May 20, 2026

Submitted via Regulations.gov
DOCKET ID: ED-2026-OPE-0100

U.S. Department of Education
Office of Postsecondary Education
400 Maryland Avenue SW
Washington, DC 20202

Re: Docket ID ED-2026-OPE-0100 – Notice of Proposed Rulemaking: Accountability in Higher Education and Access Through Demand-Driven Workforce Pell: Student Tuition and Transparency System and Earnings Accountability

Dear Secretary McMahon:

The Association of Accredited Naturopathic Medical Colleges (AANMC), in partnership with the American Association of Naturopathic Physicians (AANP), respectfully submit these comments on the Department's Accountability in Higher Education and Access Through Demand-Driven Workforce Pell: Student Tuition and Transparency System (STATS) and Earnings Accountability Notice of Proposed Rulemaking (NPRM). AANMC represents accredited educational institutions that train naturopathic doctors (NDs) and submits these comments on their behalf, while AANP represents more than 8,500 licensed naturopathic physicians across North America. Collectively, our institutions educate an essential segment of the primary care and whole health workforce, with programs that are doctoral-level, clinically intensive, and aligned with national priorities in preventive care, chronic disease management, and community-based healthcare delivery.

We support the Department's objective of strengthening accountability and ensuring that students have access to meaningful, transparent information about educational outcomes. At the same time, accountability frameworks must be grounded in methodological rigor, statistically appropriate comparison groups, and scientifically validated outcome measures, particularly when used as high-stakes determinants of program eligibility for federal student aid.

The Department's own data projects a 98.1% Earnings Premium test failure rate for master's degree programs using the Alternative and Complementary Medicine and Medical Systems Classification of Instructional Program (CIP) code (51.33), the four-digit CIP code often used for naturopathic medicine programs.[1] This is not a reflection of poor education, but rather a reflection of a flawed calculation methodology. Without adjustment, the rule would:

- Misclassify healthcare programs graduating successful, long-term small-business owners as "low-earning outcome programs."

[1] *See* U.S. Department of Education, *Estimated Impact of the Program Level Earnings Test and Changes to Gainful Employment* (January 5, 2026), pg. 21, *available at* https://www.ed.gov/media/document/2025-ahead-results-of-earnings-test-and-ge-changes-112932.pdf.

- Rely on incomplete tax snapshots that fail to reflect a physician's true economic and societal value.
- Discourage the growth of independent integrative medicine healthcare clinics that align with national priorities to improve patient outcomes through whole-person lifestyle and nutrition interventions.

In addition to severe consequences for our students and institutions, if implemented as drafted, the NPRM would have severe consequences for AANMC and AANP. The impact to our members would prevent our associations from being able to carry out our respective missions and would substantially diminish our ability to provide services, benefits, and resources to our members.

I. INTRODUCTION

As currently structured, the NPRM relies heavily on a point-in-time earnings measure that does not adequately reflect the diversity and complexity of healthcare career pathways.[2] This limitation is particularly pronounced for professions such as naturopathic medicine, where a majority of graduates enter practice through self-employment or small business ownership.

In the naturopathic profession, early-career earnings are shaped by widely accepted and economically rational business practices. It is well demonstrated in small business and economic development literature that new enterprises often require multiple years to reach stable profitability, as early revenues are commonly reinvested into operations, equipment, staffing, facility costs, marketing, and patient or client acquisition. During this period, business owners frequently minimize personal taxable income in favor of strengthening long-term viability and growth. As a result, reported earnings—particularly those derived from tax-based administrative data—do not reflect actual economic productivity, community financial impact, business equity or future earning capacity.

These dynamics are not unique to naturopathic medicine; they are consistent across small business sectors and have historically been recognized in policy, tax, and economic frameworks. However, the NPRM methodology does not account for this reality. By relying on early, point-in-time earnings, particularly those derived from net income after deductions, the framework systematically understates the financial trajectory of graduates who are building independent practices.

This results in a structural bias against practice-based healthcare professions and other small business-driven career pathways. As shown in the Department's projections, many programs projected to fail the Earnings Premium test are those that graduate future small business owners, or those entering professions that rely on small business-type structures and tips. Rather than capturing long-term outcomes, the current approach effectively penalizes standard and expected business behavior, mischaracterizing programs that prepare graduates for independent, community-based care delivery.

A framework that more accurately reflects program value would account for these established economic patterns by incorporating longer measurement windows,[3] multi-year averaging, alternative indicators of financial sustainability and would take into consideration the career satisfaction of these professionals. It would include a safe-harbor provision for low default rates.

---

[2] *See* proposed 34 CFR § 668.403(b)(1) (proposing to identify the "the median annual earnings of the students who completed the program during the cohort period for the **fourth tax year following program completion**[.]")(emphasis added).

[3] With regard to the longer measurement windows for graduate programs, specifically, we acknowledge the Department's perspective that, because the One Big Beautiful Bill Act (OB3) prescribes the same time span between graduate and earnings measurement for all program types "a separate distinction for qualifying graduate programs is no longer necessary[.]" (91 Fed. Reg. 21103). However, no provision of OB3 would prohibit the Department from reviving a qualifying graduate concept, in addition to the Congressionally-prescribed standard time frame.

The proposed methodology does not account for these realities. Instead, it applies a uniform earnings test that has not been demonstrated to meet accepted standards of scientific validity for evaluating program quality. It further relies on comparison groups and data sources that are not appropriately matched, introducing bias and limiting the reliability of resulting conclusions.

At a time when federal policy is focused on expanding access to primary care and strengthening the healthcare workforce, it is critical that accountability systems accurately measure outcomes without inadvertently constraining access to education pathways that support these policy goals. Ensuring that evaluation frameworks align with both labor market realities and public health priorities is essential. Programs that demonstrate strong repayment outcomes and low default rates may nonetheless be mischaracterized as higher risk when evaluated solely through earnings-based measures. This reflects a disconnect between actual borrower performance and the proposed criteria used in the NPRM.

As currently proposed, the Department's application of the accountability framework would raise significant concerns under the Administrative Procedure Act (APA). Specifically, the reliance on a uniform, earnings-based metric that does not account for well-documented variations in healthcare career pathways, particularly those involving self-employment, continuing graduate medical education, practice development, a prioritization to serve medically underserved communities, and delayed income realization. Thus, the proposed approach appears to be arbitrary and capricious. The framework does not adequately consider relevant factors, including known limitations of the underlying data,[4] nor does it provide a reasoned basis for applying a one-size-fits-all approach across materially different program types and labor market structures.[5]

Absent adjustments, the rule risks producing conclusions that are not supported by the evidence and may undermine federal objectives related to workforce development and access to care. Under the APA, agency action must be based on a rational connection between the facts found and the choices made[6]; where methodological limitations are known but unaddressed, that standard is not met. Ensuring that evaluation frameworks align with both labor market realities and public health priorities is essential.

