed borrowers concerning alternative repayment options and counsel public service workers concerning Public Service Loan Forgiveness (PSLF) and related programs.” (See “attachment #1”)

The most important lawsuit is the recent “Hyland et al. v. Navient Corp., et al,” that has been ongoing since 2017. In this lawsuit the plaintiffs “claim that Navient misled federal student loan recipients who are or were employed by qualifying public employers concerning their eligibility to benefit from the federal program of public service loan forgiveness, which is called PSLF.” (see “attachment #2”). Navient settled this lawsuit, and as part of the settlement agreement, Navient stated that they would “design, implement, and maintain specific, substantial procedures to enhance its PSLF-related practices.” All of this going on, and the Navient representative says nothing to me about these options.

I am an emergency medicine doctor working in Florence, SC. I have received many unsolicited letters from Navient/Navi-refi over the last years about refinancing. About August of 2021 I did investigate their offerings. I have had my federal student loans, since 1997. They total $250,000. I had gone through deferments, and forbearances, to the point I had been informed I had used up all those privileges/benefits. I felt I knew I had no Federal benefits left, no deferment, no forbearance, and I never considered the possibility for loan forgiveness for me being a doctor and with my doctor salary. I always thought loan forgiveness happened for people that had some personal or financial tragic circumstance that left them with no ability to pay. So, I thought it was a good time to see if there was a better rate and payment plan.

I began their process. I did call and talk to a Navient/Navi-refi representative/specialist to ask varied questions about the loans. I spoke to a gentleman but cannot remember his name. I had two separate Federal loans, one with Nelnet and one with Navient. I thought I was consolidating, or that I had to consolidate. And I was struck by the fact that the Navient/Navi-Refi representative/specialist told me that I could refinance both loans together, or both loans separately, or one loan and not the other, and one loan for 20 years and the other for 10 years, and other variations. I had told the representative/specialist that I thought when you consolidated that all loans had to go together. The representative basically said that was the benefit of refinancing with Navient/Navi-Refi. Not once did this Navient/Navi-Refi representative/specialist mention the words ‘federal loans,’ or ‘private loans,’ or “public service workers concerning Public Service Loan Forgiveness.” Not once did this Navient/Navi-Refi representative/specialist mention deferment, or forbearance, or loss of federal benefits. Not once did this Navient representative/specialist mention public service workers, or qualifying public employers, or Public Service Loan Forgiveness. Not once did this Navient specialist ask if I worked for a nonprofit or state or federal qualifying public employer. My wife, too, is part of these federal student loans. She too is a public service worker, who has worked for the State of South Carolina for over 10 years. Not once did this Navient representative/specialist ask about my wife.

It is now obvious to me that the answer to all my questioning about this flexibility with my loans was that I was not consolidating, but refinancing, and more, refinancing into private loans. It was the perfect time for the Navient/Navi-Refi representative/specialist to fully explain, and to be fully informative, but they were not. The Navient/Navi-Refi representative/specialist did let me know that the rates were likely to be as low as they would be going and are very likely going up. And there was a looming deadline for me to sign on September 2, 2021. And so, I did sign.

I started my first payment on the new Navient loan about November of 2021. And it was in July of 2022 that I was working with one of my peer ER doctors. We have a large group and a large emergency department, and I often don’t see one doctor for weeks, and it is a very busy department, and we often just don’t have time to have personal talk. But this doctor had papers next to him for forgiveness of his federal student loans, and I asked about it, and he told me another doctor in our group had had loan forgiveness. That doctor just happened to be working on the other side of our department and I went and asked him. And he told me that he had had $150,000 of Federal student loan forgiveness. He had found out about the program from one of our hospital administrators he knows socially. I said to this doctor, how could you get loan forgiveness, you are a doctor, like me, and make over $300,000 in a year. And he told me that he too had thought that, but through the process he had learned that in this program there was no salary contingency, and that we are public service workers and work for a non-profit hospital and if you work long enough here and have been paying for 10 years on your loans, you can get forgiveness. He showed me the U.S. Dept. of Education website that I could go to and see to get the paperwork.

