American Occupational Therapy Association

Higher Education National Trends & Strategic Issues



Neil Harvison, PhD, OTR, FNAP, FAOTA
October 21, 2026

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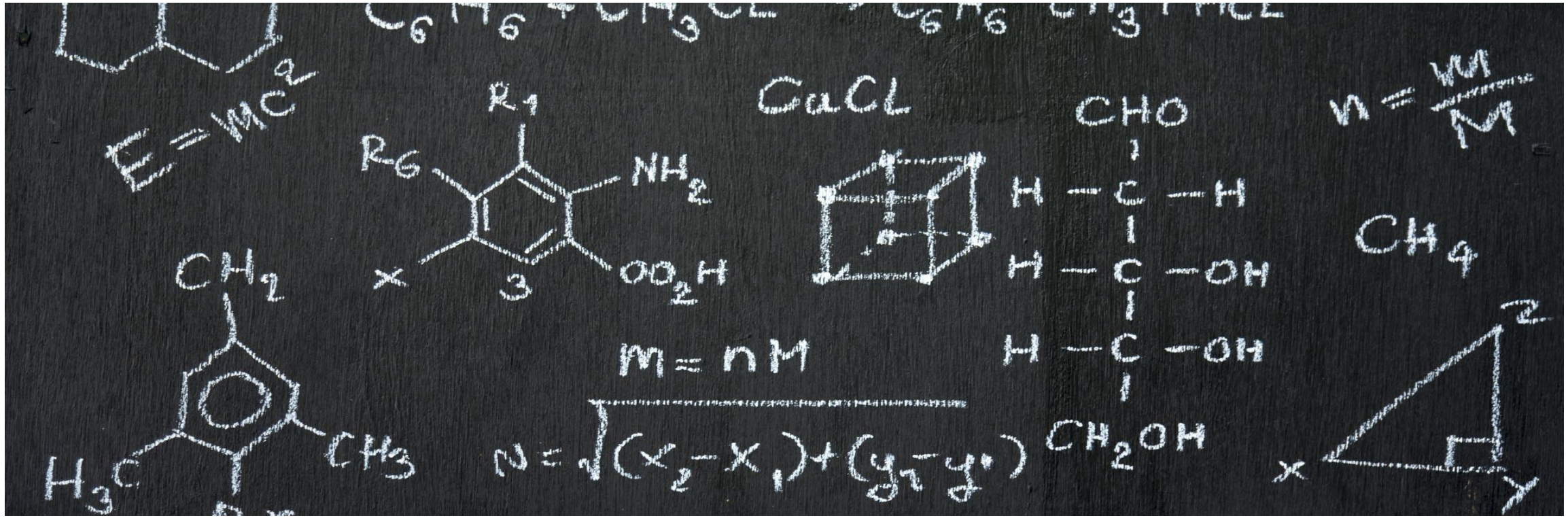
Objective:

Provide an **update** on the national trends reshaping higher education and examine their implications for occupational therapy education and the impact on long-term sustainability of OT and OTA programs.



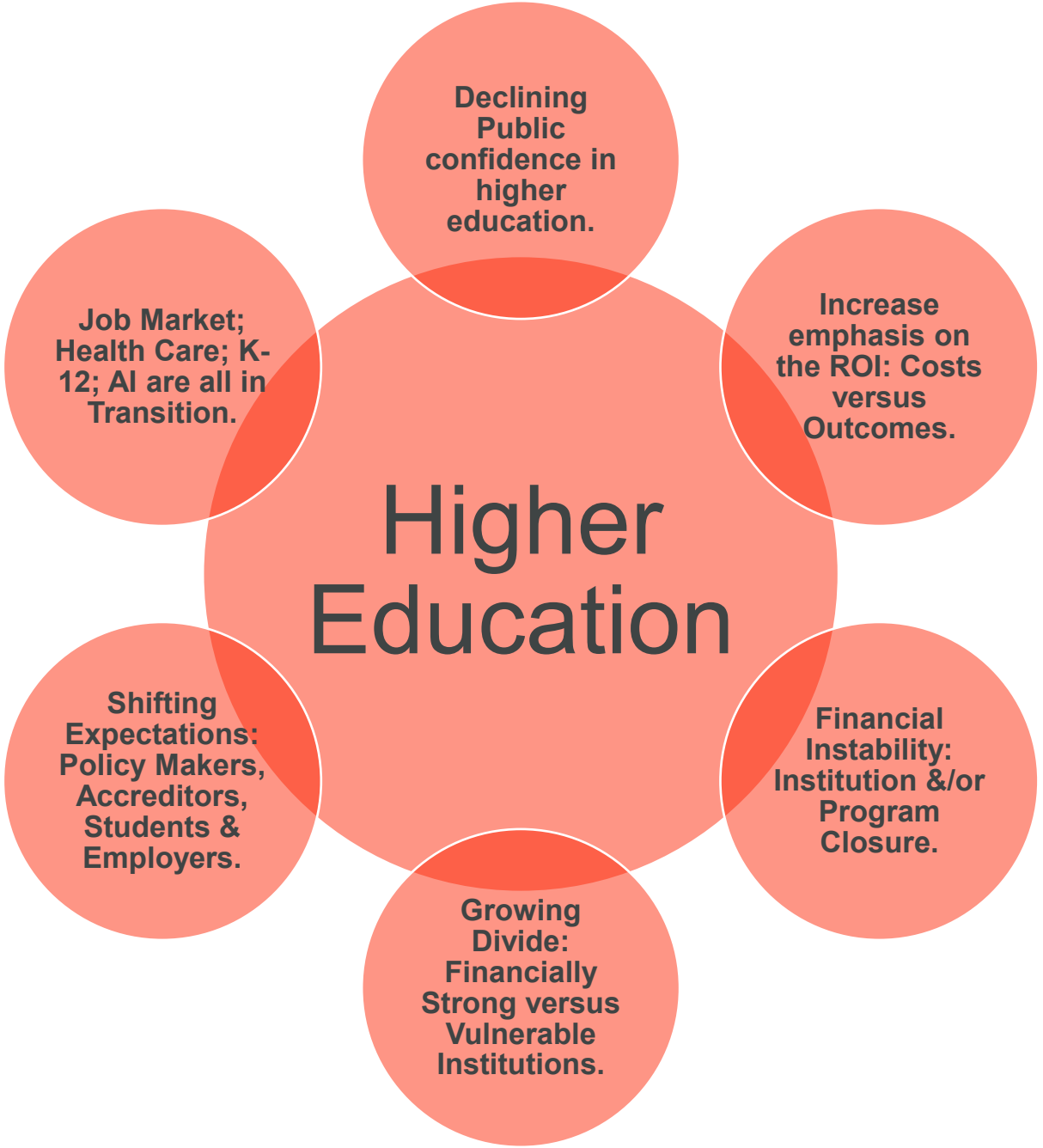
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Enrollments are key but the traditional higher education business model is facing structural pressures that extend beyond short-term enrollment fluctuations.



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In addition to enrollment, we need to monitor the other structural pressures impacting higher education.

