

No residencies yet for proposed Idaho osteopathic school

By REBECCA BOONE, Associated Press

BOISE, Idaho (AP) — Idaho Gov. C.L. "Butch" Otter and backers of a proposed for-profit osteopathic medical school have been touting the 78 new medical residency positions the proposed school says it has created.

But an Associated Press review shows those residency spots don't yet exist, and the accreditation board responsible for approving them has denied the first step in the process of creating them. A separate accreditation board has also deferred a decision on whether to grant the proposed Idaho College of Osteopathic Medicine pre-accreditation status.

At best, it's a speed bump for investors and supporters of the proposed school. But it also lends credence to critics' worries that the dearth of residency positions in the region will result in a crop of doctors unable to actually practice or pay back hefty student loans.

Idaho's governor included the claims that the 78 residencies had been "secured at hospitals throughout the region" in his State of the State address last week. On Tuesday, he said he included the news because that was what backers of the school had reported to him.

Otter was also unaware that Benefis Health Systems in Great Falls, Montana — where all 78 of the positions were to be located — had been denied "sponsoring institution" status by Accreditation Council for Graduate Medical Education in August. The denial means the accreditation committee found that Benefis Health Systems "does not demonstrate substantial compliance with the requirements."

Officials with Benefis declined to comment on the denial, instead referring all questions to Hasty and the Idaho College of Osteopathic Medicine.

College Dean Robert Hasty, meanwhile, said he is confident Benefis will win accreditation for the residencies by the time the college's first class of students

graduates in 2022. "Benefis has publicly committed to those new 78 spots, which is why those spots have been made public," Hasty said.

He said the school is also working with other medical groups in the five-state region of Idaho, Montana, Wyoming and North and South Dakota to secure additional residencies, though he declined to name the groups.

The Idaho College of Osteopathic Medicine hopes to begin admitting as many as 150 students in the fall of 2018, charging around \$40,000 in yearly tuition. College officials hoped to break ground on a Meridian campus in February of this year, but they indicated that may be contingent on winning pre-accreditation status in December, according to emails to the governor's office obtained by the AP through a public records request.

In December, however, the American Osteopathic Association's Commission on Osteopathic College Accreditation (commonly called COCA) deferred its decision on whether to grant pre-accreditation status to the Idaho College of Osteopathic Medicine. That's not considered an adverse decision, but rather a "not at this time" signal from the accreditation agency. COCA doesn't release the reasons why a decision is deferred.

"You can infer they did not meet the standards of accreditation for the COCA commissioners at that time. I wouldn't read too much into it," said Sheridan Chaney, a spokeswoman for the American Osteopathic Association.

Hasty said the school plans to try again at COCA's April meeting, and the timeline for accepting students in 2018 is still on track.

The state has thrown significant support to the project, including tax breaks of nearly \$4 million over the next 10 years; use of the cadaver lab, classrooms and other facilities at Idaho State University's Meridian campus; and letters of support and attendance at meetings with the accreditation committee and other stakeholders.

"I'll go to Chicago and knock on doors if I have to," said Otter, referring to the location of the most recent COCA meeting.

Otter is also seeking about \$2.4 million in funding to help boost medical residencies in Idaho, a move that would help the Idaho College of Osteopathic Medicine, Idaho State and other schools seeking to place new graduates in residencies.

State officials are also considering waiving the college's surety bond and instead leveraging the escrow account the school would have to create with the accreditation organization in order to start recruiting students. Idaho law requires for-profit proprietary schools to have surety bonds as a sort of financial insurance that can be used to compensate students or the state for any financial losses if the school goes under. COCA separately requires schools to have an escrow account for much the same reason.

Waiving the surety bond would present a risk, Idaho State Board of Education executive director Matt Freeman told the governor's office in an email late last year, but it would also mean college investors would only have to set aside \$14 million in special accounts rather than \$28 million. That plan is still being negotiated by attorneys, Freeman wrote.

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