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Examining Grad PLUS

Value and Cost

APRIL 2019

EXECUTIVE SUMMARY

Federal student loan programs, along with student borrowing and repayment, have been examined by scholars and news outlets for the past several years as debate about student debt and the value of higher education has entered mainstream consciousness. As Congress seeks to deliberate about educational value, chiefly through reauthorization of the Higher Education Act (HEA), it is critical that it is armed with accurate context, data and potential effects of proposed policy changes.

The value discussion, as it relates to graduate and professional education and federal policy, has centered on the Grad PLUS loan program. There have been calls to severely limit, or, worse yet, outright eliminate the program. These proposals are misguided at best and, if implemented, would likely result in pronounced negative unintended consequences.

This report, the first in a two-part series, uses federal data to show that the primary criticisms of the Grad PLUS program—rising institutional education costs and potential cost to the federal government—are either nonexistent or massively overblown. Here are the key takeaways from this report:

- The Grad PLUS program plays an important role in providing access to graduate education, and the benefits gained by the individual and, more importantly, society writ-large from a more educated workforce must be maintained. Eliminating or limiting Grad PLUS will be harmful to the fundamental purpose of the HEA: expanding access.

- There is no evidence to suggest the introduction and existence of the Grad PLUS program has caused a significant increase in the cost of graduate and professional education. Concerns about higher education costs inflating, specifically at the graduate and professional level, because of readily available federal funds (the so-called Bennett hypothesis), are not supported by data.

- For academic year 2015-16, we estimate that less than 1 in 10 graduate degree recipients would be eligible for any substantial time-based forgiveness if enrolled in an income-driven repayment plan. The small number and proportion of graduates that are potentially eligible for meaningful forgiveness suggests concerns about future costs are exaggerated. Moreover, the Government Accountability Office's analysis of supplemental federal data suggest that even our modest estimation may be too high.

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1

ACCESS IS KEY

Access is the cornerstone of the federal investment in higher education. Since 1965, when the Higher Education Act was passed, the federal government has engaged in one of the most effective workforce development programs by helping students attend higher education institutions. Without this investment to expand access to all students seeking to advance their education, we would live in a country where only the privileged few would have access to the full range of educational options offered. This would unnecessarily limit the expansion of the country's intellectual capital, and it would diminish the direct and compounding benefits less privileged students provide the American public. America is best served when everyone is given the chance to contribute to its advancement.

As enrollment in higher education has increased over time, it is clear the federal investment in expanding access has been a success.[1]

> Access is the cornerstone of the federal investment in higher education, and Congress has correctly decided to focus on creating programs that advance that goal.

At the federal level, the chief student-centered lever to expand access is by providing financial aid to students pursuing postsecondary education. At the undergraduate level, this includes the Federal Pell Grant and other grant programs, but it also includes federal loans. At the graduate level, this is achieved primarily through the Direct Unsubsidized and Direct PLUS loan programs. The Direct PLUS loan for which graduate students are eligible is commonly referred to as Grad PLUS.

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[1]Jennifer Ma et al., Trends in Higher Education: Education Pays 2016 – The Benefits of Higher Education for Individuals and Society, College Enrollment by Race/Ethnicity and by Gender, The College Board, 2016, https://trends.collegeboard.org/sites/default/files/education-pays-2016-full-report.pdf.

Congress has committed to creating financing programs for postsecondary students that are squarely focused on increasing access to allow for a more educated American workforce. Grad PLUS is one such program that allows many students who would otherwise be unable to do so to access advanced education, which more middle-class jobs now require.

While there are certainly ways in which the Grad PLUS program could be improved, proposals to eliminate or modify Grad PLUS must be weighed against the fundamental purpose of the Higher Education Act (HEA): expanding access.

Policymakers must keep HEA's purpose at the forefront of their minds before considering any changes to the program. Failure to reform the program without ensuring access is maintained could result in significant unintended consequences. Changes that are not rooted in data or do not align with program goals will create problems more detrimental than the issues any of the proffered changes would be intended to cure. Thus, data and perspective matter when discussing policy changes to Grad PLUS. This paper seeks to add to the Grad PLUS policy conversation by setting a common factual baseline and data framework.

GRAD PLUS BORROWING

Less than 9 percent of the over 810,000 graduate degree recipients[2] in academic year (AY) 2015-16 utilized Grad PLUS and had a high cumulative federal debt load (over $100,000)[3] upon obtaining their advanced degree.[4] In AY 2011-12, the percent of high-debt borrowers was similarly low at just 7 percent.

One would be forgiven if the relatively small nature of these debt figures comes as a shock. These data points run contrary to, or at least materially challenge, the rationale used to support Congressional and opinion leaders' proposals to cap or eliminate the Grad PLUS loan program. In much of the higher education financing policy space, there is a misguided narrative that suggests Grad PLUS is a boondoggle and that graduate students are a drain on scarce government resources.

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[2]Unless otherwise stated, throughout this report the term "graduate" is used to include both graduate and professional students and schools.

[3]AccessLex Institute defines "high-debt" borrowers as those who graduate with over $100,000 of cumulative federal student loan debt.

[4]AccessLex Institute analysis of National Postsecondary Student Aid Study (NPSAS) 2016, PowerStats, https://nces.ed.gov/surveys/npsas/, and the Integrated Postsecondary Education Data System (IPEDS), 2015-16, https://nces.ed.gov/ipeds/, National Center for Education Statistics (NCES), Institute of Educational Statistics (IES), U.S. Department of Education.

Our analysis shows that this is simply not the case.

This is not to say there are no valid criticisms of graduate borrowing or the Grad PLUS program; however, many of the concerns offered about Grad PLUS are likely exaggerated. Unfortunately, many of the policy proposals offered and being considered by Congress are based on concerns that we show are not as problematic as critics suggest. What is clear is that adopting the policy proposals to cap or eliminate Grad PLUS would be ill-advised because it would significantly decrease access to advanced education.

THE FRAMEWORK

This report builds on the work of our previous research series regarding graduate school and financing.[5] We seek to highlight the critical function that Grad PLUS plays in ensuring access to advanced education and how proposals to curtail or eliminate the program have failed so far to fully explore the potential severe negative consequences for students, institutions and America writ-large.

> Policy proposals must be weighed against the fundamental purpose of HEA: expanding access. Proposals designed to fix one issue but inadvertently hinder access or create other issues are unacceptable.

Our work does not seek to shield Grad PLUS from fact- and data-based criticism; rather it offers an analysis of available data to describe how this program was used in a particular academic year.

The information presented here should help lawmakers evaluate current proposals around graduate financial aid policy and can be used as a guide for potential future reforms during reauthorization of the Higher Education Act.

[5]Sandy Baum and Patricia Steele, Graduate and Professional School Debt: How Much Students Borrow, AccessLex Institute and Urban Institute, January 2018, https://www.accesslex.org/resources/grad-and-professional-school-debt-how-much-students-borrow; additional AccessLex Institute and Urban Institute reports available at: www.accesslex.org.

2

THE VALUE OF GRADUATE EDUCATION

Obtaining an advanced degree provides benefits to both the individual receiving the degree and, more importantly, to society. A more educated citizenry tends to create the conditions for an improved quality of life for all Americans, thereby justifying a societal desire to have people obtain advanced degrees.

And because improving the American workforce is a critical component to the long-term health of our society, the importance of graduate education can be underscored in at least four ways:

- Employers increasingly want or require employees to have advanced degrees;
- There is typically an improvement in advanced degree holders' personal financial situation;
- Advanced degree holders tend to earn higher salaries and thus increase tax revenue, which allows other federal programs to exist or persist; and
- Services rendered by advanced degree holders play a critical role in citizens' lives.

First, advanced degrees are more important than ever to the American workforce. They have quickly become the new baseline for many jobs that once required a baccalaureate or less.[6] In fact, between 2016 and 2026, employment in master's-, doctoral- and professional-level occupations is projected to grow between 13 and 17 percent.[7] Workers have adjusted their educational attainment accordingly, resulting in a steady increase in advanced degrees obtained over the past two decades (Figure 1).[8]

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[6] *Lydia Dishman, How The Master's Degree Became The New Bachelor's In The Hiring World, Fast Company, March 17, 2016, https://www.fastcompany.com/3057941/how-the-masters-degree-became-the-new-bachelors-in-the-hiring-world.*