II. METHODOLOGICAL CONCERNS

a. Experimental Design Standards

The proposed Earnings Premium metric deviates from accepted standards of experimental or quasi-experimental design. A rigorous evaluation must rely on a valid counterfactual where the treatment and comparison groups are identical in relevant aspects, or robust statistical methods must be applied to account for confounding variables. Early-career earnings represent a transition period of practice development and capture a fundamentally different dimension of program success than the actual ability of borrowers to successfully repay their student loans.

b. Unmatched Comparison Groups

- **Mismatched length of workforce participation:** As proposed, the accountability framework would compare the earnings of graduate program completers four years post-graduation to working adults with

[4] For example, the Department acknowledges the "potential problems" associated with relying on American Community Survey data; however, the agency proposes to proceed with using the data set. *See* 91 Fed. Reg. 21090
[5] *The Loan Syndications v. Sec. & Exch. Comm'n*, 223 F.Supp.3d 37, 60–61 (D.D.C. 2016) (finding that "[a]gencies must provide reasoned explanations for their actions, and must base their decisions on a consideration of the relevant factors.").
[6] *Encino Motorcars, LLC v. Navarro*, 136 S. Ct. 2125 (2016); *see also Earth Island Inst. v. Hogarth*, 494 F.3d 757, 766 (9th Cir. 2007) ("An agency action is not supportable if it did not consider all the relevant factors and if there is no rational connection between the facts found and the determination made.").

only baccalaureate degrees between the ages of 25 to 34. To pass the Earnings Premium test, the median earnings of a graduate program's completers must exceed the median earnings of the working adult comparator group (referred to as the Earnings Threshold). However, the Earnings Threshold includes individuals who have already participated in the workforce for anywhere from 3 to 12 years, gaining additional career experience and earning promotions and raises along the way. Additionally, these individuals may possess additional certifications and specialized education not documented in evaluated data sets.

It is noted that a significant pool of individuals enrolling in an ND advanced degree program are looking to start or change their career paths. As such, their earnings post-graduation are more comparable to those who are also starting out in their careers. It is effectively comparing a cohort of baccalaureate graduates in mid-career with graduate program completers in the earliest part of their career, and at a point in time when they are likely building a brand new business.

- **Misaligned Comparator Groups and Non-Equivalent Career Pathways:** A central methodological concern in the NPRM is the use of comparator groups that do not reflect equivalent educational pathways or labor market outcomes. For graduate and professional degrees, so long as 50 percent or more of the students enrolled in the institution during the award year the calculations are made are from the state where the institution is located, the median earnings considered in the Earnings Threshold will be the lowest of: 1) the median earnings of working adults in the state in which the institution is located; (2) the median earnings of working adults in the same field of study under the two-digit CIP or four-digit CIP code in the state in which the institution is located; or (3) the median earnings of working adults nationally in the same field of study under the two-digit CIP or four-digit CIP code.[7] Relying on an Earnings Threshold based on a broad category, like a two-digit CIP code, would aggregate individuals from highly heterogeneous academic and occupational backgrounds. This approach introduces significant distortion into earnings comparisons and undermines the validity of the resulting conclusions.

  The two-digit CIP code for naturopathic medical education (51) would include a wide range of fields such as chemistry, biology, pharmacology, and other pre-medical or science-based programs. These degrees serve as entry points into a diverse set of career trajectories, including employment in large health systems, biotechnology firms, pharmaceutical companies, research institutions, and other salaried environments. These roles are structurally distinct from naturopathic medical practice, which is primarily delivered through outpatient, community-based, and frequently self-employed or small business models.

  As a result, the comparison group reflects fundamentally different labor market dynamics. Working adults included in the Earnings Threshold may enter established employment settings with relatively predictable salary structures, and may have already been working for several years, while graduates of doctoral-level naturopathic medical programs start de novo and often experience non-linear income trajectories associated with clinical practice development, patient panel growth, and reinvestment in business and marketing infrastructure. These are not marginal differences; they reflect distinct economic career models that cannot be meaningfully compared through a single, standardized earnings metric.

  The use of such heterogeneous comparator groups fails to control for critical variables, including occupational setting, employment model, and career stage. It therefore introduces systematic bias into the Earnings Premium calculation, producing results that may reflect differences in labor market structure rather than differences in educational value or program quality. In statistical terms, the comparison lacks construct validity, as it does not measure equivalent phenomena across groups.

[7] *See* proposed 34 CFR § 668.2 ("Earnings Threshold").

From a legal and regulatory perspective, this raises concerns under the APA. Agency action must be based on a reasoned analysis that considers relevant factors and avoids reliance on arbitrary or unsupported assumptions. In *Motor Vehicle Manufacturers Association v. State Farm Mutual Automobile Insurance Co.*, 463 U.S. 29 (1983), the Supreme Court held that agency action is arbitrary and capricious where the agency "has relied on factors which Congress has not intended it to consider" or "entirely failed to consider an important aspect of the problem." Here, the failure to align comparator groups with comparable career pathways represents a failure to consider a critical aspect of the analysis, namely, whether the populations being compared are similarly situated.

Additionally, courts have emphasized that agencies must ensure a rational connection between the data used and the conclusions drawn.[8] Where comparison groups are constructed in a way that introduces known and unaddressed bias, the resulting conclusions cannot be said to be the product of reasoned decision-making. The current framework does not provide a sufficient justification for selecting broadly defined undergraduate comparator groups as the baseline for evaluating specialized, doctoral-level terminal degree health professions, nor does it address the implications of that choice.[9]

The consequences of this misalignment are significant. By comparing non-equivalent groups, the framework risks systematically understating the economic outcomes of graduates in practice-based professions and, in turn, mischaracterizing the value of the educational programs that prepare them. This is particularly concerning in a high-stakes accountability system tied to program eligibility and student access to federal aid.

A more appropriate approach would ensure that comparator groups reflect similar educational intent, occupational pathways, and labor market structures. Without such alignment, the earnings premium metric does not provide a valid or reliable basis for evaluating program outcomes and cannot support the conclusions drawn from it.

c. Cohort Size Limitations, Retroactive Application & Temporal Lag

The NPRM raises two distinct but compounding concerns: the use of statistically insufficient cohort sizes for high-stakes determinations, and the retroactive application of outcomes data that institutions cannot meaningfully influence or correct.

