Federal Student Loan Limits and Temporary Eligibility for Higher Loan Amounts

OT-D/PT-D

Under the One Big Beautiful Bill Act, enacted by Congress in 2025, the Department of Education issued regulations differentiating between "graduate degrees" that would qualify for annual federal loan limits of $20,500, and a limited number of defined "professional degrees" that would qualify for higher annual federal loan limits of $50,000. Occupational and Physical Therapy programs were not included among the "professional degrees" identified by the Department of Education as eligible for the higher federal loan limit.

A federal judge in the United States District Court for the District of Columbia (DDC) recently reviewed consolidated lawsuits brought by health associations challenging the Department of Education's definition of "professional degree." The judge paused the Department's original definition, and in response, the Department issued guidance identifying new programs as temporarily eligible for the newly established higher federal loan limits. This temporary eligibility is expected to remain in effect through at least December 2026 based on the DDC's current schedule to consider the litigation.

Under the revised guidance, Duke Occupational and Physical Therapy (OT-D and PT-D) students are temporarily eligible for the higher federal loan limits. However, the implications of borrowing under this guidance remain uncertain while the case proceeds. For example, students who borrow higher loan amounts could potentially lose eligibility for future federal loan disbursements.

Because of this uncertainty, Duke University School of Medicine will continue to apply the federal loan limit, $20,500 annually, established under the Department's original definitions.

Students should review their current financial aid offers as they make financing plans for the coming academic year. Students who need funding beyond the federal loan limit may review Duke's list of recommended lenders which can be accessed here. The list also includes options with broad credit criteria to ensure students continue to have access to the funding needed to support educational expenses regardless of credit history.

Duke will continue to monitor the litigation and related guidance and will provide updates on borrowing eligibility as more information becomes available.