I got home that night. I pulled up the U.S. Dept. of Education website and searched and found all the pertinent information and almost wept for what I was reading. I honestly and truly never felt there was any benefit like this for me with my federal loans. And then I started to think about the Navient/Navi-Refi representative/specialist and how I had asked many questions, and about the fact that not once did the Navient/Navi-Refi representative/specialist inform me about any of these options. That they did not bring this up in any way whatsoever, in the face of all my questions. I then looked up Navient online and I was rather shocked to see that they had been going through lawsuits for years over these very matters. Navient details it all on their settlement websites, and how the Navient sites say they do not admit any guilt, but they would pay the settlements, and how they were going to be so much better, the settlement required them to be so much better, and there is wording that Navient will re-train their representatives to fully inform consumers like me, to ensure full disclosure. And again, that “Navient must train specialists who will advise distressed borrowers concerning alternative repayment options and counsel public service workers concerning Public Service Loan Forgiveness (PSLF) and related programs.” And again, the “Hyland” case, which is one hundred percent on point for me. For exactly what “Hyland” accused Navient of, Navient did exactly to me.

Now I vaguely remembered anything in the Navient loan documents about what it means to change my Federal to private loans. I had to go back to the loan itself and read it all again, and there were the brief notes about losing Federal deferment and forbearance and forgiveness. But I am a doctor and I know I have no deferment or forbearance left, and as a doctor I know with my salary that there is no way I would qualify for forgiveness. And I then I saw the reference to the federal student aid site. I honestly don’t remember seeing this at all. But then, I would not have given this a thought. I am a doctor who has been out of school for 20 years and have had my federal loans for these 20 years, and so why would I need a “student loan” site?

Again, I kept thinking about my interaction with the Navient/Navi-Refi representative/specialist. Not one mention of Federal loans. Not one mention of private loans. Not one mention or question about where I work as a public service worker and my time with my employer, and not one mention of the U.S. Dept. of Education’s recent PSLF limited waiver opportunity. And I must admit I got a little angry. Yes, there was some wording in the Navient loan documents, but this is limited. It is certainly not fully informing, especially to the degree that Navient says they are required to do per their settlement agreements, and the promises on their settlement informational websites. And I’m a fairly intelligent doctor. I saw the brief note in the loan document but knew it did not pertain to me. But the notes in the loan documents are quick, brief, and do not well detail or explain. Certainly nothing like Navient does explain on their settlement information websites. It would have taken just one simple comment from the Navient representative/specialist. Just a word about changing my Federal to private loans, or just a word about public service workers and “qualified public employers,” and I would have said simply what I thought to be true, that I have no benefit left and have used all my deferment and forbearance and that I am a doctor making over $300,000/year and would never qualify for any forgiveness. It would have started the appropriate conversation for my options, and fully informed. And I would not have signed. But then, this did not have to be a happenchance conversation because Navient has promised on their website that full information and disclosure will come from their newly trained representative/specialists because that is part of their settlement requirements. Navient was required to seek out and counsel public service workers, like me, concerning Public Service Loan Forgiveness.

So, I then called the Navient/Navi-Refi company directly. I spoke to a nice Navient/Navi-Refi representative/specialist named Barbara. I asked to talk to someone at a higher level of charge but was told they do not take calls. I began to briefly explain what had happened, and when Barbara heard some about my ability to get loan forgiveness she then in about 60 seconds explained fully and entirely how there is a new push for forgiveness, how I can go to the student-aid-gov site and see if my job qualifies, that I have to be there for 10 years and paying on my loans for 10 years, and how my salary has no effect whatsoever on my ability to attain Federal loan forgiveness, and that my loans are likely older and that I would need to consolidate them into direct loans first, and more. I was shocked that she knew so much. I said to her, where was she, and all this information, when I first called Navient and was considering refinancing my loans for this is exactly what I needed to hear. Barbara then said something that did shock me. She said that, honestly, if she had me on the line to convert my loans then she too is not going to mention Federal vs private loans and all these alternatives and options and Federal Loan Forgiveness. She says she knows that sounds hard, but their job is to get me to sign, and they know there is some wording in the loan documents. Barbara actually said this to me a second time on another later phone call. It continues to shock me in the setting of how it contradicts all that Navient has on their settlement websites as to their settlement requirements, and what Navient promised to do.

