



**National League
for Nursing**

April 3, 2018

The Honorable Lamar Alexander
Chair
Health, Education, Labor, and
Pensions Committee
U.S. Senate
455 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Patty Murray
Ranking Member
Health, Education, Labor, and
Pensions Committee
U.S. Senate
154 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Alexander and Ranking Member Murray,

Our organizations, the American Association of Colleges of Nursing (AACN) and the National League for Nursing (NLN), represent the voice of nursing education. We write to you as the Health, Education, Labor, and Pensions (HELP) Committee takes steps toward reauthorization of the Higher Education Act. Our organizations have a mutual interest in preparing a highly-educated nursing pipeline that can meet patient needs in all corners of the country.

According to the Bureau of Labor Statistics, employment growth in the Registered Nurse (RN) workforce is expected to grow by 15% by year 2026,¹ and employment growth of certain Advanced Practice Registered Nurses (APRNs) including nurse practitioners, certified registered nurse anesthetists, and certified nurse-midwives is expected to increase by 31% (it should be noted that the projected average growth for all occupations is 7%).² Moreover, the demand for nurse faculty to educate these future clinicians will also grow by 24% by 2026.³ Our organizations are committed to supporting policies that promote affordability while upholding quality and excellence in higher education. Policies surrounding federal grants, loans, and repayment options have and will continue to make a tremendous impact on the ability for individuals to enter into the workforce and serve where they are most needed.

To this end, the following provides feedback in response to some of the provisions included in the House Education and Workforce Committee's Promoting Real Opportunity, Success, and Prosperity through Education Reform (PROSPER) Act. We recognize that the HELP Committee plans to proceed with its own framework for Higher Education Act reauthorization, and hope that our comments can lend some insights as you craft a reauthorization package.

¹ U.S. Bureau of Labor Statistics. (2017). Occupational Outlook Handbook: Registered Nurses. Retrieved from: <https://www.bls.gov/ooh/healthcare/registered-nurses.htm>.

² U.S. Bureau of Labor Statistics. (2017). Occupational Outlook Handbook: Nurse Anesthetists, Nurse Midwives, and Nurse Practitioners. Retrieved from: <https://www.bls.gov/ooh/healthcare/nurse-anesthetists-nurse-midwives-and-nurse-practitioners.htm>.

³ U.S. Bureau of Labor Statistics. (2017). Occupational Outlook Handbook: Postsecondary Teachers. Retrieved from: <https://www.bls.gov/ooh/education-training-and-library/postsecondary-teachers.htm>.

Consolidation and Elimination of Federal Loan Options

On face value, we are concerned about potential consequences that may arise from the House's proposal to phase out the Direct Loan Program and wind down the Perkins Loan Program, in exchange for a new Federal ONE Loan Program effective July 1, 2019. The ONE Loan Program would only be offered as unsubsidized, thereby increasing the cost of interest to students. We believe that eliminating loan original fees is a modest step in the right direction to curb overall costs to students and families, but are concerned about what a single option loan program would mean for student and parent borrowers.

Borrowing Caps

Currently, there are nearly 159,000 graduate students within AACN's membership.⁴ These students are tomorrow's APRNs, faculty, researchers, and executives, and the master's or doctoral degree is required to pursue these professional roles. In fact, the nursing profession has two terminal degrees in nursing: the PhD in Nursing and the Doctor of Nursing Practice. Given the variety of graduate degrees that nurses attain, it is essential that policies looking to change borrowing practices of graduate students take into account the potential impact on graduate nursing students, as well as undergraduate students who will one day enroll in a graduate nursing program.

In a survey of graduate nursing students, 73% of these future professionals did not receive any institutional scholarships or grants.⁵ Of these survey respondents, 16% borrow \$100,000 or more in loans to cover the cost of their graduate education. Moreover, 76% of graduate borrowers also took out loans for their undergraduate degrees.⁴

In light of this, we are examining how proposals to alter borrowing caps would impact students. Under the PROSPER Act, current loan caps for undergraduate students would be raised. The caps for graduate students would also be raised, however capping the Grad Plus Program (which can be utilized to borrow up to the cost of attendance), may veer students whose education exceeds the imposed borrowing caps to take out private loans for the remaining balance (which typically come with higher interest rates). For many graduate nursing students, this would be problematic.