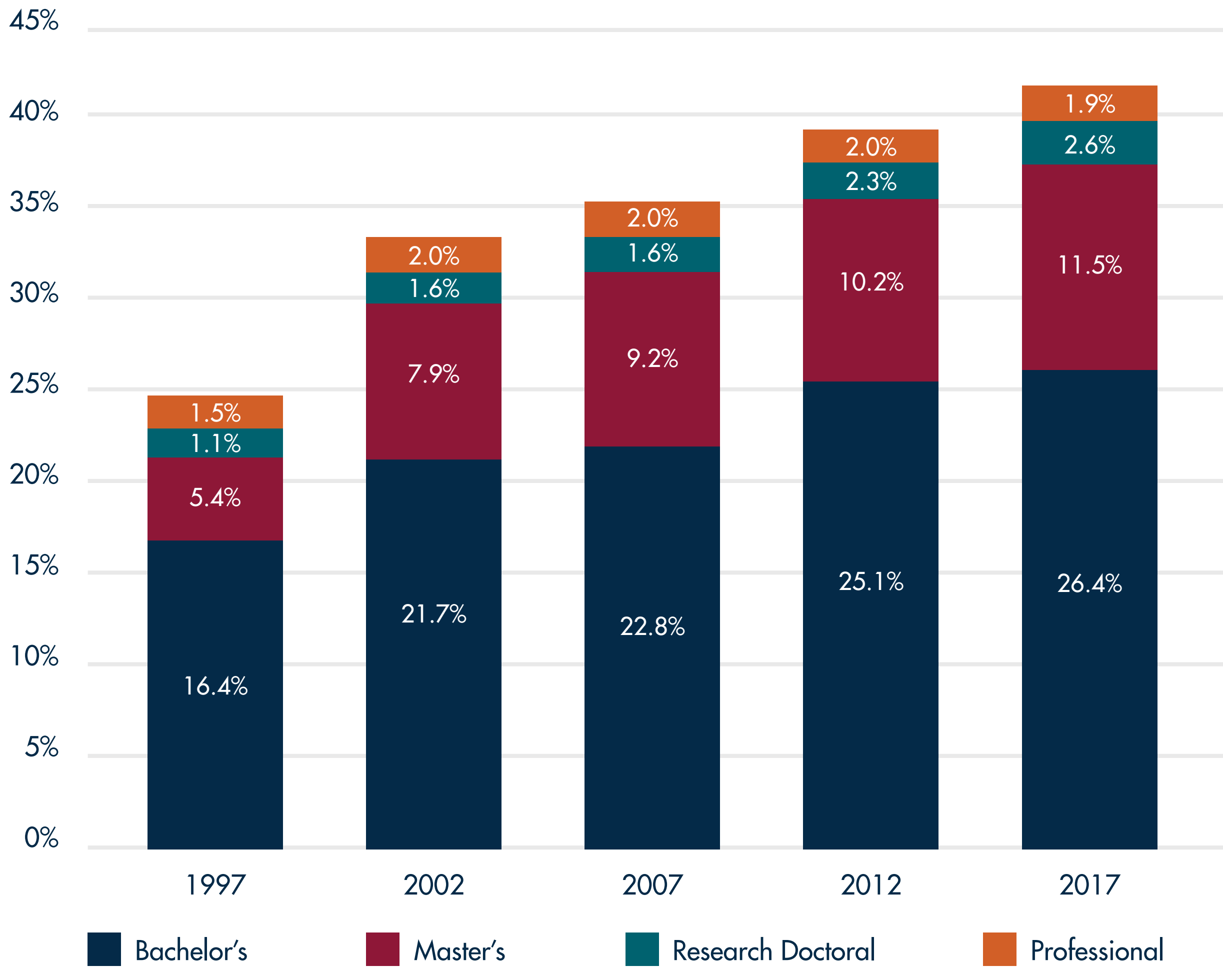
[7] *Elka Torpey, Employment Outlook for Graduate-level Occupations, U.S. Bureau of Labor Statistics, August 2018, https://www.bls.gov/careeroutlook/2018/article/graduate-degree-outlook.htm.*

[8] *U.S. Census Bureau, Current Population Survey, 2018 Annual Social and Economic Supplement; https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-03.html.*

Second, the personal fiscal situation of advanced degree holders is often markedly better than those with less formal education. As a group, advanced degree holders experience significantly lower unemployment rates than those who hold only a bachelor's degree or less.[9] And, over time, those who hold an advanced degree are likely to earn 50 to 100 percent more than those with less formal education.[10]

Figure 1

EDUCATIONAL ATTAINMENT OF ADULTS AGE 25 AND OLDER (WORKED FULL-TIME YEAR-ROUND)



Source: U.S. Census Bureau, Current Population Survey, 2018 (and earlier years) Annual Social and Economic Supplement.

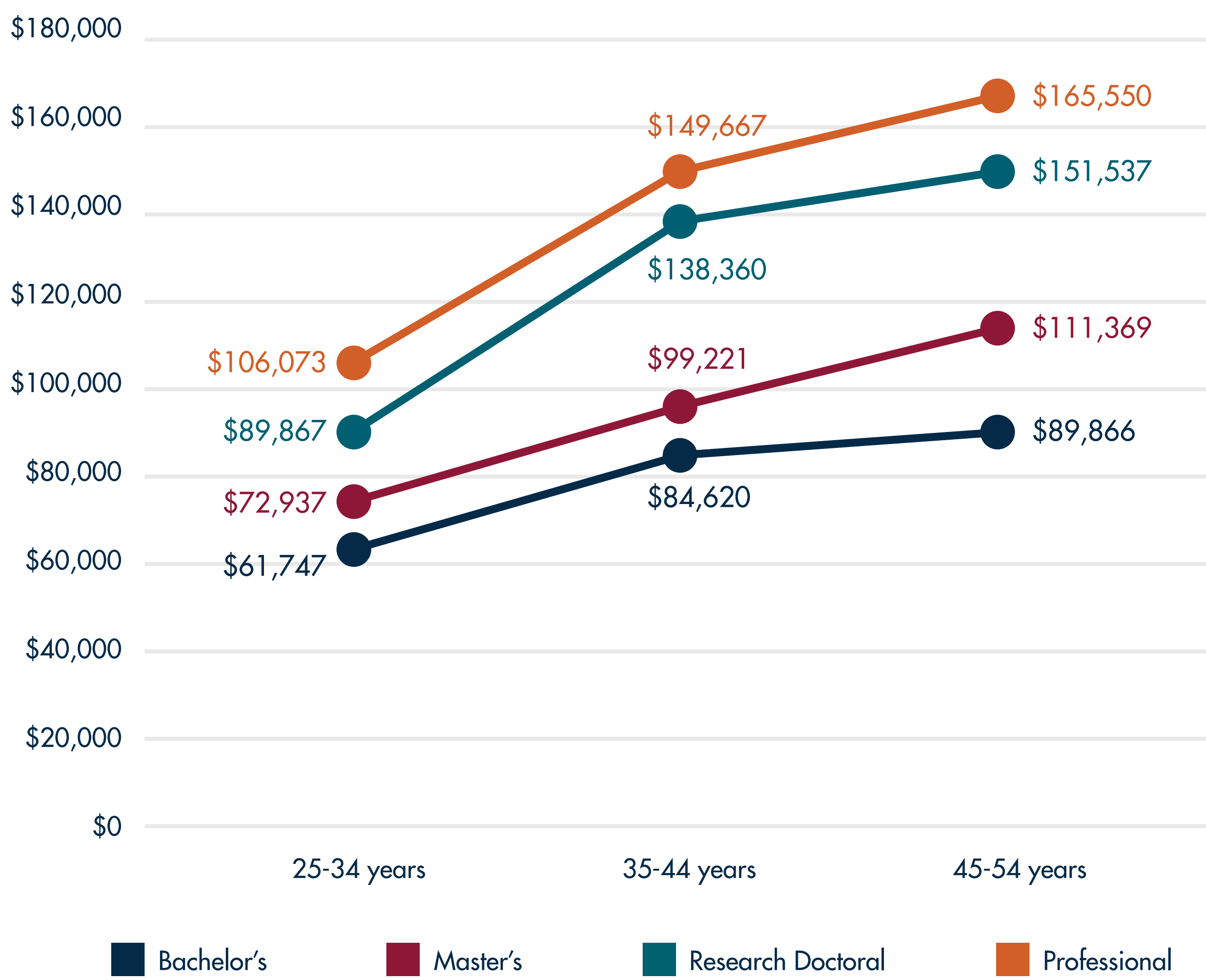
[9] *U.S. Bureau of Labor Statistics, Employment Projections, March 27, 2018, https://www.bls.gov/emp/chart-unemployment-earnings-education.htm.*

[10] *Anthony P. Carnevale et al., The College Payoff: Education, Occupations, Lifetime Earnings, Georgetown University Center on Education and the Workforce, 2011, https://cew.georgetown.edu/cew-reports/the-college-payoff.*

The earnings premium for individuals with advanced degrees compared to those whose highest degree is a bachelor's is significant. In 2016, average earnings for 25- to 34-year-olds with a master's degree were 18 percent higher than the average for those with a bachelor's degree (Figure 2).[11] That difference increases to 24 percent for 45- to 54-year-olds. Likewise, the earnings premium for a professional degree holder versus someone with a bachelor's is even more striking: 72 percent ($61,747 versus $106,073) for 25- to 34-year-olds and 84 percent ($89,866 versus $165,550) for 45- to 54-year-olds.

Figure 2

MEAN EARNINGS BY AGE AND EDUCATIONAL ATTAINMENT (WORKED FULL-TIME YEAR-ROUND), 2016



Source: U.S. Census Bureau, Current Population Survey, 2017 Annual Social and Economic Supplement.

Third, beyond the individual, the federal government and American society alike also benefit from the earnings premium that advanced degree holders experience. With a more highly educated populace, the federal government draws upon a broader and more robust tax base of individuals who tend to earn more.[12] These additional tax revenues are, in turn, used to fund programs that provide direct aid to millions of Americans in numerous critical areas (e.g., healthcare subsidies, mortgage assistance, workforce training, Federal Pell Grants, etc.).

Finally, the American public benefits from the products and services advanced degree holders provide, which are often client- or constituent-focused.[13] Every day, Americans rely (directly or indirectly) on the services that advanced degree holders provide. For example, according to the U.S. Department of Justice, in 2007 prosecutors served communities covering nearly every resident in America.[14] Likewise, public defenders provide constitutionally protected representation to constituents who cannot afford it. The justice system, albeit far from perfect, provides a sense of cohesion and law and order that allows communities to continue to focus on other matters. None of this would be possible without the dedicated attorneys involved, all of whom have advanced degrees.

While most citizens do not interact with the justice system, many of them are very in-tune with their health, which provides a direct interaction with graduate degree holders. In 2015 alone, physicians conducted nearly 991 million office visits, providing their patients with the critical care they need to stay healthy or get well.[15] Similarly, numerous master's degree holders help build new businesses and invest capital, while other advanced degree recipients are the educators of future generations.

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[11]U.S. Census Bureau, Current Population Survey, 2017 Annual Social and Economic Supplement, https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-04.2016.html.

[12]Under America's progressive taxation system, higher earners pay more individual federal income tax. Also, as a share of all federal income taxes paid in 2015, higher earners (those earning over $100,000 per annum) paid most (over 80 percent) of the federal income tax in the country. Internal Revenue Service, Publication 505: Tax Withholding and Estimated Tax, 2018, https://www.irs.gov/pub/irs-pdf/p505.pdf; and Drew DeSilver, A Closer Look at Who Does (And Doesn't) Pay U.S. Income Tax, Pew Research Center, October 6, 2017, http://www.pewresearch.org/fact-tank/2017/10/06/a-closer-look-at-who-does-and-doesnt-pay-u-s-income-tax.

