

SUBJECT: Reducing Financial Burden: A Call to Defer Compounding Interest on Student Loans for Medical Residents and Fellows

SUBMITTED BY: Student Association of the ACOFP and the Resident Council

REFERRED TO: 2025 American College of Osteopathic Family Physicians (ACOFP) Congress of Delegates

RESOLUTION NO. 8

1 WHEREAS, the cost of medical education may result in significant student loan debt for future
2 family physicians; and

3 WHEREAS, residents and fellows earn significantly lower salaries than practicing physicians,
4 making it difficult to manage both loan payments and living expenses; and

5 WHEREAS, compounding interest on student loans during residency adds to the financial burden,
6 delaying personal and professional milestones and contributing to stress and burnout; and
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8 WHEREAS, this financial strain discourages trainees from pursuing family medicine, exacerbating
9 the national shortage of family physicians; now, therefore be it
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11 RESOLVED, that the American College of Osteopathic Family Physicians (ACOFP) collaborate with
12 other medical associations to advocate for legislative proposals to defer, reduce, or subsidize
13 interest accrual on student loans during residency and fellowship^{1,2,3,4}; and, be it further
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15 RESOLVED, that the ACOFP recommend existing resources⁴ and educational opportunities to its
16 members to enhance their understanding of student loan repayment strategies and increase their
17 financial wellness.
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19 **FINAL ACTION: APPROVED as of April 2, 2025**

References:

1. H.R. 1202 – Resident Education Deferred Interest (REDI) Act. 118th Congress (2023-2024). Congress.gov. Available at: <https://www.congress.gov/bill/118th-congress/house-bill/1202>. Accessed January 2025.
2. American Osteopathic Association. REDI Act Overview. Available at: <https://osteopathic.org/index.php?aam-media=/wp-content/uploads/Redi-act.pdf>. Accessed January 2025.
3. American Medical Association. How Congress Can Save Resident Physicians from Student Debt. Available at: <https://www.ama-assn.org/medical-residents/medical-residency-personal-finance/how-congress-can-save-resident-physicians>. Accessed January 2025.
4. American Academy of Family Physicians. Advocacy Topics: Student Debt. Available at: <https://www.aafp.org/advocacy/advocacy-topics/physician-workforce/student-debt.html>. Accessed January 2025.