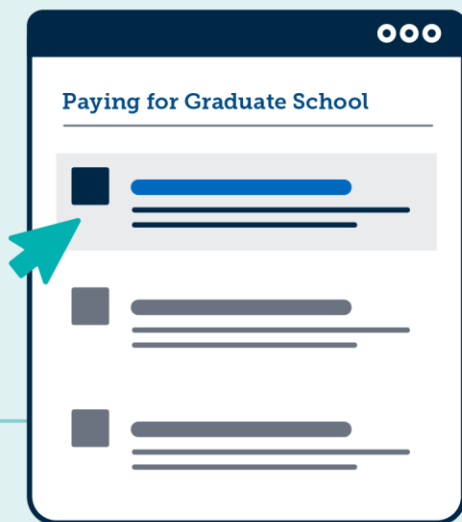




FINANCIAL AID OPTIMIZATION

The End of Grad PLUS

A Playbook for Protecting Graduate Enrollment and Revenue Amid Changing Federal Financial Aid Policy



A Structural Shift in Graduate Program Financing—and Enrollment



The Economics Behind Graduate Enrollment Decisions

Price is one of the most powerful levers in graduate enrollment strategy—and often the deciding factor for prospective students. Today's graduate students approach enrollment as a high-stakes investment decision, weighing tuition against potential salary returns and available financing options. Even programs with strong reputations and outcomes can lose prospective students when cost creates uncertainty or perceived risk.

For institutional leaders, that means pricing and financial aid are central drivers of demand, access, competitive positioning, and long-term net tuition revenue.



The End of Grad PLUS

The One Big Beautiful Bill, which was signed into law in July 2025, sent shock waves through higher education and an already cost-conscious market. Among the major changes introduced in the bill was the elimination of Grad PLUS loans. Since 2006, Grad PLUS loans have been a key source of federal financial aid for graduate and professional students. Postgraduate degree attainment doubled during the Grad PLUS era, and more than 440,000 students took out Grad PLUS loans in the 2023-24 academic year alone.

For colleges and universities, the end of Grad PLUS is both an access challenge and a major disruption to their enrollment and revenue models. Institutions that respond early with data-driven pricing and aid strategy will protect access, enrollment, and net tuition revenue. Institutions that do not respond risk additional enrollment volatility in an already challenging domestic market.

An Era of Extreme Cost Consciousness

#1

Cost is the top reason graduate students remove a program from their consideration set

45%

of prospective graduate students expect to use aid dollars to fund their education

62%

are not willing to spend over \$20,000 on graduate education annually

Using This Resource

This playbook is designed to help university leaders navigate the strategic implications of the end of Grad PLUS. The following pages provide practical frameworks for assessing institution exposure and enrollment risk, evaluating pricing and aid strategy options, developing an actionable response plan, and communicating effectively with prospective students.

Our financial aid and enrollment experts are available to discuss what these changes mean for your institution and how to build a financial aid strategy aligned to your enrollment and revenue goals. For more information, please contact LexRubyHowe@eab.com.

Sources: EAB Adult Learner Survey, 2025; US Census, Educational Attainment Data, 2021; Federal Student Aid Data, Higher Ed Dive, "What does the end of Grad PLUS loans mean for higher ed?," September 2025.

Understanding the Policy Shift and Its Financial Stakes

Which Students Are Most Impacted?

With the elimination of Grad PLUS loans, 51% of graduate borrowers are expected to be outside of the new federal loan limits—potentially impacting their ability to enroll in and successfully complete their program.

However, the end of Grad PLUS will not affect all students—or all institutions—equally. Borrowing patterns vary widely by program type, tuition level, and student profile. Student borrowers with lower credit scores, for whom private lending may not be equally available, will be most impacted. Rates on the private loan market can be as high as 18% depending on a student's credit score.

Institutions with higher tuition price points and greater reliance on loan-dependent students may face more significant enrollment disruption than peers. But no institution will operate in isolation from these shifts. The end of Grad PLUS adds new competitive pressure to a domestic market already constrained by softening international enrollment, demographic decline, and shrinking resources.