[13]Most professional degree holders are in the medical and legal fields where employment is mainly client-based. Likewise, nearly 50% of research doctoral recipients enter academic fields directly impacting the lives of students. Integrated Postsecondary Education Data System (IPEDS), 2015-2016; and National Science Foundation, 2016 Doctorate Recipients from U.S. Universities, Table 46, March 2018, https://www.nsf.gov/statistics/2018/nsf18304.

[14]Steven W. Perry and Duren Banks, Prosecutors In State Courts, 2007 - Statistical Tables, Bureau of Justice Statistics, U.S. Department of Justice, December 28, 2011, https://www.bjs.gov/index.cfm?ty=pbdetail&iid=1749.

[15]National Center for Health Statistics, National Ambulatory Medical Care Survey: 2015 State and National Summary Tables, Center for Disease Control and Prevention, https://www.cdc.gov/nchs/fastats/physician-visits.htm.

In fact, there is strong evidence that we need even more graduates with certain advanced degrees. A shortage of up to 121,300 physicians is projected by 2030 due to increased demand (driven by an aging population) and reduced supply (due to the large percentage of older physicians) of qualified practitioners.[16] Meanwhile, the overwhelming majority (86 percent) of low-income Americans with legal issues receive inadequate or no legal representation at all.[17] In short, those who need the services of advanced degree holders the most could be effectively shut-out of receiving vital assistance if access to these degrees is curtailed.

It is clear that America's investment in persons seeking advanced degrees results in solid returns to both the individual and the collective. The fiscal benefit to the degree holder and the Treasury, along with the services these graduates offer, provides immense value to our society. Thus, ensuring access to graduate and professional education should remain a top priority for the federal government. The Grad PLUS loan is one way to maintain access and affordability of an advanced degree for those could not otherwise afford it.

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[16] *Association of American Medical Colleges, The Complexities of Physician Supply and Demand: Projections from 2016 to 2030, 2018 Update, https://aamc-black.global.ssl.fastly.net/production/media/filer_public/bc/a9/bca9725e-3507-4e35-87e3-d71a68717d06/aamc_2018_workforce_projections_update_april_11_2018.pdf.*

[17] *Legal Services Corporation, The Justice Gap: Measuring the Unmet Civil Legal Needs of Low-income Americans, June 2017, https://www.lsc.gov/sites/default/files/images/TheJusticeGap-FullReport.pdf.*

CHANGES TO GRAD PLUS MUST BE DATA-DRIVEN

If Congress considers making changes to Grad PLUS, those changes must be rooted in conclusions that are supported by data. Policymaking by anecdote, common wisdom or faulty assumptions will likely have unforeseen negative consequences on the students that HEA is trying to help most.

While lawmakers and policy organizations would welcome additional information about borrowers, currently available public data indicates the two major critiques of Grad PLUS—rising tuition and the potential cost to the federal government—are not supported by the facts.

3

GRAD PLUS DOES NOT INCREASE TUITION

The principal critique offered by those seeking to curtail Grad PLUS is the so-called Bennett hypothesis. This supposition, whose etymology comes from a 1987 opinion piece in the *New York Times* carrying the namesake of former U.S. Education Secretary William Bennett, suggests that providing additional federally-guaranteed funds to students will give institutions the freedom to raise tuition with abandon.[18]

This hypothesis is used to argue that the terms of the Grad PLUS loan undoubtedly lead institutions to take advantage of government financial aid programs and drive up the cost of school by raising tuition and fees exponentially. Critics argue that, because a student can borrow "unlimited" money,[19] institutions have little incentive to keep tuition and fees low. But there are two problems with this contention.

First, the framing is intentionally misleading. Under Grad PLUS, students cannot borrow "unlimited" money; rather students can borrow up to the published "cost of attendance" of a program.[20] While Grad PLUS does not have annual or aggregate loan limits like the Direct Unsubsidized loan program, students would have to perpetually enroll in graduate programs to effectively borrow "unlimited" funds. There is no evidence that the practice of intentionally amassing federal student loan debt to obtain multiple advanced degrees is a substantially significant portion of graduate students, let alone widespread.[21]

The second and more pressing problem with the Bennett hypothesis is there is little, if any, empirical evidence to support it. The data does not show a causal relationship between the expansion of federal financial aid—in this case Grad PLUS—and substantial increases in tuition and fees.

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[18]William J. Bennett, Our Greedy Colleges, New York Times, February 18, 1987, https://www.nytimes.com/1987/02/18/opinion/our-greedy-colleges.html.

[19]Andrew Kreighbaum, Reversal on Graduate Lending, Inside Higher Ed, December 11, 2017, https://www.insidehighered.com/news/2017/12/11/house-gop-higher-education-overhaul-would-cap-graduate-lending-and-end-loan.

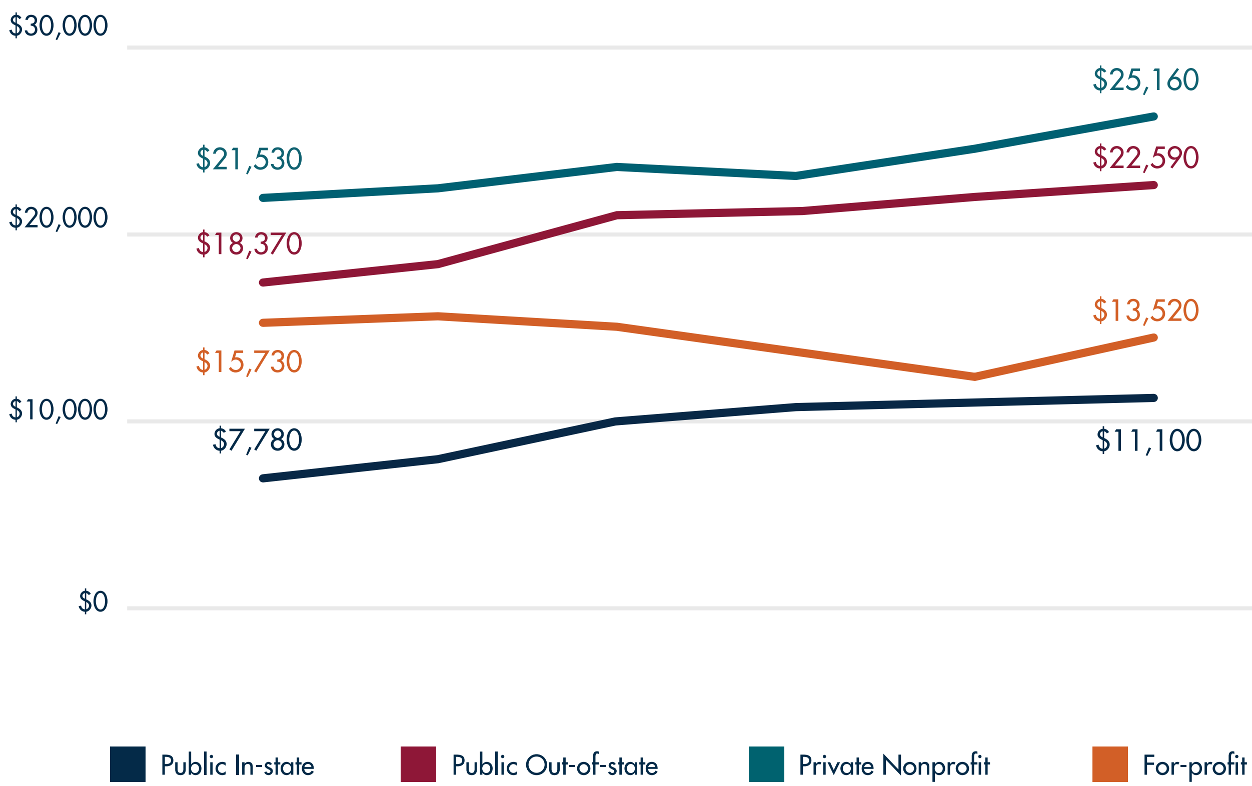
[20]PLUS Loans, Federal Student Aid (FSA), U.S. Department of Education, https://studentaid.ed.gov/sa/types/loans/plus.

[21]Descriptive statistics from the 2016 NPSAS survey show, for those who borrowed Grad PLUS, the maximum federal cumulative loan debt amount was approximately $500,000. According to our calculations, just over 5,000 students had over $300,000 in debt, many of whom graduated from a medical program. NCES, NPSAS 2016, PowerStats.

From 2005 to 2015, tuition for master's and research doctoral programs increased, but it did so at a steady rate. For example, average tuition for graduate programs at private nonprofit institutions started at $21,530 in 2005 and grew to $25,160 by 2015, an increase of around 17 percent over the decade (Figure 3). We see similar steady increases in tuition across public institutions as well, and there was even a drop at for-profit institutions. Because Grad PLUS was created in 2005, if the Bennett hypothesis held true, one would expect graduate tuition to skyrocket in the intervening years since its inception. This simply has not happened.

