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**Macias, Wendy**

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**From:** [REDACTED]  
**Sent:** Monday, June 22, 2009 1:11 PM  
**To:** negreg09  
**Subject:** Proposed Negotiated Rulemaking on Foreign Schools  
**Attachments:** Neg Reg Public Statement 6 22 2009.pdf

June 22, 2009

Dear Ms. Macias:

Attached please find the comments of R3 Education, Inc. in response to the U.S. Department of Education's Federal Register announcement that it intends to establish a negotiated rulemaking committee to prepare proposed regulations governing foreign schools, including the implementation of the changes made to the Higher Education Act by the Higher Education Opportunity Act (HEOA). *See* 74 Fed. Reg. 24728 (May 26, 2009).

R3 Education Inc. owns three foreign medical schools. As such, we have a unique perspective on the implementation of the HEOA's changes to the Title IV eligibility provisions for foreign medical schools. We appreciate the opportunity to provide this perspective through the attached comments, and we would be happy to provide any further information about our experiences that the Department might find helpful.

We look forward to working with the Department to develop any proposed regulations in this area. If you have any questions, please do not hesitate to contact me. I may be reached at [REDACTED]

Regards,

[REDACTED]

R3 Education Inc.

Implementation of the Higher Education Opportunity Act  
Written Comments of [REDACTED]

R3 Education, Inc.

June 22, 2009

R3 Education, Inc. writes to provide its thoughts on the issues before the proposed negotiated rulemaking panel relating to foreign institutions. In particular, R3 Education is interested in the expansion of Title IV participation to certain foreign graduate medical schools.

**R3 Education, Inc.**

R3 Education owns three foreign graduate medical schools: Saba University School of Medicine located in the Netherlands-Antilles, the Medical University of the Americas located in Nevis, West Indies, and St. Matthew's University School of Medicine located in Grand Cayman, British West Indies. All three medical schools are accredited by the Accreditation Commission on Colleges of Medicine, an accrediting body recognized by the Department of Education (the Department), through its National Committee on Foreign Medical Education and Accreditation (NCFMEA). The schools also have clinical programs that are approved by various states agencies, including the New York State Education Department, the Florida Commission for Independent Education, and the Medical Board of the State of California.

A substantial portion of the schools' students come from the United States. The schools' student bodies are extremely diverse, with women and minority students representing the majority of enrollments. Further, all three schools offer a curriculum that is identical to the curriculum one would find at any accredited U.S. medical school. The program of study is divided into two major segments, basic sciences and clinical rotations. The basic science

segment is five semesters in length and may be completed in 20 months. The clinical segment that follows is comprised of 72-76 weeks of rotations, with 42-46 weeks of required or core rotations and 30 weeks of elective rotations in a variety of specialties. These rotations are completed at teaching hospitals in the United States, Canada, and the U.K. whose programs are affiliated with the schools. In our clinical rotations that take place in the United States, our students are working and studying in the same programs as students who attend American medical schools. Finally, all three schools' students are eligible to take the various components of the United States Medical Licensing Exams (USMLE), which are required for residency and medical licensure in the United States. Upon passing this exam, most of our students enter primary care fields, and many work in underserved rural and urban areas. Some of our students also have become residents in well-known teaching universities and hospitals, including the Cleveland Clinic and the Mayo Clinic.

### **Higher Education Opportunity Act and Foreign Medical Schools**

The Higher Education Opportunity Act (HEOA) mandated that the NCFMEA study and make recommendations on eligibility criteria for an expanded number of foreign medical schools to participate in the Title IV student loan programs. Although we are still awaiting the results of NCFMEA's study, due by August 14, 2009, we would like to offer some suggestions for the U.S. Department of Education's eventual regulations in this area.

To put our suggestions in context, it is important to first understand that the Council on Graduate Medical Education (CGME) has predicted the United States could be facing a shortage of approximately 96,000 doctors by 2020, principally in primary care fields. CGME, *Physician Workforce Policy Guidelines for the United States 2000-2020*, at xix (16<sup>th</sup> Rep. Jan. 2005);

Ashley Halsey III, *Primary Care Doctor Shortage May Undermine Reform Efforts*, WASH. POST (June 20, 2009). To remedy this shortage, CGME recognized that increasing enrollments in U.S. medical schools would be insufficient. An increase in new medical schools and in the number of international medical graduates practicing in the United States is therefore necessary to meet this growing demand for physicians. The development of regulations to implement the new foreign medical school provisions of the HEOA is critical to helping ensure that the United States is able to address its growing physician shortage.