Barbara was nice to me with all our many conversations. She said she felt bad for me, and she would take this to the higher-level people there. She then called me the very next day and told me that the higher-level people there told her to get my work/hospital EIN number and get my time of employment and my time paying my loans to see if I did qualify for forgiveness because they could reverse what had happened to me. Barbara took all the information, looked up my EIN number on the student-aid-gov site while I was on the phone, and determined that my hospital did qualify, and that I did qualify for Federal loan forgiveness. She said she would get this information right out to the higher-level people, and said she felt there was good hope for getting my situation reversed and then I can start the loan forgiveness process.

It was about a week later that Barbara left a message to call her, and she told me that the higher-level people had said the wording in the loan documents did mention forgiveness in a couple places and that sufficed to inform me, and that they would not be doing anything further for me. I then reiterated the unfairness of all of this. Again, I told Barbara that in the face of all that Navient had promised that I was not fully informed. Barbara again said, honestly, if I had you on the line to refinance your loans then I am not telling you about Federal vs private loans and all that entails. I told Barbara but the Navient websites say that is exactly what you should do. And Barbara then tried to distance herself from Navient saying that we are Navi-Refi. She then told me she feels really bad for what happened to me, and she was sorry it couldn’t work out better. I was struck by this, because Barbara had basically admitted that she too would not have informed me and thus would have left me in the same state.

Then on August 9th I received an unsolicited email from a Alissa Masher, Customer Advocate, of the Navient company. She later sent me copies of the loan documents where the brief notes about loss of federal deferment, forbearance, and forgiveness; and the note for the student-aid-gov site. Again, Navient’s posture is that this was enough to inform and there was nothing else they could do. My reply to her was via email, like what is in this letter. It took a month for Navient to reply. I got a brief letter from Navient that stated that during the call I had had with the Navient representative/specialist that I was informed that “I would lose federal benefits, including repayment and deferment options.” This is shocking. This is one hundred percent false. I wrote this back to the Navient customer advocate that this is a complete fabrication, and false. That I was definitively not informed of any of these options by the Navient representative/specialist. Did Navient really review my call with their Navient representative/specialist? Because if they did then they would have to see that there was absolutely zero information given about these issues/options. I asked the Navient advocate for a true audio copy of this call, but that has not been forthcoming. Regardless, for Navient to say I was informed by their representative/specialist is preposterous. Does Navient really think it would make any sense, in any shape or form, that if I was informed that my $250,000 of federal loans could be fully forgiven that I would still choose them? And I realized that this Navient company is not going to be fair and true and is potentially choosing a dishonest path. Thus, I must find other help for remedy.

I am an emergency medicine doctor. I see patients for a myriad of problems. Some very serious. I may see a patient with chest pain, or abdominal pain, or red eye, or headache, etc. And they may be safe to leave our emergency department. And in their discharge instructions there will be a note about their diagnosis that is helpful. But this note alone would not be sufficient. What the patient must have is the doctor. I am not only legally bound, but ethically and morally bound to ensure my patients are fully informed. I must go to them and talk to them about everything that we have done in the emergency room, what their diagnosis is, and what that means for now and for the future, and treatments, and next steps to take, etc. If I do not do this then I undermine the patient’s care, to the point that I could be held legally liable. There is always the legal side of things, but I fully inform because I am ethically and morally, and duty bound to my patients.

