

# 2014 Professional Student Exchange Program (PSEP) Study SB2160

Presented to Interim Health Service Committee  
January 8, 2014

# Purpose of Study

- ▶ As directed by Senate Bill 2160, the purpose of this study is to report on “out-of-state programs in veterinary medicine, optometry, and dentistry.”
  - Accessibility
  - Provision of State Funding
  - Amount of Debt Incurred
  - Workforce Needs

# Program Purpose

- ▶ 1. Guarantee **access** into competitive programs in veterinary medicine, dentistry and optometry
  - WICHE
  - Kansas State University
  - University of MN
  - Iowa State University
  
- ▶ 2. Meet ND **workforce needs**

# PSEP Budget – dollars

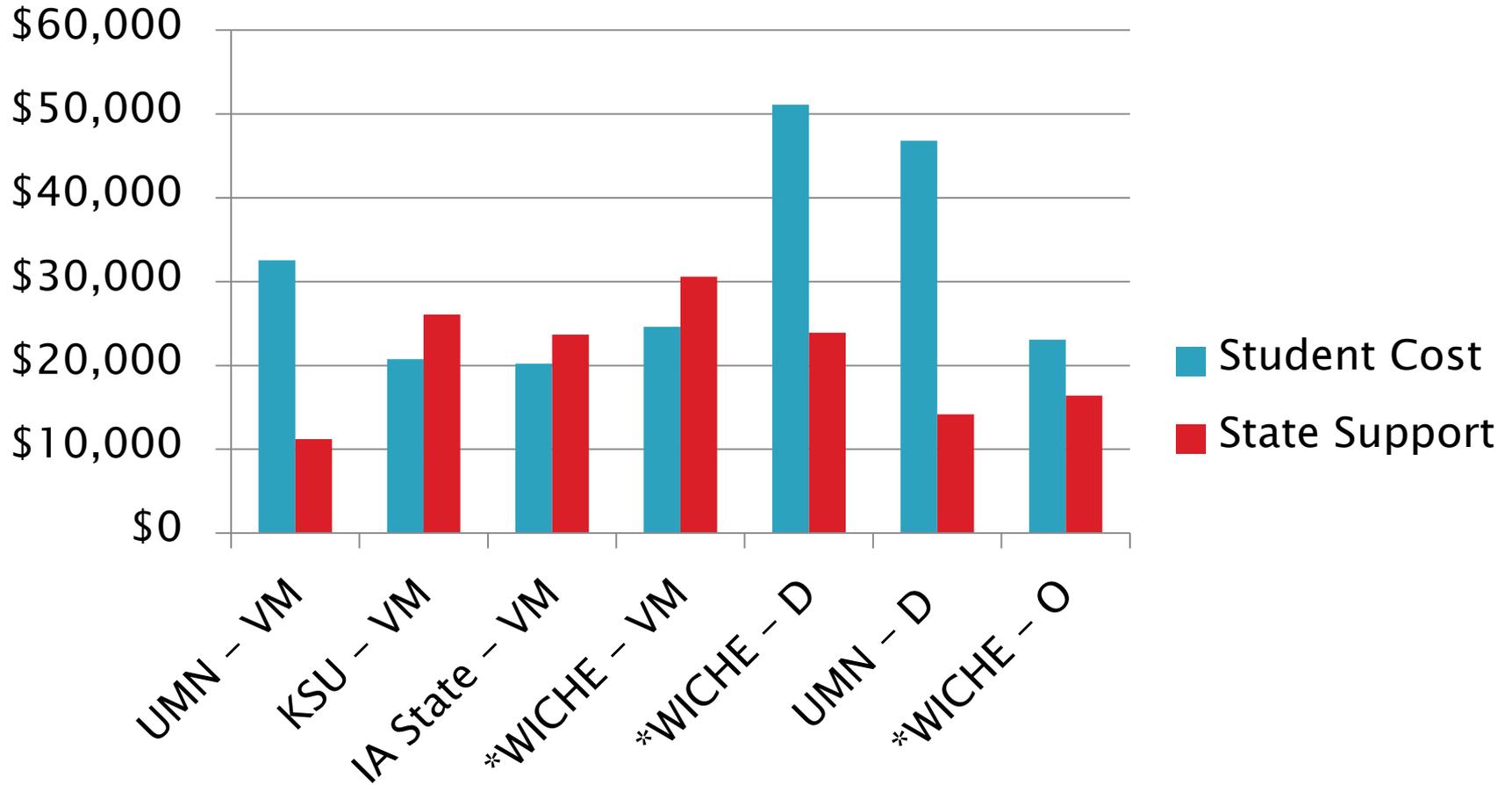
- ▶ 2013/15 – in excess of \$4.2 million
    - \$3,809,709 general fund
    - \$465,307 SLTF
    - \$186,532 carry-over
  
