



May 18, 2025

The Honorable Jodey Arrington
Chair, House Budget Committee
204 Cannon House Office Building
Washington, DC 20515

The Honorable Brendan Boyle
Ranking Member, House Budget Committee
507 Cannon House Office Building
Washington, DC 20515

Re: May 18, 2025 Markup to provide for the reconciliation pursuant to title II of the Concurrent Resolution on the Budget for Fiscal Year 2025, H. Con. Res. 14, the One Big Beautiful Bill Act

Dear Chairman Arrington and Ranking Member Boyle:

On behalf of the American Association of Oral and Maxillofacial Surgeons (AAOMS), which represents more the 9,000 oral and maxillofacial surgeons (OMSs) in the United States, I appreciate the opportunity to provide comments on several provisions included in the reconciliation package, , pursuant to title II of the Concurrent Resolution on the Budget for Fiscal Year 2025, H. Con. Res. 14, that could impact OMSs and their patients.

Student loan reform

AAOMS recognizes that the cost of higher education – particularly medical and dental school – is substantial, and while we appreciate the legislation’s intent to drive down tuition costs, we believe that market shift will take time to become reality. In the interim, we believe several changes included in *The Student Success and Taxpayer Savings Plan*, passed by the House Education and Workforce Committee on April 29, may make dental school out of reach for many qualified individuals, to the detriment of patient access to care.

As such, we have the following recommendations.

- First, AAOMS was pleased to see language under Section 30022 that would reinstate the ability for physicians and dentists to defer their federal student loans interest free while in residency. This is similar to the bipartisan, bicameral REDI Act (S 942/HR 2028) that AAOMS has advocated for. However, the Student Success and Taxpayer Savings Plan limits interest-free deferment to four years, which fails to reflect the reality of OMS training. Nearly 40 percent of OMSs are in six-year residency programs, which allow them to obtain a medical degree, in addition to a dental degree. Capping deferment at four years leaves those residents responsible for growing interest while still earning a trainee’s modest stipend, exacerbating their financial burden. OMSs residents are not

unique in this regard, as many other surgical residency programs in medicine also extend beyond four years. **AAOMS recommends this section be amended in the final package to align the interest-free deferment period with the full duration of residency training, ensuring that trainees in all medical and dental specialties fully benefit from the program.**

- Second, the federal loan limits proposed under Section 30011 – combined with the elimination of the GradPLUS loan program under the same section of the bill – create a major barrier for students pursuing OMS. The average annual tuition and fees for first year dental students in 2023-24 was \$59,886 at public institutions and \$84,842 at private institutions¹. The Student Success and Taxpayer Savings Plan sets a \$200,000 lifetime cap on federal borrowing – inclusive of undergraduate and graduate loans – and eliminates the GradPLUS loan, which allows dental students to borrow up to the cost of attendance. Together, these provisions may force many future OMSs to rely on high-interest private loans to finance their dental school education, significantly increasing their debt burden and influencing critical career choices—such as whether to practice in underserved communities. Alternatively, some may decide against a career in OMS altogether, further threatening access to specialized surgical oral healthcare. According to HRSA’s latest report from 2024, nationally, HRSA projects that the demand for several dental specialists, including OMS, will exceed supply by 2037². **AAOMS recommends against eliminating the GradPLUS loan program as well as the lifetime cap on federal borrowing in the final package.**
- Finally, Section 30024 excludes physicians and dentists from being allowed to count their residency training years toward participating in the Public Service Loan Forgiveness (PSLF), which will likely decrease the number of OMSs who enter long-term careers in public service and reducing access to oral healthcare for the nation’s most vulnerable patients. **AAOMS recommends removing the exclusion of residency training programs towards PSLF from the final package.**

Tax reform

The majority of OMSs are small business owners with most of those operating as S-corporations. The temporary tax relief measures passed as part of the Tax Cuts and Jobs Act of 2017 provided much-needed support for small businesses, like OMS offices, allowing them to invest in growth as well as withstand financial hardships brought on by the pandemic. Allowing these provisions to expire would hinder the continued growth and stability of OMS practices, particularly in underserved areas.

AAOMS sincerely appreciates the inclusion of several key provisions that are important to OMSs, both as small business owners and as healthcare providers, in the *One, Big, Beautiful Bill*, which passed out of the Ways and Means Committee on May 14.

¹ 2022-23 Survey of Dental Education – Report 2: Tuition, Admission and Attrition.