Additionally, with respect to graduate health professions students, we want to bring to your attention a provision in the PROSPER Act that we believe the Senate could improve. The PROSPER Act would increase the amounts that certain health professions students (doctor of allopathic medicine, doctor of osteopathic medicine, doctor of dentistry, doctor of veterinary medicine, doctor of optometry, doctor of podiatric medicine, doctor of naturopathic medicine, or doctor of naturopathy) may borrow per academic year. Additionally, the aggregate amount these students may borrow would be increased to \$235,500. For students enrolled in programs to become a doctor of pharmacy, doctor of chiropractic medicine, or a physician's assistant, or students who will receive a graduate degree in public health, a doctoral degree in clinical psychology, or a masters or doctoral degree in health administration, they too would be able to borrow additional amounts per academic year as well as borrow up to \$235,500. Unfortunately,

⁴ American Association of Colleges of Nursing. (2017). *2016-2017 Enrollment and Graduations in Baccalaureate and Graduate Programs in Nursing*. Washington, DC.

⁵ American Association of Colleges of Nursing. (2017). *The numbers behind the degree: financing graduate nursing education*. Retrieved from: http://www.aacnnursing.org/Portals/42/Policy/PDF/Debt_Report.pdf

graduate nursing students are not extended the same consideration as their health professions student colleagues despite their utilization of student loans. As is the case with other health professions programs, the cost of attendance for nursing education often includes additional expenses, such as clinical lab and other fees. This can make the overall price tag of a nursing degree higher than non-health professions graduate programs. Therefore, we urge the committee to include master's and doctoral nursing students in the cohort of individuals eligible to receive both the increased annual and aggregate borrowing amounts that would be offered to the other health professions students mentioned above.

Repayment Options

We are also considering how the altering repayment options would impact students. According to an AACN survey, half of all respondents reported that the ability to repay their loans was their biggest concern.⁵ The PROSPER Act would give graduates just two options of repaying their loans: a current Standard 10-Year Plan, or an income-based repayment program. With nearly 60% of graduate nursing students indicating they intend to utilize the Public Service Loan Forgiveness (PSLF) program,⁵ eliminating PSLF and other loan repayment options jeopardizes the ability for more highly-educated professionals to enter into the public sector. This is particularly urgent as we consider the great need for ensuring access to care in all communities—particularly in rural and underserved regions.

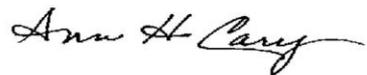
According to the Health Resources and Services Administration, there are 7,176 primary care Health Professional Shortage Areas (HPSAs) and 5,042 mental health HPSAs.⁶ It is estimated that over 65 million people live in primary care HPSAs alone.⁷ These are federally-designated geographic areas or populations where the demand for health professionals far outweighs the supply. As nurses will continue to be heavily relied upon bridge the gap in supply and demand in these regions, it is imperative that they are not disincentivized from doing so because of lower financial compensation typically associated with moving to and working in these communities. PSLF can serve as a powerful tool to help make sure that these public servants are going where they are needed most. Therefore, we urge the Committee to preserve the PSLF.

We appreciate the opportunity to share with you our priorities for pending reauthorization of the Higher Education Act and look forward to working with you and your colleagues on this important endeavor. If AACN and the NLN can be of assistance to you or your staff, please do not hesitate to contact AACN's Director of Government Affairs, Lauren Inouye, at Linouye@aacnnursing.org or Christine Murphy, NLN's Director of Public Policy and Advocacy at cmurphy@nlm.org.

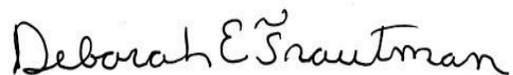
Sincerely,

⁶ U.S. Department of Health and Human Services, Health Resources and Services Administration. (n.d.). HRSA Data Warehouse: Shortage Areas. Retrieved from: <https://datawarehouse.hrsa.gov/topics/shortageAreas.aspx>.

⁷ Kasier Family Foundation. (2016). Primary Care Health Professional Shortage Areas (HPSAs). Retrieved from: <https://www.kff.org/other/state-indicator/primary-care-health-professional-shortage-areas-hpsas/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Total%20Primary%20Care%20HPSA%20Designations%22,%22sort%22:%22desc%22%7D>.



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