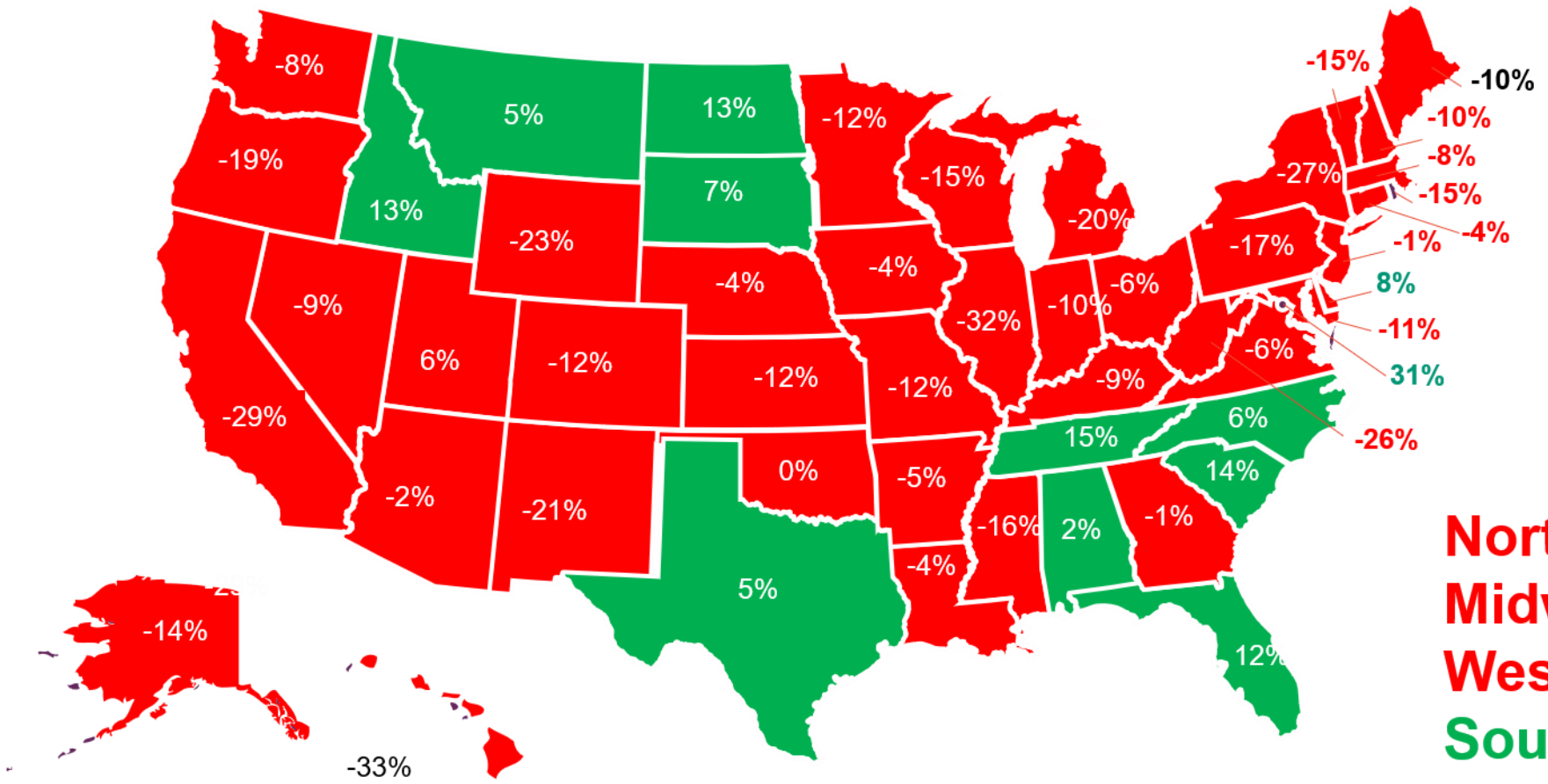


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Enrollment Updates

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-13% Projected Decline in College Enrollment 2023-2041

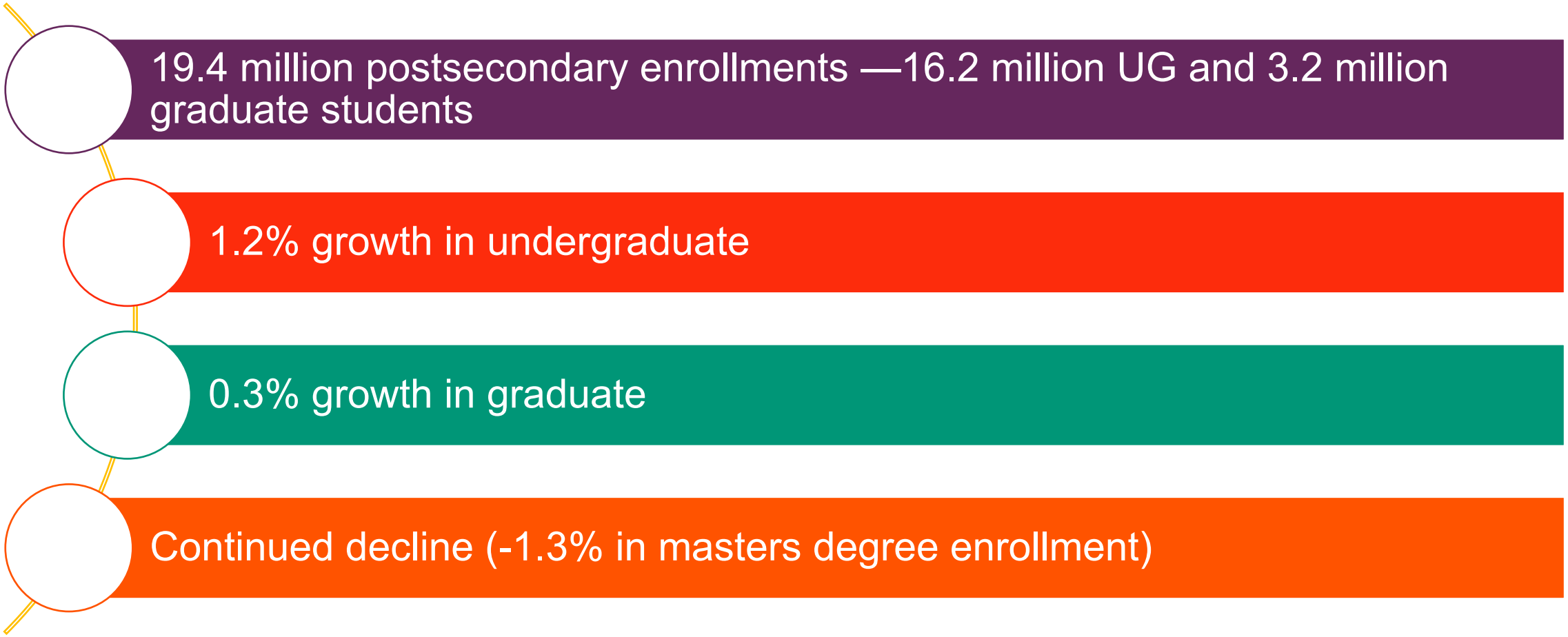


Northeast -17%
Midwest -16%
West -20%
South 3%

Source: Lane, P., Falkenstern, C., & Bransberger, P. (2024). Knocking at the College Door: Projections of High School Graduates. Western Interstate Commission for Higher Education. https://www. wiche.edu/knocking.