Given this background, the expansion of Title IV programs for students attending eligible foreign medical schools is timely. It is also very important because Americans attending foreign medical schools can only obtain private student loans. As you are aware, due to the recent credit crisis, private students loans are both very difficult to receive and extremely expensive for many students.

We understand that the Department, through the upcoming rulemaking, will establish additional criteria to determine which foreign medical schools will be able to participate in the Title IV programs. We believe it is of critical importance that one set of standards apply to all foreign medical schools, regardless of whether those schools were eligible to participate before enactment of the HEOA. This will ensure consistency and further enhance transparency for students, and will ensure a simple, streamlined regulatory process for the Department to manage.

The NCFMEA's Guidelines for Requesting a Comparability Determination (Guidelines) along with its rigorous review process utilizing the Guidelines as a roadmap are the primary mechanisms the Department uses to ensure the quality of foreign medical schools participating in the Title IV programs. The Guidelines offer an excellent framework for ensuring that Title IV

funds are provided only to those eligible medical schools the DOE is certain are accredited by agencies with standards comparable to the accrediting standards applied to U.S. medical schools, namely the accreditation guidelines as determined by the Liaison Committee on Medical Education. The Guidelines and the NCFMEA's review process incorporate the substance and intent of the areas specified by the HEAO. Thus, we would recommend simply utilizing the Guidelines to address the new eligibility requirements of the HEOA.

To the extent that the current Guidelines are deemed to fall short in some regard, we respectfully suggest that the NCFMEA and the Department rely on the logic of the current Guidelines' structure when considering whether to add any new factors into regulation. Rather than starting from scratch, we believe that the current Guidelines should be utilized, revising them only as necessary to incorporate new criteria that are deemed necessary and advisable. For example, the current Guidelines afford a significant role to governmental and governmental approved accrediting agencies deemed comparable under the Guidelines. We believe strongly that any new regulations should continue to rely on the assessment and professional judgments of these experts. Additionally, as an example, the admissions (Section 5.1) and student achievement (Section 5.2) criteria of the current Guidelines could be applied to new foreign medical schools almost without revision in order to meet the requirements of the HEOA.

Finally, the HEOA requires that foreign medical schools maintain a pass rate for their students and graduates of at least 75 percent on Step I of the United States Medical Licensing Examination (USMLE) to be eligible to participate in the Title IV programs. I would like to note that we think this is an appropriate threshold and should be the minimum pass rate applied to all foreign medical schools that participate in Title IV programs.

## **Conclusion**

Thank you for providing R3 Education with the opportunity to offer its thoughts on the eligibility criteria for new foreign medical schools to participate in Title IV. Given the shortage of doctors in the United States, particularly in the primary care fields, we believe it is important not to foreclose avenues for producing quality medical professionals, such as foreign medical schools. At the same time, it is critical to ensure that foreign medical schools participating in Title IV apply high academic standards. We are confident that Saba, MUA and St. Matthew's apply the highest standards. We further believe that, using the current Guidelines as a guide, the Department can draft regulations that will guarantee that all foreign medical schools participating in Title IV are subject to high educational standards. We look forward to working with the Department as it begins to develop the new eligibility criteria for foreign medical schools required by the HEOA.

## **OVERVIEW OF MEDICAL SCHOOLS OWNED BY R3 EDUCATION, INC.**

*Saba University School of Medicine* is accredited by the Accreditation Commission of Colleges of Medicine (ACCM) and approved by the New York State Education Department, the Florida Commission for Independent Education and the Medical Board of the State of California. It is recognized by the World Health Organization and listed in the latest World Directory of Medical Schools. The school enrolls approximately 600 students principally from the U.S. (42 states), as well as Canada and the U.K. The majority of Saba's student body is comprised of women and more than 60% of Saba's student population is ethnically diverse.

*Medical University of the Americas (MUA)* has a preliminary accreditation by the ACCM and is approved by the New York State Education Department. Currently, MUA has approximately 600 enrolled students of whom approximately 60% are from the United States with the remaining 40% principally from Canada and the U.K. Like Saba, MUA has a very diverse student population, with women representing over 55% of its students and more than 60% representing ethnic minorities. MUA's medical program is recognized by the World Health Organization and listed in the latest World Directory of Medical Schools.

*St. Matthew's University*, founded in 1997, is approved by both the Florida Commission for Independent Education and the New York State Education Department and is accredited by the ACCM. It is also recognized by the World Health Organization and listed in the latest World Directory of Medical Schools. St. Matthew's students' most recent U.S. Medical Licensing Examination Step One pass rates were above 90 percent. Currently, St. Matthew's has approximately 1,000 enrolled students, over 800 of whom are from the U.S. As with Saba and MUA, ethnic, gender and racial minorities represent the vast majority of St. Matthew's students.