First, the minimum cohort threshold of 30 program completers is not sufficient to support reliable conclusions in a regulatory context where outcomes carry significant consequences for institutional eligibility and student access to federal aid. At this scale, earnings data are highly sensitive to natural variability and outliers, particularly for small, specialized, doctoral-level programs. A small number of atypical outcomes can materially shift median earnings, producing results that may not reflect the broader experience of graduates. In contrast, accepted statistical standards for policy-relevant decision-making support the use of substantially larger samples to ensure stability and reliability. Cohort sizes closer to 100 observations are generally understood to provide a more defensible basis for drawing conclusions that inform high-stakes determinations. The AHEAD negotiators recognized limitations of smaller

[8] *See Encino Motorcars*, *supra* Note 7.

[9] While we acknowledge that OB3 prescribes the Earnings Threshold broadly, nothing in OB3 would prevent the Department from refining the cohort aggregation approach. Congress merely instructed the Department to "aggregate additional cohort years of programmatic data for educational programs of equivalent length in order to achieve a cohort of at least 30 individuals." *See* § 454(c)(4) of the HEA. In other words, OB3 would not, for example, prohibit the Department from eliminating two-digit CIP codes from the cohort aggregation process entirely.

sample sizes and initially suggested 50 or more. Without such safeguards, the framework risks generating results that are statistically fragile and not sufficiently grounded in substantial evidence, raising concerns under the APA.

The second concern arises from how the Department proposes to construct these cohorts. In order to meet even the minimum threshold, the methodology aggregates data across multiple historical years. This effectively creates a retroactive evaluation system, in which programs are assessed based on outcomes tied to students who enrolled under materially different policy conditions and graduated into labor markets that may bear little resemblance to current conditions. Institutions are thus judged on data reflecting economic environments, reimbursement structures, and workforce dynamics for students and academic programs from many years prior. These are factors that are entirely outside of their control and, importantly, not subject to present-day programmatic adjustment. Additionally, institutions cannot retroactively alter past enrollment or programmatic decisions that were made in good-faith reliance on the regulatory frameworks in place at that time. In that spirit, cohorts admitted prior to the adoption of this final rule should be exempt from its application.

This retroactive approach raises significant concerns under established administrative law principles. A regulation is considered to have retroactive effect when it is meaningfully inconsistent with prior agency practice and establishes new sanctions for actions that took place before the regulation was implemented.[10] Retroactive regulations are permissible only when they are substantively reasonable and it is reasonable to make them retroactive.[11] The NPRM does not meet either requirement. Here, the Department does not make any attempt to justify that its goals in advancing the accountability framework reasonably require retroactive effect. Furthermore, the application of a newly defined accountability framework to historical data, without providing institutions the opportunity to respond, adapt, or improve within the evaluation period, undermines the reasonableness standard.

These concerns are further compounded by the framework's failure to account for external market forces that materially shape earnings outcomes. Graduate earnings are influenced by macroeconomic conditions, regional labor markets, and evolving demand within specific healthcare sectors, which for naturopathic medicine is rapidly growing. For professions that rely on practice-based or self-employment models, early-career earnings often reflect periods of investment and gradual growth rather than immediate wage stabilization. These dynamics are structural features of the labor market, not indicators of program quality. By attributing such outcomes to institutional performance without adjustment, the methodology risks conflating external economic conditions with educational value.

This concern was particularly evident during the COVID-19 pandemic and its aftermath, which caused significant disruptions across healthcare education and workforce pathways nationwide. Naturopathic medical graduates entering practice during this period experienced delays in clinical training, interruptions to patient care operations, reduced employment opportunities, and slower practice development due to widespread healthcare system disruptions and economic uncertainty. Residency positions and postgraduate training opportunities were also materially impacted, with reductions in available placements and delays in workforce entry. These disruptions are well documented across healthcare education and were entirely outside institutional control. Applying retrospective earnings evaluations to cohorts shaped by these extraordinary circumstances risks producing conclusions driven by temporary external shocks rather than educational quality or long-term workforce value.

Finally, the absence of a meaningful and accessible appeals process leaves institutions with no practical mechanism to correct or contextualize these determinations. Without the ability to submit supplemental data, demonstrate alternative outcome measures, or address known limitations in the underlying methodology, the framework

---

[10] *Arkema Inc. v. E.P.A.*, 618 F.3d 1, 7 (D.C. Cir. 2010); *Nat'l Min. Ass'n v. Dep't of Lab.*, 292 F.3d 849, 860 (D.C. Cir. 2002).

[11] *Celtronix Telemetry, Inc. v. F.C.C.*, 272 F.3d 585, 589 (D.C. Cir. 2001); *U.S. AirWaves, Inc. v. F.C.C.*, 232 F.3d 227, 233 (D.C. Cir. 2000).

functions in a manner that is effectively punitive rather than corrective. Institutions are held accountable for historical outcomes they cannot change, based on data they cannot meaningfully challenge, with consequences that may include loss of access to federal student aid.

Under the One Big Beautiful Bill Act (OB3), Congress directed the Department to provide schools "the opportunity to appeal the programmatic median earnings of students working and not enrolled **determination**."[12] However, the NPRM, would restrict a school's appeal rights to challenges of the Department's "calculation of the program's earnings premium measure under § 668.403."[13] In other words, the appeal is limited to an assertion that the Department failed to correctly execute the simple subtraction of the Earnings Threshold from the median annual earnings of program completers. It is apparent Congress intended for the Department to fashion a much more robust appeal right, and we urge the Department to fashion a final rule that reflects this Congressional intent.

