Is Texas Building Too Many Medical Schools?

Texas universities are racing to build new medical schools, but without enough slots for post-graduate residents, some worry they're building a pipeline that will funnel new doctors out of state.

BY MATTHEW WATKINS AND EDGAR WALTERS JAN. 16, 2016 6 AM



The Dell Medical School at the University of Texas at Austin under construction.

Blair Cushing is just the kind of doctor Texas needs.

She's training to be a family physician, one of the most sought-after types of practitioner in the state. And she wants to work near the U.S. border with Mexico, one of Texas' most medically underserved areas.

But after graduating from the University of North Texas Health Science Center's Texas College of Osteopathic Medicine last year, she shipped out to another border state: California. That's where she found her best residency opportunity. And now she says she probably won't come back.

Her situation is far from unique. The number of medical students in Texas has grown quickly in recent years, with classes expanding and an unprecedented number of new medical schools being developed.

The Texas Tribune thanks its sponsors. **Become one**.

But even as it invests tens of millions of dollars in new schools, some state lawmakers warn Texas could end up shooting itself in the foot. Because it does not adequately fund the residency programs needed to keep medical students here, they say, the state is effectively creating an expensive pipeline that will funnel doctors elsewhere.

Some officials are questioning whether Texas has stretched its resources by building so many medical schools so quickly, suggesting it might be time to slow their proliferation.

"I am worried about continuing to expand higher education facilities beyond their ability or the willingness of the state to support them," said Raymund Paredes, commissioner of the Texas Higher Education Coordinating Board. "I fear that it is a pathway to higher education mediocrity."

Since 2009, the growth has been frenetic. The Texas Tech University System has opened a school in El Paso. The University of Texas at Austin is building one on the southern part of its campus. And the University of Texas-Rio Grande Valley's school will enroll its first class this fall.

Meanwhile, three other public universities are actively pursuing new schools. The UNT Health Science Center is partnering with Texas Christian University to open a new school in Fort Worth by 2018. The University of Houston wants one by 2019. And Sam Houston State is exploring the development a school of osteopathic medicine near The Woodlands.

Universities and state legislators have plenty of reasons to want those schools. Their presence on campus — or in a university system — helps build prestige and attract research funding. The schools can also dramatically improve local economies and health care systems.

The Texas Tribune thanks its sponsors. Become one.

But in fiscally conservative Texas, it can be hard to find the funds necessary to keep MDs around for their required post-graduate training.

For most specialties, that includes a three-to-seven year residency after four years of medical school. Graduates work at a hospital or clinic, overseen by faculty mentors, to gain experience required for state licensure and board certification.

The average residency slot costs at least \$100,000 per year, according to industry group Teaching Hospitals of Texas. That includes what medical schools pay to hire faculty as well as costs borne by hospitals to pay for a resident's salary, benefits and malpractice insurance.

That investment is worth it in a state with a severe doctor shortage, said Maureen Milligan, the hospital group's president and CEO. Texas currently lags in its relative number of physicians — 41st among all states, according to the Association of American Medical Colleges — and the state will need more doctors to keep pace with population growth and the turnover that comes with an aging workforce.

"If you have medical school grads and you don't have these residency positions, then you're just really investing in a flow that's going to go somewhere else," Milligan said. "Our concern is the bulk of the current residency programs are at risk."

The federal government, through Medicare, is the largest payer for graduate medical education. But the state shoulders some of the costs as well.

Lawmakers last year passed Senate Bill 18, which created a roughly \$300 million endowment to fund graduate medical education starting in 2018.

That measure was intended to make the number of residency slots in Texas greater than the number of medical students graduating — at a ratio of 1.1 residencies for each graduating MD — leaving a few residency slots left over to attract graduates from other states. The idea was to bolster the ranks of doctors practicing in Texas, but as more medical schools come online, churning out more graduates, that ratio will become more expensive to maintain, lawmakers said.

The Texas Tribune thanks its sponsors. **Become one**.

"The more people we graduate, the more it costs to reach our goal," said bill author and state Sen. Jane Nelson, R-Flower Mound, in a prepared statement.

State Rep. John Zerwas, R-Richmond, a physician and chair of the House Committee on Higher Education, praised Nelson's measure but warned of expanding costs as the number of medical students grows.

"We made a big step this last session to catch up with that, but that's simply all it's doing, is catching up," he said. "If we add to the pipeline more medical students coming in, then we're going to find ourselves back in the same predicament."

In 2014, there were 7,400 medical students in Texas and 7,800 residents, according to the Association of American Medical Colleges.

But the universities appear undeterred. UH has already hired a dean, Stephen Spann, in charge of planning for its medical school. Spann said he understands state leaders' worries, but UH is "far enough along in our exploration and assessment to conclude there is a need for a community-based, primary careoriented medical school."

Meanwhile, Michael Hicks, executive vice president of clinical affairs at the UNT Health Science Center, said his school understands the need for more residencies. But he said the state also needs more medical schools, and Fort Worth is the biggest city in the country without a school conferring MD degrees. If lawmakers wait until the residency shortage is taken care of to build new schools, it would take decades before both problems are solved, he said.

"We have the capacity to deal with these issues concurrently," he said.

The UNT System has tried and failed for years to get state authorization for a new MD school. Its partnership with the private TCU, which will issue the degrees, allows it to proceed without that approval.

But Zerwas said investing in residency programs instead of opening new medical schools might be a better use of state money.

"There's a limited pot of funds, and as budgets become crunched, one of the favorite places the Legislature will go is to compromise funding to higher education in general, which would include the health-related institutions," he said. "We need to be thoughtful about the development of more medical schools, as opposed to just the ambitions of a university to have a medical school for whatever prestige that brings them."

Cushing said her classmates at the UNT System school struggled mightily to find residencies nearby. Many had family ties to Texas but ended up leaving — sometimes separating from their spouses temporarily.

Once they're gone, the chances of doctors coming back are slim. As they complete their residencies, they start building connections and launching their careers. Some start families, and the pressure to stay put when they're done is immense.

Knowing that slots were so limited, Cushing applied to more than 30 programs and went to 18 interviews. Only about a third of them were in Texas. Now, she said, there's a good chance she'll stay in California.

"As much as I have the passion for the social problems of Texans, I also see how it would be far easier to stay put," she said.

Disclosure: The University of Texas at Austin, Texas Tech University and Sam Houston State University are corporate sponsors of The Texas Tribune. The University of North Texas was a sponsor in 2014, and the University of Houston was a sponsor in 2013. A complete list of Tribune donors and sponsors can be viewed here.

Quality journalism doesn't come free

Perhaps it goes without saying — but producing quality journalism isn't cheap. At a time when newsroom resources and revenue across the country are declining, The Texas Tribune remains committed to sustaining our mission: creating a more engaged and informed Texas with every story we cover, every event we convene and every newsletter we send. As a nonprofit newsroom, we rely on members to help keep our stories free and our events open to the public. Do you value our journalism? Show us with your support.

YES, I'LL DONATE TODAY



Donate

Contact Us Advertise © 2020 The Texas Tribune

TOPICS

Congress Courts Criminal justice Demographics Economy Energy Environment Health care Higher education Immigration Politics Public education State government

INFO

About Us Our Staff Jobs Who Funds Us? Strategic Plan Republishing Guidelines Code of Ethics Terms of Service Privacy Policy Send us a confidential tip Corrections Feeds Newsletters Podcasts Video

SOCIAL MEDIA

Facebook Twitter YouTube Instagram LinkedIn Reddit

Join our Facebook Group, This Is Your Texas.