

May 13, 2025

The Honorable Mike Johnson  
Speaker  
U.S. House of Representatives  
Washington, DC 20510

The Honorable Hakeem Jeffries  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

Dear Speaker Johnson and Leader Jeffries,

On behalf of the physicians our organizations represent, we write today to express our concerns with many of the changes to federal student loans contained in Section III of the legislation, "Providing for reconciliation pursuant to H.Con.Res. 14, the Concurrent Resolution on the Budget for Fiscal Year 2025" which was favorably reported out of the House Committee on Education and Workforce on April 29, 2025.

As the population in the United States continues to grow and age, demand is greater than ever for physicians in every corner of the country. Yet, according to a recent report from the Association of American Medical Colleges (AAMC), the United States will face a shortage of up to 86,000 physicians by 2036. To address this shortage, we must not only sustain but grow the number of students graduating from medical school.

The Education and Workforce Committee's legislation, while well-intended, will have the opposite effect. The bill proposes borrowing caps on federal student loans of \$50,000 for undergraduate programs, \$100,000 for graduate student programs and \$150,000 for professional programs. The goal of these caps is to force universities to lower tuition, making higher education more affordable for all students. However, the average medical school graduate is graduating with approximately \$235,000 in medical school debt alone, or \$265,000 of combined medical and premedical education debt. Medical schools, especially public institutions, will not be able to make these drastic reductions to their tuition structures by July 1, 2026, when the loan caps go into effect. As a result, far fewer students will be able to afford medical school, exacerbating the existing physician shortages across the country, especially in rural areas.

We also urge Congress to maintain the Grad PLUS program and protect full access to Unsubsidized Direct borrowing for aspiring medical and dental students. Not only will lending to aspiring physicians boost the health care workforce, but physicians are reliable borrowers in paying back their student loans. Despite having higher interest rates and often longer repayment terms than undergraduates, student loan defaults by physician borrowers are nearly nonexistent. Eliminating Grad PLUS or restricting aggregate lending would hamstring the over 40% of all medical students who use the program and worsen physician workforce challenges by reducing access to medical school for students in every community.

In addition to making it more difficult to afford medical school, this legislation will make it more challenging for future medical graduates to repay loans issued after July 1, 2025. First, medical and dental residents will be able to defer loan repayment with zero interest accrual for up to four years. We whole-heartedly support zero-interest loan deferral, but limiting the deferral to four years is inadequate as many medical residencies are longer than four years, especially those for surgical specialties. This could have the impact of driving medical graduates into programs based on residency length, rather than community need, further exacerbating shortages. Second, the bill excludes medical and dental residency from the definition of “qualifying jobs” for purposes of Public Service Loan Forgiveness (PSLF), which risks further exacerbation of the physician workforce shortage. By ensuring student loan relief for those who work at public and non-profit hospitals for 10 years, PSLF strengthens the physician and dental workforce. Without the opportunity for PSLF repayments, future physicians and dentists in training at public and non-profit hospitals can no longer participate in PSLF during their early career years when they are making the least amount of money and most in need of assistance, and this may result in fewer individuals pursuing careers in medicine and dentistry or deciding to train and practice at public and non-profit facilities.

Medical education is an incredibly expensive undertaking, and we support the Committee’s goal of trying to lower the costs of medical school to reduce the student loan burden new physicians face. However, we have serious concerns about the impact of these massive changes to the federal student loan program. We fear institutions will not have enough time to adapt their financial structures to lower costs while many prospective students will be unable to afford to start their medical education, leading to declining medical and dental school enrollment and exacerbating already painful shortages.

We ask the Committee to reconsider its approach to federal loans for medical and dental students to ensure this country can continue to produce much-needed physicians and dentists to care for our growing population, young and old. Our physicians stand ready to assist you in this important endeavor, and we appreciate your consideration.

Sincerely,

American Academy of Family Physicians  
American Academy of Ophthalmology  
American Academy of Otolaryngology – Head and Neck Surgery  
American Academy of Pediatrics  
American Association of Child and Adolescent Psychiatry  
American Association of Neurological Surgeons  
American Association of Orthopaedic Surgeons  
American College of Cardiology  
American College of Emergency Physicians  
American College of Obstetricians and Gynecologists

American College of Physicians  
American College of Radiology  
American College of Rheumatology  
American College of Surgeons  
American Gastroenterological Association  
American Osteopathic Association  
American Psychiatric Association  
American Society of Cataract & Refractive Surgery  
American Society of Anesthesiologists  
American Urological Association  
College of American Pathologists  
Congress of Neurological Surgeons  
Renal Physicians Association  
Society of Cardiovascular Angiography and Interventions  
Society of Hospital Medicine  
Society of Interventional Radiology  
Society of Thoracic Surgeons  
Society for Vascular Surgery