Taken together, the use of small cohort sizes combined with retroactive evaluation produces a system that lacks statistical reliability, fails to account for relevant factors, and does not provide a pathway for institutional improvement. For a framework intended to guide high-stakes decisions affecting both students and the healthcare workforce, a forward-looking, methodologically sound approach is essential. Adjustments to cohort size, evaluation windows, and data validation processes are necessary to ensure that the Department's accountability objectives are met in a manner consistent with both sound policy and established legal standards.

d. Lack of Gender-Based Wage Adjustments

There is a failure to evaluate known demographic factors, such as certain fields attracting more females than males, or the average age of someone starting out in a specific career path. Naturopathic medicine remains a female-dominated field, with women comprising over 80% of the total active workforce.[14]

The proposed methodology is fundamentally flawed because it applies a gender-neutral earnings threshold to occupations that are overwhelmingly female-dominated. By failing to account for documented, external labor market disparities, the Department effectively penalizes programs based on the gender demographics of their graduates rather than the quality of the education provided. A first quarter 2026 report from the U.S. Bureau of Labor Statistics (BLS) found that white women (the majority of practicing NDs) earned 79.9% as much as their male counterparts in the first quarter of 2026, dropping to as much as 65.4% for those with advanced degrees.[15]

Without a Gender Equity Correction multiplier applied to the Earnings Premium calculation, the rule would create a disparate impact. It treats a societal wage gap as an institutional failure, thereby threatening the viability of programs that are essential to female-dominated sectors of the healthcare workforce.

e. Consideration of Forward-Looking Labor Market Demand

The current methodology proposed by the Department relies exclusively on retrospective earnings data, which function as lagging indicators of labor market demand. The goal of the rule, however, is to determine future earnings of borrowers, but demographic trends, increasing prevalence of chronic disease, and growing demand and policy support for integrative and whole person health are changing overall demand for services such as naturopathic medicine. Utilization of naturopathic services has nearly quadrupled over the last two decades and the focus by the current administration on chronic disease prevention, whole person health, and nutrition in medicine is likely to

---

[12] 20 U.S.C. § 1087d(c)(5) (emphasis added).
[13] 91 Fed. Reg. 21088, 21203 (Apr. 20, 2026).
[14] Association of Accredited Naturopathic Medical Colleges. (2020). *2020 Graduate Success and Compensation Study.* Washington, DC: AANMC.
[15] https://www.bls.gov/news.release/pdf/wkyeng.pdf

continue to drive an increase in utilization.[16,17] Over 100 million adults utilize complementary healthcare services, including naturopathic medicine, with a primary reason being for pain management. As the country continues to grapple with an opioid epidemic, access to these services remains a strong lever in solving the crisis.[18] This is in addition to a forecasted physician shortage and an aging population, where gaps in care will only widen if there is a forced decrease in licensed healthcare professionals.

Federal agencies such as the BLS and the Health Resources and Services Administration (HRSA) already incorporate forward-looking workforce projections in assessing labor market needs. We recommend incorporating similar methodology into the earnings calculations to ensure labor market indicators are used in program evaluation. In addition, the Department can supplement earnings data with demand projections where available.

e. Limitations of the Negotiated Rulemaking Process

While the negotiated rulemaking committee ultimately reached consensus on the proposed regulatory framework, many of the specialized professions most significantly impacted by the methodology—including naturopathic medicine and other practice-based, self-employment-oriented fields—did not have meaningful representation during development of the proposed rule. Cosmetology was repeatedly referenced and is not an adequate comparative profession for the field of naturopathic medicine. As a result, important structural and economic characteristics of these professions do not appear to have been fully considered in the design of the earnings accountability framework.
These characteristics include:

- high rates of self-employment and small business ownership,
- delayed earnings stabilization associated with licensure, residency, and practice development,
- small program cohort sizes,
- and significant limitations in available federal data sources for niche healthcare professions.

Because these factors materially affect the reliability and validity of the proposed earnings calculations, we respectfully urge the Department to supplement the rulemaking record through additional engagement with affected professions, institutions, and accreditors prior to finalizing the rule.

III. DATA SOURCE MISALIGNMENT AND LIMITATIONS OF THE EARNINGS PREMIUM THRESHOLD (PROPOSED 34 CFR § 668.2(B))

a. American Community Survey (ACS) and Current Population Survey Limitations

The NPRM proposes relying on ACS data for the Earnings Threshold. ACS data is based on self-reported, unverified estimates. Survey respondents frequently estimate their weekly hours and rely on a 12-month lookback period that rarely corresponds to standard tax years. Furthermore, research demonstrates that lower-income earners tend to over-report their income in survey data, while simultaneously demonstrating higher nonresponse rates, which artificially inflates baseline median earnings.[19]

---

[16] https://jamanetwork.com/journals/jama/fullarticle/2814472
[17] https://www.cms.gov/priorities/innovation/innovation-models/maha-elevate
[18] We are grateful for the Trump administration's dedication to ending the opioid epidemic (*See, e.g.*, Office of National Drug Control Policy, Executive Order, *President's Commission on Opioids* (Mar. 29, 2017), *available at* https://trumpwhitehouse.archives.gov/ondcp/the-administrations-approach/presidents-commission-opioids/). We urge the Department to consider an accountability framework that ensures naturopathic medicine can continue to be a partner to the Administration on this noble goal.
[19] Barry W. Johnson & Kevin B. Moore, Consider the Source: Differences in Estimates of Income and Wealth From Survey and Tax Data, in Compendium of Federal Estate Tax and Personal Wealth Studies (Internal Revenue Serv. 2005), https://www.irs.gov/pub/irs-soi/11pwcompench9.pdf.

By alternatively looking at Current Population Survey (CPS) data, the Department can observe that gross earnings are approximately double what is reported on Internal Revenue Service (IRS) 1040 forms, illustrating the structural bias in IRS administrative income data. Importantly, we emphasize that CPS data would still allow the Department to meet its OB3 obligation to rely upon "data from the Bureau of the Census" for purposes of determining the median earnings included in the Earnings Threshold,[20] as the CPS is a joint survey between the U.S. Census Bureau and BLS.

Due to the factors described above, reported earnings from ACS and College Scorecard reflect a wide variation in earnings potential and a vast difference in earnings for someone early in their career compared to someone who has been out of school for over a decade, especially at the 2-digit CIP code level. For example, with regard to naturopathic doctoral and professional degrees, the Earnings Threshold at the 2-digit CIP code level reflect median earnings of $24,000 for those aged 22-25, according to ACS data, compared to $48,000 for those aged 25-34. As noted above, program completers from AANMC and AANP institutions are more likely to be starting their careers anew through attending a naturopathic educational program. With this reality in mind, their near-term post-graduation earnings would more likely reflect those in the 22-25 age range, rather than the 25-34 age range of the Earnings Threshold group (regardless of the actual age of those program completers).

However, the most methodologically sound and policy-consistent comparator for evaluating program value is a baseline of zero earnings gain attributable to the program itself.[21] In other words, the appropriate measure is the incremental value added by the education, rather than a comparison to external, non-equivalent cohorts. This approach aligns with standard value-added methodologies used across education and workforce policy, which assess outcomes relative to what individuals would have earned in the absence of the intervention.

By contrast, the NPRM proposes relying on comparator groups that are not similarly situated, introducing structural bias and undermining the validity of the conclusions. A zero-baseline approach avoids these distortions by focusing directly on whether the program produces a positive economic outcome for graduates, independent of unrelated labor market pathways.

