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## **AAAA Advocacy Alert: Student Loan Rule Faces Legal Challenges**

As many of you know, the U.S. Department of Education recently finalized regulations implementing major changes to federal student loan borrowing for graduate and professional students. The [final rule](#), which implements provisions enacted under the One Big Beautiful Bill Act (OBBBA), revises how "professional degree" programs are defined for purposes of federal student loan limits and significantly narrows the types of programs eligible for higher borrowing caps.

As a result, several graduate-level, clinically intensive healthcare programs – including Certified Anesthesiologist Assistant (CAA) education programs – will remain subject to lower graduate student loan limits despite extensive stakeholder feedback urging their inclusion within the professional degree category.

Under the final rule, students enrolled in programs classified as graduate degree programs are limited to borrowing up to \$20,500 annually and \$100,000 in aggregate through the federal Direct Unsubsidized Loan program. In contrast, students enrolled in programs designated as professional degree programs may borrow up to \$50,000 annually and \$200,000 in aggregate. AAAA appreciates the many members who engaged in the rulemaking process by submitting comments and sharing how these changes could affect current and future CAA students. Your advocacy ensured that the Department heard directly from those most impacted by this decision.

### **New Legal Challenges to the Department's Rule**

In recent weeks, the Department's final rule has become the subject of multiple legal challenges. A coalition of 25 states and the District of Columbia has filed suit against the Department of Education, arguing that the agency unlawfully narrowed Congress's definition of "professional degree" programs and imposed restrictions that were not authorized by statute. The lawsuit contends that limiting access to federal student aid for many healthcare graduate programs could worsen existing healthcare workforce shortages and reduce access to care in communities nationwide.

State officials challenging the rule have argued that the Department misinterpreted congressional intent when implementing the OBBBA provisions. North Carolina Attorney General Jeff Jackson, whose office joined the litigation, stated that the Department had "really willfully mischaracterized what Congress passed."

Concerns about the rule's impact extend beyond CAA programs. Healthcare organizations representing nursing, physician assistant, and other advanced practice professions have warned that these borrowing limits may create additional barriers for students pursuing clinically

intensive graduate education programs. In addition to the lawsuit filed by states, the American Academy of Physician Associates (AAPA) and the Physician Associate Education Association (PAEA) have filed a [separate legal challenge](#) seeking to block the Department's rule from taking effect for PA students. The organizations argue that PA programs satisfy the statutory definition of a professional degree program established by Congress and that the Department exceeded its authority by excluding them from the higher borrowing limits. The plaintiffs hope the courts will recognize the risk of restricting access to federal aid when workforce shortages continue to challenge communities across the country.

### **AAAA Continues to Advocate for CAAs & SAAs**

While the litigation process moves forward, AAAA remains actively engaged on this issue and continues to monitor developments closely. We are evaluating potential opportunities to ensure that the interests of CAA students and the profession are represented as policymakers and stakeholders recognize the implications of these regulations.

CAA students complete rigorous graduate-level education and clinical training to prepare for careers delivering high-quality anesthesia care as part of the Anesthesia Care Team. As demand for anesthesia services continues to grow nationwide, it is critical that federal policies support – not hinder – the development of the future anesthesia workforce.

We remain committed to advocating on behalf of current and future CAAs and will continue to keep members informed as this issue evolves. Thank you again to everyone who has engaged in our advocacy efforts thus far. Your voices have been essential in demonstrating the real-world impact these policies could have on CAA students and patient access to care.