  - 2013/14 freshmen \$412,635
  - 2013/14 continuing students \$1,540,029
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# PSEP Budget – slots

- ▶ 61 apps average per year (6yr)
    - 37.8% veterinary medicine
    - 38.6% dentistry
    - 23.6% optometry
  
  - ▶ New freshmen awards 13/14
    - Veterinary Medicine – 10 (12 budgeted)
    - Dentistry – 7 (7 budgeted)
    - Optometry – 3 (8 budgeted)
  
  - ▶ Continuing student awards 13/14
    - Veterinary Medicine – 30
    - Dentistry – 21
    - Optometry – 23
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# Est. Student vs State Tuition Costs

\*WICHE support based on average at multiple schools

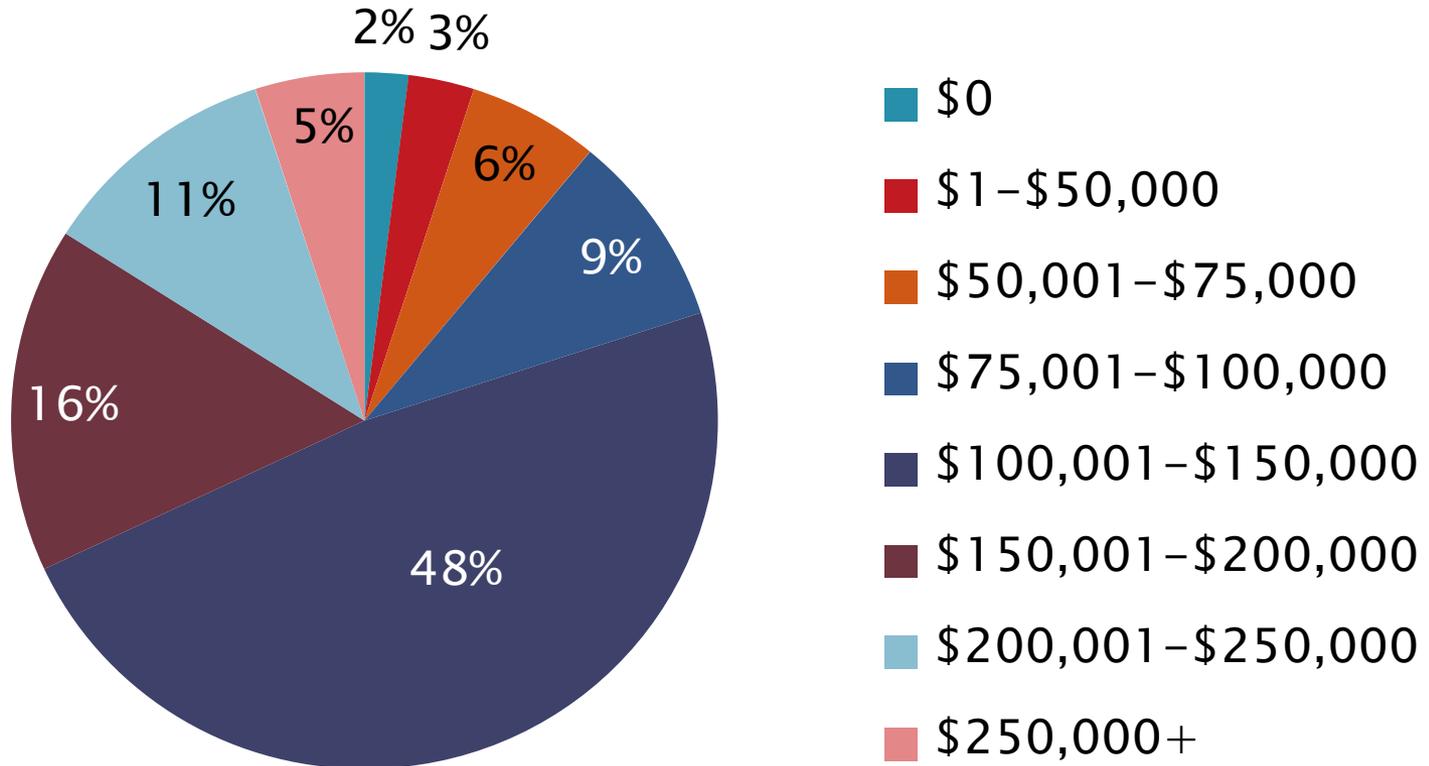


# Student Loan Indebtedness

PROGRAM	AVERAGE DEBT – NATIONAL	SALARY – NATIONAL
VETERINARY MEDICINE	\$162,113	\$48,674 (MEAN STARTING SALARY)
DENTISTRY	\$221,000+	\$145,240–150,223 (AVERAGE SALARY)
OPTOMETRY	\$150,000–200,000	\$65,000–120,000 (MEAN STARTING SALARY)

