Federal Student Aid Changes and Their Implications for Integrative Health Professional Education

Briefing for IHPC Educational and Professional Partners | September 22, 2026

Prepared by Dr. Stephen P. Welsh, Chair, Integrative Health Policy Consortium

Preface

In its May 18, 2026 supplemental comments, IHPC distinguished broad concerns about the federal student loan portfolio from the actual performance of individual educational programs. IHPC emphasized that repayment outcomes, early-career earnings, and long-term professional value are related—but not interchangeable—measures. It concluded:

"Accordingly, federal frameworks governing student loan eligibility and program evaluation should prioritize direct measures of repayment performance and default behavior, rather than relying on early-career earnings metrics that do not accurately predict long-term financial outcomes in healthcare professions. This distinction is essential to ensuring that federal accountability frameworks accurately reflect program-level performance rather than aggregate system conditions."

Integrative Health Policy Consortium, *Supplemental Comments on the Department of Education Proposed Rule: Student Tuition and Transparency System (STATS)*, May 18, 2026, PDF p. 3, IHPC submission

Introduction

This briefing presents the Integrative Health Policy Consortium's assessment of federal student aid changes affecting integrative health professional education. IHPC is a national coalition of licensed integrative health professions, educational institutions, and organizations that analyzes federal policy, submits comments, and builds shared advocacy positions. Its May 18, 2026 supplemental submission on the proposed STATS rule accompanies this briefing. The discussion connects that filing to the new borrowing limits, professional-degree litigation, and earnings accountability rules, then identifies practical responses for educational institutions and potential advocacy by IHPC and its professional partners.

The effects will vary by profession, credential level, program classification, cost of attendance, and graduate practice model. The first major change limits how much students may borrow through federal programs. The second conditions a program's future federal-aid eligibility on an early-career earnings comparison. Chiropractic programs provide a useful example because they combine doctoral-level educational costs with substantial independent practice, but other integrative health programs may face different borrowing tiers and earnings benchmarks.

IHPC's assessment is that litigation may correct unlawful Department interpretations and improve implementation, but it cannot repeal dollar limits enacted by Congress. Meaningful structural relief—including inflation adjustment, a healthcare-workforce accommodation, a later earnings window, or authority to recognize strong repayment performance—will likely require legislation. Administrative advocacy remains important for classification, data methodology, comparator selection, transparency, and appeals.

Issue	What Changed	Why it Matters	Primary Remedy
Federal borrowing limits	Graduate PLUS ended for new borrowers. Professional students generally face $50,000 annual and $200,000 professional aggregate limits, subject to the overall federal aggregate limit.	Programs in the professional tier retain higher limits, but federal funds may still fall short of tuition and living costs. Other programs may face different limits.	Primarily legislative
Professional degree definition	The Department adopted additional restrictions beyond the three-part statutory test. A federal court stayed those added requirements while litigation proceeds.	Chiropractic is currently on the interim professional-program list. Other integrative health credentials must be evaluated under their own classification and degree requirements.	Administrative and judicial
STATS earnings accountability	Covered programs must meet the applicable earnings benchmark. Repeated failure can end Direct Loan eligibility.	Early earnings may understate value where graduates build practices, serve underserved communities, or develop earnings over a longer period. The applicable benchmark varies by program.	Administrative implementation/data methodology; legislative relief for structural changes.

Part One — Leadership Overview

Executive Summary

This section provides the principal conclusions for institutional and professional leaders. Part Two supplies the supporting policy and operational detail.

- The effects of the new federal borrowing limits are program specific. Chiropractic is currently included in the professional-degree category, with generally higher annual and aggregate limits, while other integrative health programs may fall within different federal categories. Each institution must model its own cost, credential mix, student borrowing history, and transition eligibility.

- The earnings accountability test affects programs across credential levels and is substantially prescribed by Congress. A qualifying program fails if measured median completer earnings fall below its applicable benchmark in at least two of three years. The Department cannot simply exempt an integrative health profession, substitute a later statutory cohort, or create a blanket cohort-default-rate safe harbor.

- Administrative work remains consequential. Institutions should validate program classification, completer cohorts, applicable field and geographic benchmarks, and the treatment of wages and positive Schedule SE earnings. Appeals are available for specified calculation issues, but broader structural changes require congressional action.

- Educational institutions can model financing exposure, audit data, and assemble a workforce and repayment record. IHPC and its educational and professional partners can use verified evidence to pursue administrative improvements and build a broader congressional case.

The new borrowing limits may create inequities in access to professional education and healthcare workforce opportunities.

To the extent that students must rely more heavily on private credit, family resources, or other non-federal financing, access may become increasingly dependent on financial circumstances rather than educational qualifications—potentially affecting the development of the healthcare workforce.