In this present case with Navient. I am the patient, and they are the doctor. They are the experts. They know they are. They have shown to be fully knowledgeable about all options available to consumers seeking their guidance. I was one of those consumers. I spoke directly to a Navient/Navi-Refi representative/specialist and they did not fully inform—really the reverse—in what appears to be purposeful avoidance. The representative/specialist did let me know I was getting in at the right time, that rates would be going up, and there was the looming deadline to lose it all. And then I spoke to Barbara, another Navient/Navi-Refi representative/specialist, who well knew and disclosed all of what my options had been, but then said, twice, on two different phone calls, that she understood what the other Navient/Navi-Refi representative/specialist had done, and that she too would not have informed me of my options when considering refinancing my Federal loans, because she said their job is to get us to sign. It must be inferred that this is apparently what is taught at Navient. And that Navient is betraying their required settlement agreements. One would have to deduce this because my initial encounter with the Navient/Navi-Refi representative/specialist had every opportunity from my questioning to fully inform but chose not to, and the reason was given to me by the second Navient/Navi-Refi representative/specialist, Barbara, who twice said she would do the same thing, and not inform.

This all flies completely against what Navient has promised to do on their settlement informational website. Moreover, it flies against what Navient has promised to do due to the lawsuit and due to the settlement requirements for which Navient says they are legally bound and required to do.

From what Navient has in their post-lawsuit settlement websites one would expect something significant when speaking to their representative/specialists. From what Navient has stated on these websites one would expect a retrained Navient representative/specialist to have a beginning monologue and speech scripted by Navient where they speak to federal to private loans and what this means, and the federal forgiveness program, and “counsel public service workers concerning Public Service Loan Forgiveness.” A consumer like myself would expect upfront questions to be scripted by Navient with questions like, are you a public service worker, and do you work for a qualified public employer, etc.

I have asked Navient for remedy, but they declined. I had been told that they were seeking to reverse my situation to allow me to seek the forgiveness that I obviously qualify for, but then was turned away by Navient. Do I have some responsibility here. I have thought hard about this, and honestly, I don’t feel I do. I recognize there were notations in the loan documents, and I’ve spoken to this. But I feel these notations in the loan documents, at best, should have been simple reminders to what should have been spoken about between me and the Navient representative/specialist, as was required by Navient in their settlement agreements. But this did not happen—they did not inform one single bit. Nothing. And I truly felt I had no Federal benefits left. Navient is the expert here. Navient just went through years of lawsuits and has openly made the promise to re-train and have their representatives/specialists fully inform consumers like me.

I feel Navient must see this for what it is: their failure to fully keep their legal promise to fully inform per Navient’s settlement promises to fully seek out and inform public service workers, like me. And Navient must see this from their legal, ethical, and moral obligation and viewpoint, and then provide me remedy. And that remedy should be to provide me the avenue to fully forgive my loans, as my federal loans would have been forgiven. Navient must admit that they hold the responsibility here, being the expert, and they must admit that their re-trained representative/specialists should have fully informed me, as Navient has promised and as Navient is bound by their recent lawsuit settlement promises. Again, all of this, right in the middle of Navient’s lawsuit, “Hyland, et al. v. Navient Corp., et al,” where Navient was accused of exactly what they have done to me.

Navient has been dealing with this “Hyland” lawsuit since 2017. Navient has been for years right in the middle of fighting against accusations that Navient did not fully inform or that they misled public service employees “employed by qualifying public employers concerning their eligibility to benefit from the federal program of Public Service Loan Forgiveness.” It really defies logic that Navient then went and did the same thing to me. If Navient has any sense of right and wrong, then they must see this for what it is and provide me remedy. Navient, in varied areas, claims to be a “National leader.” I have asked Navient then to please lead. I now come to the CFPB in the hope to show Navient that they still have the chance to do so.

Sincerely,

Erik Dehlinger, M.D., 2222 Timberlane Drive, Florence, SC 29506