

RESOLUTION

Subject: Safeguarding Kentucky's Physician Pipeline After Federal Loan Reform

Submitted by: Greater Louisville Medical Society

Referred to: Reference Committee

WHEREAS, Kentucky faces a critical physician workforce crisis, with 107 of 120 counties designated as health professional shortage areas and a projected deficit of 2,926 physicians¹, including 624 primary care providers by 2030², disproportionately affecting rural and underserved communities; and

WHEREAS, the "One Big Beautiful Bill Act" (2025) eliminates federal Grad PLUS loans and imposes a \$200,000 lifetime cap on federal borrowing for medical students, which is significantly below the average medical school debt (\$234,000)^{3,4} and the median four-year cost of attendance (\$286,454 public, \$390,848 private)^{3,4}, creating a substantial funding gap for future trainees; and

WHEREAS, the intensity and demands of medical education make it impractical for most students to work during school, and few students have the personal or family resources to fund medical education without access to federal loans; and

WHEREAS, these new caps and elimination of federal loan programs will force many prospective and current medical students, especially those from disadvantaged backgrounds, into high-interest private loans or out of medicine altogether, undermining the sustainability of Kentucky's physician pipeline; and

WHEREAS, the loss of affordable, income-driven repayment options and the increased reliance on private loans will dramatically worsen the financial health and well-being of medical students, residents, and early-career physicians, increasing financial stress, delaying life milestones, and potentially deterring service in primary care and rural practice; and

WHEREAS, recent trends in state funding for higher education in Kentucky have shifted toward performance-based funding and capital allocations to select institutions, while failing to consistently support broad affordability in medical education; and

WHEREAS, these financial barriers threaten to exacerbate Kentucky's existing shortages, making it even more difficult to recruit and retain physicians in the communities that need them most; now, therefore, be it

RESOLVED, that KMA urgently advocate for the expansion of state-funded loan repayment and forgiveness programs for medical students and physicians who commit to practicing in medically underserved or rural areas of Kentucky; and be it further

RESOLVED, that KMA support the development of state-funded, need-based scholarships and tuition assistance programs to help offset the financial burden on medical students whose costs exceed the federal loan cap; and be it further

RESOLVED, that KMA collaborate with Kentucky's medical schools, residency programs, and health systems to provide financial counseling, support, and advocacy for current and future trainees affected by these federal changes; and be it further

RESOLVED, that KMA encourage the Kentucky General Assembly to ensure predictable and sufficient baseline public funding for the state's public medical schools to minimize the need for future tuition increases; and be it further

RESOLVED, that KMA support the implementation of tuition transparency and oversight measures for public medical schools in Kentucky, including the public reporting of tuition trends, cost of attendance, and justification for proposed increases; and be it further

RESOLVED, that KMA advocate for the establishment of a state-level commission or legislative task force to assess the long-term impact of federal student loan borrowing limits on Kentucky's medical education system and healthcare workforce, and to make policy recommendations that preserve access to medical training and protect the state's future physician pipeline; and be it further

RESOLVED, that KMA call upon state policymakers to recognize and address the immediate and long-term risks to Kentucky's healthcare workforce posed by these federal loan restrictions, and to prioritize solutions that protect access to care for all Kentuckians.

References:

1. Kentucky Physician Shortage Facts. Cicero Institute. April 28, 2025. Accessed June 19, 2025. <https://ciceroinstitute.org/research/kentucky-physician-shortage-facts/>
2. Robert Graham Center. Kentucky: Projecting Primary Care Physician Workforce. <https://www.graham-center.org/content/dam/rgc/documents/maps-data-tools/state-collections/workforce-projections/Kentucky.pdf>
3. Average Medical School Debt [2024]: Student Loan Statistics. Education Data Initiative. Accessed July 5, 2025. <https://educationdata.org/average-medical-school-debt>
4. Shah N. The Cost of Becoming a Physician: Analyzing Medical School Debt. February 5, 2025. Accessed July 5, 2025. <https://www.physicianonfire.com/physician-medical-school-debt/>