

Part I – Professional Student Exchange Program

Return Rates of WICHE PSEP Graduates

In fall 2006, Professional Student Exchange Program (PSEP) supporting states renewed their efforts to collect return rate data on their PSEP graduates. WICHE's PSEP provides affordable access to healthcare education in neighboring Western states that have excess capacity in their programs. PSEP helps states that don't have professional schools in certain fields to leverage their resources so they don't have to invest in costly institutional infrastructure and faculty for educational programs for which there may not be sufficient ongoing demand from state residents. Funding states pay a "support fee" for each student, allowing the student to pay reduced tuition at the enrolling institution.

Healthcare workforce needs are at an all-time high, regionally and nationally. State policymakers are looking for the best investments of limited tax dollars, and sharing educational resources within the West is a fiscally responsible approach. Are states getting a good return on their PSEP investment dollar?

Six states contractually require their PSEP graduates to return and serve state residents: Arizona, Colorado, Hawaii (effective for students enrolling in fall 2008 and thereafter), New Mexico, Nevada, and Washington. These states are labeled "contractual payback states" in the survey results. Alaska, Idaho, Montana, North Dakota, Utah, and Wyoming *encourage* their graduates to return to their home state but do not contractually require them to do so; these are labeled "honor system states." Alaska's participation in PSEP is distinctive in another way: to make the benefits of PSEP available to its residents in the absence of state funding, Alaska treats the support fee as a loan to each PSEP student. Graduates must repay the loan, whether or not they return to Alaska.

"Payback states" found it relatively easy to provide return-rate information for graduates who were still in the process of paying off their service debt because they were already tracking them. The same holds true for Alaska, a "loan" state. Other state offices used one or more of the following resources:

- a. State licensing boards.
- b. State professional associations.
- c. Collections services.
- d. Records from the state department of labor.

The state higher education offices were not able to locate all PSEP graduates; those that could not be located were counted as nonreturning. Some female graduates no longer had the same name due to changes in marital status. States that were able to use social security numbers were typically able to find more graduates and consequently demonstrated an improved return rate.

The chart on the next page gives a "snapshot" in time of PSEP alumni who graduated between 2001 and 2005 and who were licensed and/or practicing in their home state (as of December 2006 to November 2007, depending on when the state researched its graduates and returned its data). **Some of our PSEP states may report slightly different return percentages than those you find in this survey, due to different time frames across which return to the home state is measured.** Our calculations look at a specific point in time and are likely to be slightly lower than the actual number of PSEP graduates who return and serve their state. Payback states that measure return rates over a longer time frame will demonstrate higher return rates. This is especially true for fields where graduates may be completing a residency, internship, or clinical experience, or may be on deferment for other reasons, though they will ultimately return to serve their state at a later date.

For allopathic and osteopathic medicine, recent graduates must complete three- to four-year residencies. Some complete their residencies in state, while others go elsewhere, though the latter may plan to return to their home state at a later date. For these professions, WICHE counted PSEP alumni who graduated between 1997 and 2001, in order to allow time for them to complete their residencies and set up practice in their home state.

The average return rate for all reporting WICHE states was 59 percent. Return rates for payback states were the highest, averaging 74 percent and ranging as high as 94 percent, depending on the profession. Return rates for "honor system" states were lower, averaging 39 percent and ranging up to 75 percent, depending on the profession. Return rates were the lowest in primarily rural states that do not require a service payback from their residents, like Idaho, Montana and Wyoming. Some of these "honor states" see PSEP primarily as an access program. Hawaii and North Dakota did not submit return data for

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this survey but plan to participate in the future. Unfortunately, WICHE and its states lacked the resources to compile regional return data. However, we have anecdotal evidence that graduates who did not return to their home state often choose to practice their profession in another WICHE state.

We hope this survey will prompt our member states to consider:

- **Establishing a service payback requirement if your state does not currently require one.** Although there is an ongoing administrative cost, it may be in the state residents' best interest to stimulate higher return rates.
- **Partnering with state professional associations** and asking them to mentor returning graduates and help them develop a sense of belonging to the local professional community, so that returning graduates will be more likely to remain in the state.
- **Using repayment monies paid by non-returning graduates to fund loan repayment incentives** for graduates who return to their home state to practice in rural and underserved areas (for states with service payback requirements).
- **Creating or increasing rural or underserved incentive programs**, such as loan repayment programs or practice establishment subsidies that will encourage graduates in the healthcare fields to return to their home state and will make it affordable for them to live and work in these areas. WICHE's *Inventory of Rural Health Practice Incentives in the Western WICHE States* (October 2007, accessible at <http://www.wiche.edu/sep/psep/stateInventory.pdf>) shows that the incentive programs offered to healthcare professionals in most of the Western states are financially insignificant when compared to the shortages of healthcare professionals and the high debt loads that new graduates carry.

For further information about these survey results, please call 303.541.0214.