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Final Numbers Fall 2025



Retrieved 10/17/26: https://nscresearchcenter.org/final-fall-enrollment-trends/

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Undergraduate

3%

Growth

Community Colleges

1.4%

Growth

4- Year Public Institutions

-1.6%

Decline

4- Year Private Non-Profit

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Retrieved 10/17/26: https://nscresearchcenter.org/final-fall-enrollment-trends/

Graduate

0.7%

Growth

Private for-profit

0.4%

Growth

Public Institutions

-0.9%

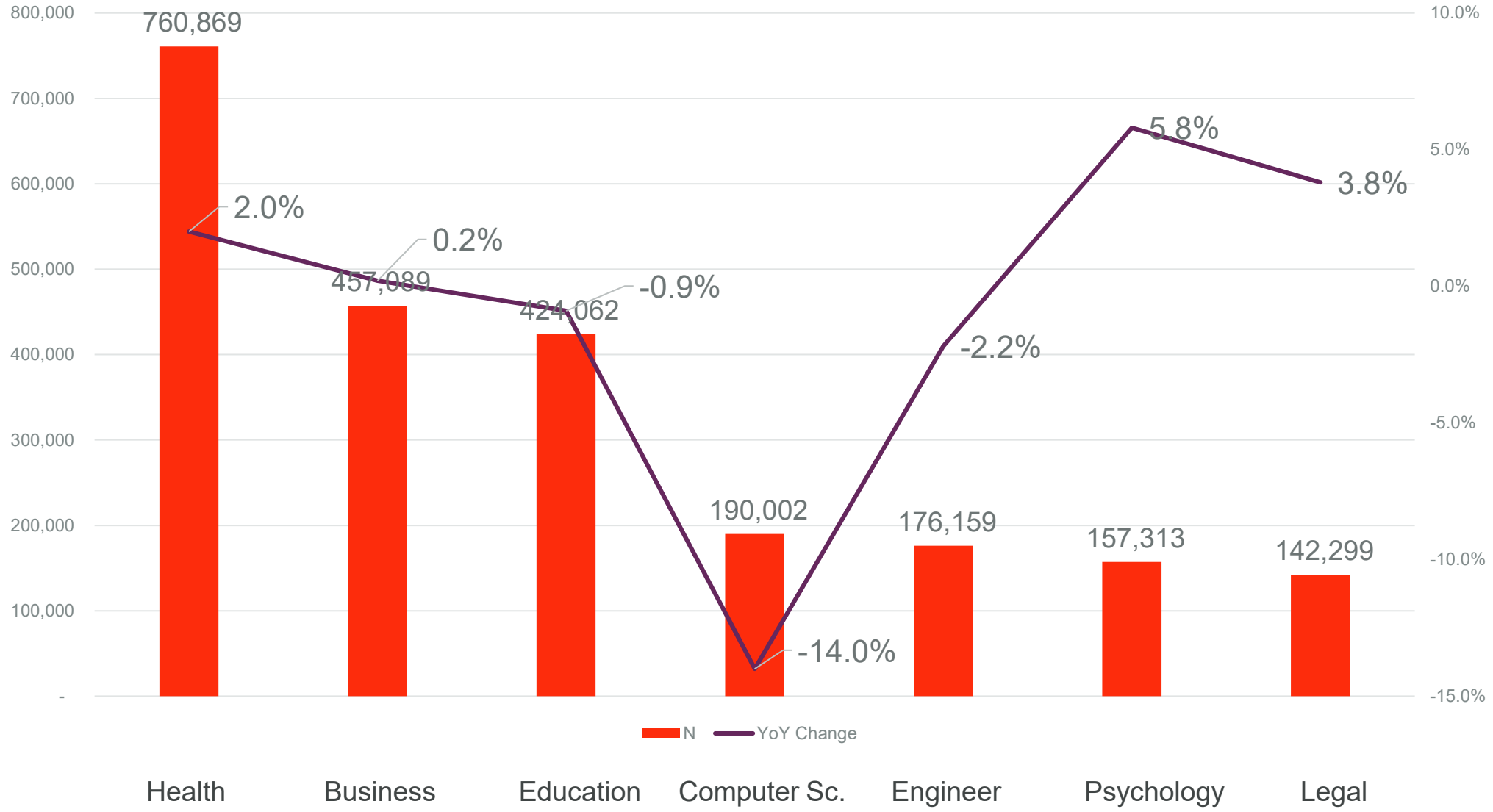
Decline

Private Non-Profit

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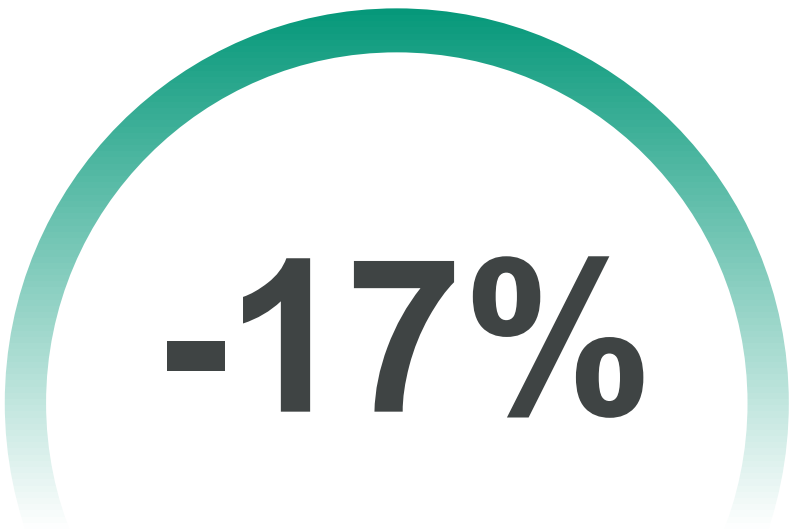
Graduate Students



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Retrieved 10/17/26: https://nscresearchcenter.org/final-fall-enrollment-trends/

17% Decline in International Students in 2025-26



New international student enrollment declined in the fall semester of 2025.