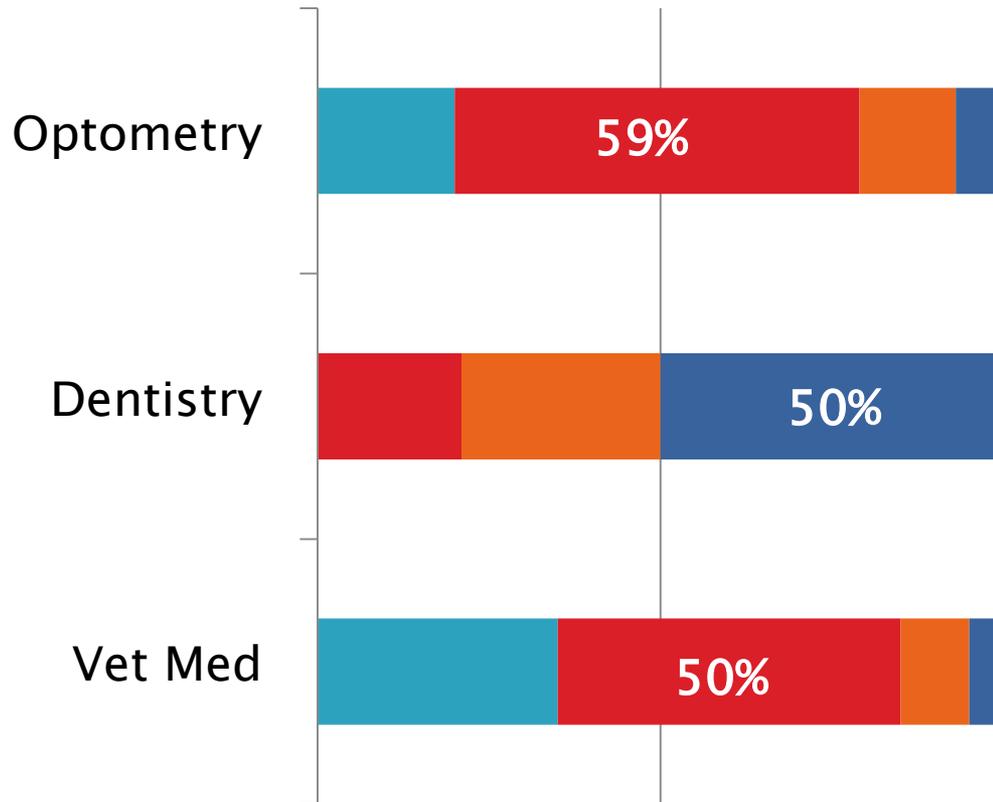
# Student Loan Indebtedness

## PSEP Study - ND



# Debt Levels by Program

## ND PSEP Study



■ \$0-100,000

■ \$100,001-\$150,000

■ \$150,001-\$200,000

■ \$200,001+

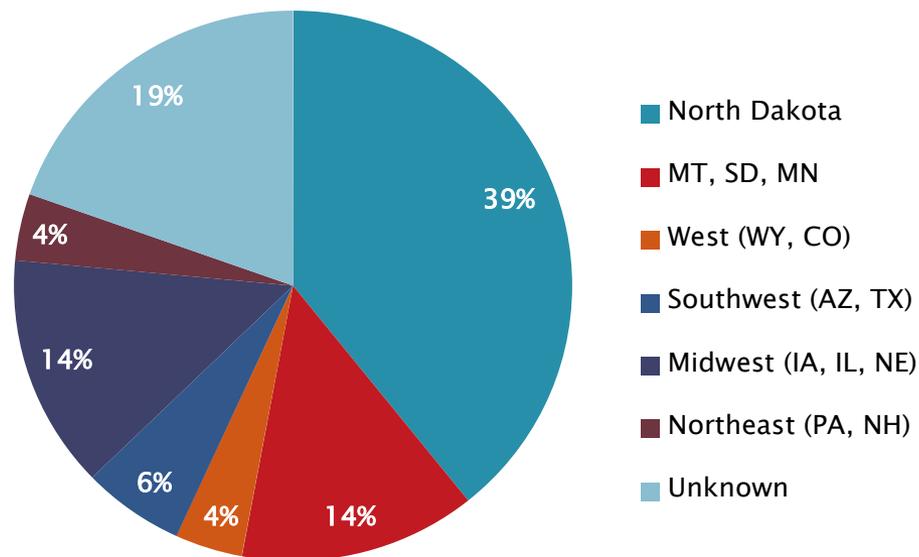
# Return to ND Rate

- ▶ WICHE 10-year rate = 31%
  - Veterinary Medicine = 54%
