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SUMMARY

Federal investment in medical student financial assistance and physician workforce development programs are critical to ensure medical education remains affordable and accessible for all students, regardless of background. As policy for health care delivery and insurance coverage in the United States rapidly evolves, the supply of physicians must be adequate to meet the demand for health services, and must reflect the population's demographics. The reauthorization of the Higher Education Act of 1965 presents a chance to improve the future of our health care workforce, enabling the United States to provide care to Americans.

ISSUE

There are numerous issues that threaten the expansion of the future of the physician workforce, many stemming from the difficulties in financing physician education and training.

- From 1996 to 2017, median tuition at private medical schools rose by 124 percent, while median tuition at public medical schools rose by 286 percent.
- For the Class of 2018, the median four-year in-state cost for private medical schools was \$322,767, and was \$242,902 for public medical schools.
- According to the Association of American Medical Colleges, the median medical student indebtedness for the Class of 2017 was \$192,000, with at least 14 percent of students carrying an educational debt burden greater than \$300,000 when accounting for undergraduate student debt.
- According to the American Association of Colleges of Osteopathic Medicine, osteopathic medical students in the Class of 2017 reported an average debt of \$247,218.
- The federal direct loan aggregate borrowing limit for medical students under current law is \$224,000, which can be supplemented with GradPLUS loans up to the cost of attendance.

BACKGROUND

Undergraduate medical education remains largely debt financed, with little to no opportunities for medical students to earn pay while in school through doctoral stipends or other work. The academic rigor of medical school likewise impedes this, with medical students typically completing thirty credit hours or more per semester of doctoral coursework, which more than doubles most other doctoral programs.

In the 115th Congress, HR 4508 the PROSPER Act's proposed \$235,500 aggregate borrowing limit for medical students and elimination of the GradPLUS loan program unnecessarily limit opportunities for students from diverse backgrounds to consider and attend medical school to become physicians. Furthermore, the elimination of the GradPLUS loan program will cause future physician trainees to face food insecurity, homelessness, and an inability to pay licensing exam fees, residency application fees, textbook costs, and other obligatory professional expenses. Reducing income-driven repayment plans and cutting debt forgiveness options like the Public Service Forgiveness program will further exacerbate the issue, reducing physicians practicing in primary care, health professional shortage areas, health professions education, and in the Veterans Health Administration. With 70 to 80 percent of medical

AMSA PERSPECTIVES IN POLICY

Reauthorization of the Higher Education Act



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students experiencing burnout, alcohol abuse/dependence, symptoms of depression, and even suicidal ideation, adding further financial insecurity to the burdens faced by medical students will make physician education a bleak and untenable option for many.

RATIONALE

Ensuring that medical school remains affordable with manageable educational-debt burdens and loan programs that consider the unique challenges of medical students will ensure that the physician workforce remains diverse and equipped to handle the changing demographics of the United States in the face of a projected physician shortage. The AAMC reports that from 2014 to 2016, there has only been a modest increase of 2.6 percent in the median supply of active physicians per 100,000 citizens. In 2013, the Health Resources and Services Administration projected a shortage of 20,400 physicians in primary care by 2020. With a decrease of 5.9 percent in the number of uninsured citizens from 2013 to 2016, this issue will only worsen. According to the AAMC, additional shortages are projected across all medical specialties, reaching over 100,000 by 2030.

Disclaimer: The views, opinions, and interpretations expressed in this briefing strictly represent those of the American Medical Student Association only. Reference to other organizations and authors, or inclusion of data and discussion publicly reported by other entities is not intended to signify their official endorsement of the abovementioned stances, concerns, or recommendations.

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AMSA POLICY RECOMMENDATIONS

- AMSA strongly urges Congress to preserve federal investment in loan borrowing options like the GradPLUS loan program that allow medical students to borrow up to the cost of attendance to medical school, and opposes federal policy changes that would redirect medical student borrowing into the private educational loan sector.
- Because of physician restricted earning potential during Graduate Medical Education, AMSA supports maintaining income driven repayment programs that cap monthly payments at 10 percent of discretionary income, and that do not lengthen payoff schedules over greater numbers of years than currently existing programs.
- AMSA opposes eliminating loan forgiveness options like the Public Service Loan Forgiveness program because of their vital roles in diversity and inclusion, and in incentivizing pursuing primary care in health professional shortage areas, teaching in health professions education, and practicing in the Veterans Health Administration.