Source: https://www.iie.org/publications/fall-2025-snapshot-on-international-student-enrollment/

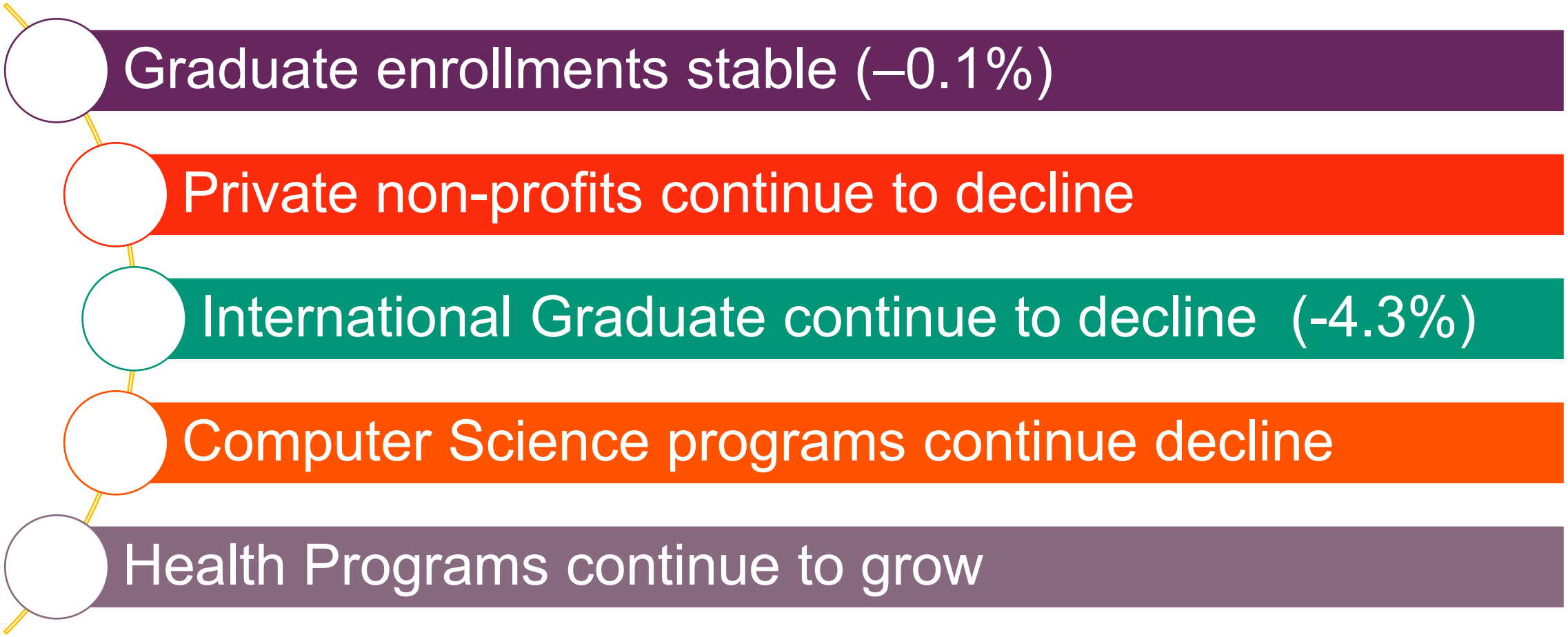


International students contributed to US economy in AY 24-25.

Source: https://www.nafsa.org/about/about-nafsa/international-students-contributed-43-billion-us-economy-2024-2025-fall-2025

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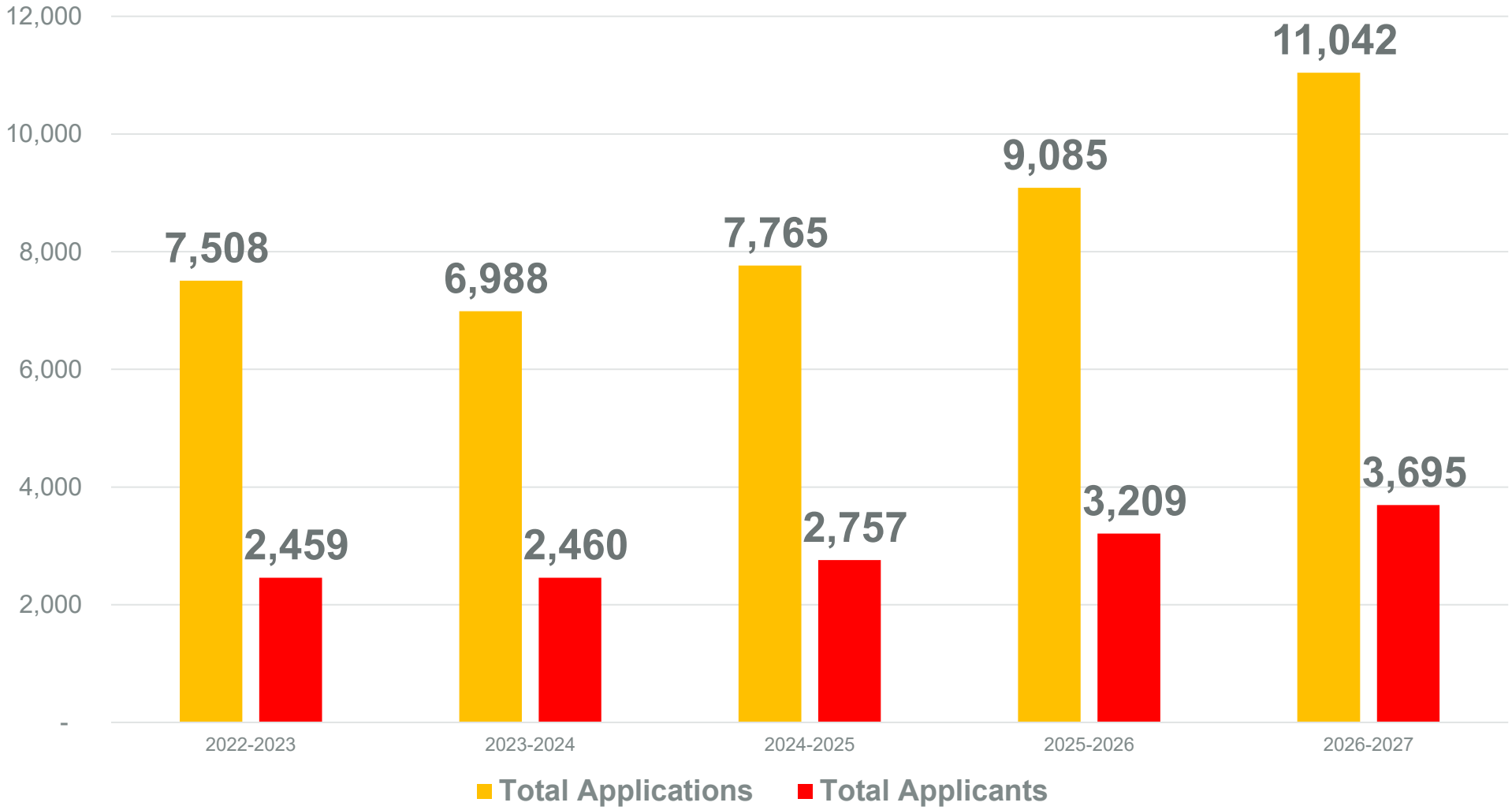
Spring 2026 draft numbers



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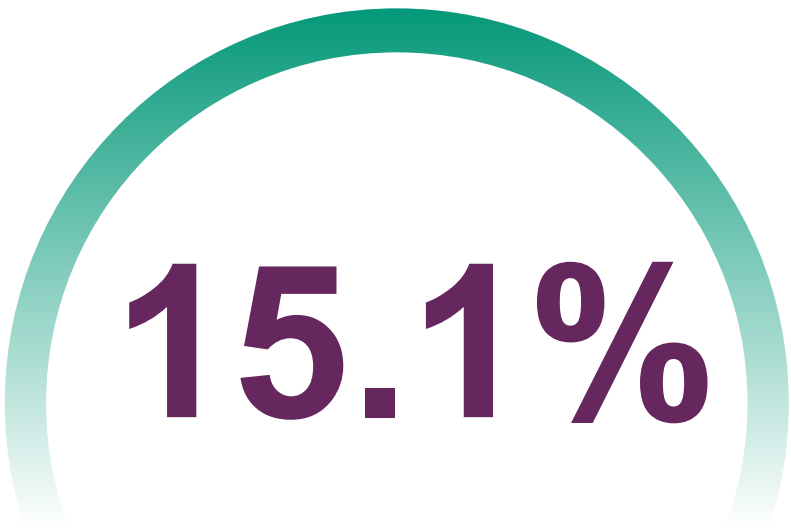
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OTCAS as of September 2026