Part Two — Detailed Policy Analysis

Borrowing Limits and Educational Pathways

Chiropractic as a worked example

The 2025 legislation ended new Graduate PLUS borrowing and set fixed annual and aggregate Direct Unsubsidized limits beginning July 1, 2026, with transitional treatment for some previously enrolled borrowers. The Department's July 10 interim professional-program list includes chiropractic (D.C. or D.C.M.). The professional category improves access relative to the graduate category, but designation alone does not assure that tuition and living expenses can be financed federally. The court order concerning the Department's professional-degree criteria did not remove the statutory borrowing limits. [1–2]

For students who are not protected by the transition rules for existing borrowers, the new structure replaces open-ended Graduate PLUS borrowing up to cost of attendance with fixed statutory limits. Chiropractic is being treated as a professional degree, allowing the higher limits of $50,000 per year and $200,000 in professional borrowing. That is preferable to the $20,500 annual and $100,000 graduate-program limits, but it may still leave a substantial gap.

The practical effect is not simply less borrowing. It is a transfer of financing need from the federal system to a private market in which approval, price and continuing annual availability depend on credit and family resources. This creates a foreseeable access issue for first-generation, lower-income, rural and otherwise underserved applicants.

The statute and implementing rules include limited transition treatment for certain students already enrolled and already borrowing before July 1, 2026. Each institution should identify which current students qualify and communicate separately with legacy borrowers and new borrowers. The transition is time-limited and does not solve recruitment or financing for future entering classes.

Each institution should calculate the remaining federal capacity for each entering D.C. student from the lower of the annual allowance, unused $200,000 professional aggregate, and unused $257,500 lifetime aggregate, subject to individual loan history and applicable rules. Previous undergraduate borrowing can consume the overall ceiling even where the professional aggregate is separately available. A student who uses more federal loans in an institution's undergraduate pathway may therefore have less remaining federal borrowing capacity for the D.C. degree. Pell is an undergraduate, need-based grant and does not ordinarily fund the post-baccalaureate D.C. degree. Exact gaps require an institution's current cost of attendance, aid packages, program length, and student loan histories; no institution-wide dollar gap can be responsibly asserted from the caps alone. [1–2]

Where the caps leave a gap, scholarships, institutional aid, family resources, employment or private credit may become necessary. Private loans are underwritten on credit and may require a cosigner; their

rates, repayment terms and protections differ from federal loans. A financing plan must account for whether credit remains available in each year of a multi-year D.C. program. The effect on lower-income and first-generation applicants deserves specific evaluation rather than an assumed across-the-board impact.

Professional Degree Litigation

A federal district court has preliminarily set aside and stayed the Department's extra-statutory requirements for determining which programs qualify as professional degrees. During the stay, the Department is applying the three-part statutory test and has published an interim list. Chiropractic programs awarding the D.C. or D.C.M. are expressly included. The court action did not invalidate the annual or aggregate loan limits enacted by Congress.

Additional cases brought by state attorneys general, professional associations and labor organizations challenge aspects of the RISE rule, its guidance and the Department's professional-degree interpretation. The naturopathic medical colleges' case is particularly relevant to the integrative-health community. These cases remain pending, and their schedules and interim relief should be monitored rather than treated as final resolution.

For chiropractic programs, the key point is straightforward: chiropractic entered this dispute from a comparatively strong position because it was already recognized in the longstanding professional-degree framework. The larger financial threat is the adequacy of the statutory caps, not chiropractic's current placement in the higher tier.

A judicial ruling on classification does not itself increase the annual or aggregate caps set by Congress. Each institution should monitor subsequent orders and Department guidance before describing the interim list as a permanent resolution. [1]

The litigation may affect which programs qualify for professional-degree treatment, but it does not change the borrowing limits enacted by Congress.

For programs that obtain professional-degree status, the remaining question is whether the statutory borrowing limits are sufficient to finance the cost of professional education.

Earnings Accountability and the IHPC Submission

The Department's final STATS and Earnings Accountability rule apply an earnings-premium test across institutional sectors and credential levels. The applicable benchmark varies with credential level, geography, field-of-study data, and other regulatory factors. Failure in two of three consecutive award years results in loss of Direct Loan eligibility; more sustained failure can produce broader Title IV consequences for affected low-earning programs.

IHPC supports accountability but has warned that a uniform early-career earnings measure can mischaracterize licensed integrative health professions. Many graduates build practices or patient populations over time, work in rural or underserved communities, or follow employment patterns that differ from conventional wage-based careers. The final rule includes wages and positive self-employment earnings reported on Schedule SE; the remaining question is whether the prescribed net-income measure, cohorts, and benchmarks accurately reflect professions and programs.

IHPC recommended that strong cohort repayment performance be considered as a safeguard or evidence warranting additional review, measurement periods recognize delayed professional earnings, and regional variation and differing practice models be addressed. The final framework did not provide the broad low-default-rate safe harbor IHPC requested. Field of study and the applicable comparator remain important, and the measured cohort generally consists of aided completers from the academic year four years before determination who are working and not enrolled in higher education. [2–3]

IHPC's May 18 supplemental submission therefore remains relevant across multiple integrative health professions. Chiropractic offers a prominent example because of independent practice and high educational costs, but naturopathic, acupuncture, nutrition, nursing, and other programs may encounter different classifications, benchmarks, and financing effects. These are policy concerns, not proof that any program will fail; actual exposure requires program- and institution-specific data.