  - Dentistry = 41%
  - Optometry = 20%
- ▶ 2013 ND PSEP Graduates– ND licenses = 48%
  - Veterinary Medicine = 78%
  - Dentistry = 14%
  - Optometry = 40%

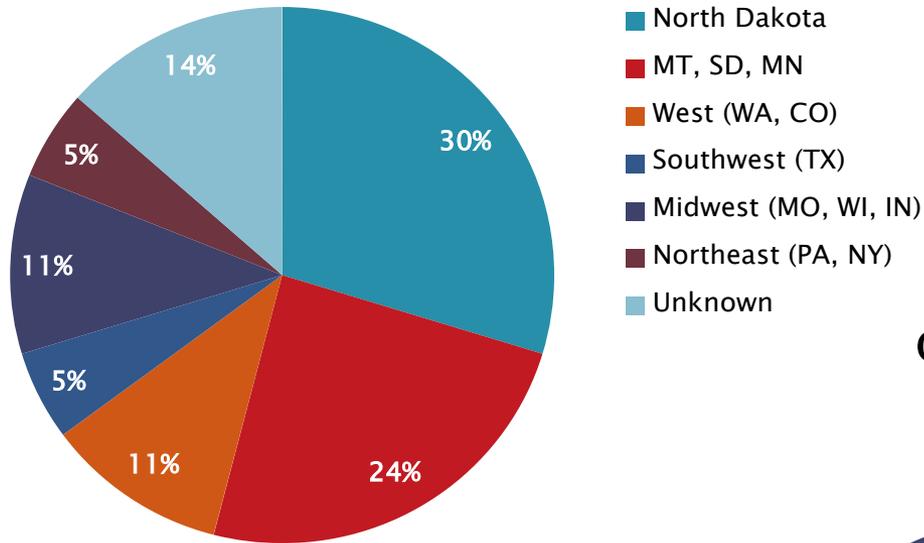
# 2008–2013 ND PSEP Graduates Licensed in ND

- ▶ 33% average all professions
  - VM = 39%
  - Dentistry = 30%
  - Optometry = 24%