Figure 3

AVERAGE TUITION AND FEES FOR FULL-TIME GRADUATE STUDENTS



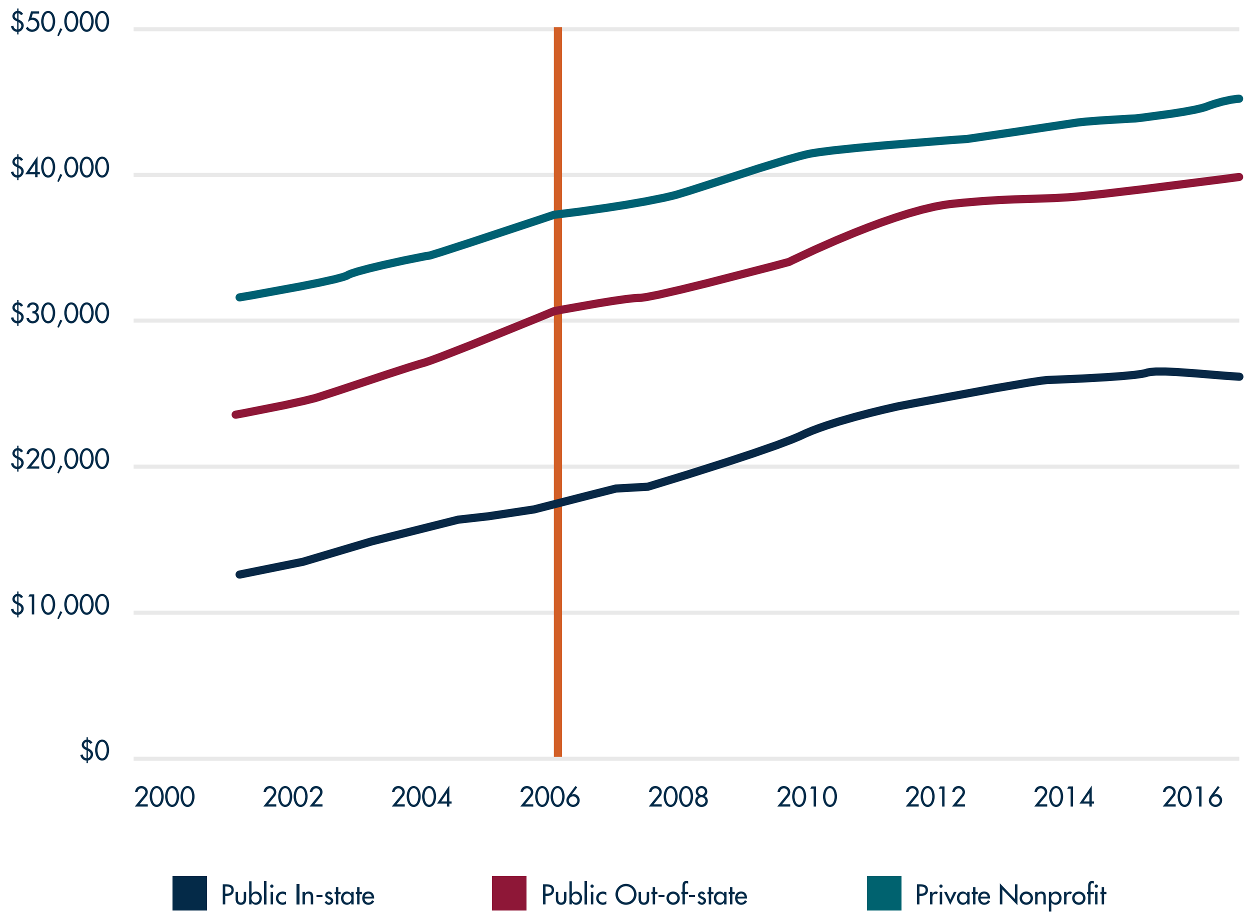
Note: Prices are weighted by full-time equivalent graduate enrollment. Figures are in constant dollars.
Source: Integrated Postsecondary Education Data System (IPEDS), 2005-15.

Additional research on law school and other professional school tuition also shows there is little evidence to support the Bennett hypothesis. Specifically examining whether law schools responded to the creation of the Grad PLUS loan by increasing tuition and fees, a recent analysis "showed generally null or small positive coefficients, suggesting that law schools did not react [to Grad PLUS] by raising tuition prices or living allowances by massive amounts."[22] (Figure 4).

A similar analysis was conducted on business schools and medical schools, two of the most popular professional degree programs. The study found "little consistent evidence to support the Bennett Hypothesis in either medical or business schools."[23] (Figures 5 and 6)

Figure 4

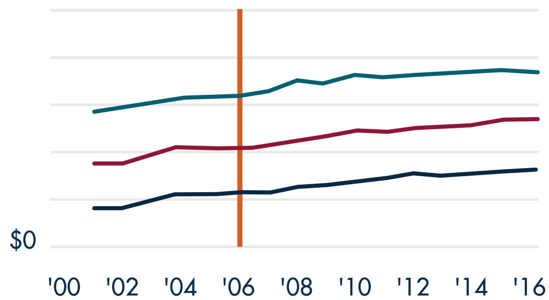
LAW SCHOOL TUITION PRICES BY YEAR



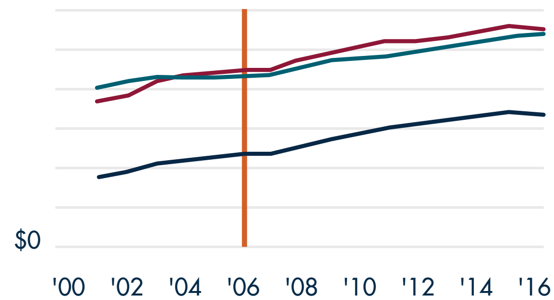
Note: Prices presented are means. All prices are adjusted for inflation and reflect dollars in 2016. The vertical line intersecting the graph reflects the introduction of Grad PLUS loans.
Source: Dr. Robert Kelchen's analysis of various data, Seton Hall University.[22]

Figures 5 and 6

BUSINESS SCHOOL TUITION PRICES BY YEAR



MEDICAL SCHOOL TUITION PRICES BY YEAR



Note: Prices presented are means. All prices are adjusted for inflation and reflect dollars in 2016. The vertical line intersecting the graph reflects the introduction of Grad PLUS loans.
Source: Dr. Robert Kelchen's analysis of various data, Seton Hall University.[22]

There have been numerous studies over the past 30 years examining the validity of the Bennett hypothesis, and many have come to the same conclusion: there is little or no causal link between increases in tuition and increased availability of federal aid.[24] Even the Government Accountability Office (GAO) noted that increases in tuition could not be seriously linked to increased federal loan availability.[25]

It is clear the introduction of the Grad PLUS program, even with its favorable borrowing terms, has had no discernable impact on increases in tuition prices for advanced education thus far.

[22] *Robert Kelchen, An Empirical Examination of the Bennett Hypothesis in Law School Prices, AccessLex Institute Research Paper No. 17-09, November 8, 2017, available at SSRN: https://ssrn.com/abstract=3067252; and Robert Kelchen, Is there Evidence of the Bennett Hypothesis in Legal Education?, November 8, 2017, https://robertkelchen.com/2017/11/08/bennett-hypothesis-legal-education/.*

[23] *Robert Kelchen, Does the Bennett Hypothesis Hold in Professional Education? An Empirical Analysis, AccessLex Institute Research Paper, January 2018, http://admin.airweb.org/GrantsAndScholarships/Documents/Grants2016/KelchenScholarlyPaper2.pdf.*

[24] *Valerie Strauss and David Warren, Why Student Aid Is NOT Driving Up College Costs, The Washington Post, June 1, 2012, https://www.washingtonpost.com/blogs/answer-sheet/post/the-urban-legend-of-the-bennett-hypothesis-or-why-student-aid-is-not-driving-up-college-costs/2012/05/31/gJQAFvEX5U_blog.html?utm_term=.ce4b0119fef1.*

[25] *GAO looked at the statutory increase of Stafford loan limits in AY 2007-08 for both undergraduate and graduate students but examined effects only on undergraduate tuition. Government Accountability Office, Patterns in Tuition, Enrollment, and Federal Stafford Loan Borrowing Up to the 2007-08 Loan Limit Increase, May 25, 2011, https://www.gao.gov/products/GAO-11-470R.*

4

GRAD PLUS COST PROJECTIONS ARE LIKELY INFLATED

The second major criticism of Grad PLUS is related to the potential cost to the federal government, and by extension, the U.S. taxpayer. Critics argue that Grad PLUS borrowers who enroll in income-driven repayment plans (IDR) or participate in the Public Service Loan Forgiveness program will have massive amounts of loan dollars forgiven. It is that cost, they argue, which is too high.

But this is based on misleading language that intentionally conflates two distinct, albeit related, programs. Grad PLUS is a loan that provides funds to students to enable access to advanced education, just as the HEA intended. Repayment plans associated with federal student loans are a separate policy matter. In fact, the suggestion that Grad PLUS imposes a cost on the taxpayer is rebutted by the Congressional Budget Office, which has noted time and again that the program is actually profitable for the federal government.[26] This is likely because of the relatively high interest rates charged on Grad PLUS loans, the high repayment rates of graduate-level borrowers and the low default rates on these loans.

Of course, some graduate students will have at least some portion of their federal loans forgiven. But how much would that cost? Given the extensive interplay between borrowers' familial situations, incomes, debt levels and a host of other factors, it is nearly impossible (although many have tried) to generate a substantive forgiveness estimate with any confidence in its accuracy using only publicly available data from the government.[27] So while graduate borrowers will receive some level of loan forgiveness, our analysis shows that there is a relatively small percentage of graduate students who could receive substantial forgiveness.

In this final section, we establish a clear estimate of the number and percentage of graduate students who, in a given year, could receive forgiveness. We use the National Postsecondary Student Aid Study (NPSAS) and the Integrated Postsecondary Education Data System (IPEDS) data from the 2015-16 academic year to determine three things. First, we calculate the number of students borrowing Grad PLUS by degree type and sector. Then we examine the debt level distribution of those borrowers. And finally, we estimate the percentage and number of students who have high-debt loads that could potentially be forgiven.

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[26]Congressional Budget Office, Student Loan Programs—CBO's April 2018 Baseline, April 2018, https://www.cbo.gov/system/files?-file=2018-06/51310-2018-04-studentloan.pdf.

[27]Although not exactly comparable, CBO estimates that effective elimination of time-based forgiveness paired with raising the monthly payment percentage could result in saving the government $15 billion over ten years. Congressional Budget Office, Cost Estimate of H.R. 4508 Promoting Real Opportunity, Success, and Prosperity through Education Reform Act, February 6, 2018, https://www.cbo.gov/publication/53547.

WHO IS BORROWING GRAD PLUS?

In the 2015-16 academic year, over 810,000 graduate degrees were awarded.[28] But only 17 percent (or around 140,000) of those students borrowed at least one dollar utilizing the Grad PLUS loan.[29] Grad PLUS borrowing does vary by degree type, but the overall percentage is consistent for both master's and research doctoral degree recipients (12 and 17 percent, respectively), while nearly half (49 percent) of professional degree recipients utilized Grad PLUS. However, because the master's degree is, by far, the most common advanced degree awarded, the 12 percent who utilized Grad PLUS—in the raw count of students—outnumbers the nearly 50 percent of professional degree recipients (approximately 79,000 to 51,000).

