American Society of Anesthesiologists

Provide Loan Interest Relief to Medical Residents

ISSUE

The cost of graduate-level medical education is substantial and growing for physicians in training. Physicians in residency are often unable to begin repaying medical student loan debt immediately. These residents can qualify to have their payments halted during residency through deferment or forbearance processes. However, the loans continue to accrue interest that accumulates to the overall loan balance.

BACKGROUND

To address the issue of increased medical student loan debt and to support the next generation of health care professionals, the Resident Education Deferred Interest (REDI) Act would allow borrowers to qualify for interest-free deferment on their student loans while serving in a medical or dental internship or residency program. This ASA-supported bipartisan bill has been introduced in previous Congresses but has not advanced.

Key Points:

- The Resident Education Deferred Interest Act is one part of overall student loan repayment reform.
- Providing interest accrual relief during residency would make it more economically feasible to open practices, work in under-served/under-resourced locations, or pursue an academic career. This would increase the attractiveness of medical careers to students of all economic backgrounds and improve health care availability nationwide.

REQUEST:

- Please support the Resident Education Deferred Interest (REDI) Act, legislation thatwould allow those in residency to qualify for interest-free deferment on their loans.
- Support this bill to further student loan repayment reform and to provide relief to physicians and dentists with high student loan debt as they begin their careers.
- Support research by the Government Accountability Office (GAO), or another appropriate entity, to determine the causes and potential solutions to the rapid increase in the cost of U.S. medical education.

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