Table 7: PSEP Five-Year Return Rates by State and Profession: 2001-2005 (or 1997-2001 for DOs/MDs)

| State | Field | Total number of students | Number returning to state | Percentage returning |
|-----------------------|-------------------------|--------------------------|---------------------------|----------------------|
| Alaska | Dentistry | 4 | 3 | 75% |
| | Occupational Therapy | 1 | 0 | 0% |
| | Optometry | 0 | 0 | 0% |
| | Pharmacy | 0 | 0 | 0% |
| | Physical Therapy | 2 | 1 | 50% |
| | Physician Assistant | 7 | 3 | 43% |
| | Podiatry | 0 | 0 | 0% |
| Alaska Total | | 14 | 7 | 50% |
| Arizona* | Dentistry | 60 | 48 | 80% |
| | Occupational Therapy | 20 | 16 | 80% |
| | Optometry | 22 | 17 | 77% |
| | Osteopathic Medicine ** | 27 | 13 | 48% |
| | Physician Assistant | 36 | 34 | 94% |
| | Veterinary Medicine | 87 | 63 | 72% |
| Arizona Total | | 252 | 191 | 76% |
| Colorado* | Optometry | 31 | 22 | 71% |
| Colorado Total | | 31 | 22 | 71% |
| Idaho | Optometry | 11 | 4 | 36% |
| Idaho Total | | 11 | 4 | 36% |
| Montana | Dentistry | 12 | 5 | 42% |
| | Medicine ** | 26 | 10 | 38% |
| | Occupational Therapy | 6 | 3 | 50% |
| | Optometry | 8 | 4 | 50% |
| | Osteopathic Medicine ** | 3 | 1 | 33% |
| | Podiatry | 0 | 0 | 0% |
| | Veterinary Medicine | 39 | 22 | 56% |
| Montana Total | | 94 | 45 | 48% |

* Contractual payback states

** 1997-2001 DO and MD graduates

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Table 7 (cont.): PSEP Five-Year Return Rates by State and Profession: 2001-2005 (or 1997-2001 for DOs/MDs)

| State | Field | Total number of students | Number returning to state | Percentage returning |
|-------------------------|-------------------------|--------------------------|---------------------------|----------------------|
| Nevada* | Optometry | 12 | 8 | 67% |
| | Pharmacy | 17 | 14 | 82% |
| | Physician Assistant | 12 | 8 | 67% |
| | Veterinary Medicine | 18 | 11 | 61% |
| Nevada Total | | 59 | 41 | 69% |
| New Mexico* | Dentistry | 26 | 24 | 92% |
| | Optometry | 4 | 2 | 50% |
| | Osteopathic Medicine ** | 12 | 5 | 42% |
| | Podiatry | 1 | 0 | 0% |
| | Veterinary Medicine | 46 | 34 | 74% |
| New Mexico Total | | 89 | 65 | 73% |
| Utah | Optometry | 19 | 14 | 74% |
| | Podiatry | 9 | 2 | 22% |
| | Veterinary Medicine | 31 | 17 | 55% |
| Utah Total | | 59 | 33 | 56% |
| Washington* | Optometry | 18 | 14 | 78% |
| | Osteopathic Medicine ** | 5 | 2 | 40% |
| Washington Total | | 23 | 16 | 70% |
| Wyoming | Dentistry | 26 | 13 | 50% |
| | Medicine ** | 30 | 6 | 20% |
| | Occupational Therapy | 4 | 1 | 25% |
| | Optometry | 22 | 7 | 32% |
| | Osteopathic Medicine ** | 3 | 0 | 0% |
| | Physical Therapy | 33 | 6 | 18% |
| | Physician Assistant | 5 | 1 | 20% |
| | Podiatry | 2 | 0 | 0% |
| | Veterinary Medicine | 33 | 9 | 27% |
| Wyoming Total | | 158 | 43 | 27% |

| State | Field | Total number of students | Number returning to state | Percentage returning |
|---|-------------------------|--------------------------|---------------------------|----------------------|
| WICHE Return Rates by Profession | Dentistry | 128 | 93 | 73% |
| | Medicine ** | 56 | 16 | 29% |
| | Occupational Therapy | 31 | 20 | 65% |
| | Optometry | 147 | 92 | 63% |
| | Osteopathic Medicine ** | 50 | 21 | 42% |
| | Pharmacy | 17 | 14 | 82% |
| | Physical Therapy | 35 | 7 | 20% |
| | Physician Assistant | 60 | 46 | 77% |
| | Podiatry | 12 | 2 | 17% |
| | Veterinary Medicine | 254 | 156 | 61% |

Total for all reporting WICHE PSEP states **790** **467** **59%**

Total for contractual payback states **454** **335** **74%**

Total for honor system states **336** **132** **39%**

IMPORTANT: Return rates reported by state offices may vary from WICHE calculations, due to different timeframes over which the return is measured.

Not reporting as of December 2007: Hawaii and North Dakota

** Contractual payback states*

*** 1997-2001 DO and MD graduates*