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Applicants:



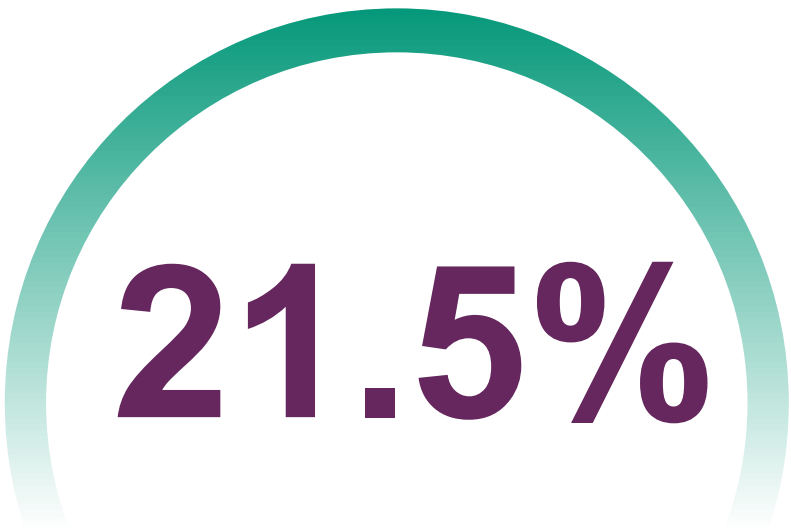
Growth when compared to last year



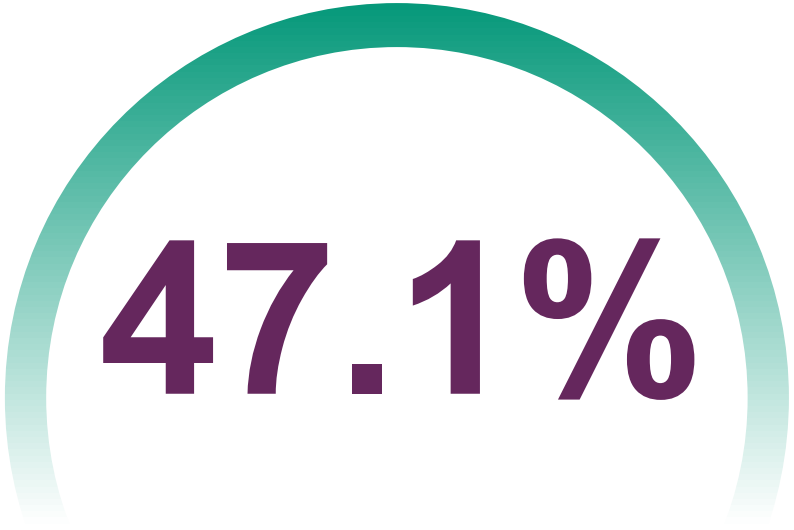
Growth over the last 5 years

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Applications:



Growth when compared to last year



Growth over the last 5 years

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Loans and Affordability

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Graduate & Professional Loans Programs

Grad PLUS became unavailable to new graduate and professional borrowers for enrollment periods beginning on or after **July 1, 2026**.

The annual limits on the new programs **$20,500 for graduate students and $50,000 for professional students**, with separate aggregate limits.

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Coalition of Higher Education Assistance Organizations

The elimination of Grad PLUS borrowing for new borrowers and new annual and aggregate loan limits **shift more financing risk** to **students, families, private credit markets, employers, and institutions**.

Patient facing healthcare professions is the largest and most policy-relevant exposure cluster, reflecting a mismatch between clinical workforce preparation and federal loan-limit categories.

Private-market capacity may grow, but replacement financing will be credit-screened and may depend on borrower or cosigner strength. .

https://coheao.org/mapping-the-gap

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Coalition of Higher Education Assistance Organizations www.COHEAO.org

	Est. Gap based on recent loan data
Total exposure	Approx $8.7B
Patient Facing Healthcare Professions	$6.09B
Affected borrowers	378,241
High brand institutions exposure	$3.03B
Small private non -profits	$1.93B

Mapping the Gap:

The New Graduate and Professional Loan Caps & The Uneven Exposure Across Higher Education. https://coheao.org/mapping-the-gap

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Legal Challenge to “Professional Definition”

May 1, 2026

Final Rule created new graduate and professional loan programs effective July 1, 2026. Occupational Therapy listed as a “graduate” degree.

June 24, 2026

District court stay- paused part of the department’s definition of a professional degree.

June 29, 2026

Department guidance: **Temporarily** moved specified programs to higher professional level – includes OT.

October, 2026

Department Guidance is still in place.



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Impact of the Court Ruling & Resulting Department Guidance

$8.07B
Published Rule case

$7.22B
Current case under Court ruling

$1.48B Shift between cases

https://coheao.org/mapping-the-gap

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Five fields account for approximately 99% of the national change ($1.4B) resulting from the Department guidance.

	Published Rule	Current Guidance	Reduction	Change
Advanced nursing	$600.9M	$157.8M	$443.1M	74%
Physician Asst.	$601.8M	$211.0M	$390.8M	65%
Physical Therapy	$533.0M	$154.7M	$378.3M	71%
Occupational Therapy	$255.1M	$68.3M	$186.8M	73%
Speech Language Path	$75.7M	$18.3M	$57.4M	76%

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How institutions are approaching the court decision…

Published-Rule Case – limit to $20,500

Shows exposure under the May final rule. It also reflects the cautious choice to keep temporarily reclassified programs at the lower graduate limit while the court case continues.

Interim Professional-Treatment Case

Applies the Department's current temporary professional treatment to qualifying degrees. Remaining borrowing is then tested against the $50,000 professional annual limit.

https://coheao.org/mapping-the-gap

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Pell Grants



Fully funded for AY 2026-2027 and were not touched when graduate funding was cut.



Included $10.5 Billion under the One Big Beautiful Bill Act (OBBBA).



Expanded this year to include Workforce Pell Grants – programs can be as short as 8 weeks.



However, a major projected shortfall threatens the program's viability.

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Pell Grants

The Pell Grant program faces a cumulative 10-year shortfall exceeding $100 billion, according to the Congressional Budget Office's (CBO) February 2026 baseline.

It is estimated that the program would need approximately $16–17 billion to address its shortfall through FY2027

Without Congressional intervention, students may not receive their full Pell award amounts starting in the 2028-2029 school year.

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Regulation and Policy

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Current Higher Education Priorities:

1. Student Financing

- **Graduate:** Federal student loan changes enacted in 2025 …..Will OT ultimately be eligible for the “professional” versus “graduate” limits.
- **Undergraduate**: The Pell Grant program's reserves have been exhausted.. Congress faces difficult choices about funding levels, eligibility, and the program's long-term sustainability.