If the Department elects to retain the Earnings Threshold definition, as proposed, it is essential that comparisons be constructed on a like-for-like temporal basis. A more reasonable approach would compare post-program earnings to individuals at equivalent points in their career trajectory—for example, comparing four years post-graduate earnings to individuals aged 22–25, or aligning a longer measurement window (*e.g.,* 6–10 years post-graduation) with individuals aged 27–31. This would better reflect true early- and mid-career earnings dynamics rather than comparing early-career graduates to individuals with significantly more workforce experience.

State Longitudinal Data Systems (SLDS), supported by the Department, and workforce outcome studies conducted by the U.S. Census Bureau routinely employ longitudinal matching techniques to estimate earnings gains relative to baseline characteristics and comparable timeframes. These approaches recognize that valid comparisons require alignment across both demographic and temporal dimensions—an element that is currently absent from the NPRM.

Absent these adjustments, the methodology risks producing results that reflect differences based on the Department's proposed approach to cohort construction rather than true program value, raising concerns regarding both statistical validity and compliance with reasoned decision-making standards under the Administrative Procedure Act.

---

[20] *See* § 454(c)(3)(B) of the Higher Education Act.

[21] While we acknowledge OB3 has largely prescribed the parameters of the Earnings Threshold comparator group, nothing in OB3 would prevent the Department from supplementing the Earnings Premium calculation with the zero-baseline approach and applying the more favorable of the two approaches on a case-by-case basis.

b. IRS Administrative Records

The Department requested comment on the proposed definition of "earnings" under § 668.2(b). While we understand the Department's desire for a practical approach with comparable data, we want to ensure accuracy in the final definition. The NPRM defines "earnings" to include wages, income reported to the IRS, and other earned income, including from self-employment. The Department assumes that this data is comprehensive enough for a comparable measure of economic outcomes. These earnings, however, reflect net income after business deductions, particularly with regard to self-employment tax reporting. For someone running their own business, net earnings are typically depressed in the early years of the business due to reinvestment, startup costs, continuing education and practice development. These limitations subject fields of study that lead to graduates owning their own businesses, including naturopathic medicine where a majority of physicians operate their own practices, to a penalty based on measurement flaws.[22] As noted above, the Department can look to CPS data from the Census Bureau, which reflects gross earnings, and see that earnings are approximately double of what is reported on IRS 1040 forms, which reflects net earnings after deductions. IRS-based measures consistently show lower median incomes for self-employed individuals compared to survey-based measures (e.g., CPS), even when underlying economic activity is similar, indicating structural downward bias in administrative income data.[23]

In summary, evaluating graduates using IRS administrative records captures strictly net income after business deductions for self-employed individuals. In healthcare fields where self-employment and practice ownership are prevalent, early-career net income is artificially depressed due to legitimate tax deductions, reinvestment, and practice startup costs.

We recommend that the Department incorporate multi-year averaging of earnings (3-5 years) or an adjustment for self-employment earnings dynamics to remedy the limitations in the IRS data the Department proposes relying upon. Further, we emphasize that OB3 does not dictate the data upon which the Department must rely for ascertaining the earnings of program completers. Indeed, Congress gives the Department wide latitude here, directing that the median earnings of this group are to be "determined by the Secretary."[24] With this in mind, the Department can mimic the methodology of Social Security benefit calculations which incorporate average lifetime earnings rather than earnings at a single point-in-time.

c. Misalignment Between Earnings Measurement and Professional Training Pathways (Proposed 34 CFR § 668.403(b))

The Earnings Premium, as defined in the NPRM, measures the earnings of the fourth year after degree completion. This methodology assumes that graduates have reached stable labor market outcomes by this point in time. According to a recent Federal Reserve Report, fifty-nine percent of self-employed adults said their income varied from month to month.[25] Methodological assumptions do not hold in practice-based healthcare professions, however, especially when compared against a broad population of bachelor's degree holders whose occupations, earnings trajectories, and employment structures are fundamentally different. The proposed Earnings Premium fails to differentiate between professions with non-linear earnings growth - common in licensed healthcare - and programs that lead to permanently low wages.

---

[22] https://aanmc.org/wp-content/uploads/2020/06/2020-Graduate-Success-and-Compensation-Study.pdf
[23] https://www.minneapolisfed.org/research/staff-reports/on-the-nature-of-entrepreneurship
[24] *See* § 454(c)(2) of the Higher Education Act.
[25] Board of Governors of the Federal Reserve System, "2025 Economic Well-Being of U.S. Households in 2024: Income and Expenses," Federal Reserve, 2025, accessed May 18, 2026, https://www.federalreserve.gov/publications/2025-economic-well-being-of-us-households-in-2024-income-and-expenses.htm.

For doctoral, licensure-based health professions where practice formation and clientele development extend beyond those early years, a one-time, fourth year snapshot is too early to accurately reflect stable earnings. In the first year post-graduation, practitioners obtain licensure, which could take up to 6 months or more, begin to establish a practice, and develop referral networks. These activities are not excessive; they are essential to healthcare professions' economic models. Further, approximately 30% of naturopathic graduates complete residency, which delays the start of their practice by one to three years, rendering this cohort even earlier in their business trajectory. Graduates often pursue continuing education in the early years out of practice in additional specialty areas, which is also common in health professions, and not typical in many of the undergraduate comparator groups.

As such, earnings in year four are reflective of an early-stage professional and not representative of long-term earning potential. A study of earnings for differing levels of education found that earnings growth is slower for graduate degrees than undergraduate in the first 5 years post-graduation.[26,27] In addition, as discussed above, earnings data in IRS-derived administrative datasets is not reliable for measuring true self-employment earnings. U.S. Census Bureau LEHD/CREAT highlights disparities of up to 40% when comparing self-reported income to IRS reported income after deductions.[28] Adjusted Gross Income reported on individual tax returns may represent only a portion of a practitioner's total economic income. If the Department moves forward with relying on IRS-derived datasets for ascertaining the earnings of program completers, assessing earnings in years further out or over a longer period of time can mitigate the downward bias applied to business owners who have depressed earnings in early years.

We recommend the Department utilize a longer earnings observation window (6-10 years) or incorporate earnings trajectories, such as median peak earnings of graduates from the respective fields of study, instead of a single point-in-time estimate.