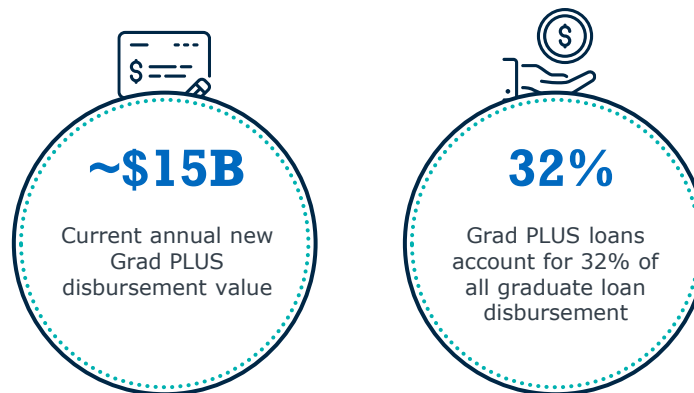
1) Professional degree programs recognized under the current federal designation include advanced credentials that prepare students for direct entry and professional practice in licensed and regulated fields. These include medicine, dentistry, pharmacy, law, veterinary medicine, optometry, podiatric medicine, chiropractic, clinical psychology, and theology/ministry programs.

Fast Facts About the End of Grad Plus

Impacts on Students



Impacts on Higher Ed Institutions



Source: NASFAA, "Big Changes to Federal Student Loans: What Graduate Students Need to Know," 2026; Bankrate, "Student loan interest rates in March 2026," 2026; IPEDS.

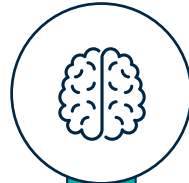
Student Education and Communication

Getting Ahead of Student Concerns

While the end of Grad PLUS has been a major topic of conversation for higher education leaders, many prospective students are unfamiliar with the forthcoming loan changes. In this price-sensitive environment, uncertainty about cost and affordability can delay applications, stall enrollments, or drive students to consider alternative options.

Institutions that provide straightforward guidance on timelines, eligibility timelines, and financing options can reduce student confusion and minimize melt. The sample email campaign to the right illustrates one way to educate prospective students (inquiries) about the impacts of Grad PLUS.

Sample Email Campaign About Federal Student Loan Changes



1 Week After Inquiry

Thinking About Grad School? Here's Why Timing Matters



2 Weeks After Inquiry

Grandfathering into Grad Plus: Why Disbursement Before July 1 Matters



3 Weeks After Inquiry

Funding Your Degree Without Grad Plus: Building Your Plan



4 Weeks After Inquiry

FAQ: Six Quick Answers About Changes to Federal Student Loans

Clearly and concisely summarize changes to loan opportunities in terms familiar to students. Where possible, encourage students to enroll prior to July 1; students who borrow federal graduate loans before July 1 may keep access to current borrowing structures for a limited legacy period.

