



PHYSICIAN ASSISTANT EDUCATION ASSOCIATION
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September 7, 2021

Jean-Didier Gaina
U.S. Department of Education
400 Maryland Avenue, SW
Room 2C172
Washington, DC 20202

Submitted electronically via <http://regulations.gov>

Re: Request for Information Regarding the Public Service Loan Forgiveness Program

Dear Mr. Gaina:

On behalf of the Physician Assistant Education Association (PAEA), the national organization representing the 277 accredited PA programs in the United States, which collectively graduate more than 10,000 new PAs each year, we are writing in response to the Department's recent request for information regarding the Public Service Loan Forgiveness (PSLF) program.

Since the creation of the program in 2007, PSLF has served as a powerful incentive for PA graduates to practice in underserved, non-profit clinical settings in exchange for the promise of loan forgiveness. According to a recent survey of graduating PA students, of those interested in participating in a federal or state loan forgiveness program, 36.1% planned to

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enter PSLF.¹ While this represents a striking opportunity to address health workforce gaps throughout the country, which have grown more urgent over the course of the pandemic, high failure rates for those seeking forgiveness via PSLF severely limit the potential of the program. As the administration seeks to implement operational improvements to the PSLF program, PAEA would like to offer the following responses to the questions issued by the Department:

1. What are the direct and indirect effects of student debt on America's public service workforce?

As a result of multiple supply-related factors, such as clinical training site and faculty shortages in recent years, institutions have been forced to raise tuition to cover the increased costs associated with providing a high-quality education to students. Average in-state resident tuition at public PA programs has risen from \$38,794 in academic year 2013-14 to \$52,585 in academic year 2018-19.² For private PA programs, average tuition has risen from \$74,475 in academic year 2013-14 to \$95,058 in academic year 2018-19.² Because of these tuition increases and associated living expenses, average graduate-level student loan debt for PA students has risen to \$107,821 as of 2019.³ This significant level of debt compels many PA graduates to avoid non-profit, underserved clinical settings and instead practice in higher paying specialties in well-resourced communities, thereby exacerbating long-standing health disparities.

¹ Physician Assistant Education Association. (2019). *By the Numbers: Student Report 3: Data from the 2018 Matriculating Student and End of Program Surveys*. <https://paeaonline.org/wp-content/uploads/imported-files/sr3-program-report-20190814.pdf>.

² Physician Assistant Education Association. (2020). *By the Numbers: Program Report 35: Data from the 2019 Program Survey*. <https://paeaonline.org/wp-content/uploads/2020/11/program-report35-20201014.pdf>.

³ 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. What are the direct and indirect benefits of PSLF for America's public service workforce, including the effects of PSLF on individual borrowers, on the labor market, on communities, and on the populations served by public service workers?

The promise of debt forgiveness for health care professionals expands the ability of clinicians to choose to practice in traditionally lower-paying specialties like primary care in lower-resourced geographic areas such as rural communities. While, to date, PSLF has provided limited successful loan forgiveness to participants, comparable loan repayment programs like the National Health Service Corps (NHSC) have a long track record of success in expanding access to care in underserved communities in exchange for educational debt relief. As of September 30, 2020, more than 1,300 PAs were providing services in underserved settings like federally qualified health centers through the NHSC in exchange for prior scholarship support or loan repayment.⁴ As of fiscal year 2019, the short-term retention rate for NHSC clinicians beyond the scope of their service commitment was 81%.⁴ Administrative improvement of the PSLF program has the potential to build upon the success achieved via programs like the National Health Service Corps.

3. Does PSLF provide a strong incentive for borrowers to engage in public service work? How are public service workers' employment decisions affected by their debt and by PSLF?

Loan forgiveness opportunities like PSLF are popular among PA graduates with more than 28% of graduating students indicating that they intend to participate in either a state or federal loan forgiveness/repayment program once they enter the workforce.³ According to a survey of recently certified PAs who had not accepted a position, conducted by the National Commission on Certification of Physician Assistants (NCCPA), 22.7% indicated that their level of educational debt would influence their choice.⁵ This finding suggests that total debt

⁴ Health Resources and Services Administration. (2021). *Justification of Estimates for Appropriations Committees*. <https://www.hrsa.gov/sites/default/files/hrsa/about/budget/budget-justification-fy2022.pdf>.