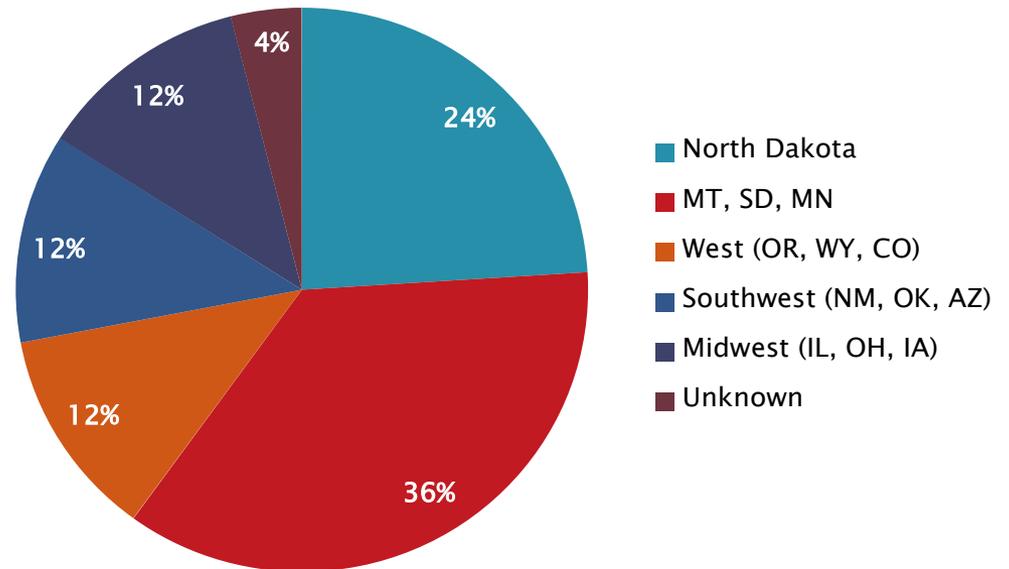
Veterinary Medicine Graduates 2008–13  
Licensing by Region