E. Incompatibility of Data Sources

The NPRM proposes relying on the integration of data sources that are not methodologically comparable, introducing additional bias and undermining the validity of the resulting analysis. Specifically, the framework would compare earnings derived from the ACS—a self-reported, survey-based dataset—with earnings data, as reported to the IRS. These data sources differ in fundamental ways that are well understood in the statistical and economic literature, yet the proposed methodology does not adequately account for these differences.

As discussed, the ACS data relies on self-reported income, which may reflect broader interpretations of earnings, and is subject to reporting variability, recall bias, and differences in how respondents classify income. In contrast, IRS data reflects tax-reported adjusted net income, which is systematically influenced by legally allowable deductions, business expenses, and other provisions within the tax code. Additionally, IRS-derived data does not control for relevant wage factors such as sex, employment structure, or geography. These differences are particularly pronounced for individuals who are self-employed or operate small businesses, where reported income may be reduced through legitimate and expected accounting practices that do not reflect actual economic productivity or earning capacity. In addition to the methodological concerns between data sources, the Department is proposing to compare the earnings of program completers, based on income reported to the IRS, four years post-graduate program completion to earnings from ACS 3-12 years post-undergraduate program completion.

The result is a comparison between datasets that capture materially different constructs of income. One reflects self-reported, often gross or less-adjusted earnings over a much longer time period, while the other reflects net,

---

[26] https://www.urban.org/sites/default/files/202411/How_Do_College_Graduates_Earnings_Change_over_Time.pdf
[27] *See also* our discussion of the "qualifying graduate concept," *supra* Note 4.
[28] U.S. Census Bureau, "CREAT - Census Bureau," Longitudinal Employer-Household Dynamics, accessed May 18, 2026, https://lehd.ces.census.gov/applications/creat/viewbytag?tags=183.

tax-optimized income after deductions at a set point-in-time. Treating these measures as equivalent violates basic principles of statistical comparability and introduces structural bias into the earnings premium calculation. This is not a marginal issue; it is a known and predictable distortion that disproportionately affects professions with higher rates of self-employment, including many healthcare fields.

From a methodological perspective, valid comparisons require that data be consistent in definition, collection, and interpretation. The use of mismatched data sources without appropriate normalization or adjustment fails to meet this standard. As a result, the framework risks producing conclusions that reflect artifacts of measurement rather than true differences in outcomes.

This issue is further compounded by the absence of transparency regarding how these data sources are harmonized, if at all. Without clear methodological justification or adjustment, the resulting analysis lacks the level of rigor expected for high-stakes, regulatory decision-making.

Under the APA, agency action must be based on reasoned decision-making and a rational connection between the evidence and the conclusions drawn. In *Motor Vehicle Manufacturers Association v. State Farm Mutual Automobile Insurance Co.*, the Supreme Court emphasized that an agency acts arbitrarily and capriciously when it relies on flawed assumptions or fails to account for important aspects of the problem. Here, the failure to reconcile fundamental differences between data sources—particularly where those differences are known and material—raises significant concerns regarding the reliability of the framework.

In practice, this incompatibility results in a systematic understatement of earnings for certain populations and a distortion of comparative outcomes across program types. For professions with practice-based or self-employment models, this effect is magnified, as tax-reported income reflects reinvestment and expense structures rather than gross earnings or long-term earning potential.

For a framework intended to evaluate program value and inform high-stakes decisions affecting institutional eligibility and student access, the use of non-comparable data sources is not a technical detail—it is a foundational flaw. Ensuring consistency and validity in data inputs is essential to producing outcomes that are both accurate and defensible.

We support the Department's goal of "keep[ing] data as comparable as possible between the earnings used for the program and the comparison group used for the earnings threshold[.]"[29] We urge the Department to adopt a final rule that reflects this goal.

e. Statistical Reliability and Sample Size Concerns

As described above, the proposed cohort construction would start with a single-year cohort and expand year-by-year until the cohort includes at least 30 completers. This is where sampling distributions begin to stabilize and is used as a minimum for reporting in other administrative data systems. However, earnings distributions have high variance and small sample sizes result in wide variability in the median, especially across multiple years. If the goal is to have a binary pass/fail metric that is confident in earnings predictability, a minimum of 50-100 observations is needed to reduce volatility, with 100 being a floor or lowest acceptable cohort size for "high-stakes" eligibility decisions.

As shown by the Department's own projections, very few programs at the six-digit CIP code level would meet the 30 completer minimum without applying cohort aggregation,[30] and even with five years of cohort data, a study

[29] 91 Fed. Reg. 21090.
[30] *See* U.S. Department of Education, Aggregating Cohorts for Small Programs (January 5, 2026) (pg. 8), *available at* https://www.ed.gov/media/document/2025-ahead-process-aggregating-small-programs-112930.pdf (showing that

completed by Urban Institute finds that only a small number of graduate programs meet the 30-completer minimum for the Earnings Premium test.[31] The study acknowledges that using the two-digit CIP code increases the number of programs that could be assessed but at a potential "cost of similarity in program content or in skills and knowledge developed." When there is high variability in responses and the results will be used in federal decision making, a minimum sample of 100 persons is necessary.

While we do not support this approach, if the Department insists on retroactive evaluation of programs based on past graduates, we recommend a minimum of 100 individuals for appropriate median earnings estimates, or aggregate multiple cohorts to reach the minimum of 100 individuals. The National Center for Education Statistics and other federal statistical agencies routinely suppress or flag estimates based on small cell sizes and emphasize the use of confidence intervals in reporting survey and administrative data to ensure reliability.

F. Regional and Locality Adjustments

We recognize and appreciate that the NPRM attempts to account for geographic variation through applying state-level earnings thresholds where available. At this level, however, substantial variation still exists due to vastly different labor markets within each state. Considerations for NDs, as well as for many other professions include urban versus rural practice settings, differing reimbursement environments, and urban versus rural economic structures.

Federal labor market data from the BLS demonstrate large differences in earnings within the same occupation across different states and metropolitan areas. Similarly, data from the U.S. Census Bureau show that income distributions vary significantly across geographic regions[32], even within the same occupational categories. Naturopathic physicians, many of whom work in low-income or underserved communities,[33] are particularly affected as payment models and reimbursement in these areas are typically lower than in wealthier metropolitan markets, despite strong patient demand and a significant health and economic benefit to the surrounding communities.

The proposed methodology as written makes the corresponding assumption that educational quality is dependent on where graduates end up working within a state, despite well-known large regional economic variation. To better assess earnings for both the program completers and Earnings Threshold, we recommend that the Department allow institutions to file for local earnings appeals.[34] The data necessary for local earnings appeals is already available to the Department. For example, the BLS regularly reports on occupation-specific wage data by metropolitan and non-metropolitan area, and other federal payment systems, such as Medicare, apply geographic adjustment factors to account for regional economic variation.