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Current Priorities:

2. Health Workforce Funding

- Congressional appropriations affect federal investments in workforce training, clinical education, rural health workforce development, and related initiatives.
- A current appropriations Bill that passed the house but is stalled in the Senate includes:
  - **Federal Work-Study is cut by 26%** down to $900 million.
  - **Supplemental Educational Opportunity Grant (SEOG) is cut by 40%** down to $500 million.
  - Research & Education Sciences: The **Institute of Education Sciences (IES) faces a steep cut of roughly 37.5%** (down to about $493.5 million).

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Current Priorities:

3. Research Funding:

- Decisions affecting NIH, NSF, and other federal research investments, including indirect cost reimbursement.
- Policies affect research universities' ability to support faculty research, doctoral training, and research infrastructure.
- **NIH**: The House committee proposal maintains funding close to FY2026 levels.
- **NSF**: The House committee proposal would reduce funding by approximately 20%.
- Both agencies: Final FY2027 funding remains unresolved, and the post-election congressional negotiations will be important.
- Plus the policies capping in directs ….

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Accreditation

The U.S. Department of Education's **Accreditation, Innovation, and Modernization (AIM)** rulemaking proposes significant changes to the federal recognition framework for accrediting agencies.

The draft regulations were released for comment with a final implementation date of July 1, 2027.

The Department through the AIM recommendations wants to "reenvision America's postsecondary quality assurance system." It outlines 5 primary aims:

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Department's stated aim	What it means in the proposed rule	Impact
Simplify recognition of emerging and existing accreditors	Drops the "two-year rule," speeds up recognition reviews and makes it easier for institutions to switch accreditors.	A number of new accreditors have emerged e.g. Commission for Public Higher Education was created by the following state systems: • Florida • Texas • Georgia • North Carolina • South Carolina • Tennessee

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Department's stated aim	What it means in the proposed rule	Potential Impact
Promote a better return on investment for students	Program-level outcome standards, including completion, licensure results, employment and economic return relative to cost.	This data has been historically very difficult to source, and it forces the accreditor to police ROI. Some critics question if this is outside of the accreditors scope- to ensure the “quality” of the program.

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Department's stated aim	What it means in the proposed rule	Potential Impact
Eliminate standards or policies that discriminate on the basis of immutable characteristics	Accreditors may not require practices that violate federal or state law on race, color, national origin or sex, and decisions must be viewpoint-neutral.	Force accreditors to remove all standards related to DEI, social injustice et.

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Department's stated aim	What it means in the proposed rule	Potential Impact
Promote academic freedom, intellectual diversity and research integrity.	Institutions need free-inquiry and intellectual-diversity policies, climate measures and research-integrity policies	Requirement in standards

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Department's stated aim	What it means in the proposed rule	Potential Impact
Safeguard against undue influence from private trade associations	The programmatic accreditor needs to be fully separate and independent from any professional association. Establishing a separate accreditation staff . Maintaining separate information technology and records systems. Securing office space outside the association's building. Replacing shared accounting, payroll, and human resources services. Establishing separate contractual arrangements for services.	Potential conflicts with articles of incorporation and increased costs.

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July 2026- following agencies withdrew

- **Midwifery Education Accreditation Council (MEAC):…..** described the federal recognition process as increasingly political and unpredictable and concluded that withdrawal would allow it greater control over its accreditation mission and processes.
- **Council on Education for Public Health (CEPH):** noted that most links to federal funding had been eliminated and no longer warranted the high cost and loss of independence associated with recognition.
- **Council on Chiropractic Education (CCE):** decided that the burdens of increasingly prescriptive federal recognition requirements outweighed the limited benefits.

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Accreditation Commission for Audiology Education (ACAE)
Accreditation Review Commission on Education for the Physician Assistant (ARC-PA)
Association for Behavior Analysis International Accreditation Board (ABAI)
Commission on Accreditation for Health Informatics and Information Management Education (CAHIIM)
Commission on Accreditation for Respiratory Care (CoARC)
Commission on Accreditation of Athletic Training Education (CAATE)
Commission on Accreditation of Medical Physics Education Programs (CAMPEP)
Council for Accreditation of Counseling and Related Educational Programs (CACREP)

Masters in Psychology and Counseling Accreditation Council (MPCAC)
National Association of School Psychologists (NASP)
Commission on Accreditation of Allied Health Education Programs (CAAHEP)
Commission on Accreditation for Marriage and Family Therapy Education (COAMFTE)
Commission on Opticianry Accreditation (COA)
Council on Social Work Education (CSWE)
National Accrediting Agency for Clinical Laboratory Sciences (NAACLS)
Joint Review Committee on Educational Programs in Nuclear Medicine Technology (JRCNMT)
Midwifery Education Accreditation Council (MEAC)
Council on Education for Public Health (CEPH)
Council on Chiropractic Education (CCE)

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Student Tuition and Transparency System (STATS) and Earnings Accountability Rule.

January 2026

Negotiated rulemaking committee reaches consensus

April 20, 2026

Proposed rule published

July 1, 2026

Final regulation published

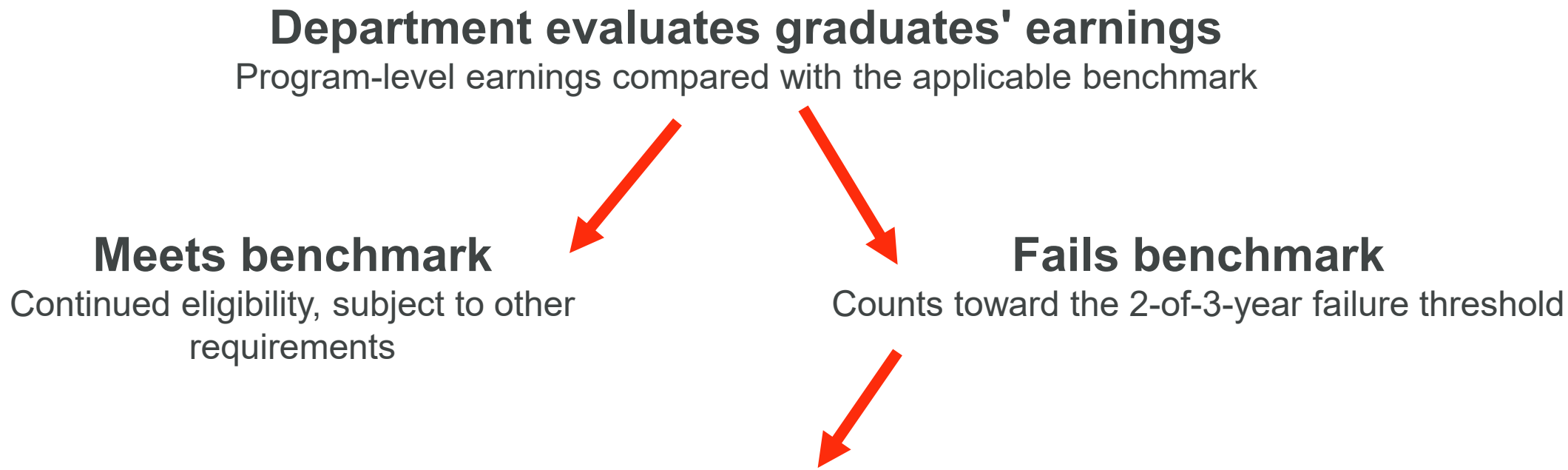
July 1, 2027

STATS in effect.



