

Not the Last Word: Defund the Medical Schools! Cancel Tuition!

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Here's an idea for educational reform: Defund the medical schools!

Of course, I don't mean abolishing these institutions or confiscating their money. These days, I am told, the word "defund" claims a more expansive definition [6]: namely, to change a group's culture by tweaking its financing. That's sort of what I have in mind here—but maybe more than just a tweak. Specifically, I propose that private medical schools should be legally barred from charging tuition.

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This sounds far-fetched, I'll concede, but hear me out.

Unlike similar-sounding proposals to "cancel rent," [7] defunding the medical schools by canceling tuition would not be an uncompensated transfer of private property by government fiat. That's because, fundamentally, private medical schools don't own what they're selling. To be sure, some of the tuition covers the costs of pedagogy, but the reason students hand over hard-earned (or too-easily-borrowed) cash is to acquire the privileges that states grant to medical doctors. These privileges include the right to prescribe narcotics, to define disability status, and to collect Medicare, Medicaid, and other legally mandated health insurance payments. What schools are selling, in short, is a credential—and in the case of private schools, at least, it's not theirs to sell.

That the essential activity of schools is the peddling of credentials (and not the provision of education) should be obvious to anyone who has glanced at the fourth year of medical school—sold at full price but potentially devoid of any formal instruction whatsoever. It should be obvious to anyone who has assessed the delivery of medical education during the COVID-19 pandemic—a shadow of its former

self yet sold without meaningful discount.

The power of medical schools to issue credentials is not unlike the power of English kings to issue "letters patent," proclaiming that specific individuals may practice specific trades. Nor is it unlike the power of certain unsavory groups to dictate who can collect trash in the South Bronx [8]. This credentialing power is not private property belonging to private medical schools but rather community property whose ownership the community must reassert.

Eliminating tuition bills will have at least three salutary effects. First, medical schools will, of necessity, focus on their core mission of education. Access to the swollen stream of tuition revenue contributes to bureaucratic bloat. At one institution I know well, there are a total of 41 vice deans, associate deans, assistant deans, and advisory deans—a congregation large enough to outfit a baseball team and a basketball team and have some left over. Surely, education could continue apace with a smaller group.

Second, schools will be forced to develop more efficient modes of instruction. Currently, there are close to 200 nearly identical lectures on the Krebs cycle given in US medical school classrooms each year. What a waste! The best lectures should be identified, recorded, and provided online to every student. Indeed, the best mode of instruction may not even be a lecture but, say, a virtual-reality

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module that can be distributed with economies of scale. These advances are not happening because there is no impetus. Administrators with deep coffers can afford to resist disruptive innovation, and they do.

Students, too, will benefit from avoiding large tuition bills. That much should be obvious. What's less obvious is that society will also benefit. When students have less debt, they are more likely to choose a specialty based on their talents and interests rather than their future salary-making potential. Society wins when the student most adept at pediatrics is financially free to become a pediatrician—to say nothing of the thriving pediatricians themselves.

Additionally, once the word gets out that medical schools are no longer charging tuition, a more diverse applicant pool will flourish. There is a significant psychological chasm between “tuition is high but generous financial aid is available” and “tuition is free.” Undoubtedly, a six-figure price tag dissuades many qualified people from applying to medical school, even if the ultimate price of admission can be cobbled together.

Importantly, a plan to cancel tuition will neither remove all sources of revenue from medical schools nor exempt students from making abiding financial commitments to their studies. In the absence of tuition bills, the charitable mission of schools will be made clearer, and fundraising opportunities will expand. “Naming rights” for some medical schools have sold for hundreds of millions of dollars. It is not hard to imagine that schools could more than overcome the loss of tuition revenue with charitable donations. In addition, the prestige of sponsoring medical schools might persuade health systems to underwrite them. My back-of-the-envelope calculation suggests

that a typical school's tuition revenue represents less than 1% of large health systems' incomes.

For students, canceling tuition does not eliminate the significant expense of room and board. Students must also pay the opportunity cost of attendance: foregoing years of earnings while in school, an amount easily in excess of USD 100,000. And to minimize the risk of free-riding dabblers going off to careers in investment banking or management consulting with an MD degree in hand, it's reasonable as well to impose a service commitment after graduation, akin to what is currently associated with military medical scholarships.

Medical school should not cost a fortune, and in turn, students should not presume to earn a fortune when they are in practice—nor need to. By abolishing tuition, society rededicates medicine as a service profession.

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I read Dr. Bernstein's *Not the Last Word* column with great interest. As he points out, we face a crisis regarding the cost of medical education, which remains underappreciated. With medical student debt averaging more than USD 250,000, our system increasingly favors training of the affluent, with a particular negative impact on both lower and middle socioeconomic classes.

However, the call by Dr. Bernstein to abolish tuition will have unintended consequences and is likely no more

practical than calls to defund the police. Why? Because, there is a true cost for education that must come from some source. This includes not only the faculty who teach and oversee required courses, but also the administrative offices needed to effectively lead a school of medicine, including admissions/financial aid, education, student affairs, and diversity. The growth of education technology platforms and simulation centers has added millions of dollars of new costs over the past decade to the training of students, house officers, and other health professionals. While students' tuition should not be used to offset costs in other areas such as research or clinical programs, there are legitimate education costs that directly benefit the student.