---

the Department's own projection data suggests that "91% of programs will need to be aggregated with prior cohorts.").

[31] https://www.urban.org/research/publication/measuring-program-level-outcomes-higher-education?utm_source=chatgpt.com

[32] https://www.census.gov/library/stories/2026/01/household-income-by-race-and-state.html

[33] Iva Lloyd, Sophia Gerontakos, and Valentina Cardozo, "Naturopathic Community Clinics: An International Cross-Sectional Survey," BMC Health Services Research 21 (2021): 815, https://pmc.ncbi.nlm.nih.gov/articles/PMC8364026/.

[34] We support the local earnings appeals concept as further described in Aaron Lacey's *Accountability Appeals* proposal, submitted to the AHEAD negotiated rulemaking committee, *available at* https://www.ed.gov/media/document/2025-ahead-2026-1-6-np-accountability-appeals-submitted-submitted-aaron-lacey-112961.pdf.

IV. FAILURE TO ACCOUNT FOR PART-TIME AND FLEXIBLE WORK ARRANGEMENTS (Proposed 34 CFR § 668.403)

As currently proposed, there is no distinction between part-time and full-time employment in the NPRM. Instead, earnings are the only factor being considered. The omission of an accounting for part-time work is particularly consequential for those in healthcare fields where practitioners may gradually scale up their practicing hours during early career stages or choose reduced-hour schedules due to practice model or other life commitments.

According to Pew Research, for highly educated women, it is common to delay starting a family until the woman is 30 or older.[35] As a result, if the Department is considering earnings during those years for professions with a majority female workforce, those earnings are likely depressed due to maternal care, postpartum recovery and familial responsibilities. Such professions include teachers, dental professionals, and medical assistants, which account for millions of Americans.[36] NDs, specifically, are more likely to be self-employed, female, and graduating in their early thirties.

These characteristics of the timing of entering the workforce in certain professions are in addition to the known wage disparity between men and women. A study by the Economic Policy Institute also found that part-time workers earn 29.3% less per hour worked than other workers with similar demographic characteristics and education levels.[37]

In light of the large disparities in hourly earnings between part-time and full-time workers, as well as between demographic groups, we recommend the Department adjust earnings to account for full-time equivalent status.

V. INCORPORATION OF COMPLEMENTARY OUTCOME MEASURES AND A REPAYMENT-BASED SAFE HARBOR

Incorporating repayment-based metrics – cohort default rates (CDR) – provides a comprehensive measurement of a program's value. CDR is a program-level metric defined over a fixed post-repayment window and is the regulatory standard used for evaluating institutional performance under Federal student aid regulations. This changes the focus from income to affordability and reflects real borrower outcomes. As the Department already uses CDRs and has previously used repayment rate metrics in former iterations of the Gainful Employment framework, including these metrics will add little burden on the Department. A repayment-capacity framework would more directly measure borrower success than earnings alone and would reduce bias against professions with lower initial earnings but sustainable long-term career paths.

Naturopathic programs may appear to have comparatively lower early-career earnings under the proposed methodology; however, this characterization does not reflect borrower outcomes. Graduates of naturopathic programs demonstrate strong repayment performance, as evidenced by low default rates often between 0-2%[38], and institutions offering these programs consistently report cohort default rates that are comparable to or lower than those of many large public universities.[39] This highlights that those graduating into the naturopathic profession are earning income sufficient to service their student loan debt, which protects both the taxpayer and the Department, while providing services in a sector that is facing increasing demand. Reducing the value of an educational program to the one-dimensional metric of program completer earnings is a distorted and overly restrictive perspective.

---

[35] https://www.pewresearch.org/short-reads/2015/01/15/for-most-highly-educated-women-motherhood-doesnt-start-until-the-30s/

[36] https://www.dol.gov/agencies/wb/data/occupations/largest-share-women-workers

[37] https://www.epi.org/publication/part-time-pay-penalty/

[38] https://nsldsfap.ed.gov/cdr-searchable-database/school/search

[39] https://collegescorecard.ed.gov/data/

We strongly urge the Department to formalize a supplemental accountability approach that utilizes a program's repayment history, as measured by CDR rates, as a safe harbor for eligibility. By establishing an approach where programs with consistently low CDR rates are deemed to meet accountability standards, the Department can more accurately identify successful student outcomes that point-in-time earnings data may obscure. While we acknowledge that the Department is bound by OB3 to implement the Earnings Premium metric, there is nothing in OB3 that would prevent the Department from also implementing this CDR-based safe harbor.

This alternative validation mechanism ensures that the regulatory framework remains focused on its primary goal – protecting students and taxpayers – while ensuring that programs are not adversely classified due to structural characteristics of earnings measurement that do not reflect long-term borrower outcomes.

VI. ACCELERATED IMPLEMENTATION AND MASTER CALENDAR WAIVER CREATE PROCEDURAL AND EQUITY RISKS

The Department's decision to waive the master calendar requirements and implement the rule on an expedited timeline—publishing the NPRM on April 20, 2026, with comments due May 20, 2026, and a targeted implementation date for certain provisions on July 1, 2026—raises serious concerns regarding procedural fairness and administrative feasibility.

This compressed timeline, including a 30-day comment period:

- Does not allow institutions sufficient time to assess, adapt, or implement changes
- Disproportionately burdens small entities, including all AANMC member institutions
- Undermines the Department's stated goal of thoughtful and equitable rulemaking
- Leaves an extremely brief window for the Department's review of public comments before publication of the final rule, which is wholly unreasonable and counter to the spirit and intent of the APA

The Department's proposed timeline is not realistic given the scope and complexity of this rulemaking. Importantly, the compressed timeframe does not reasonably allow for thorough review and consideration of substantive public comments, preparation of responses sufficient to satisfy the APA's requirements for reasoned decision-making, revisions to the regulatory text where warranted, completion of interagency review processes, and final publication in the Federal Register. An unusually brief interval between publishing a final rule and the close of the public comment period may support a finding that the agency did not engage in the reasoned decision-making required by *Motor Vehicle Manufacturers Ass'n v. State Farm*. It reduces a mandatory notice-and-comment function to a bureaucratic formality, signaling a predetermined regulatory posture that fails the basic tenets of administrative due process. Given the highly technical nature of the methodology, the breadth of impacted professions and institutions, and the substantial legal and economic implications of the proposal, additional time for review and deliberation is warranted.