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Student Tuition and Transparency System (STATS) and Earnings Accountability Rule.



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Area	New accountability approach
Programs covered	Undergraduate, graduate, and professional degree programs.
Undergraduate benchmark	Earnings must exceed those of a typical high school graduate
Graduate benchmark	Earnings must exceed those of a typical bachelor's degree holder
Failure threshold	Failing the earnings test in 2 of 3 consecutive award years
Primary consequence	Loss of federal Direct Loan eligibility for the program
Transparency	Expanded reporting and public information about program outcomes

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Most at risk programs

For Profit Trade Certificates: Cosmetology, Massage Therapy, Culinary, Medical & Dentist Assistants

Specific Humanities & Arts: Fine Arts, Drama, Theater, Music, Literature

Fields with low initial Compensation: Social Work & Counselling; Education, Religious Studies & Theology.

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NCES reports 2022 data:

- median earnings of master's or higher degree completers ($80,200)
- median earnings of **bachelor's degree completers ($66,600)**;
- median earnings of associate's degree completers ($49,500);
- median earnings of **high school completers ($41,800)**

AOTA 2023 Survey:

- OT average base salary ($74,731)
- OTA average base salary ($46,238)

BLS 2025 Survey:

- OT median salary ($100,330)
- OTA average base salary ($70,800)

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Impact of Midterm Elections.

Republican House & Senate: advance administration priorities, including changes to programs, institutional accountability and department structure.

Democratic House & Republican Senate: Increased House oversite of executive actions & greater alliance on bipartisan appropriations agreements.

Democratic House & Senate: Greater capacity to pursue alternative funding and oversite of executive but President will have veto authority.*

* A veto-proof number in the U.S. Senate is a **two-thirds vote** of the members present and voting (provided a quorum is present), which equals **67 votes** if all 100 senators' vote.

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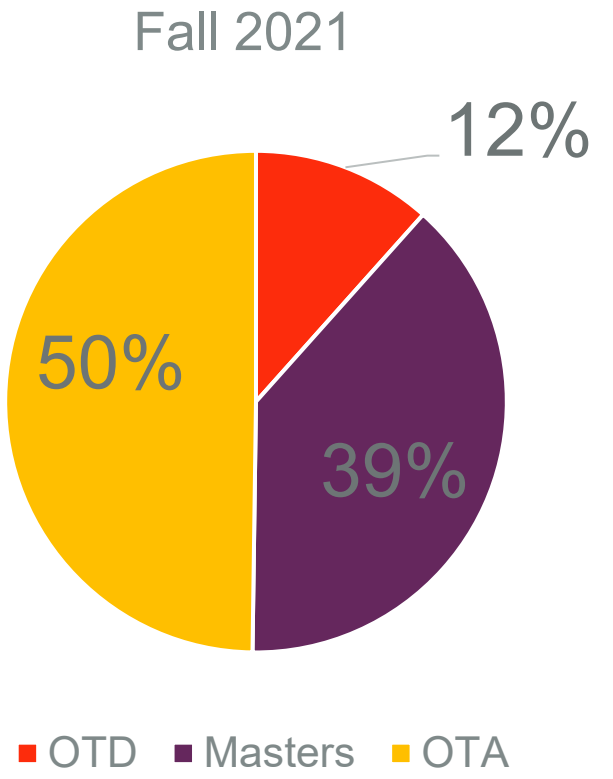
Market Trends

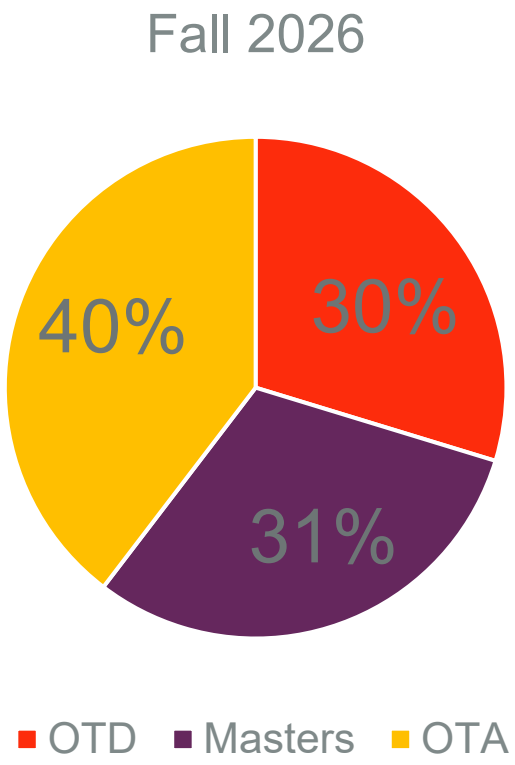
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Program Growth

Program Status	OTD	OTM	OTA-B	OTA-A	Total
Accredited	156	161	9	199	525*
Candidate or Preaccreditation	43	15	9	9	76
Applicant	27	18	0	8	53
Total	226	194	18	216	654

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	OTD	Masters	OTA
Fall 2021	52	173	223
Fall 2026	156	161	208

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OTA

Recent Closures:

- 8 programs voluntarily
- withdrew from accreditation in 2024-25

Programs Inactive:

- 10 programs currently on inactive status

New Programs:

- 7 applicant programs
- 7 candidate programs

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University Closures 2026 -10

