

March 9, 2023

The Honorable Jacky Rosen
U.S. Senate
713 Hart Senate Office Building
Washington, D.C. 20510

The Honorable John Boozman
U.S. Senate
555 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senators Rosen and Boozman:

On behalf of our organizations, we thank you for reintroducing the “Resident Education Deferred Interest (REDI) Act” (S 704) that, if passed, will 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. The REDI Act does not provide any loan forgiveness or reduce a borrower’s original loan balance.

Providing student loan relief also is a workforce issue. 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 makes the concepts of opening practices in underserved areas or entering faculty or research more attractive and affordable to residents.

Passage of the “REDI Act” is an important part of student loan repayment reform. Thank you again for your support on this important issue.

Sincerely,

Academy of General Dentistry
American Academy of Dermatology Association
American Academy of Family Physicians
American Academy of Neurology

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.*

American Academy of Ophthalmology
American Academy of Oral and Maxillofacial Radiology
American Academy of Otolaryngology-Head and Neck Surgery
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
American Association of Oral and Maxillofacial Pathology
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 Prosthodontists
American College of Rheumatology
American College of Rheumatology
American College of Surgeons
American Dental Association
American Dental Education Association
American Gastroenterological Association
American Medical Association
American Osteopathic 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
Congress of Neurological Surgeons
National Association of Spine Specialists
Renal Physicians Association
Society for Cardiovascular Angiography and Interventions
Society for Vascular Surgery
Society of Interventional Radiology
The Society of Thoracic Surgeons