Table 1

NUMBER OF GRAD PLUS BORROWERS BY DEGREE TYPE (AY 2015-16) [30]

	NUMBER OF GRADUATES	PERCENT OF GRAD PLUS BORROWERS	NUMBER OF GRAD PLUS BORROWERS
ALL	810,300	17%	139,800
MASTER'S	654,400	12%	79,000
RESEARCH DOCTORAL	51,400	17%	8,600
PROFESSIONAL	104,500	49%	51,000

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

Disaggregating the data by sector shows that public institutions have the lowest percentages of Grad PLUS borrowers across the different advanced degree types, while private for-profit entities have the highest, with 70 percent of their professional program graduates utilizing Grad PLUS.

[28] For data robustness, throughout this report the number of degrees granted is used as a proxy for the number of students who graduated. Because this number likely includes students who obtained multiple degrees, the number of graduate students is potentially lower than this total. Integrated Postsecondary Education Data System (IPEDS), 2015-2016.

[29] National Postsecondary Student Aid Study (NPSAS) 2016, PowerStats.

[30] In all Tables and Figures, the number of graduates has been rounded. See Appendix for more detail.

Table 2

NUMBER OF GRAD PLUS BORROWERS BY DEGREE TYPE AND SECTOR (AY 2015-16)

	NUMBER OF GRADUATES	PERCENT OF GRAD PLUS BORROWERS	NUMBER OF GRAD PLUS BORROWERS
MASTER'S			
Public	295,800	11%	32,200
Private Nonprofit	290,400	14%	41,300
Private For-profit	68,200	10%	6,600
RESEARCH DOCTORAL			
Public	29,900	11%	3,200
Private Nonprofit	16,600	19%	3,100
Private For-profit	4,900	27%	1,300
PROFESSIONAL			
Public	45,800	34%	15,800
Private Nonprofit	55,700	58%	32,200
Private For-profit	2,900	70%	2,000

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

GRAD PLUS DEBT DISTRIBUTION

Scrutinizing the distribution of these Grad PLUS borrowers' debt yields unsurprising results. First, we see that master's degree recipients tend to cluster in large numbers on the lower end of the debt spectrum, with over 70 percent of the borrowers having between $25,000 and $100,000 of cumulative federal debt (Figure 7). Approximately 20 percent of the master's degree recipients who borrowed have between $100,000 and $150,000 of debt.

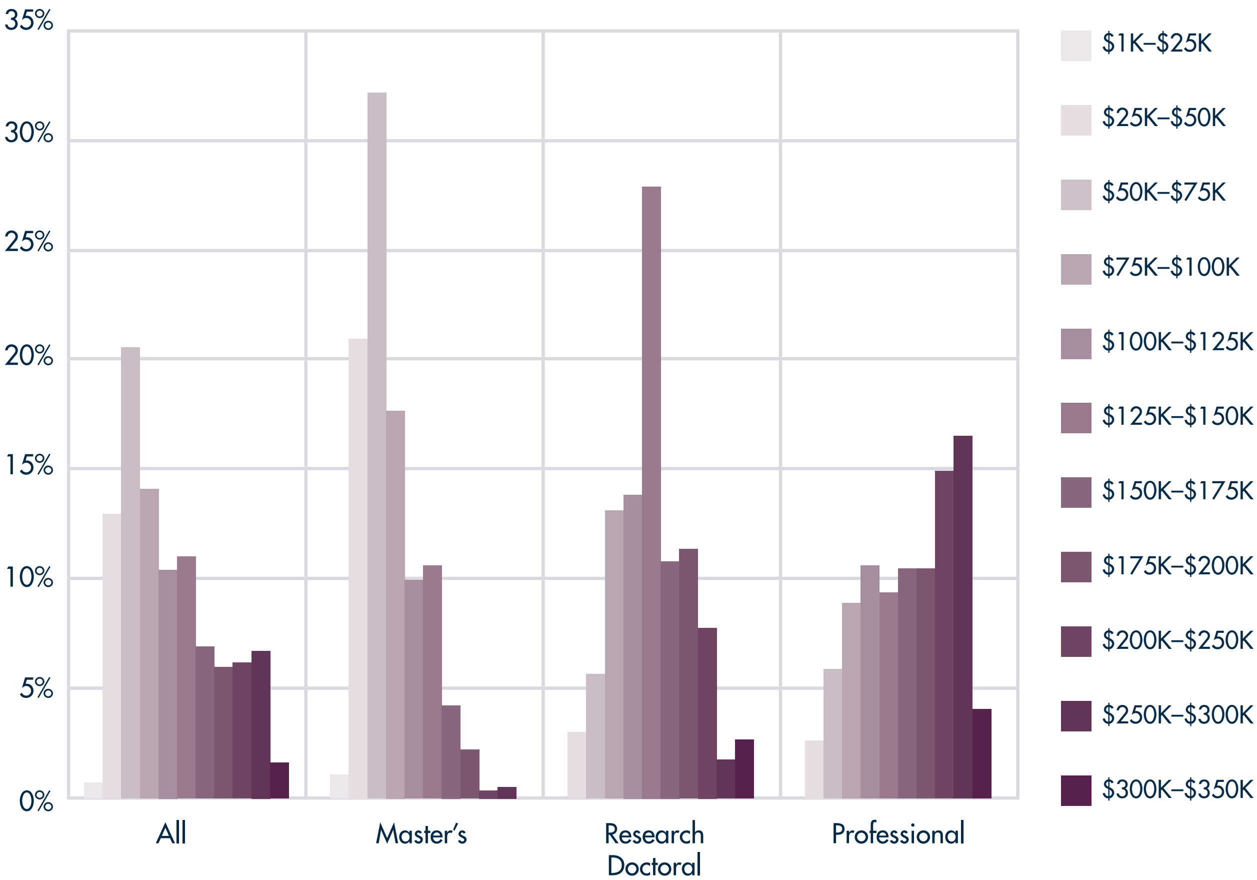
> The higher the program cost, the more debt the graduate is going to have. This is neither surprising nor alarming. Thus, debt levels alone cannot be the foundation for proposals to cap or eliminate the Grad PLUS program.

Second, a clear majority (64 percent) of research doctoral borrowers have between $100,000 and $200,000 of cumulative federal debt. However, there are far fewer research doctoral degree recipients than master's degree recipients, so while the percentage and debt may be higher, the actual number of students is significantly less than the master's borrowers in the same debt bracket (approximately 5,500 students compared with 21,500) (Figure 8). Possible explanations are that research doctoral programs tend to be longer than master's programs, and that research doctoral recipients often earn a master's degree prior to receiving their PhD.[31]

[31] *For example, in AY 2015-2016, over 65 percent of students who earned a research doctoral degree that year had previously earned a master's degree. NPSAS 2016, PowerStats.*

Figure 7

PERCENTAGE DISTRIBUTION OF GRAD PLUS BORROWERS BY DEBT AND DEGREE TYPE (AY 2015-16)



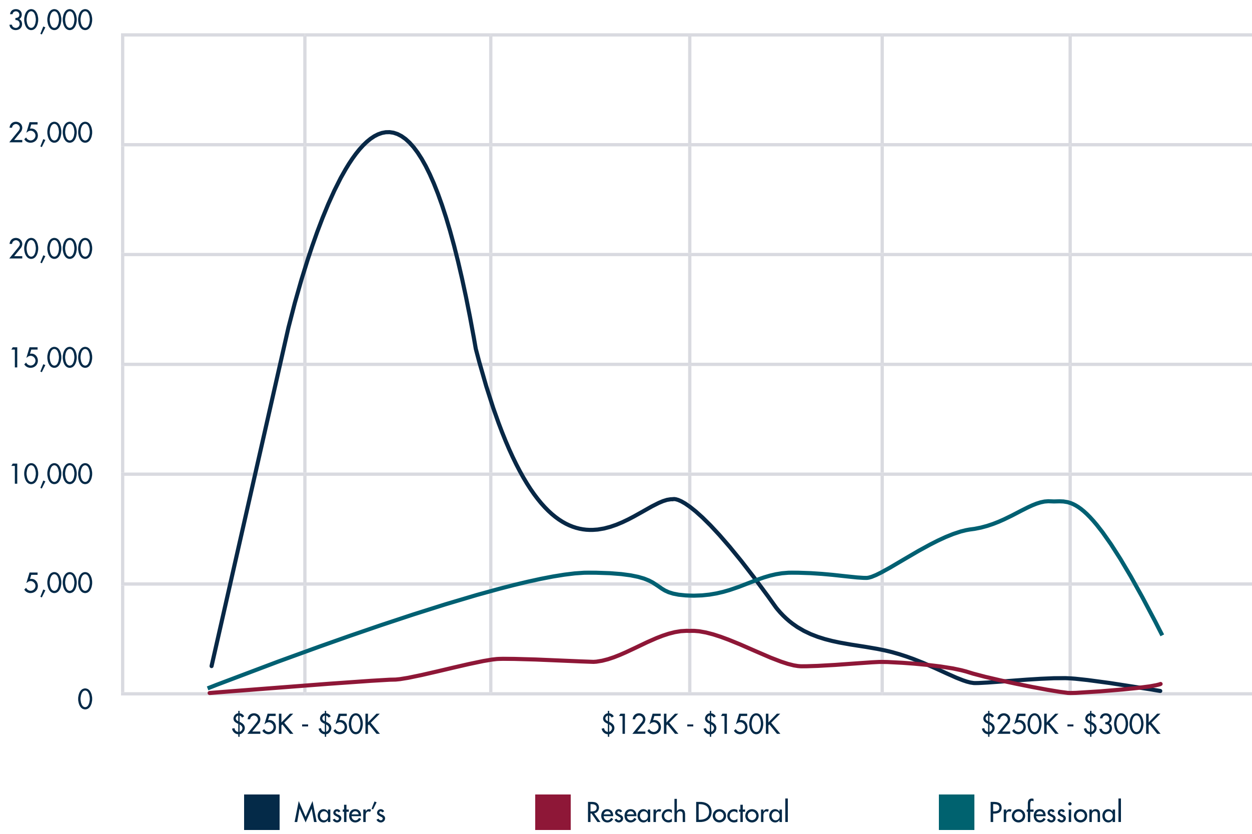
Note: Debt above $200,000 is presented in $50,000 increments to ensure data reliability.
Source: NPSAS 2016, PowerStats.