AANMC and AANP respectfully urge the Department to allow itself appropriate time to consider the "written data, views, [and] arguments" presented in the public comments and to meaningfully "incorporate" those comments into the Final Rule, as required by the APA.[40] Given the complexity of the rulemaking, the breadth of impacted professions and institutions, and the substantial methodological and economic concerns raised, additional implementation time is warranted.

Accordingly, we urge the Department to:

[40] 5 U.S.C. § 553(c).

1. Acknowledge in the final rule and accompanying preamble that the current timeline does not reasonably allow for full consideration of substantive comments and necessary revisions prior to a July 1, 2026 implementation date for certain provisions;
2. Establish an effective date for Subpart Q and Subpart S no earlier than July 1, 2027;
3. Recognize that if publication of the final rule occurs after November 1, 2026, the Higher Education Act master calendar provisions under 20 U.S.C. § 1089(c)(1) would require an effective date no earlier than July 1, 2028; and
4. Provide a reasonable transition and phase-in period during which earnings metrics are released for informational and evaluative purposes only, without triggering immediate eligibility consequences or institutional sanctions, particularly for cohorts that enrolled or graduated prior to implementation of the final rule.

Recent confusion surrounding implementation of other federal loan policies demonstrates the risks of accelerated rulemaking without sufficient guidance or transition planning. The Department should adopt a more measured timeline to ensure clarity, compliance, fairness to small entities, and minimal disruption to students.

VII. LEGAL VULNERABILITIES

- **Failure to Consider Significant Evidence:** The APA requires agencies to demonstrate a rational connection between their policy choices and the facts found. Relying solely on earnings while ignoring significant evidence of strong loan repayment success—such as CDR rates of 0–2% in naturopathic and integrative health programs—raises concerns about the rational basis of the rule in its goal to protect taxpayers.
- **Methodological Bias against Self-Employed Models:** Utilizing an IRS data source for ascertaining the earnings of program completers, given the data source's known structural downward bias against small business owners, without any adjustments, risks an arbitrary and capricious finding under the APA.
- **Failure to Account for Gender and Life Trajectories:** Implementing a strict four-year measurement window without adjusting for full-time equivalent status captures earnings during a period when highly educated women frequently utilize flexible or part-time work arrangements. This raises concerns regarding a disparate impact on female-dominated healthcare professions.
- **Retroactive Cohort Expansion:** The cohort aggregation process, which aggregates up to 8 years of historical data, judges present-day program eligibility on obsolete data. This risks exceeding the statutory authority granted by OB3 by penalizing institutions for past macroeconomic conditions outside their control.
- **Misalignment of Professional Degree Benchmarks:** Comparing professional doctoral graduates in the early stages of clinical practice against an unequal benchmark group possessing 3 to 12 years of workforce experience relies on a mismatched benchmark that conflicts with OB3's intent for fair, comparable accountability metrics.
- **Constructive Control of Curriculum:** Establishing a metric that inadvertently favors high-revenue, institutionally-employed medical models over independent, prevention-focused care raises concerns about conflicting with the Department of Education Organization Act by constructively interfering in academic decisions.
- **Procedural Deficiency in Lack of Due Process:** A high-stakes accountability framework without a meaningful appeals process raises significant concerns regarding procedural fairness and administrative due process.

VIII. POLICY RECOMMENDATIONS

We respectfully encourage the Department to consider the following positive refinements to ensure the STATS framework is both methodologically sound and aligned with national workforce goals:

- **Incorporate Multi-Year Averaging:** We recommend that the Department adopt a multi-year averaging of earnings (e.g., 3–5 years) or an adjustment for self-employment dynamics, mirroring the methodology used for Social Security benefit calculations, to remedy the limitations in the administrative data.
- **Adjust Measurement Windows:** We urge the Department to utilize a longer earnings observation window, such as 6–10 years post-completion, or incorporate median peak earnings trajectories to reflect true professional earning potential accurately. Extended or multi-year earnings measurement approaches would better capture diverse income trajectories.
- **Account for Part-Time Work:** We recommend adjusting the earnings framework to reflect full-time equivalent status, acknowledging the substantial hourly earnings disparities between full-time and part-time workers.
- **Align Comparison Timeframes:** To make a more reasonable and direct comparison, the Department should compare post-program completion earnings to the exact same timeframe in the comparison cohort (e.g., comparing an Earnings Threshold group ages 22-25 against the median earnings of program completers four years post-program completion), and use longitudinal matching relative to baseline characteristics.
- **Increase Sample Size Minimums:** To reduce volatility and ensure statistical reliability for high-stakes eligibility decisions, we recommend establishing a minimum sample size floor of 100 individuals.
- **Incorporate a Gender Equity Correction multiplier:** The Department should apply a formulaic adjustment to the earnings threshold for professions with a significant concentration of female graduates to ensure that programs are not unfairly penalized for broader societal wage disparities that exist independently of educational quality.
- **Integrate Forward-Looking Labor Market Projections:** The Department should incorporate forward-looking workforce projections, similar to those utilized by the BLS and the HRSA, to supplement earnings data with demand projections in program evaluations.
- **Establish a CDR Rate-Based Safe Harbor:** We strongly encourage the Department to adopt a multi-metric framework that incorporates a CDR rate-based safe harbor. CDRs provide a direct, comprehensive measurement of a program's value and true borrower affordability, ensuring programs with demonstrated repayment success are not misclassified.
- **Implement a Robust Appeals Process or Supplemental Evaluation Pathway:** Educational institutions should have a mechanism to submit additional information to demonstrate the value of their programs when societal biases, career development trajectories, and self-employment realities are not otherwise adjusted for. Submissions can include, but are not limited to, information on graduate earnings collected by the institution, loan default rates, median graduate debt, societal value of clinical service, etc.
- **Exempt Pre-Rulemaking Cohorts from Eligibility Penalties:** The Department should apply this accountability framework strictly on a forward-looking basis, exempting all student cohorts admitted prior to the final publication of this rule. Forcing immediate programmatic consequences based on historical student populations violates basic principles of regulatory fairness and settled reliance interests.
- **Establish an Operational Phase-In Window:** The Department should utilize a multi-year transition architecture, publishing calculated earnings data strictly for transparency and institutional self-evaluation during the initial cycles. High-stakes penalties, such as the termination of federal aid access, should be deferred for a minimum of two collection cycles to allow for proper data synchronization and forward-looking institutional adjustments

We appreciate the opportunity to submit these comments and welcome further engagement to refine these important accountability measures.

Respectfully,

Association of Accredited Naturopathic Medical Colleges

American Association of Naturopathic Physicians