## Dentistry Graduates 2008–13 Licensing by Region

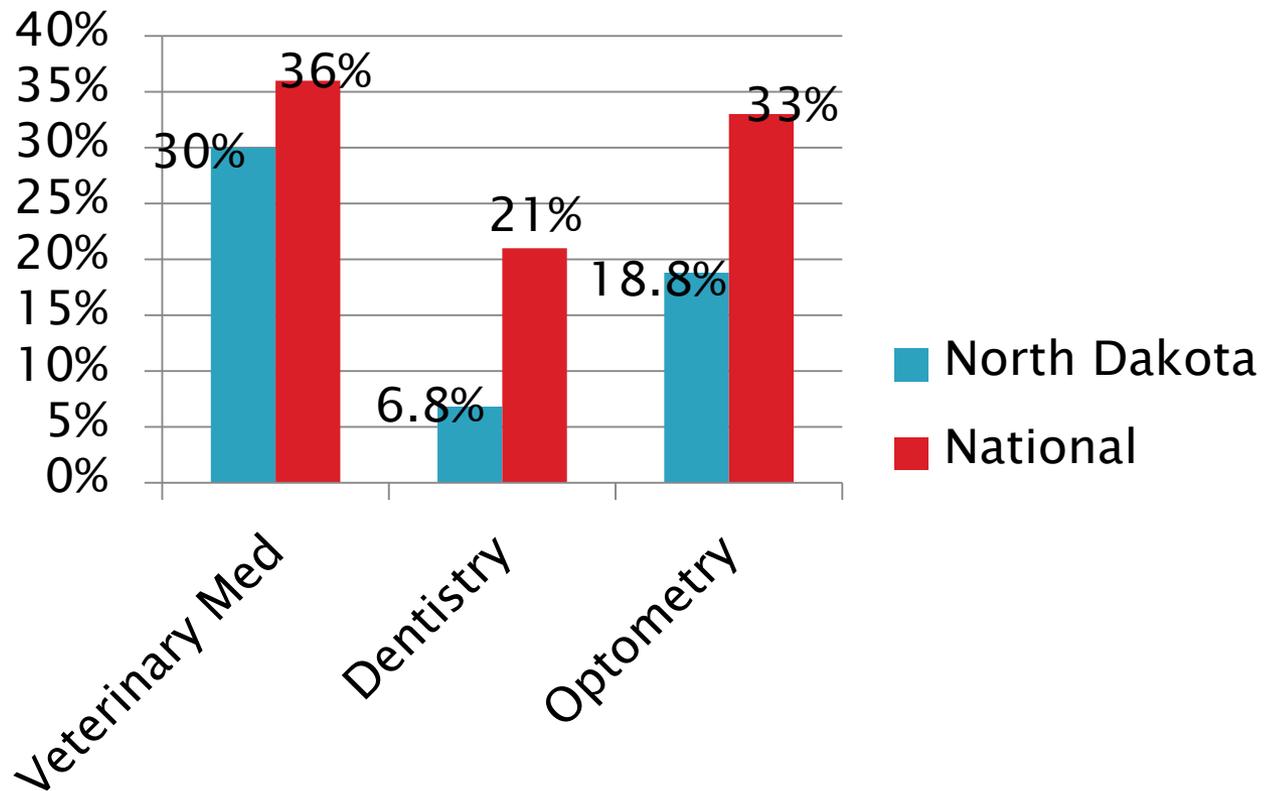


## Optometry Graduates 2008–13 Licensing by Region



# Workforce Needs

## 2010–2020 Anticipated Growth Rate



# Workforce Needs

## ▶ Veterinary Medicine

- Growing pet population
- Growth of related fields – animal safety, food science
- 31% of practicing veterinarians age 55+
- Strong rural draw

## ▶ Dentistry

- Rural nature of state
- Concentration in urban areas
- Aging population's needs
- Replacement and growth opportunities
- ACA

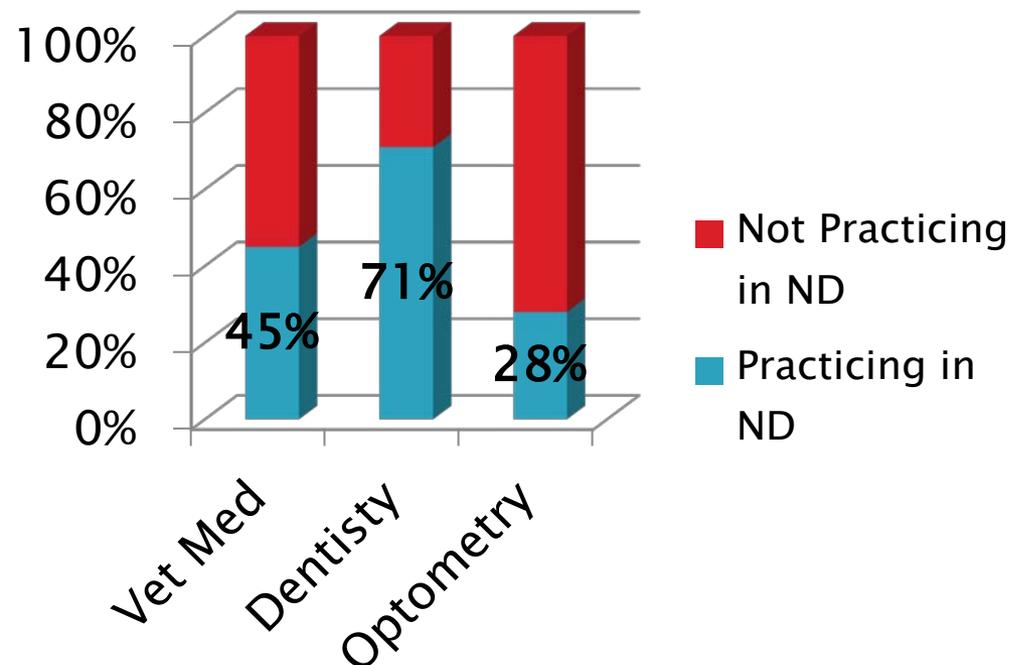
## ▶ Optometrists

- Aging population's needs
- More opportunity in urban areas for business growth
- Replacement and growth opportunities
- ACA

# PSEP Survey

## ▶ 2003–2013 PSEP Graduates Surveyed

- 159 of 192 alumni mailed surveys
- 40% response rate (63)
  - 20 veterinary medicine
  - 14 dentistry
  - 29 optometry