Third, professional degree recipients tend to cluster at the high end of the debt distribution. Over 40 percent of these borrowers have debt between $100,000 and $200,000, and another 32 percent have debt in the $200,000 to $300,000 range. But the debt levels and percentage of graduates carrying that debt can, as with research doctoral graduates, provide errant impressions.

The number of borrowers, especially as compared to master's recipients, is more informative. For example, the entire population of professional degree recipients who borrowed $200,000 or more (approximately 18,000) is less than just the number of master's degree recipients borrowing between $100,000 and $200,000 (approximately 21,500).

Figure 8

DISTRIBUTION OF NUMBER OF GRAD PLUS BORROWERS BY DEBT LEVEL AND DEGREE TYPE (AY 2015-16)



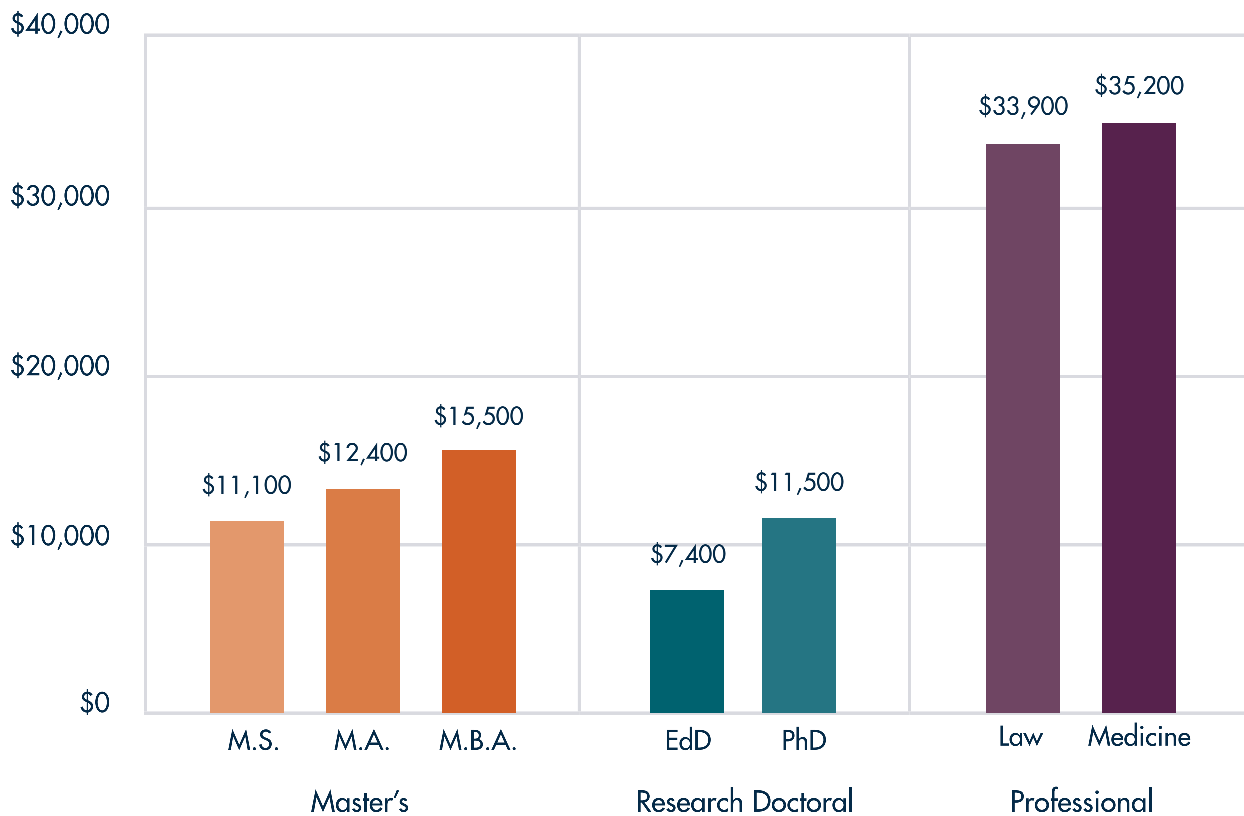
Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

These distributions should be neither surprising nor alarming because they tell a consistent story. Institutions and programs vary by cost; thus, one should expect debt to rise and fall in accordance with the program and cost of attendance. Generally, public institutions cost less than private ones (Figure 3) and professional degrees cost more to obtain than master's degrees (Figure 9).

People who earn doctoral degrees (often obtaining a master's degree in the process) or professional degrees tend to have more cumulative federal debt because they must pay more for their programs.

Figure 9

AVERAGE TUITION AND FEES PAID BY DEGREE PROGRAM (AY 2015-16)



Note: Values have been rounded. Medicine is an amalgamation of health-related professional degrees (e.g., medicine, dentistry, veterinary, etc.).
Source: NPSAS 2016, PowerStats.

FEW BORROWERS CAN POTENTIALLY RECEIVE SUBSTANTIAL FORGIVENESS

As noted previously, calculating a potential loan forgiveness amount with limited data would likely produce an inaccurate result. However, we can confidently estimate the percent and number of Grad PLUS borrowers who may be able to receive substantial forgiveness.[32]

As a general proposition, a borrower can typically repay a loan in its entirety within a standard amortization period if the beginning loan balance is between 1 and 1.25 times the borrower's early career annual gross income.[33] Applied to the student loan space, if borrowers' debt levels exceed their income levels by more than 1.25 times then it is probable those borrowers will receive some amount of forgiveness should they utilize an IDR plan.

According to the U.S. Census Bureau, in 2016 the average annual earnings for a graduate with a master's degree aged 25 to 34 was approximately $73,000.[34] The average earnings for research doctoral and professional degree recipients aged 25 to 34 were approximately $90,000 and $106,000, respectively. Given these assumed earnings, we can conservatively estimate that graduates with $100,000 or more in student loan debt ("high-debt borrowers") will receive some amount of forgiveness.

With the threshold for high-debt borrowers established and using the debt distribution in Figure 8, in AY 2015-16 there would be approximately 72,000 high-debt borrowers (Table 3). Disaggregated by degree type, master's degree has the lowest percentage of high-debt borrowers at 28 percent, while professional degree was the highest at 82 percent. But again, this makes sense because professional programs are more expensive than most master's degree programs.

While these percentages certainly look staggering, they are a small percentage of their respective degree type population (Figure 10). First, the number of high-debt Grad PLUS borrowers for each degree type is significantly lower than their counterparts below the high-debt borrower threshold. Master's degree high-debt borrowers constitute just 3 percent of the master's degree population, with 13 percent for research doctoral and 40 percent for professional school borrowers.

[32]AccessLex Institute defines "substantial forgiveness" as receiving more than $25,000 in loan forgiveness as a result of time-based forgiveness upon successful completion of an IDR plan.

[33]While each borrower's ability to repay is entirely dependent on his or her situation, this assumption accepts the conventional wisdom that more than 15% of a person's disposable income allocated to student loans begins to create financial hardship, which, in turn, puts timely student loan repayment at risk.

[34]Data for ages 25 to 34 were used as proxy for a "starting salary." Current Population Survey (CPS) and Annual Social and Economic (ASEC) Supplement, PINC-03 Educational Attainment-People 25 Years Old and Over, by Total Money Earnings, Work Experience, Age, Race, Hispanic Origin, and Sex, United States Census Bureau, 2016, https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pinc/pinc-03.2016.html.

Table 3

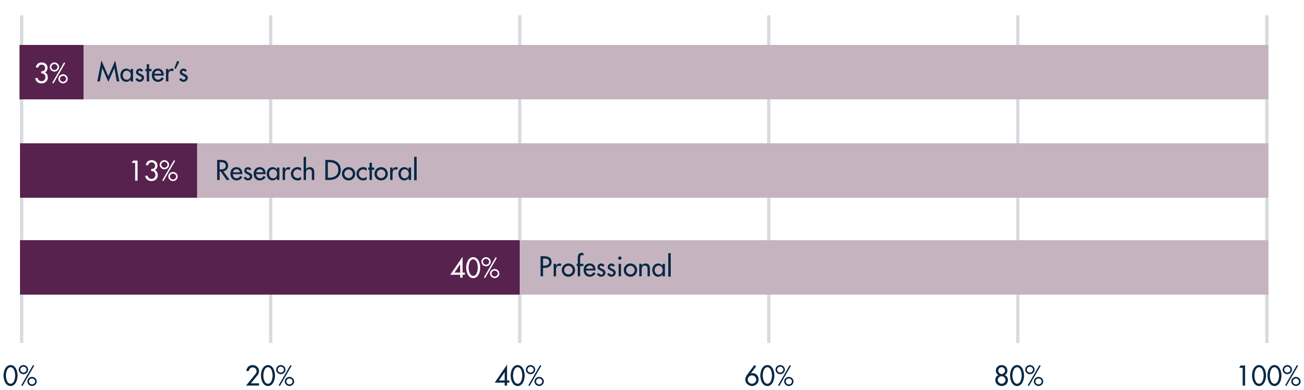
NUMBER OF HIGH-DEBT GRAD PLUS BORROWERS BY DEGREE TYPE (AY 2015-16)

	NUMBER OF GRAD PLUS BORROWERS	PERCENT OF HIGH-DEBT GRAD PLUS BORROWERS	NUMBER OF HIGH-DEBT GRAD PLUS BORROWERS
ALL	139,800	51%	71,800
MASTER'S	79,000	28%	22,300
RESEARCH DOCTORAL	8,600	77%	6,600
PROFESSIONAL	51,000	82%	41,900

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

Figure 10

HIGH-DEBT GRAD PLUS BORROWERS AS A SHARE OF DEGREE RECIPIENTS BY DEGREE TYPE (AY 2015-16)