Strong repayment performance does not currently protect a program from the earnings test.

A program may have low student-loan defaults and strong repayment outcomes yet still lose Direct Loan eligibility if it fails the statutory earnings benchmark in two of three years.

Which Remedies Are Available Under Current Law

Issue	Current Avenue	Constraint
Practice and self-employment income	Validate how W-2 wages and positive Schedule SE earnings measure program completers; document specific discrepancies.	The final rule includes positive Schedule SE income; a different measure requires evidence and legal authority.
Field and geographic comparator	Verify each program's CIP classification and the Secretary's implementation of the applicable same-field and geographic comparisons.	The lowest-of-applicable-benchmarks structure is statutory.
Calculation error	Use the statutory appeal process and preserve supporting cohort and source records.	An appeal must identify an actual error under the governing rules.
Longer earnings window	Present evidence for a legislative amendment.	Congress specifies the four-years-prior completion cohort.
CDR or repayment safe harbor	Use repayment data as evidence for oversight and a proposed statutory exception.	No general safe harbor appears in the enacted low-earning-program rule.

The phrase ***"median earnings as determined by the Secretary"*** creates a plausible administrative avenue for measurement integrity, but it does not guarantee that another earnings source is legally available. **The statute requires an opportunity to appeal a programmatic median earnings determination and permits continued loan participation during an appeal.** Each institution should seek the Department's operative data specifications and appeal deadlines before relying on this remedy. [3–4]

Suggested Actions for Educational Institutions to Consider

Because the effects vary by credential, borrowing category, program cost, and graduate practice model, each educational institution should apply these actions using its own program-level data.

	Action	Purpose
1	Build a student financing model	Separate legacy and new borrowers; combine undergraduate balances, expected program costs, annual limits, the $200,000 professional cap and the $257,500 overall cap; then quantify the private-financing gap by cohort.
2	Audit earnings and repayment data	Validate program and CIP coding, completion cohorts, earnings sources, wages and positive Schedule SE earnings, geographic placement and current official cohort default or repayment indicators before federal measures become determinative.
3	Stress-test undergraduate pathways	Compare institution-affiliated undergraduate pathways leading into professional programs with lower-cost prerequisite routes, including Pell eligibility, federal undergraduate borrowing, accrued interest, and remaining federal borrowing capacity.
4	Prepare a workforce evidence record	Document graduate placement, rural and underserved service, practice ownership, time to stable earnings, completion, licensure and repayment performance.
5	Coordinate student communications	Explain what is final, what remains in litigation, who is grandfathered, and why private credit should be evaluated only after federal aid and scholarships.

Additional Advocacy IHPC and Its Partners Can Provide

The preceding actions are principally matters for individual educational institutions using their own program-level data. IHPC can complement—not replace—that institutional work by aggregating common concerns, translating verified evidence into policy proposals, and coordinating advocacy across the integrative health community.

	Advocacy Function	IHPC and Partner Role
1	Develop the evidence base	Translate verified institutional financing, repayment, workforce, and outcome data into a broader integrative-health policy case while respecting each institution's ownership of its data and decisions.
2	Pursue administrative remedies	Advocate for accurate program classification, reliable measurement of practice income, appropriate field and geographic comparisons, transparent cohorts and thresholds, and workable review of calculation errors.
3	Advance legislative solutions	Develop and promote targeted proposals addressing matters beyond the Department's authority, including inflation adjustment of borrowing limits, a more appropriate earnings-measurement period, and supplemental protection for programs demonstrating strong repayment outcomes and healthcare-workforce value.
4	Monitor implementation and litigation	Track Department guidance, data releases, and pending court cases; brief educational and professional partners when developments materially affect their programs or policy positions.
5	Coordinate coalition advocacy	Provide chiropractic, naturopathic, holistic nursing, and other integrative-health partners with evidence, policy language, and congressional materials that support compatible workforce and educational-access priorities.

Selected Primary Sources

[1] U.S. Department of Education, Update to List of Professional Degree Programs Due to Court Order, updated July 10, 2026. https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2026-06-29/update-list-professional-degree-programs-due-court-order-updated-july-10-2026

[2] Department of Education, STATS and Earnings Accountability final rule. https://www.federalregister.gov/documents/2026/07/01/2026-13286/accountability-in-higher-education-and-access-through-demand--driven-workforce-pell-student-tuition

[3] 20 U.S.C. § 1087d, low-earning program provisions, current preliminary U.S. Code. https://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title20-section1087d

[4] Department of Education, STATS and Earnings Accountability proposed rule and final rule record. https://www.federalregister.gov/documents/2026/04/20/2026-07666/accountability-in-higher-education-and-access-through-demand-driven-workforce-pell-student-tuition

[5] IHPC, Supplemental Comments on STATS, dated May 18, 2026, accompanying attachment. https://ihpcpolicy.org/wp-content/uploads/2026/06/IHPC-STATS-Submission-May-18-2026.pdf

Status note: This briefing reflects available materials through September 22, 2026. Litigation and operational guidance may change; verify the current docket and official instructions before external distribution.