



May 8, 2025

The Honorable Linda McMahon
Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202-3100

Submitted electronically via regulations.gov

RE: Docket ID ED-2025-OPE-0016; Intent To Receive Public Feedback for the Development of Proposed Regulations and Establish Negotiated Rulemaking Committee

Dear Secretary McMahon:

On behalf of the American Academy of Family Physicians (AAFP), representing 128,300 family physicians and medical students across the country, I write in response to the [notice](#) that the Department of Education (the Department) intends to host public hearings and establish one or more negotiated rulemaking committees to prepare proposed regulations for federal student aid programs. The AAFP appreciates the Department's interest in providing debt relief to borrowers and in having robust public conversations regarding the federal programs authorized under Title IV of the Higher Education Act of 1965 (HEA). We share your goal of creating a healthier nation and commit to working with you to prevent chronic diseases and find treatment solutions for those with chronic health conditions.

Physicians are the most likely professionals to carry student loan debt, with 81 percent of those with Doctor of Medicine degrees having graduate school debt and 80 percent owing due to undergraduate education.ⁱ The high burden of medical education debt contributes to worsening physician shortages and puts medical education out of reach for many potential physicians, further undermining progress toward a robust health care workforce. Given that these challenges slow progress

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toward better patient and population health outcomes, **addressing the burden of student loan debt for physicians and medical students is one essential step to improving our nation's health care system.**

Nearly 95 percent of adults 60 years and older have at least one chronic condition, and nearly 80 percent have two or more.ⁱⁱ This is only projected to get worse in the coming years, as the number of adults 50 years and older with at least one chronic disease is estimated to increase by almost 100 percent from 71.522 million in 2020 to 142.66 million by 2050.ⁱⁱⁱ **The AAFP shares the administration's belief that it is critically important for the U.S. to work to prevent chronic illnesses and stop this projection from becoming a reality.** Effectively meeting the current needs of our patients with chronic conditions and preventing chronic diseases in the future both require our nation to better leverage primary care as the foundation of our health care system. Addressing physicians' student loan debt is key to appropriately valuing the role of primary care physicians in that system.

The AAFP strongly urges the Department to include a family physician in the negotiated rulemaking process, and we look forward to participating in the related nomination process when it begins. We believe a family physician being involved in the process will help support the Department's goals and advance policies that would provide meaningful debt relief for physicians across the nation.

Reducing Physicians' Student Debt Load Supports an Increased Primary Care Workforce

The AAFP has long been concerned about the shortage of primary care physicians in the U.S., particularly the supply of family physicians, who provide comprehensive primary care services for patients across the lifespan — preventing chronic illness, managing complex conditions, and increasingly supporting mental health. It is projected that we will face a shortage of up to 40,000 primary care physicians by 2036.^{iv} Primary care is the only health care component where an increased supply is associated with better population health and improved patient outcomes.^v

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The average student loan debt for four years of medical school, undergraduate studies, and higher education is between \$200,000 and \$250,000.^{vi} This number will only continue to increase as the cost of medical school continues to rise. In fact, for first-year students in 2020-21, the average cost of attendance increased from the prior year for public medical schools by 10.3 percent, making it likely that medical students will have to carry even larger student loans to graduate.^{vii} The rising level of educational debt disproportionately affects low-income students and limits their economic mobility, as well as their ability to meaningfully participate in the health care workforce. Decreasing student debt — especially through the utilization of federal loan repayment programs — can help reduce physician shortages, particularly in rural and medically underserved communities.

Physicians will incur the same cost for their medical education whether they enter primary care or specialist fields, but once they complete their training, they will have more difficulty managing their debt in primary care fields due to lower income. For example, when measuring debt as a ratio to income, primary care physicians have approximately double the debt burden as those entering surgical fields.^{viii} Research has also shown that loan forgiveness or repayment programs directly influence physicians' choices about whether to choose primary care specialties.^{ix} Therefore, the AAFP [supports](#) policies to decrease the cost of medical education for the learner, medical student debt accumulation, and the discrepancy in pay between primary care and other medical specialties. The AAFP also [encourages](#) innovation and study of the effectiveness of existing and future systems of debt management and alternatives to determine which strategies are truly effective.

The AAFP recognizes that a long-term solution is needed to comprehensively address the student debt issue and has called on Congress to take action. To combat rising student debt, the AAFP [supports](#) the deferment of interest and principal payments on medical student loans until after completion of postgraduate training and [recommends](#) that the interest on medical student loans be deductible on federal tax returns. The Academy has also [called for](#) expanded funding for federal loan forgiveness and scholarship programs that target family medicine and primary care.

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While we will continue to work with Congress on comprehensive solutions, we urge the Department to take action.

Physicians are Economic Drivers in Their Communities

The nationwide shortage and maldistribution of family physicians and other primary care physicians is particularly dire in rural communities. While 20 percent of the U.S. population lives in rural communities, only 12 percent of primary care physicians and eight percent of subspecialists practice in these areas.^x Even with these challenges, health care is typically one of the largest employers in rural areas, with hospitals often being the second-largest employer and only trailing local public schools.