Questions to Address in an FAQ

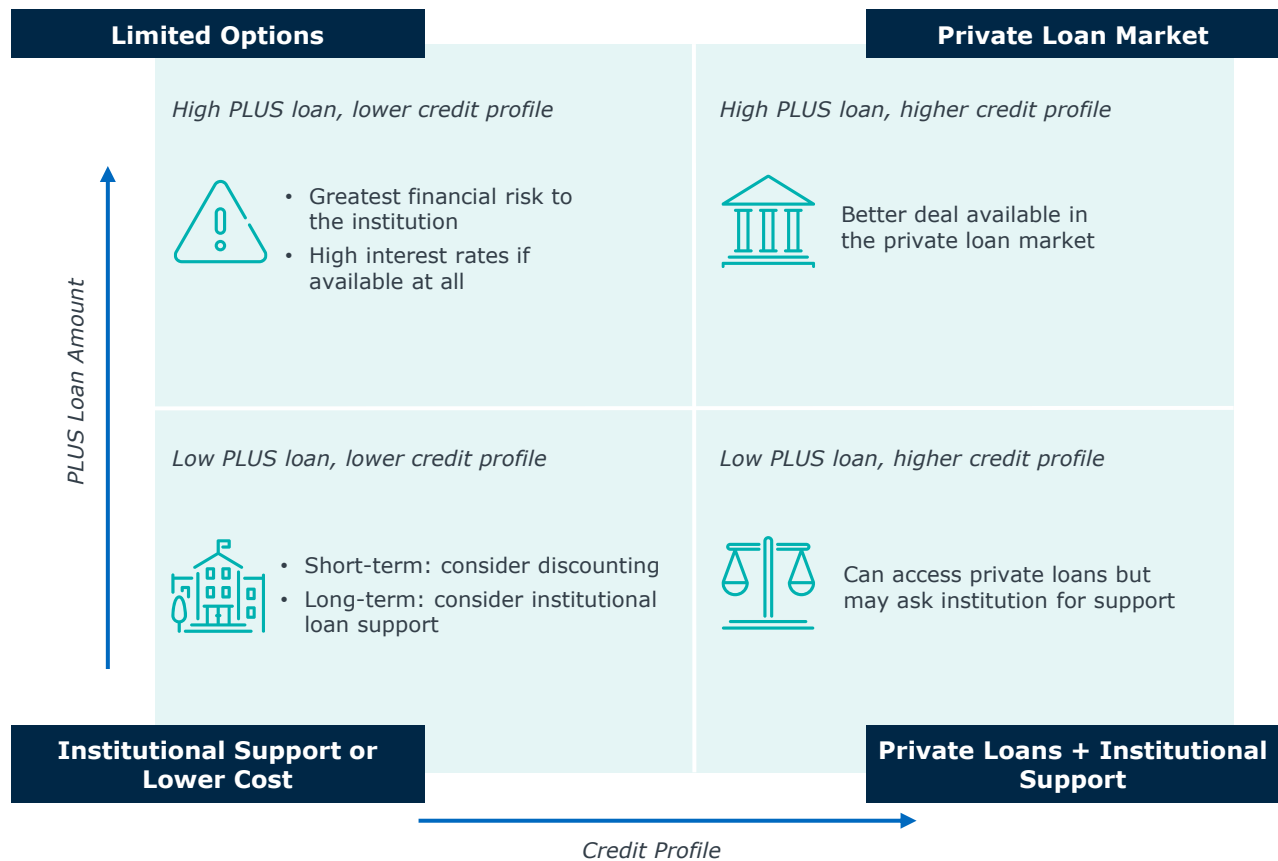
- ▶ Is Grad PLUS going away?
- ▶ What does the end of Grad PLUS mean?
- ▶ Which programs are considered professional programs?
- ▶ What does "grandfathered" (legacy) mean?
- ▶ Do I need to be enrolled or do funds actually need to be disbursed before July 1?
- ▶ What if I can't start before July 1?

Diagnosing the Risk to Your Institution

Map Institutional Exposure Before It Impacts Revenue

Graduate programs differ widely in cost and borrowing patterns, as well as related student financial need.

Use the grid to the right to determine which students would benefit from exploring the private loan market and which will likely need institutional support. This can be a useful first step in analyzing your institution's risk. However, a more in-depth risk assessment can surface program-level exposure, enrollment elasticity under new borrowing limits, and potential enrollment and net tuition revenue impacts.



“While private loan providers can fill gaps created by federal limits, **private offerings may nevertheless deter students**, as private loans will likely be offered with less favorable rates and limited flexibility compared to what was available under federal programs.”

- *Fitch Ratings*



Identify Your Most At-Risk Students and Programs

EAB's financial aid experts conduct granular risk analyses that incorporate PLUS loan distribution, access to private education loans, and publicly available program pricing data. This deeper modeling helps university leaders quantify potential enrollment and net tuition revenue impacts and identify where targeted aid or pricing adjustments can mitigate risk.

