

June 6, 2023

The Honorable Bernard Sanders  
Chair  
Senate Committee on Health, Education, Labor  
and Pensions  
428 Senate Dirksen Office Building  
Washington, D.C. 20510

The Honorable Bill Cassidy, MD  
Ranking Member  
Senate Committee on Health, Education, Labor  
and Pensions  
428 Senate Dirksen Office Building  
Washington, D.C. 20510

Dear Chairman Sanders and Ranking Member Cassidy:

On behalf of our organizations, we call on Congress to address high student loan debt levels facing many borrowers, including physicians and dentists. With the Biden Administration expected to reinstate federal student loan payments and interest this summer that were halted at the start of the COVID-19 pandemic more than three years ago, the need for long-term legislative solutions is essential to ensure current borrowers are not overwhelmed with insurmountable student debt levels as well as to attract a strong future pipeline of physicians and dentists.

One solution that we strongly urge the HELP Committee to consider is the “Resident Education Deferred Interest (REDI) Act” (S 704). This bipartisan and bicameral legislation would allow borrowers to qualify for interest-free deferment on their student loans while serving in a medical or dental internship or residency program.

As you are aware, the cost of graduate-level medical and dental education is substantial for the vast majority of students. Further, those who must undertake several years of residency with very low pay are often unable to begin repaying student debt immediately. As a result, they qualify to have their payments halted during residency through deferment or forbearance processes, but they continue to accrue interest that is added to their balance.

The REDI Act prevents physicians and dentists from being penalized during residency by precluding the government from charging them interest on their loans during a time when they are unable to afford payments on the principal. While the REDI Act reduces the student debt burden, it does so without loan forgiveness or reducing a borrower’s original loan balance.

Providing student debt relief also is a workforce issue, which we know is an important priority for the HELP Committee this Congress. According to HRSA’s latest report from 2022 nationally, across all physician specialties in the United States, there is a projected shortage of 81,180 full-time equivalent (FTE) physicians in 2035. In fact, 26 out of the 36 physician specialties reported in this brief are projected to have shortages in 2035.<sup>1</sup> HRSA has also projected that the demand for general dentists is predicted to exceed supply by 2030.<sup>2</sup> In the case of the REDI Act, the ability for medical and dental residents to save thousands of dollars in interest on their loans could make the concept of practicing in underserved areas or entering faculty or research more attractive and affordable to residents.

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<sup>1</sup> Health Resources and Services Administration. Health Workforce. (2022, November). *Physician Workforce: Projections, 2020-2035*

<sup>2</sup> Health Resources and Services Administration. Health Workforce. (2017). *Oral Health Workforce Projections, 2017-2030: Dentists and Dental Hygienists*.

For these reasons, we support the REDI Act and urge you and your committee colleagues to help advance this bill through the Senate.

Sincerely,

Academy of General Dentistry  
American Academy of Dermatology Association  
American Academy of Family Physicians  
American Academy of Neurology  
American Academy of Ophthalmology  
American Academy of Oral and Maxillofacial Pathology  
American Academy of Oral and Maxillofacial Radiology  
American Academy of Pediatric Dentistry  
American Academy of Periodontology  
American Association for Dental, Oral, and Craniofacial Research  
American Association of Child and Adolescent Psychiatry  
American Association of Clinical Urologists  
American Association of Endodontists  
American Association of Neurological Surgeons  
Congress of Neurological Surgeons  
American Association of Oral and Maxillofacial Surgeons  
American Association of Orthodontists  
American Association of Orthopaedic Surgeons  
American College of Emergency Physicians  
American College of Obstetricians and Gynecologists  
American College of Physicians  
American College of Prosthodontics  
American College of Rheumatology  
American Dental Association  
American Dental Education Association  
American Gastroenterological Association  
American Osteopathic Association  
American Podiatric Medical Association  
American Psychiatric Association  
American Society for Radiation Oncology  
American Society of Anesthesiologists  
American Society of Dentist Anesthesiologists  
American Student Dental Association  
American Urological Association  
College of American Pathologists  
National Association of Spine Specialists  
Renal Physicians Association  
Society for Cardiovascular Angiography and Interventions  
Society for Vascular Surgeons  
Society of Interventional Radiology  
The Society of Thoracic Surgeons