Public docs detail Idaho's new for-profit medical school

By REBECCA BOONE, Associated Press

BOISE, Idaho (AP) — A new for-profit osteopathic medical school is opening in Idaho, promising to bring more doctors to the rural Intermountain West. The Idaho College of Osteopathic Medicine is a private, for-profit company, but it is affiliated with the public Idaho State University and its students will have access to ISU's campus in Meridian.

Supporters say the new school will bring an economic boost and improve health care across the state, while opponents worry that it could tax existing infrastructure for Idaho medical students and that profits could take precedence over training.

The Associated Press reviewed more than 600 pages of documents obtained from Gov. C.L. "Butch" Otter's office through a public records request and interviewed several stakeholders. Here's some things to know about the Idaho College of Osteopathic Medicine:

STATE OFFICIALS MOVED QUICKLY

Idaho officials first started efforts to bring The Burrell Group and other investors in the osteopathic school to the state around mid-January. An email from Suzanne Frederick with the Idaho Osteopathic Physicians Association sent to Idaho Department of Commerce Director Megan Ronk on Jan. 14 urges speed. It's a refrain that appears repeatedly in the documents.

"We need to move fast on this project," Frederick wrote. "We have tried for almost 20 years to secure a medical school in Idaho, and this might be our chance to make this happen."

When weighing the costs and benefits associated with bringing the school to Idaho, state leaders reviewed a feasibility study that the investors had done when they were still considering basing the school out of Montana. (The investors ultimately dropped plans to settle in Montana after Montana physicians spoke out against the effort.)

Many of the documents are heavily redacted. There appears to be no record of state officials reaching out to Montana leaders for insight in the unredacted documents.

The state's first conversation with the investors was on Jan. 20, according to the documents. Within six weeks, the state had awarded ICOM tax reimbursements worth \$3.8 million, finalized an agreement that would allow ICOM students to use ISU facilities, including the public school's new cadaver lab, and made an official announcement to the public.

WHAT'S THE PRICE TAG?

The ICOM Dean, Dr. Robert Hasty, says the tuition will be around \$40,000, which he says is lower than the average cost of medical schools nationwide. That's true for private and for-profit medical schools. But it's about double what in-state tuition costs at many public medical schools.

Still, there are plenty students willing to pay the tab. The Burrell College of Ostepathic Medicine in New Mexico — another new school started by The Burrell Group — has accepted about 160 students and a waiting list of 300 more.

CAN ICOM COME UP WITH ENOUGH RESIDENCIES?

Med school graduates have to complete on-the-job training called residencies before they can become doctors. Critics of ICOM say the school will put pressure on the few residencies already available in Idaho and the west, forcing graduates to leave for other states and possibly leaving some with degrees but no career.

Hasty points to an article in the New England Journal of Medicine that there are thousands more residencies available than there are U.S. medical school grads, and any squeeze in coming years can be alleviated by accepting fewer foreign medical school graduates into those positions.

It's not always a one-to-one equation, however. Dr. John Andazola, who runs the residency program at Memorial Medical Center in New Mexico, has reached an agreement with the Burrell College of Osteopathic Medicine in New Mexico for 36 family practice positions. The residencies are three years long in New Mexico so that means the program will take 12 graduates a year.

Hasty says the ICOM already has agreements in place with Benefis Health System in Montana and he's working on others.

Hasty previously worked at Campbell University in North Carolina, where he was credited with creating 383 residency positions. The nonprofit North Carolina medical school is also very new, and so far just 28 graduates have been placed in those residencies. School spokeswoman Sarah Bowman says it will be a few years before all 383 residency spots are active.

It's simply not that easy, said Dr. Suzanne Allen the vice dean for the University of Washington School of Medicine.

Allen said she frequently gets calls from existing health care schools asking for her help finding clinical rotations and residency spots for students.

HOW ARE RESIDENCIES FUNDED?

Residencies aren't cheap: They cost about \$150,000 per grad student per year.

The positions are primarily funded through the federal Medicare program, and the 1997 federal Balanced Budget Act put a cap on the number of the spots, essentially freezing them nationwide.

Some states have since begun funding their own residency positions. Lawmakers in New Mexico, where the new Burrell College of Osteopathic Medicine is located, decided two years ago to use a Medicaid waiver and state funding to help create new residency programs.

That approach could be a tougher sell in Idaho, where lawmakers have repeatedly refused to expand Medicaid.

Idaho Rep. Maxine Bell, co-chair of the legislative budget-writing committee, said she doesn't think New Mexico's plan using Medicaid waivers to fund the residency positions would muster enough support.

"The word entitlement just sets off bells and flags here," Bell said.

The Idaho school will have skin in the game, according to the documents from the governor's office.

"ICOM has agreed to create a significant fund to stimulate and assist sponsoring institutions to evaluate and pursue the creation of new graduate medical education residencies in Idaho, Montana, North Dakota, South Dakota and Wyoming," according to a document given to the state officials. Details weren't included in the documents.

HOW LONG WILL IT TAKE TO KNOW IF ICOM IS A SUCCESS?

A few years at least. ICOM officials expect to the first class of 150 students to start in 2018, and they won't be matched to residency programs until 2022. Then it will take a few years before the state can get a good idea of how many of those students opt to practice medicine in the region.

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