<https://www.ada.org/resources/research/health-policyinstitute/dental-education>. Accessed July 11, 2024

² Department of Health and Human Services, Health Resources and Services Administration, Health Workforce Projections. Available at <https://bhwh.hrsa.gov/data-research/review-health-workforce-research>

We encourage House leaders to retain the following provisions in the final reconciliation package:

- A permanent extension and increase from 20 to 23 percent of the Section 199A deduction for qualified pass-through income for sole proprietorships, partnerships, LLCs and S-corporations starting with the 2026 tax year.
- An extension of immediate full bonus depreciation for investments in equipment, software and property made after Jan. 19, 2025 through the end of 2029.
- Restoration for the ability to add back depreciation and amortization to adjusted tax income when calculating the business interest limitation under Section 163(j) for tax years 2025 through 2029.
- An increase in contribution limits for Health Savings Accounts, which help consumers cover high-out of pocket healthcare costs.

AAOMS is very concerned, however, about the language in Section 112018 of the bill that removes the ability of service-based businesses, including OMS practices, to deduct state income tax payments from their federal return. Previously, these businesses were able to deduct state-level pass-through entity tax (PTET) payments to reduce their overall tax burden. For unexplained reasons, the Ways and Means Committee has singled out certain service-based professions for this disproportionate tax increase. **AAOMS urges the House leaders to remove this discriminatory provision from the final package.**

Finally, while AAOMS appreciates the increase in contributions limits for HSAs, **we urge House leaders to also consider increasing the contribution limits for Flexible Spending Arrangements (FSAs)** which are often used by consumers to help cover high out-of-pocket dental care costs.

Medicaid and Medicare

Access to oral healthcare is vital for Medicaid recipients, who are often among our nation's most vulnerable population, because oral health is closely linked to overall health. Poor oral health can contribute to or worsen serious medical conditions such as diabetes, heart disease, stroke, and pregnancy complications. Infections that begin in the mouth can also spread to other parts of the body if left untreated, leading to more severe health issues. Additionally, providing preventive dental care is far more cost-effective than treating emergencies. Routine dental visits can help avoid painful and expensive conditions, but without regular access, many Medicaid recipients delay care until it becomes urgent. This often results in visits to emergency rooms—which are not equipped to provide definitive dental treatment—ultimately increasing costs for both patients and the healthcare system.

AAOMS is concerned that several proposed Medicaid policy changes – included in legislation that passed out of the House Energy and Commerce Committee on May 14 – could create new barriers to care. We echo the following concerns previously expressed to the Committee by the American Dental Association:

- Sections 44103 and 44108 propose increasing the frequency of eligibility verifications and redeterminations, which could lead to administrative disruptions and unintended disenrollment. This could undermine stability in Medicaid coverage, potentially making it harder for beneficiaries to maintain access to necessary dental care. **AAOMS encourages Congress to preserve the recent streamlining reforms that have improved the efficiency of eligibility processes, ensuring continuity of coverage for low-income individuals, rather than implementing new verification processes.**
- Section 44106 calls for additional screening requirements for Medicaid providers. The enrollment and credentialing process can be a costly administrative burden for both states and individuals. While AAOMS recognizes and appreciates the role a robust provider screening process plays in detecting and avoiding fraud, **AAOMS recommends that language be added to the final package requiring states to adopt centralized system for provider enrollment and screening.** This approach would streamline the process, improve provider participation, and ensure continued access to care while maintaining program integrity.
- The proposed cap on state-directed payments in Section 44133 could adversely impact access to Medicaid dental services. Medicare does not cover routine dental services; therefore, there is not a Medicare benchmark or equivalent for dental services. Imposing a Medicare-based payment ceiling could unintentionally undervalue these procedures, driving down reimbursement rates for dental providers and deterring provider participation, which ultimately impacts patient access to care. As such, **AAOMS strongly recommends exempting dental services from the proposed cap and allowing states to set appropriate reimbursement rates for these services.**
- Section 44142's cost-sharing requirements could create new financial barriers to dental care, deterring individuals from seeking preventive services. This would exacerbate oral health disparities and increase long-term healthcare costs as more complex treatments become necessary. For these reasons, **AAOMS supports exempting dental services from these cost-sharing provisions in the final package.**
- Community engagement requirements proposed in Section 44141 have the potential to limit access to dental care for working-age adults, which could have negative consequences for both their health and employment readiness. **AAOMS urges Congress to fully consider the implications of policies designed to encourage work participation among Medicaid enrollees.**

Finally, AAOMS appreciates the inclusion of Section 44304, which is a positive step toward much needed reform to the Medicare physician payment system. Physicians, including OMSs, currently are the only Medicare provider group that does not receive an inflationary update. Providing an annual inflationary update for Medicare physicians will help prevent the annual threat of cuts and provide long-term sustainability to the program for patients and reimbursement stability for providers. **AAOMS urges House leaders to retain this provision in the final package.**

Thank you again for the opportunity to comment on this important legislation. Please contact Jeanne Tuerk, AAOMS Director of Government Affairs with any questions at 800-822-6637, ext. 4321 or jtuerk@aaoms.org.

Sincerely,

A handwritten signature in black ink that reads "J. David Morrison". The signature is written in a cursive, flowing style with a small flourish at the end.

J. David Morrison, DMD
President