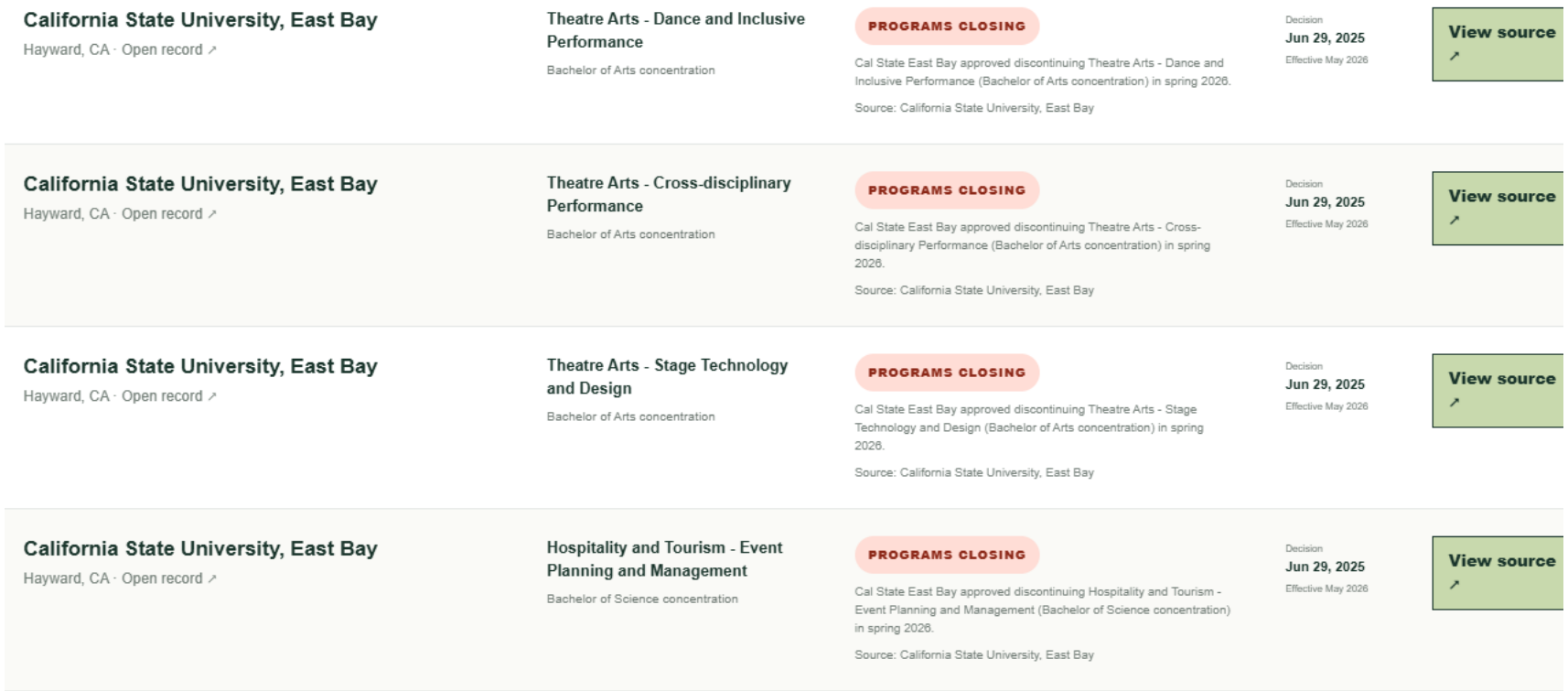
Anna Maria College	MA	Closed in 2026
Hampshire College	MA	Scheduled to close December 2026
Labouré College of Healthcare	MA	Academic operations ended Aug 2026
Lake Forest Grad School of Management	IL	Closed June 2026
Lourdes University	OH	Closed after 2025–26 academic year
Providence Christian College	CA	Closed in 2026
Sterling College	VT	Degree programs ended spring 2026
The Modern College of Design	OH	Closed June 2026
Trinity Christian College	IL	Academic operations ended May 2026
University of Valley Forge	PA	Academic instruction ended August 2026

https://collegeclosurewatch.com/colleges-closing-2026

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Program Closures

https://collegeclosurewatch.com/programs monitors program actions most of which are closures or “closing to new students”.
YTD as of September 1, 2026 they verified: 2,634 closures and other changes



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September 01, 2026

August Cuts to Start the Academic Year

Harvard University cut more than 100 jobs last month amid a lengthy restructuring process. Multiple others also enacted smaller cuts.

By Josh Moody

Some Campuses Announced Massive Personnel Cuts in September

The University of Utah could cut up to 855 positions by next summer. Other institutions are also axing hundreds of jobs, citing enrollment and financial challenges and rising costs.

By Josh Moody

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At the same time there are growth areas:

Area of study	Programs being added or expanded	Applicant-demand assessment
Health Professions	**Nursing, healthcare sciences, diagnostic imaging, rehabilitation fields**	**Very strong documented demand**
Artificial intelligence	Applied AI, AI engineering, AI in business, AI in healthcare	Strong institutional investment; applicant demand still developing
Psychology and behavioral health	Counseling, clinical mental health, behavioral health, applied psychology	Strong underlying student interest
Engineering	Biomedical, robotics, aerospace, semiconductor engineering	Strong student interest; discipline-specific variation
Business	Business analytics, finance, supply chain, entrepreneurship	Large, established applicant market
Cybersecurity	Cyber defense, digital forensics, information security	Active program development

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AI Proof ?? … Jobs with the lowest risk of automation by AI & robots.



		MEDIAN ANNUAL WAGE*	PROJECTED GROWTH, 2024-34*
1	Nurse Practitioners	$129,210	40%
2	Physician Assistants	$133,260	20%
3	Nursing Instructors and Teachers, Post-Secondary	$79,940	17%
4	Mental Health Counselors	$59,190	17%
5	Occupational Therapists	$98,340	14%
6	Orthotists and Prosthetists	$78,310	13%
7	Marriage and Family Therapists	$63,780	13%
8	Nurse Midwives	$128,790	11%
9	Physical Therapists	$101,020	11%

https://www.uscareerinstitute.edu/blog/65-jobs-with-the-lowest-risk-of-automation-by-ai-and-robots-Infographic

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Quote of the day

> **"It's a pretty sudden increase."**
>
> Carol Coté, occupational-therapy chair and program director at the University of Scranton

https://www.chronicle.com/newsletter/daily-briefing/2026-09-11?sra=true

September 11, 2026

Are students flocking to AI-proof programs? It's one of the few theories Coté can offer for the University of Scranton's occupational-therapy program seeing a surge in interest.

- **Occupational therapists help people do regular tasks.** They show patients how to change their routines, or develop new skills, to safely participate in daily activities. The field is probably less well-known than physical therapy, which seeks to improve people's strength and ability to move.

Scranton's program jumped from 48 to 64 incoming students this fall. It's the first time its class is at capacity since 2019.

"I don't know that students are Googling, 'What's an AI-proof job?'" Coté recently told the Daily Briefing. But she's noted plenty of news coverage about artificial intelligence and the work force. And occupational therapists can also be part of treatment plans to improve mental health, which has been a focus of attention lately.



Occupational Therapist Overview

Overall Score 5.9 / 10

#6 in **Best Health Care Jobs** | **#11** in **Best STEM Jobs** | **#20** in **100 Best Jobs**



Occupational Therapy Assistant

Overall Score 4.9 / 10

#6 in **Best Health Care Support Jobs** | **#100** in **100 Best Jobs**

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Growing Divide: Financially Strong versus Vulnerable Institutions

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Institution type	Current position	Reasons
Highly selective, well-endowed universities	Very Strong	Resources ++/ Enrollment/ Strong Brand
Flagship public research universities	Very Strong	Resources ++/ Enrollment/ Strong Brand
Large, efficient online universities	Competitive	Disruptor - Very Strong Enrollment
Career-focused and technical colleges	Improving	Growing Enrollment/ Tuition Dependent
Community colleges with workforce alignment	Improving	Growing Enrollment
Regional public universities	Mixed	Dependency on Tuition/ Strong Value
Mid-tier private universities	Pressured	Less Competitive in Admission/
Small, tuition-dependent liberal arts colleges	High risk	Decrease Enrollments/ Resources

National Student Clearinghouse Research Center (2026); National Center for Education Statistics, IPEDS; NACUBO Tuition Discounting Study (2025–2026); and Western Interstate Commission for Higher Education, Knocking at the College Door (2024).

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In summary….

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- Market consolidation will continue.
- Winners: Stronger brand/ affordability/ resources.
- Regional differences with demographic shifts
- Tuition pricing & financial aid more competitive.
- Low enrollment programs continue to close.
- High demand programs will continue to grow
- Technology – AI; Online learning; CBE ?????

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