Benchmarking Your Market Position

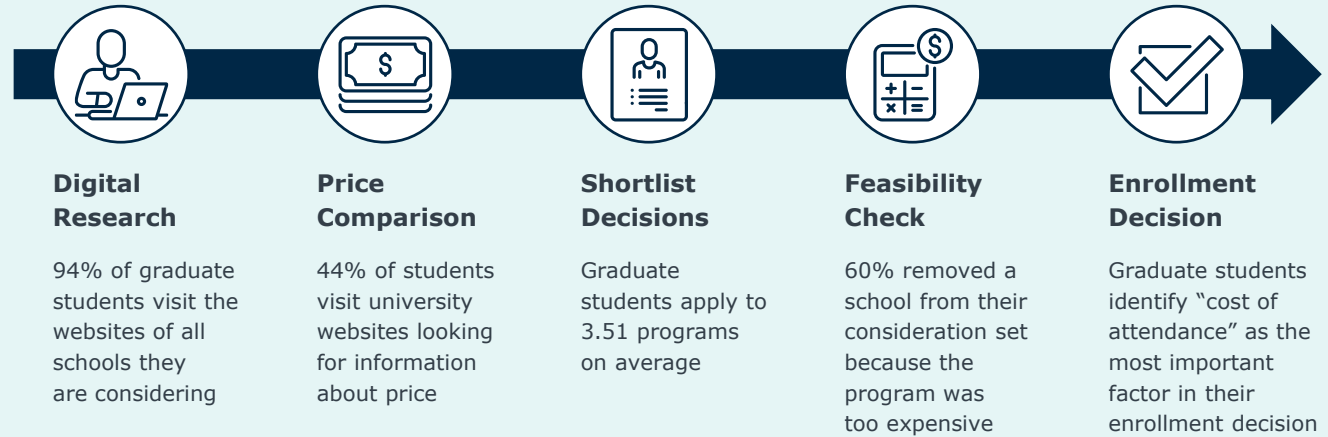
Students Are Benchmarking Your Pricing—Are You?

Our annual survey of prospective graduate students continues to show that students' enrollment decisions most often hinge on cost of attendance. Students identify cost as the single most important factor when selecting a program, above program accreditation, quality, and outcomes. Further, 60% of students said they removed a program or school from their consideration list because the cost of attendance was too high.

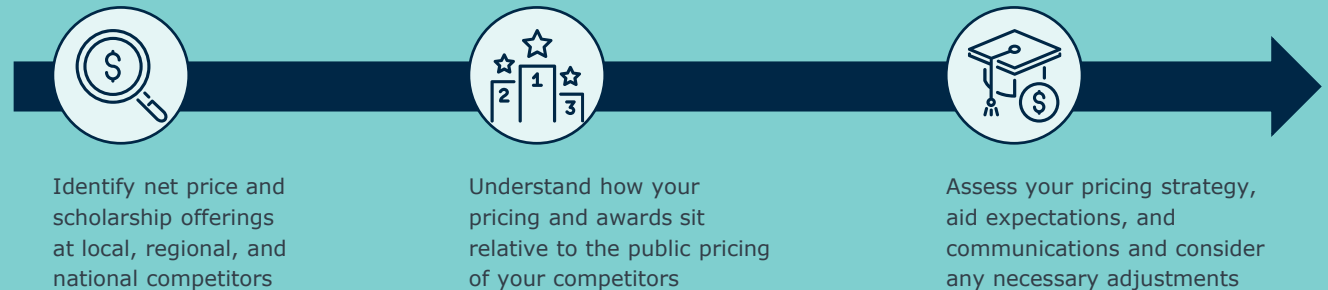
Assessing the risk that the end of Grad PLUS poses to your program or institution cannot happen in a vacuum because students do not shop for programs in a vacuum. Rather, they are actively comparing tuition, fees, and scholarship opportunities via search engines, AI search, and program landing pages.

[Explore the full survey findings](#)

How Students Are Shopping for Graduate Programs



Compare Tuition, Fees, and Scholarships to Account for the Ways Students Shop



Source: EAB Adult Learner Survey of 8,000+ prospective and current graduate and professional students, 2025.

Designing a Pricing and Aid Strategy to Best Meet Your Goals

Use Historical Data to Inform a Strategic Aid Policy

Some institutions do not have longstanding, robust scholarship programs for graduate students as they do for undergraduates. However, even just one year of historical data can provide useful insight into admitted and enrolled student trends to inform future aid policy.

The guidance to the right outlines key questions institutions should consider when evaluating past enrollment trends, award responsiveness, and competitive positioning. These insights help translate historical data into forward-looking scholarship and pricing strategy.

