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Offshore med schools paying hospitals for rotations

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Come September, Nassau University Medical Center will open its doors to 64 students from a Caribbean medical school for clinical training, a routine event except for one thing: Money. Lots of it.

Over the next decade, NUMC will be paid \$19 million to train medical students from the American University of the Caribbean School of Medicine in a deal that also will fund hiring more staff and renovations to the hospital's medical library and amphitheater/auditorium.

The contract is the latest - and one of the most lucrative - examples of a trend that has U.S. educators on edge: offshore medical schools shelling out big bucks to hospitals for exclusive rights to clinical rotations that have, historically, cost nothing or relatively little.

"AUC made a significant commitment to partner with us for medical education and they've put their money on the table," said Dr. Steven Walerstein, NUMC's medical director and senior vice president for medical affairs. "That's hard to walk away from."

While such deals provide cash-strapped public hospitals like NUMC a new source of funding, U.S. schools fear the agreements could siphon off rotation spots traditionally set aside for their students, or drive up tuition if local institutions are forced to compete with offshore schools.

"Everybody in the country is worried that this will spread," said Dr. Nancy Nielson, president of the American Medical Association and associate dean for medical education at the University at Buffalo. "It is a major threat to U.S. medical schools."

NUMC is expected to announce this week its contract with the American University of the Caribbean.

It is the second such megadeal in the region: in July 2007, the New York City Health and Hospitals Corporation, which runs 11 hospitals, finalized a 10-year, \$100-million contract with St. George's University in Grenada for up to 600 rotation spots each year.

Rotating through specialties



During clinical rotations, students spend their third and fourth years at teaching hospitals rotating through various specialties. Offshore medical students, mostly Americans, have been doing clinical rotations in U.S. hospitals for years.

Affiliation agreements between hospitals and medical schools, often dating back decades, call for the schools to send medical students for rotations. That number fluctuates from year to year.

Meanwhile, offshore schools with less history but often more resources are producing larger classes than U.S. schools at a time when there is "growing national concern about the availability of clinical clerkships," according to Ed Salsberg, director of the Center for Workforce Studies of the Association of American Medical Colleges.

AUC's total enrollment is about 800 and St. George's is more than 3,200, compared to 450 at Stony Brook University School of Medicine. The average tuition cost of a private U.S. medical school is about \$30,000 per year, compared to as much as \$60,000 for an offshore school.

Whether offshore schools' efforts to lock up spots will squeeze out students from U.S. medical schools is unclear. For example, NUMC will set aside up to 64 seats per year for AUC students, but those are extra spots the hospital added after a consultant said it could expand the program.

"There is an element of truth to these fears," Walerstein said. "I think there's reason for concern, but not for panic."

Hike in enrollment sought

Indeed, the Association of American Medical Colleges has called for a 30 percent increase in enrollment by 2015 to address an anticipated national doctor shortage, raising the specter of demand eventually outstripping supply, some local officials say.

"I think we're OK at the moment, but what happens in the future?" said Stony Brook dean Dr. Richard Fine. Stony Brook is boosting its first-year class to 124, from 100, this fall and plans to increase to 140.

And those students, say Caribbean medical educators, will benefit from the improvements their schools are funding now.

"You have to realize that some of these monies being paid by the Caribbean schools help enhance education for everybody," said Dr. Bruce Kaplan, chief academic officer for AUC, which is located on the Dutch side of St. Maarten. "What are the U.S. medical schools doing to support the resources in hospitals for education of their students?"

Hofstra University will avoid the issue because its medical school is being opened with North Shore-Long Island Jewish Health System, guaranteeing students clinical rotations at its 15 hospitals in Queens, Staten Island and Long Island.

For other local medical schools, clinical rotations will almost surely cost more than they do now, said Dr. Lawrence Smith, dean of Hofstra School of Medicine.

"Most U.S. medical schools will begin to pay, but it may not be at the benchmark set by these other schools," he said. "It will probably be some kind of modest reimbursement."

Some hospitals have charged

Historically, such rotations were offered at no cost to the schools, but some hospitals have charged medical schools a fee. For example, the city HHC has been receiving about \$250,000 per year per school from U.S. medical schools for clinical rotations since 1996.

That price, however, hasn't changed in 12 years, and does not come close to covering the annual cost of teaching students, said Frank Cirillo, senior vice president of operations for HHC.

The contract with St. George's, Cirillo said, "buys me some leverage" in renegotiating affiliation deals with U.S. medical schools.

"It's not going to become a deal-breaker," he said, "but we are going to pursue an increase."

Beyond the money, hospital officials say their contracts with Caribbean medical schools provide something even more valuable: a supply of doctors who are culturally diverse and multilingual, and more likely to practice primary care medicine than students from U.S. schools.

"That's where my greatest needs are," Cirillo said. "I'm looking for doctors who look like and are from the cultures my patients are from and reflect the community they serve and speak other languages."

Money for more staff, expansion of facilities

Nassau University Medical Center has entered a 10-year, \$19-million deal with a Caribbean medical school that will guarantee the school 64 clinical rotation slots per year and provide the hospital with funding to hire more staff and expand its medical library and amphitheater/auditorium.

The deal has sparked concern among U.S. medical educators that their schools will have to match those prices to place their students.

Experts say the issue may come to a head as U.S. medical schools increase enrollment to deal with an anticipated national doctor shortage.

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