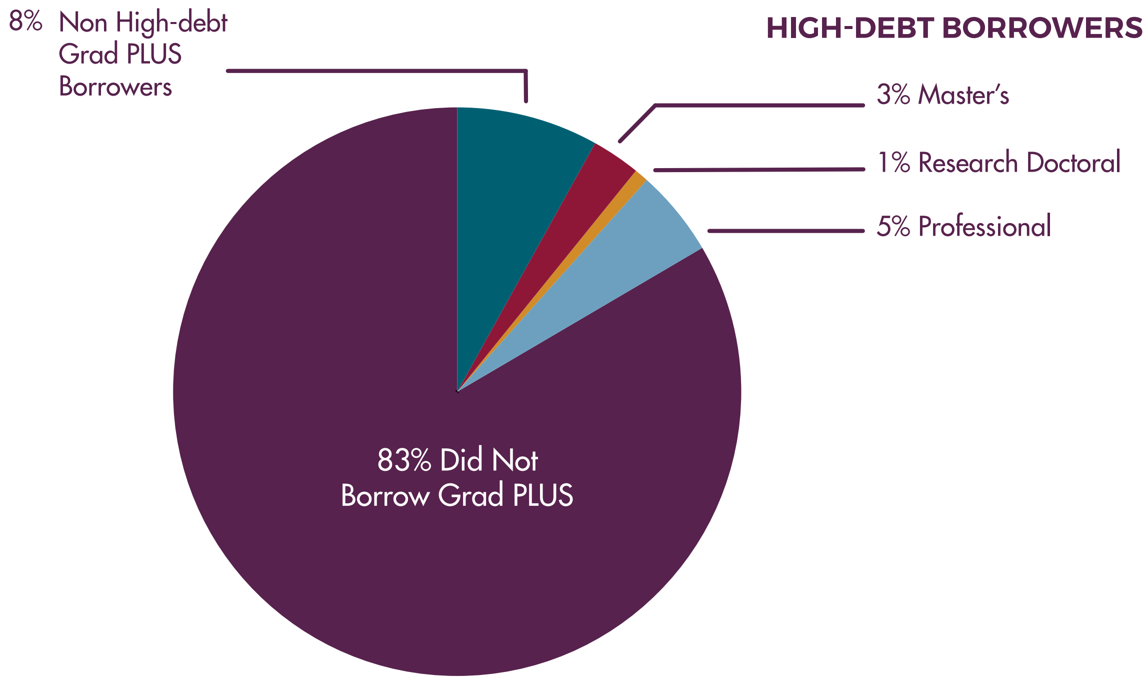


Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

Further illustrating that a potential Grad PLUS forgiveness cost is likely exaggerated is the fact that the population of high-debt borrowers constitutes only 9 percent of the entire graduate population (Figure 11). Master's degree high-debt borrowers constitute 3 percent, and research doctoral and professional degree borrowers comprise less than 1 and 5 percent of the graduate population, respectively.

Figure 11

HIGH-DEBT GRAD PLUS BORROWERS AS A SHARE OF ALL GRADUATE DEGREE RECIPIENTS (AY 2015-16)



Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

For comparison, in 2012 the overall percentage of high-debt borrowers was 7 percent (compared to 9 percent in 2016), and for master's, research doctoral, and professional programs, the percentages were 2 percent, 0.3 percent, and 5 percent, respectively.[35] While there was an overall increase over the four years, it was minimal across all degree types. And when proper perspective is applied, it becomes clear that the assertion that graduate students will strain the federal budget because of favorable Grad PLUS borrowing terms simply is not supported by the data.

[35] *IPEDS 2011-12 and NPSAS 2012, PowerStats.*

OUR ANALYSIS MAY OVERESTIMATE ELIGIBLE BORROWERS

As part of our analysis, we presented a worst-case scenario. We chose to assume that everyone with Grad PLUS debt has enrolled in an income-driven repayment plan. This assumption allowed us to quantify the estimated number of students and make accurate comparisons. The data shows that even if all Grad PLUS borrowers were in IDR plans, the high-debt borrowers still made up less than 10 percent of the entire graduate student population.

But the assumption in our analysis that every borrower would be enrolled in an IDR plan is likely an overestimation. The GAO published a study in 2018 outlining some key facts about Grad PLUS borrowers. In the study, GAO noted that "[t]o manage their debt, the majority of Grad PLUS borrowers in repayment status as of June 2017 used the Standard 10-year Repayment Plan."[36] GAO continued, "[a]s of June 2017, 36 percent of Grad PLUS borrowers in repayment status had ever participated in an Income-Driven Repayment plan."[37]

This means that less than 40 percent of all Grad PLUS borrowers engaged in repayment across all years at the time of the report would be eligible for some type of forgiveness. Put another way, provided that no unforeseen event occurs to substantially change GAO's reported repayment numbers, the majority of Grad PLUS borrowers are on track to repay their loans in full under the standard 10-year plan.

Because we would need more information from the GAO about the distribution of debt versus those enrolled in various repayment plans, we cannot use this information in our analysis to determine a concrete and accurate forgiveness projection. However, the GAO study does strongly suggest that even our estimation of the small number of people who could be eligible for substantial forgiveness is likely too high.

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[36] *Government Accountability Office, Characteristics of Graduate PLUS Borrowers, April 17, 2018, https://www.gao.gov/products/GAO-18-392R.*

[37] *Id.*

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CONCLUSION

The Grad PLUS loan provides a critical financing option for all students, regardless of background or station, who are interested in obtaining an advanced degree. Given that the stated fundamental purpose of the Higher Education Act is to expand access to higher education, the Grad PLUS program clearly helps to advance HEA's goals.

No program, including Grad PLUS, is perfect. There should always be a space for revisiting policy to ensure programs are as effective as possible. But criticism, and certainly policy proposals to modify a program, must be based in facts and data. Proposals to cap or eliminate the Grad PLUS program to achieve ancillary policy goals (e.g., prevent bad actors from saddling students with debt, curb government spending, etc.) are misguided. To achieve those other goals, there are more appropriate levers the federal government can utilize while maintaining access to graduate education for those who would not be able to attend, absent federal financial support.

Changes to Grad PLUS must not come at the expense of students. Making it more difficult for students to secure financing for their advanced degrees, thereby reducing access and weakening America's workforce, would take us in the wrong direction. Congress must ensure that policy proposals seeking to modify Grad PLUS are always grounded in the fundamental purpose of HEA: expanding access.

AUTHOR'S NOTE

This report is the first in a two-part series to be released in full in early 2019. In the next report, we examine who would be impacted by proposed changes to federal graduate lending, why the private market is an inadequate substitute for federal loans and how the changes would substantially hinder access to advanced education for those who need it most.

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APPENDIX

APPENDIX A

Table A-1

GRAD PLUS BORROWERS BY DEGREE TYPE INSTITUTION SECTOR (AY 2015-16 DEGREE RECIPIENTS)

DEGREE TYPE AND SECTOR	NUMBER OF GRADUATES	PERCENT BORROWING GRAD PLUS	NUMBER OF GRAD PLUS BORROWERS
All	810,299	17%	139,755
Master's	654,434	12%	78,997
Research Doctoral	51,393	17%	8,598
Professional	104,472	49%	51,038
MASTER'S			
Public	295,835	11%	32,163
Private Nonprofit	290,410	14%	41,270
Private For-profit	68,189	10%	6,646
RESEARCH DOCTORAL			
Public	29,934	11%	3,225
Private Nonprofit	16,557	19%	3,136
Private For-profit	4,902	27%	1,336
PROFESSIONAL			
Public	45,813	34%	15,752
Private Nonprofit	55,749	58%	32,194
Private For-profit	2,910	70%	2,048

▶ Table A-2

GRAD PLUS BORROWERS BY DEGREE TYPE AND PROGRAM (AY 2015-16 DEGREE RECIPIENTS)

	DEGREE TYPE SHARE	NUMBER OF GRADUATES	PERCENT BORROWING GRAD PLUS	NUMBER OF GRAD PLUS BORROWERS
MASTER'S				
Master of Science	30%	196,967	10%	19,638
Master of Arts	13%	82,467	11%	8,972
Master of Education	15%	97,156	7%	6,935
Master of Business Administration	16%	104,235	9%	9,483
Other Master's	27%	173,607	20%	33,963
RESEARCH DOCTORAL				
Doctor of Philosophy	63%	32,223	18%	5,653
Doctor of Education	18%	9,147	11%	1,004
PROFESSIONAL				
Medicine	40%	41,893	48%	20,265
Law	28%	29,252	53%	15,444

Notes: Analysis excludes international students. "Number of Grad PLUS Borrowers" are author's calculations using data from IPEDS and data on borrowing from NPSAS. "Degree Type Share" reflects the percentage of that specific degree program within the larger degree type. Categories may not sum to 100% because of omitted groups, missing data or rounding. Medicine is an amalgamation of health-related professional degrees (e.g. medicine, dentistry, veterinary, etc.).

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

APPENDIX B

Table B-1

DISTRIBUTION OF CUMULATIVE FEDERAL GRADUATE EDUCATION LOAN DEBT FOR GRADUATES WITH GRAD PLUS BY DEGREE TYPE AND INSTITUTION SECTOR (AY 2015-16 DEGREE RECIPIENTS)

	DEBT LEVEL			
DEGREE TYPE AND SECTOR	$1 - $24,999		$25,000 - $49,999	
All	0.8%	1,053	13.1%	18,247
Master's	1.2%	936	20.9%	16,519
Research Doctoral	‡	‡	3.2%	217
Professional	‡	‡	2.8%	1,426
MASTER'S				
Public	2.1%	677	34.8%	11,192
Private Nonprofit	0.5%	205	10.5%	4,313
Private For-profit	‡	‡	10.1%	673
RESEARCH DOCTORAL				
Public	‡	‡	‡	‡
Private Nonprofit	‡	‡	‡	‡
Private For-profit	‡	‡	‡	‡
PROFESSIONAL				
Public	‡	‡	‡	‡
Private Nonprofit	‡	‡	‡	‡
Private For-profit	‡	‡	1.3%	26

Notes: Number of graduates are estimated using percentages from NPSAS and counts from IPEDS. ‡ Symbol indicates NPSAS could not provide data due to unmet reporting standards (there are too few cases for a reliable estimate or the coefficient of variation is 50 percent or greater). Thus, percentages and number estimates in distributions may not sum to 100%. All analysis excludes international students.