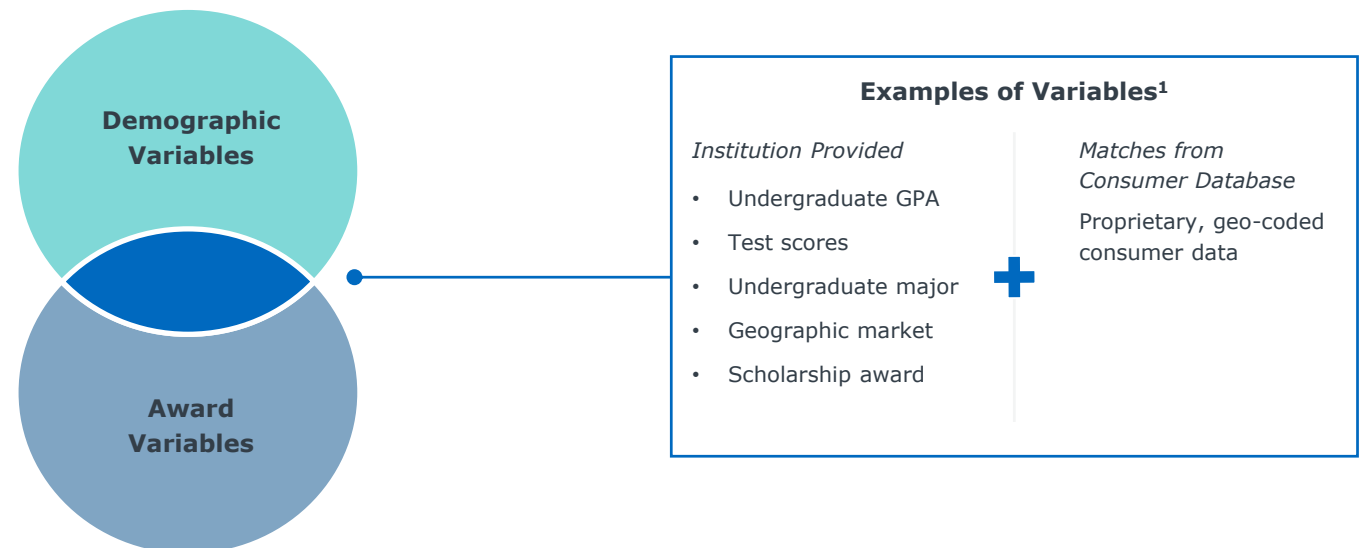
Conduct a Multi-Year Analysis of Admitted and Enrolled Student Pools

Key Questions to Consider



- ▶ What trends do you see in your admitted and enrolled student pool last year—and how do those trends compare to previous years?
- ▶ How has yield behavior in your admit pool changed? How did students respond to aid offers?
- ▶ How has competition for admitted students changed in recent years?
- ▶ If there has been a less organized aid policy or process previously, where might you want a more structured approach?
- ▶ How do your competitors' public pricing stances compare to yours?