Two important questions are implicit in Dr. Bernstein's article: (1) Are the tuition costs allocated to educate students inflated and should they be reduced on that basis? (2) Even if the tuition costs are “fair,” does the institution have a moral imperative to offset those costs in the interests of society? At my institution (New York University [NYU] Grossman School of Medicine) as well as NYU Langone's new Long Island School of Medicine, we believe there is a moral imperative to reduce costs and have implemented full tuition scholarships for all students as part of our tuition-free strategy. However, to do so, we have raised over USD 500 million dollars in philanthropy. Additionally, at the NYU Long Island School of Medicine, the school has allocated NYU Langone Health System resources to provide these full tuition scholarships. But not every institution has the leadership commitment or financial means to abolish tuition at this time, and to do so abruptly could impair student education programs.

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So, if abolishing tuition is not the answer, what are strategies that will reduce student debt?

1. **Assessment of true education costs.**

Medical schools and their associated healthcare systems need to carefully assess true education mission costs, and where possible, use portions of the operating budget to offset student tuition and fees that are separate from the education mission. Too often tuition is considered a fixed source of operating income and increased annually as part of the budgeting process. Through a mission-based budgeting approach, a school could eliminate student subsidization of non-educational medical school costs, including underfunded research and administrative overhead unrelated to their activities. From a “moral imperative” perspective, for example, medical schools have few costs for the training of 4th year students, who are often engaged in multiple interviews and away electives off-campus. As noted by Dr. Bernstein, year 4 is “sold at full price but potentially devoid of any formal instruction.” The true costs of the fourth year of medical school should be carefully assessed, and prorated into reduced tuition costs over the four years of instruction.

2. **Shorten medical school training.**

This can be achieved by adopting 3-year pathways to the MD degree or in the future by competency-based time-variable graduation. Graduating early not only saves a year of tuition, but allows these students to enter the work place 1 year sooner to provide care and earn higher salaries. My institution introduced a 3-year pathway to the MD degree in 2013 and have now

graduated more than 90 students, about 20% of each graduating class [1, 4]. The NYU Long Island School of Medicine, established in 2018, is entirely a 3-year school focused on the training of primary care physicians. There are now more than 35 medical schools with 3-year pathways, and the data show that their performance as residents is indistinguishable from that of traditional 4-year students.

3. **Greater emphasis on philanthropy.**

Schools should make raising philanthropic funds to support tuition costs a priority, with the same commitment currently given for research programs and buildings. Working with individual donors, these efforts can be focused both on underrepresented racial and ethnic groups, and, depending on the mission of the school, future scientists or primary care physicians.

4. **Consider loan forgiveness.**

Loan forgiveness and/or repayment programs are sponsored by national, state, and local governments, as well as some private organizations. Medical schools and healthcare systems should consider providing loan forgiveness incentives for their graduates to enter programs strategically important to the health system. Such priority programs often include providing primary care programs and physicians for underserved communities.

While in an ideal world tuition free is attractive, barring medical schools from charging tuition could diminish the resources needed to provide an excellent education at many schools, especially those not integrated into a healthcare system. However, more-strategic efforts to lower costs, as noted above, should be aggressively

promoted nationwide to address this very real shortcoming of medical education in the United States.

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As a former student of Dr. Bernstein’s, I can attest that this is not the first time he has advocated for the abolition of medical school tuition. The first time I heard him make this argument during a lecture, he coupled it with trainees having to pay to complete a residency in the specialty of their choice [3]. Following basic economic principles, the demand for training spots in our specialty outstrips supply. Accordingly, 4th year medical students *should* be willing to pay for a position in a better compensated specialty—up to a point. Combined with the cancellation (another word with a “more expansive definition”) of medical school tuition, an orthopaedic surgeon would still start practice with a negative net worth, but a family medicine doctor who doesn’t have to pay for their training slot may not. Listening to that lecture and now reading his latest column is a lot like watching the movie *Jurassic Park*. Each sequential step seems plausible, but in the end, it points to an implausible future.

First, students do not put much weight on their student loan debt when making a specialty choice [2]. Even when including tuition costs, attending medical school remains one of the best investments students can make in themselves. Limitations on the number of medical schools, medical students, and residency positions have created a “cartel” that ensures every physician in the United States will have a well-

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paying job upon completion of their training.

There are also examples of programs or schools that have offered financial relief for medical students with mixed results. In 2007, the Department of Education developed a well-intentioned but poorly executed [9] Public Service Loan Forgiveness (PSLF) program that would eliminate any remaining debt for physicians who spend 10 years working for a “qualified employer,” inclusive of their residency training. For example, an orthopaedic surgeon who completes a 5-year residency and a 1-year fellowship, can be debt free 4 years into practice at an academic medical center. Coincidentally, that’s the same 4-year commitment that the military requires with for their Health Professions Scholarship Programs (HPSP), which has been around since 1972. Uncertainty about the long-term fate of the PSLF program and military billets for HPSP graduates probably limit their applicability vis-à-vis defunding the medical schools.

But the decision by New York University’s Grossman Medical School to offer free tuition for medical students is widely viewed as a success. The school has increased the proportion of applicants who are underrepresented in medicine

[5]. And since the 2018 announcement, NYU has soared to the second most prestigious medical school for research in the annual *US News and World Report Rankings (US News)* [10]. While the remaining private medical schools in the top 10 of the *US News* list charge tuition and fees ranging from USD 56,000 to USD 65,000, a larger short-term financial deterrent to enrollment may be the years cost of lost earnings while in school and postgraduate training.

Defunding medical schools may lead to disruptive innovations in undergraduate medical education, but I am skeptical that it will change student or potential student behavior in the long term.

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