

Subsidized Stafford Loans for PA Students

Fast Facts

- Nearly **85%** of graduating PA students report taking out student loans to finance their education.¹
- PA students borrow an average of **\$107,821** to finance their graduate education, not inclusive of debt from undergraduate education.¹
- Of recently certified PAs who have not accepted a clinical position, **22.7%** indicate that their level of educational debt will influence their choice to seek a primary care or non-primary care position.²

What's the Issue?

As a component of the Budget Control Act of 2011, Congress eliminated the ability of graduate students, including graduate-level health professions students, to access subsidized Stafford loans. This elimination impacted health professions students particularly given the additional costs associated with clinical education that are not borne by non-health professions graduate students. As a result of this change, the debt burden of PA students, and other graduate-level health professions students increased with the unintended consequence of restricting the ability of many graduates to practice in primary care or medically underserved settings at a time of growing workforce shortages.

What's the Solution?

The Physician Assistant Higher Education Modernization Act would reinstate the authority of the Department of Education to make subsidized Stafford loans to graduate-level health professions students, including PA students. This change would effectively reduce the total amount of interest repaid over time by preventing interest from accumulating and compounding while students complete their education.

For additional information, please contact tsmith@PAEAonline.org.

REFERENCES

¹ Physician Assistant Education Association. (2020). *By the Numbers: Student Report 4: Data from the 2019 Matriculating Student and End of Program Surveys*. <https://paeaonline.org/wp-content/uploads/imported-files/student-report-4-updated-20201201.pdf>.

² National Commission on Certification of Physician Assistants. (2020). *2019 Statistical Profile of Recently Certified Physician Assistants*. https://prodcmstoragesa.blob.core.windows.net/uploads/files/2019%20Recently%20Certified%20Report%20-%20final_compressed.pdf.