Use Demographic and Award Variables to Construct an Aid Model



1) Variables will be different based on program type

Monitoring and Adjusting in Real Time

Building an Agile Aid Strategy

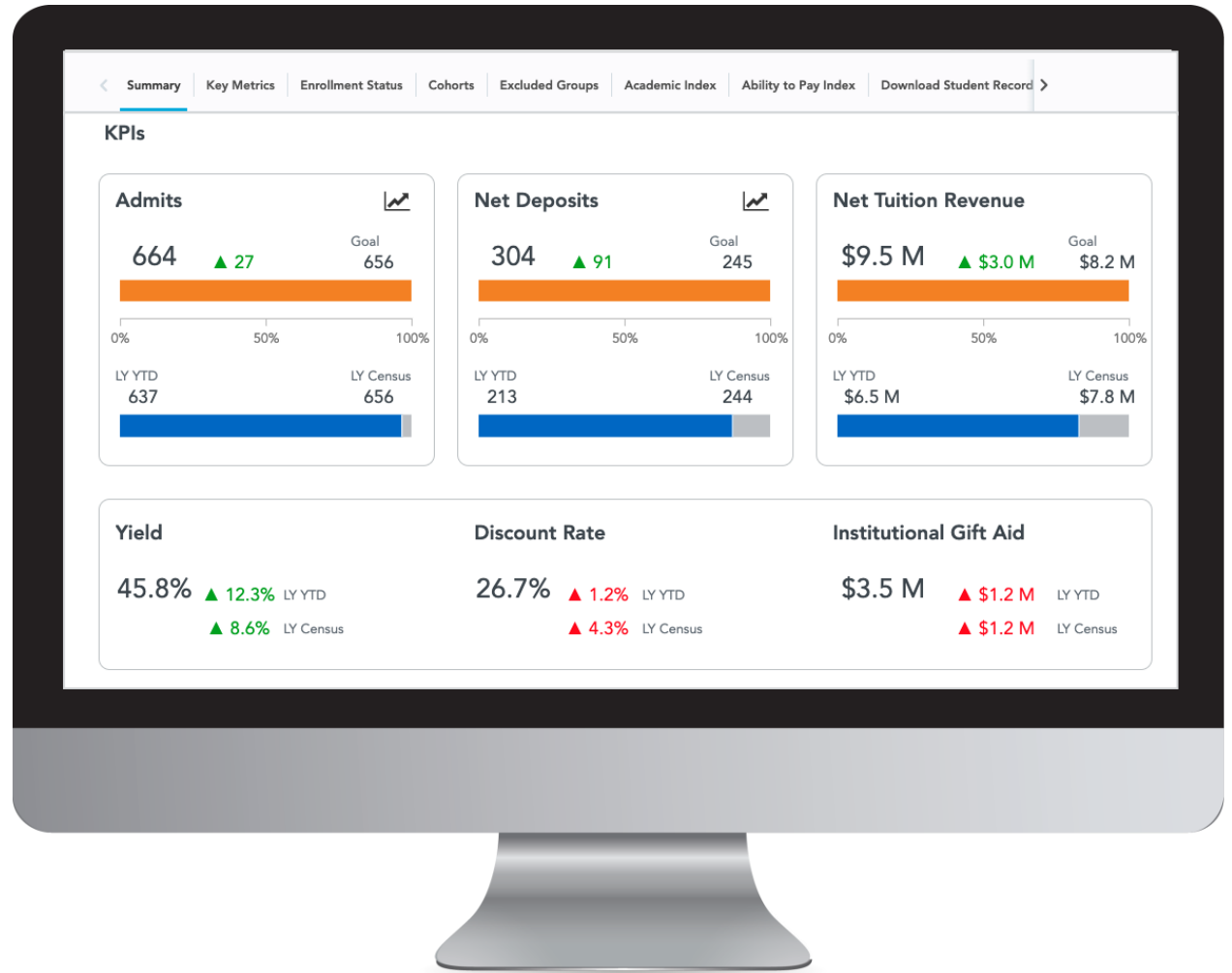
Pricing and aid strategy in this volatile market can't be static. As students and institutions alike adapt to the end of Grad PLUS, enrollment teams must be nimble and prepared to adjust their aid and scholarship strategies based on historical analysis and regularly updated enrollment data.

Track metrics such as funnel conversion, admits, deposits, yield, discount rate, and net tuition revenue. Updated data on your enrollment funnel, net tuition revenue, and yield performance will enable your team to make mid-cycle adjustments to your aid policy as needed.

Real-Time Analytics and Expert Guidance

EAB partners have access to our **Financial Aid Analytics Dashboard**, which provides 24/7 visibility and reporting on all key performance indicators relevant to your financial aid strategy. Each partner also has ongoing access to a dedicated Financial Aid Consultant to help navigate changes to your aid policy at any point in the cycle.

EAB Financial Analytics Dashboard



Financial Aid Optimization for Graduate and Professional Programs

We Combine Expert Consultation, Technology, and Data to...



Assess Institutional Risk

Pinpoint at-risk programs and students before revenue is impacted



Benchmark Your Market Position

Understand peer pricing to compete with confidence



Build a Smarter Aid Model

Allocate aid dollars where they will have the greatest impact



Optimize Pricing and Aid Strategy

Protect enrollment, financial sustainability, and your brand



Monitor and Adjust in Real Time

Stay ahead of market shifts

The Trusted Partner in Financial Aid Optimization

250+

Financial Aid Optimization partners, including 40+ graduate and professional schools

100+

Combined years of on-campus financial aid optimization project experience

100%

of principals and senior consulting staff have on-campus, practitioner experience



To learn more about how EAB can help your institution navigate the end of Grad PLUS and protect graduate enrollment and revenue, please visit eab.com or email LexRubyHowe@eab.com.



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ABOUT EAB

At EAB, our mission is to make education smarter and our communities stronger. We work with more than 2,800 institutions to drive transformative change through data-driven insights and best-in-class capabilities. From kindergarten to college to career, EAB partners with leaders and practitioners to accelerate progress and drive results across enrollment, student success, institutional strategy, data analytics, and advancement. We work with each partner differently, tailoring our portfolio of research, technology, and marketing and enrollment solutions to meet the unique needs of every leadership team, as well as the students and employees they serve. Learn more at eab.com.