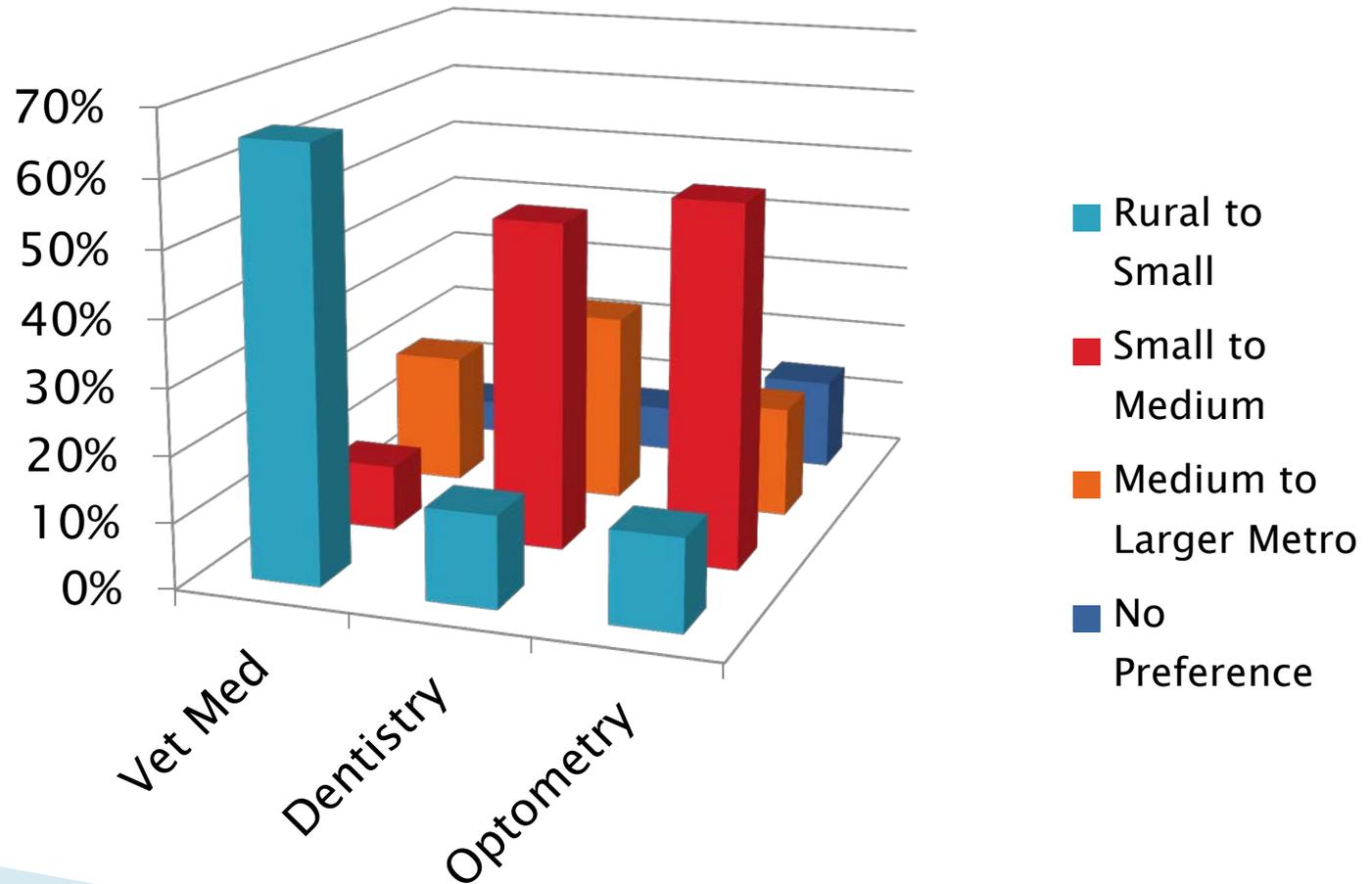


# PSEP Survey

- ▶ Why Not Living/Working in ND?
  - Top 2 reasons:
    1. Job opportunities lacking at time of graduation/economics
    2. Family/personal choice
  - % of respondents who pursued a career in ND
    - Vet Med = 60% (75% successful)
    - Dentistry = 64% (100% successful)
    - Optometry = 41% (75% successful)

# PSEP Survey

- ▶ What type of community did respondents want to live in?



