Financial Implications of Increasing Medical School Class Size


Tofl er WL. Medical education—the challenge of distinguishing actual costs versus charges (tuition). Perm J 2012 Spring;16(2):73-4. DOI: http://dx.doi.org/10.7812/TPP/12-026

To the Editor,

During the last 50 years or more of an undergraduate college education has consistently grown at a rate that exceeded inflation. Some potentially contributory factors include the decreased time commitment of the average college professor to classroom teaching as research activities became more important to career advancement and the variety of subsidies, such as college loan programs, work-study arrangements, etc, that partially insulate the process from true economic market forces. Given the perceived value of a college education, there has been little pressure for colleges to be truly competitive on pricing for their students. Most economists will agree that if something is subsidized one tends to get more of it. One has to assume these same forces are also part of the rising cost of medical school. It is hard to tell if this article took that perspective into account or started with the underlying presumption that the present medical school cost structure was appropriate. As long as classes are filled and the admission process is so competitive, there is little incentive for schools to seriously address their cost structure and faculty time commitments.

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Response from Richard A Culbertson, PhD; Danny A Schieffl er Jr, PhD; and Marc J Kahn, MD, MBA

We are pleased to receive Dr Bellamy’s comments on our paper and his observations regarding price inflation as represented by tuition in higher education in general and medical education in particular. We did not address the issue he raises regarding the appropriateness of the cost structure of the medical school, confining ourselves to the question of the relationship between tuition revenues received for increasing class size and the added cost of providing education for a larger class. As Bellamy correctly observes, classes are indeed full and the admission process is indeed competitive. Economists might well argue that this scenario represents an opportunity for profit generation, much as universities have done in recent years with their schools of law and business.

The fact remains that students are still willing to apply to medical school, and medical school represents a firm prospect of good financial return to the student, which would seem to encourage the charging of higher tuition without discouraging applicants. Medical education is often thought to have a relative inelasticity of demand, such that the demand for a seat in a medical school class is not particularly sensitive to price.

The irony of the current situation is that public policy makers, who might be logical sources of revenue for public schools, are encouraging the expansion of schools to meet projected deficits in the supply of available physicians. It is the schools themselves that must cover the gap between available revenues and added costs. Seldom does the state government provide the funds for what represents an unfunded mandate. As Dr Bellamy observes, if the problem cannot be addressed through added revenues, then the logical alternative is reduced expense. The take-away question is whether this will produce a dilated educational experience that is in the interest of neither good public policy nor the student.

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References

Response from William Tofl er, MD

Dr Bellamy is quite correct in writing that the cost of undergraduate college education has consistently grown at a rate exceeding inflation. In fact, between 1985 and 2011, college tuition and fees went up 498.49% while the Consumer Price Index rose 114.85%. Similar, over the past 13 years, medical school tuitions have also risen at about twice the rate of inflation (1.8 for private and 2.27 for public institutions). As a result, the total indebtedness of the average medical school graduate has risen from $13,500 in 1978 to $161,300 in 2011—almost 1200%!

Since finishing medical school in 1976 (incidentally with virtually no debt), I have been consistently involved in medical education—the first 6 years as a volunteer faculty member, and now (for the past 27 years) as a full-time academic. I have been directly responsible for medical education activities in a variety of roles within our institution and have also been involved with many other collaborative interinstitutional efforts to revise and refine curricula. Given this background, I am confident that the quality of medical education has significantly improved throughout the country. At the same time, I believe much of this needed improvement has been driven by the support of extramural educational grants from private funders such as the Culpeper Foundation and the Robert Wood Johnson Foundation as well as government funders such as the Health Resources and Services Administration and the National Institute of Health. Although institutional funding support for medical education has also risen, I believe the slope of that increase in no way parallels the slope of the increase in tuition charges.

Whereas there are many factors that have driven up tuition charges, there is a strong rationale for Dr Bellamy’s concern that the very effort to support students (by helping them pay tuition with easily accessible loans and grants) is one of the significant contributors to this phenomenon. Although such programs may have been initially helpful, one now might credibly argue that their long-term effect on tuition may actually have created a significant burden (if not an insurmountable impediment) to present and future generations of economically challenged students. In the end then, rather than helping students, these inflated tuitions have simply enabled many institutions to channel the funds to many other goals not directly tied to their educational mission. (Continued on next page.)
The Health Care Professional as a Modern Abolitionist


We were excited to read the commentary by Michael O’Callaghan in the Spring 2012 issue of The Permanente Journal about health care professionals stepping up as abolitionists. Health care professionals often come into contact with trafficked persons and can provide one avenue of escape. Both the author and the journal deserve applause for bringing attention to this large-scale atrocity.

Human trafficking for the purposes of sex or forced labor occurs in major urban areas in the US. Because of abuse, neglect, and low—if any—compensation, the victims often enter the physician’s office or Emergency Department with major health problems and no insurance to cover necessary services. That is, of course, conditional upon their being lucky enough to survive (or perhaps escape) their forced labor so that they can even access a clinician and present their ailment(s).

We agree with Dr O’Callaghan that more awareness must be raised among health care professionals about human trafficking, and that medical centers need to develop a team of health care professionals who are trained to help trafficking victims transition physically, mentally, and emotionally out of their enslavement into a productive civilian life.

On this front, we are excited to report that many biomedical research scientists adamantly agree that human trafficking is the scourge of our time. Biomedical researchers rarely encounter victims of trafficking who are in need of medical attention, but they comprise a crucial population of people who study the trends of human slavery, the unique health care necessities of trafficked victims, and the adverse economic impact of modern human slavery. We are part of a group of scientists, clinicians, social workers, and scholars who are starting a new science magazine called Cancer InCytes, which will promote cancer research, social justice, and the intersection of the two. We hope that this magazine will raise more awareness of social justice issues among those interested in cancer research, cancer treatment, and cancer survivorship. We are eager to provide a forum for questions to be asked, problems to be presented, and solutions to be considered.

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More letters available at: www.thepermanentejournal.org/issues/2012/fall#le

Streetsweeper

If a man is called to be a streetsweeper, he should sweep streets even as Michelangelo painted, or Beethoven composed music, or Shakespeare wrote poetry. He should sweep streets so well that all the host of heaven and earth will pause to say, here lived a great streetsweeper who did his job well.

— Reverend Martin Luther King, Jr, 1929-1968, Baptist minister, civil rights activist, 1964 Nobel Laureate for peace