DEBT LEVEL

$50,000 - $74,999		$75,000 - $99,999	
20.7%	28,884	14.1%	19,763
32.0%	25,294	17.7%	13,947
5.6%	484	13.2%	1,131
5.9%	3,034	9.0%	4,607
33.9%	10,905	12.7%	4,069
33.6%	13,861	19.2%	7,936
11.0%	730	29.0%	1,925
6.0%	194	17.1%	551
4.9%	153	17.3%	542
‡	‡	‡	‡
7.6%	1,202	18.9%	2,976
5.6%	1,818	4.9%	1,579
2.6%	53	7.4%	151

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

Table B-2

DISTRIBUTION OF CUMULATIVE FEDERAL GRADUATE EDUCATION LOAN DEBT FOR GRADUATES WITH GRAD PLUS BY DEGREE TYPE AND INSTITUTION SECTOR (AY 2015-16 DEGREE RECIPIENTS)

	DEBT LEVEL			
DEGREE TYPE AND SECTOR	$100,000 - $149,999		$150,000 - $199,999	
All	21.6%	30,208	13.0%	18,193
Master's	20.5%	16,222	6.7%	5,274
Research Doctoral	41.9%	3,600	22.3%	1,920
Professional	20.2%	10,290	22.1%	10,770
MASTER'S				
Public	7.5%	2,421	8.3%	2,655
Private Nonprofit	29.5%	12,158	5.7%	2,348
Private For-profit	41.9%	2,782	6.2%	412
RESEARCH DOCTORAL				
Public	33.3%	1,072	25.7%	830
Private Nonprofit	45.0%	1,411	21.0%	660
Private For-profit	48.7%	651	22.7%	303
PROFESSIONAL				
Public	33.3%	5,253	14.0%	2,210
Private Nonprofit	14.5%	4,672	23.3%	7,500
Private For-profit	17.1%	351	32.1%	658

Notes: Number of graduates are estimated using percentages from NPSAS and counts from IPEDS. ‡ Symbol indicates NPSAS could not provide data due to unmet reporting standards (there are too few cases for a reliable estimate or the coefficient of variation is 50 percent or greater). Thus, percentages and number estimates in distributions may not sum to 100%. All analysis excludes international students.

DEBT LEVEL

$200,000 - $249,999		$250,000 - $299,999	
6.3%	8,840	6.7%	9,386
0.4%	355	0.6%	440
7.9%	676	1.9%	160
14.9%	7,601	16.7%	8,511
‡	‡	‡	‡
‡	‡	‡	‡
‡	‡	‡	‡
4.2%	136	‡	‡
7.4%	233	‡	‡
13.9%	185	5.9%	79
10.1%	1,583	7.1%	1,114
15.5%	4,979	22.0%	7,075
34.0%	696	4.1%	83

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

Table B-3

DISTRIBUTION OF CUMULATIVE FEDERAL GRADUATE EDUCATION LOAN DEBT FOR GRADUATES WITH GRAD PLUS BY DEGREE TYPE AND INSTITUTION SECTOR (AY 2015-16 DEGREE RECIPIENTS)

	DEBT LEVEL			
DEGREE TYPE AND SECTOR	**$300,000 - $399,999**		**$400,000+**	
All	2.7%	3,752	1.0%	1,430
Master's	‡	‡	‡	‡
Research Doctoral	3.0%	260	‡	‡
Professional	6.7%	3,396	2.7%	1,375
MASTER'S				
Public	‡	‡	‡	‡
Private Nonprofit	‡	‡	‡	‡
Private For-profit	‡	‡	‡	‡
RESEARCH DOCTORAL				
Public	‡	‡	‡	‡
Private Nonprofit	‡	‡	‡	‡
Private For-profit	4.2%	56	‡	‡
PROFESSIONAL				
Public	2.9%	459	‡	‡
Private Nonprofit	8.9%	2,863	‡	‡
Private For-profit	‡	‡	‡	‡

Notes: Number of graduates are estimated using percentages from NPSAS and counts from IPEDS. ‡ Symbol indicates NPSAS could not provide data due to unmet reporting standards (there are too few cases for a reliable estimate or the coefficient of variation is 50 percent or greater). Thus, percentages and number estimates in distributions may not sum to 100%. All analysis excludes international students.

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

APPENDIX C

Table C-1

DISTRIBUTION OF CUMULATIVE FEDERAL GRADUATE EDUCATION LOAN DEBT FOR GRADUATES WITH GRAD PLUS BY DEGREE TYPE AND PROGRAM (AY 2015-16 DEGREE RECIPIENTS)

DEBT LEVEL

DEGREE TYPE AND PROGRAM	$1 - $24,999		$25,000 - $49,999	
All	0.8%	1,053	13.1%	18,247
Master's	1.2%	936	20.9%	16,519
Research Doctoral	‡	‡	3.2%	217
Professional	‡	‡	2.8%	1,426
MASTER'S				
Master of Science	‡	‡	27.8%	5,459
Master of Arts	‡	‡	14.8%	1,326
Master of Education	‡	‡	13.2%	917
Master of Business Administration	‡	‡	21.2%	2,012
Other Master's	0.4%	131	20.0%	6,803
RESEARCH DOCTORAL				
Doctor of Philosophy	‡	‡	4.6%	260
Doctor of Education	‡	‡	‡	‡
PROFESSIONAL				
Medicine	‡	‡	‡	‡
Law	‡	‡	‡	‡

Notes: Number of graduates are estimated using percentages from NPSAS and counts from IPEDS. ‡ Symbol indicates NPSAS could not provide data due to unmet reporting standards (there are too few cases for a reliable estimate or the coefficient of variation is 50 percent or greater). Thus, percentages and number estimates in distributions may not sum to 100%. All analysis excludes international students.

DEBT LEVEL

$50,000 - $74,999		$75,000 - $99,999	
20.7%	28,884	14.1%	19,763
32.0%	25,294	17.7%	13,947
5.6%	484	13.2%	1,131
5.9%	3,034	9.0%	4,607
36.5%	7,167	12.7%	2,491
27.4%	2,457	27.4%	2,454
40.6%	2,815	20.3%	1,410
31.4%	2,975	18.3%	1,738
29.1%	9,879	17.2%	5,853
6.2%	350	16.3%	922
‡	‡	‡	‡
‡	‡	3.0%	598
11.8%	1,828	15.6%	2,417

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

APPENDIX C

Table C-2

DISTRIBUTION OF CUMULATIVE FEDERAL GRADUATE EDUCATION LOAN DEBT FOR GRADUATES WITH GRAD PLUS BY DEGREE TYPE AND PROGRAM (AY 2015-16 DEGREE RECIPIENTS)

	DEBT LEVEL			
DEGREE TYPE AND PROGRAM	**$100,000 - $149,999**		**$150,000 - $199,999**	
All	21.6%	30,208	13.0%	18,193
Master's	20.5%	16,222	6.7%	5,274
Research Doctoral	41.9%	3,600	22.3%	1,920
Professional	20.2%	10,290	21.1%	10,770
MASTER'S				
Master of Science	17.3%	3,392	‡	‡
Master of Arts	22.6%	2,031	5.7%	508
Master of Education	‡	‡	‡	‡
Master of Business Administration	17.7%	1,677	7.5%	711
Other Master's	23.3%	7,905	8.6%	2,910
RESEARCH DOCTORAL				
Doctor of Philosophy	38.6%	2,183	18.2%	1,028
Doctor of Education	‡	‡	‡	‡
PROFESSIONAL				
Medicine	10.8%	2,185	21.6%	4,379
Law	28.2%	4,349	19.9%	3,068

Notes: Number of graduates are estimated using percentages from NPSAS and counts from IPEDS. ‡ Symbol indicates NPSAS could not provide data due to unmet reporting standards (there are too few cases for a reliable estimate or the coefficient of variation is 50 percent or greater). Thus, percentages and number estimates in distributions may not sum to 100%. All analysis excludes international students.

DEBT LEVEL

$200,000 - $249,999		$250,000 - $299,999	
6.3%	8,840	6.7%	9,386
0.4%	355	0.6%	440
7.9%	676	1.9%	160
14.9%	7,601	16.7%	8,511
‡	‡	‡	‡
‡	‡	‡	‡
‡	‡	‡	‡
‡	‡	‡	‡
‡	‡	‡	‡
9.3%	528	2.1%	117
‡	‡	‡	‡
15.7%	3,173	29.3%	5,935
13.5%	2,087	5.9%	911

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

APPENDIX C

Table C-3

DISTRIBUTION OF CUMULATIVE FEDERAL GRADUATE EDUCATION LOAN DEBT FOR GRADUATES WITH GRAD PLUS BY DEGREE TYPE AND PROGRAM (AY 2015-16 DEGREE RECIPIENTS)

DEBT LEVEL

DEGREE TYPE AND PROGRAM	$300,000 - $399,999		$400,000+	
All	2.7%	3,752	1.0%	1,430
Master's	‡	‡	‡	‡
Research Doctoral	3.0%	260	‡	‡
Professional	6.7%	3,396	2.7%	1,375
MASTER'S				
Master of Science	‡	‡	‡	‡
Master of Arts	‡	‡	‡	‡
Master of Education	‡	‡	‡	‡
Master of Business Administration	‡	‡	‡	‡
Other Master's	‡	‡	‡	‡
RESEARCH DOCTORAL				
Doctor of Philosophy	4.3%	242	‡	‡
Doctor of Education	‡	‡	‡	‡
PROFESSIONAL				
Medicine	11.2%	2,275	‡	‡
Law	‡	‡	‡	‡

Notes: Number of graduates are estimated using percentages from NPSAS and counts from IPEDS. ‡ Symbol indicates NPSAS could not provide data due to unmet reporting standards (there are too few cases for a reliable estimate or the coefficient of variation is 50 percent or greater). Thus, percentages and number estimates in distributions may not sum to 100%. All analysis excludes international students.

Source: IPEDS 2015-16 and NPSAS 2016, PowerStats.

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