



March 20, 2012

Commissioner Raymund Paredes Texas Higher Education Coordinating Board 1200 East Anderson Lane Austin, Texas 78752

Dear Commissioner Paredes:

We are very concerned about a proposal by the American University of the Caribbean to offer to pursue and fund clinical activities for their third and fourth year students at Texas hospitals. Such activities would have serious short term and long term negative effects upon medical student education in Texas.

The introduction of these students will displace Texas medical students in already limited clinical training settings at hospitals in our state. Our third and fourth year Texas medical students must have access to quality clinical training programs at settings all over Texas. A reduction in the settings available or an increase in the cost to our schools for these limited placements will only lead to an increase in the cost of a medical education in Texas. Because of projected physician shortages in Texas our medical schools are actively increasing class size over the next several years. This is important to give qualified Texans access to medical education. Moreover, recent developments which introduce Texas medical students to clinical experiences earlier in medical school, i.e., in the first and second years will be impeded.

Commissioner Paredes March 20, 2012 Page 2

As we continue to increase the number of medical students in our schools, the demand for proper clinical training will continue to rise. The addition of these students will force us to compete directly with these foreign institutions in negotiating reimbursement rates for the hospitals that partner with us to provide this training. The economic effects that may arise will likely force us to pay substantially more for this limited training space and thus drive up the cost to educate our students. Other jurisdictions have seen these costs skyrocket with the introduction of students from for-profit medical schools competing for clinical training program space.

As you know, Texas medical schools have been directed by the Texas Legislature, via the general appropriations act, to give first priority to educating Texas residents. We have worked hard to maintain medical school tuitions in Texas as low as possible in order to provide access for our students. Tuition in Texas medical schools is 50% of the national average for American medical schools. We cannot compete with for-profit schools to pay for hospital experiences. Moreover in some states payments by for-profit offshore students have seriously impaired access, e.g. New York State. As we attempt to remain good stewards of the state's money, we must make every effort to contain costs and maintain quality in our medical school programs. The introduction of a bidding war for clinical space will surely result in higher costs for producing the needed physician workforce.

Finally, as we struggle to address the physician shortages in our state, we have no assurances that these students from offshore schools who would train in Texas hospitals and take up valuable clinical training space are committed in any way to providing care for our citizens. There is no data to support that medical students from offshore schools who complete any training in Texas will establish their practices here.

Moreover if these students do pursue internships in Texas, this will further compromise our limited number of first year residency positions which next year will be fewer than the number of graduating students from our Texas medical schools. Further, international medicine school graduates face stringent licensure requirements in our state and are greatly restricted in the locations in which they can practice. We must all be judicious in using the limited resources we have for the training of the next generation of medical professionals and not waste these resources for any reason.

Commissioner Paredes March 20, 2012 Page 3

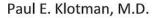
Thank you for your willingness to work with our institutions for the betterment of our state. We ask that you reconsider this proposal and work with us to address these concerns.

Sincerely,

Don N. Peska, D.O.

Dean of the Texas College of Osteopathic Medicine

The University of North Texas Health Science Center



President and CEO

Baylor College of Medicine

Kenneth I. Shine, M.D.

Sieves

Executive Vice Chancellor for Health Affairs

The University of Texas System

T. Samuel Shomaker, M.D., J.D.

The Jean and Thomas McMullin Dean of Medicine and Vice President for Clinical Affairs

The Texas A&M University Health Science Center

Steven L. Berk, M.D.

Executive Vice President and Provost

Dean, School of Medicine

Texas Tech University Health Sciences Center