

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 2035.¹ HRSA has also projected that the demand for general dentists is predicted to exceed supply by 2030.² 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.

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

² 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 Society
Society of Interventional Radiology
The Society of Thoracic Surgeons