While we know primary care physicians' salaries have been stagnant over the past several years and are about 20 percent lower than other physicians' salaries,^{xi} studies have shown that a practicing primary care physician can generate significant economic benefits in a rural community – an estimated \$1.4 million in annual economic activity and supporting over 26 local jobs.^{xii} Clinic employment, inpatient and outpatient services, and purchasing of local goods and services all contribute to these impacts. Given the number of health care workers who have left the field post-pandemic, it is crucial for the U.S. to explore how we can motivate physicians and support staff to stay in health care, particularly in rural and underserved communities. **Addressing the burden of student loan debt for family physicians could give those who want to practice in rural areas the financial freedom to start practices or clinics, employ others, and provide invaluable health care and economic activity in their community.**

Family physicians have also significantly changed the way they practice in recent years, and mitigating student debt would free up capital for those who wish to pursue the independent practice model. In 2011, 37 percent of AAFP members surveyed reported that they were sole or partial owners of their practice. In 2024, that number fell to 21 percent, with many factors contributing to this shift.^{xiii} Underinvestment in primary care, overwhelming administrative burden, rising practice costs, and inadequate payment are just some of the key variables fueling the loss of small and solo practices. Increasingly, family physicians report that independent practice is

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unsustainable. In addition to addressing the aforementioned factors, there are many tax- and economically-focused options the administration could undertake to support family physicians. The AAFP supports maintaining or expanding existing small business tax credits, which can be a crucial part of maintaining the independent ownership model for family physicians.

In addition to expanding funding for federal loan repayment programs, any loan repayment funds received from these repayment programs should not be subject to federal income tax. This could provide an additional incentive for physicians to participate in them. The AAFP supports legislative efforts to exempt federal loan repayment programs from taxable income, including the Strengthening Pathways to Health Professions Act, a bipartisan bill that would exempt some Health Resource and Services Administration (HRSA) loan repayments from taxable income.

Refining Definitions of a Qualifying Employer for the Purposes of Determining Eligibility for the Public Service Loan Forgiveness Program

The Public Service Loan Forgiveness (PSLF) program is an important tool that strengthens American communities and helps fill critical workforce shortages. By ensuring student loan relief for those who work in public service for 10 years, PSLF strengthens America's health care system and overall economy by allowing individuals to choose the careers they desire and offering consumers increased autonomy over their finances. Without PSLF, many people would be forced to leave public service for the private sector, especially those in rural and underserved areas. Given the efficiency and strength of the program and its importance to communities across the country, the AAFP supports its role in helping individuals pursue careers that are integral to the health and well-being of our society.

Reliance on the PSLF program has increased significantly over the years, with some studies showing more than 40 percent of physicians are enrolled.^{xiv} Additionally, other studies have shown that future primary care physicians intend to utilize PSLF more than programs that were designed specifically to promote primary care, such as the National Health Service Corp (NHSC).^{xv} And in a recent survey of AAFP members, more than 75 percent of respondents said they either were currently or

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had previously been enrolled in the PSLF program. In that same survey, many AAFP members shared stories of returning to practice in their rural hometowns — choosing public service careers they love — because PSLF made it possible. Without it, many would have been forced to leave public service for the private sector, leaving critical health needs unmet.

The AAFP supports the current eligibility requirements for qualifying PSLF employer types and does not believe there's a need for additional restrictions to the definition of an eligible employer for those that employ health care workers. AAFP members who are enrolled in the PSLF program work for a wide variety of eligible employers, and we support our members' ability to complete the terms of the PSLF program without alterations to their employers' status as a qualifying entity. Family physicians are singularly qualified to offer whole-person care and lead patient care teams, and the AAFP strongly disagrees with any efforts to interfere with the patient-physician relationship or encroach on the autonomy of physicians.

Potential Topics that would Streamline Current Federal Student Financial Assistance Program Regulations while Maintaining or Improving Program Integrity and Institutional Quality

The AAFP has received several reports that our members are struggling or unable to access their federal student loan accounts online, and we urge the Department to address and solve this issue. In a recently conducted member survey, more than 10 percent of respondents said they either could not currently access their federal student loan accounts online or that the information listed in their account was incorrect. Some members have reported ongoing issues since late January 2025, while others have only noticed issues more recently. It is incredibly stressful for family physicians to not know how much money they owe on their student loans or if the federal government is keeping appropriate track of payments made. **Working to correct these issues and restore every borrower's access to their online federal student loan accounts would help improve both program integrity and institutional quality, and we would appreciate the Department working to resolve this problem for borrowers.**

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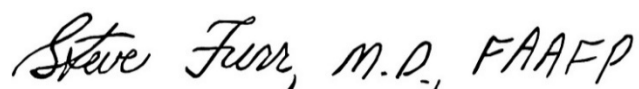
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Conclusion

The AAFP urges the Department to use its authority to advance policies that provide meaningful debt relief to physician borrowers. As previously noted, addressing medical education debt can help alleviate physician shortages and improve access to high-quality care for patients. Student loan debt can prevent students from going to medical school, as well as prevent physicians from choosing primary care over other specialties and joining or opening practices in rural and other underserved communities. **Providing debt relief to physicians and medical students would therefore advance several goals that are in line with the President's national strategies and executive orders to invest in rural communities, [support physician and patient choice](#), and [address our nation's chronic disease crisis](#).** Including a family physician negotiator on the committee being formed by the Department is **an essential first step**. This will help ensure the unique circumstances experienced by physicians across the nation are considered during the upcoming rulemaking process.

Thank you for the opportunity to provide written comments on this important topic, alongside the opportunity to speak at the related May 1 virtual public hearing. The AAFP stands ready to work with the Department of Education to advance student debt relief policies that will help bolster our health care workforce and advance access to high-quality primary care for all. For more information or questions, please contact Mandi Neff, Regulatory and Policy Strategist, at mneff2@aaafp.org.

Sincerely,

A handwritten signature in black ink that reads "Steve Furr, M.D., FAAFP".

Steven P. Furr, MD, FAAFP
Board Chair
American Academy of Family Physicians

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