# PSEP Survey

## ▶ Student Debt

◦ *“Was your income adequate to cover your loan payments at graduation?”*

- Veterinary Medicine = 50% “yes”
- Dentistry & Optometry = 80–81% “yes”

### Student Loan Indebtedness by Program Survey Respondents

#### Dentistry

\$100,000–\$150,000 (3)

\$150,001–\$200,000 (4)

\$200,001– \$250,000 (4)

\$250,001+ (3)

#### Optometry

\$0–\$50,000 (1)

\$50,001–\$100,000 (4)

\$100,001–\$150,000 (17)

\$150,001–\$200,000 (4)

\$200,001–\$250,000 (2)

No response (1)

#### Veterinary Medicine

\$0–\$50,000 (1)

\$50,001–\$75,000 (2)

\$75,001–\$100,000 (4)

\$100,001–\$150,000 (10)

\$150,001–\$200,000 (2)

\$200,001–\$250,000 (1)

# PSEP Survey

## Starting Salary Level

Program/Salary Level	All Respondents	Respondents Seeking ND and Successful in Placement
<b>Dentistry</b>		
Under \$100,000	4	3
\$100,000–125,000	6	4
\$125,001–\$150,000	1	1
\$150,001–\$175,000	2	
\$175,001–\$200,000	1	1
<b>Optometry</b>		
Under \$100,000	25	8
\$100,000–\$125,000	2	
No response	2	1
<b>Veterinary Medicine</b>		
\$0–\$50,000	9	3
\$50,001–\$75,000	10	6
No response	1	

# PSEP Survey

- ▶ Would respondents still have applied if payback feature had been in place?
  - 71% *YES!*
    - *Dentistry - 8 “yes”*
    - *Optometry - 22 “yes”*
    - *Veterinary Medicine - 15 “yes”*

# Payback Plans

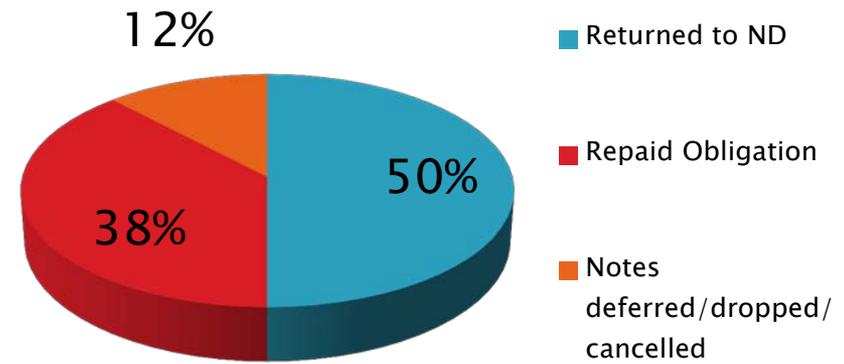
## ▶ WICHE States with Payback Plans = 85% return rate

- AZ, CO, NM, NV, WA – payback contracts
- WY, HI – 2013 added
- AK – 100% payback of all support fees – no contract

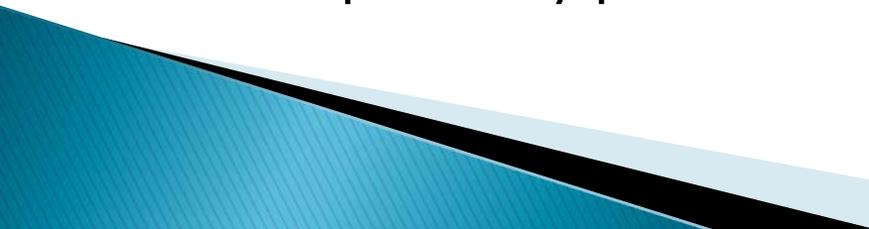
## ▶ ND Repayment History

- Repealed in 1983
  - Was a 3-year contract
- Feb. 2006 NDUS PSEP Study...

Return Rate up to 1983



# Payback Consideration

- ▶ Administrative costs and burden?
  - ▶ Loans terms and conditions?
  - ▶ Creating &/or increasing rural or underserved incentives
  - ▶ Job availability in the state?
  - ▶ Start-up assistance available to new graduates?
  - ▶ Affordability of living and working in rural and underserved areas?
  - ▶ How to utilize repaid monies for non-returning students to further promote educational incentives?
  - ▶ How much funding can the state anticipate to be paid back?
  - ▶ Life choices of students after graduation?
  - ▶ Do all programs justify a payback feature?
  - ▶ Is their equity among all professional programs receiving ND support (PSEP vs non-PSEP)?
  - ▶ What will the effects of the Affordable Care Act be on dental and optometry practices?
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# Questions?

*North Dakota University System*

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