⁵ National Commission on Certification of Physician Assistants. (2020). *2019 Statistical Profile of Recently Certified Physician Assistants*. https://www.nccpa.net/wp-content/uploads/2020/11/2019-Recently-Certified-Report-final_compressed.pdf.



forgiveness options like PSLF would have a significant impact on the ability and willingness of PA graduates to join the public service workforce and expand access to care in non-profit clinical settings.

4. What borrower experiences should the Department and Congress consider when making improvements to PSLF?

Anecdotal reports from PA faculty and recent graduates indicate that the most significant challenges faced by PA borrowers are related to servicer guidance. While PAEA has endorsed congressional proposals to simplify the PSLF program's statutory requirements pertaining to eligible loans and loan repayment plans, current PA PSLF participants have not reported significant challenges in navigating existing requirements. Rather, faculty have consistently reported receiving inaccurate servicer guidance regarding specific qualifying payments and employment verification processes.

6. What role do loan servicers play in making it easier or harder for borrowers to access PSLF?

Loan servicers play a critical role in ensuring that PA PSLF participants comply with statutory and regulatory requirements and successfully receive forgiveness. Due to the consistent failures of FedLoan Servicing to provide timely and accurate guidance to borrowers, PAEA looks forward to the opportunity for the Department to facilitate an improved borrower experience with this servicer's successor. PAEA urges the Department to require said successor to ensure that timely and detailed guidance is provided to any borrower not making qualified payments about the corrective steps needed to successfully receive forgiveness.

7. What barriers prevent public service workers with student debt from pursuing PSLF or receiving loan forgiveness under PSLF?

While interest in PSLF among graduating PA students is significant, ambiguity surrounding qualifying health sector employment is a challenge, in addition to aforementioned servicer



challenges reported by borrowers. PAEA encourages the Department to continue prioritizing existing communications efforts to improve borrower knowledge in this regard and to collaborate with health professions education stakeholders on these efforts.

11. What operational steps can the Department take to strengthen PSLF and better serve public service workers who currently owe student debt, including borrowers who have already applied for and been denied PSLF?

As a member of the PSLF Coalition, PAEA has supported a number of administrative reforms proposed by the coalition to ensure a better experience for PSLF borrowers. Specifically, for all borrowers who are placed into a non-qualifying repayment plan, but who otherwise meet all other eligibility requirements, the Department should allow said borrowers' payments to count for PSLF purposes. For program participants who have been denied forgiveness, the Department should prioritize strengthening the existing appeals process to ensure timely and consistent processing of valid applications. Finally, in the case of PA and other health professions graduates who quickly obtain employment following the licensing and certification process, the Department should allow borrowers to opt out of the post-graduation grace period and start making qualifying payments early.

12. What steps can the Department take to improve borrowers' experiences in applying for PSLF?

The most important priority for the Department should be effective servicer oversight to ensure that the experience of borrowers with FedLoan Servicing is not repeated. Specifically, borrowers must be provided with consistent, accurate information regarding qualifying payments and employment options, eligibility for alternate pathways such as TEPSLF, and opportunities for recourse if the borrower does not initially qualify for forgiveness.

14. What can the Department do to better partner with employers to ensure that all borrowers know about the benefits of PSLF?



In addition to direct outreach to qualifying clinical settings such as federally qualified health centers, the Department should prioritize coordinated public engagement with institutions of higher education, health professions programs, and external stakeholder organizations to ensure that students are fully informed about the steps necessary to successfully participate in PSLF prior to graduation. Many PA students use the clinical training phase of their education to build connections with potential future employers while assessing the best locations and medical specialty options for their future careers. It is critical that PA students fully understand the requirements to participate in PSLF while they are assessing their career options to influence their likelihood of practicing in an underserved, non-profit setting. The aforementioned stakeholders can play a key educational role early in the training process, and collaboration between them and the Department should be prioritized.

We appreciate the opportunity to offer the perspective of PA education in response to the Department's RFI. Should you have specific questions or if you would like additional information, please contact Director of Government Relations Tyler Smith at 703-667-4356 or tsmith@PAEAonline.org.

Sincerely,

A handwritten signature in black ink that reads "M Statler".

Michel Statler, MLA, PA-C
President

A handwritten signature in blue ink that reads "Mary Jo Bondy".

Mary Jo Bondy, DHEd, MHS, PA-C
Chief Executive Officer