INTRODUCTION

Medical schools have answered the call for more physicians by increasing their class sizes and opening new schools. Offshore medical schools – those primarily located in the Caribbean - have also begun to increase their numbers and their graduates are helping to fill some of the primary care shortages – but at a very high cost to taxpayers.

There is concern as to whether the federal investment in offshore schools is really worth it to taxpayers given the lower standards for investment in offshore schools is really worth it.1

Some federal oversight is provided by the National Committee on Foreign Medical Education and Accreditation (NCFMEA). However, its main responsibility is to make recommendations to the Dept. of Education about institutional standards (these don’t apply to schools with clinical training programs continuously approved since before 1992).2

The NCFMEA approves the process standards for foreign accrediting bodies and makes recommendations about entrance requirements, board pass rate on the USMLE, and retention and graduation rates, but it does not directly regulate the curriculum.3

Accreditation and Oversight

Offshore medical schools are not accredited by the Liaison Committee on Medical Education (LCME) or the American Osteopathic Association (AOA). Offshore schools are accredited by individual accrediting agencies typically located outside of the US.4

As a result of a 1992 amendment of the Higher Education Act, AU, Ross, and St. George’s are exempt from the criteria placed on foreign medical schools for eligibility in the federal loan program even though they enroll up to nearly 90% US citizens or permanent residents who accrue approximately $250,000 in federally-financed debt in four years.4

Almost 30% more graduates of foreign medical schools go into primary care as compared to US educated students – but at very high price: $60,000-$80,000 of extra debt incurred as compared to their US-educated colleagues.4

The bill would close what Senator Durbin describes as a loophole created by a 1992 exemption. If the bill passes, the original provisions of the Higher Education Act would be restored:

American students at offshore schools would not be eligible to receive federal loan money unless the schools met two criteria:

• Fewer than 60% of the students at off shore schools are US citizens
• Pass rate for the USMLE is at or above 75%2

Cost

In 2008, borrowing under Federal Family Education and Loan Program (FFEL) was approximately $315 million – a 338% increase over the preceding ten years amounting to $1.5 billion for students at offshore schools.5 Nearly 90 percent (or $1.3 billion) of the money went to students attending three for profit offshore Caribbean schools: American University of the Caribbean (AUC), Ross University, and St. George’s University.6

Cost of MD, DO and FMS medical school (in thousands)4

Return on Investment

The on-time four-year completion rate at Ross University and AUC is 52% and 66%, respectively compared to 88% for U.S. medical students.7

The attrition rate at Caribbean medical schools ranges from 20-27% compared to 3% for US medical schools.8 In a class of 900 offshore students, ~243 students fail or drop out.9

Residency match for US schools is 94% compared to 81-82% match rate for graduates of Ross or AUC.10

Offshore medical schools spend millions to buy rotation slots in US-based teaching hospitals. In 2012 the American Medical Association adopted a policy to advocate against buying these slots.11

RECOMMENDATION

The Foreign Medical School Accountability Fairness Act (S.1822) would regulate access to federal student loans for foreign medical schools.2 Congress should move quickly to support and pass S.1822 and its bipartisan companion bill in the House (H.R. 3903) in efforts to create greater oversight and accountability on behalf of US taxpayers and our students.

References