

# 2016 AVMA Economic Summit

## The Role of Veterinary Colleges In Reducing the Debt-to-Income Ratio

Andrew Maccabe, DVM, MPH, JD

Chief Executive Officer

Association of American Veterinary Medical Colleges



# Debt-to-Income Ratio

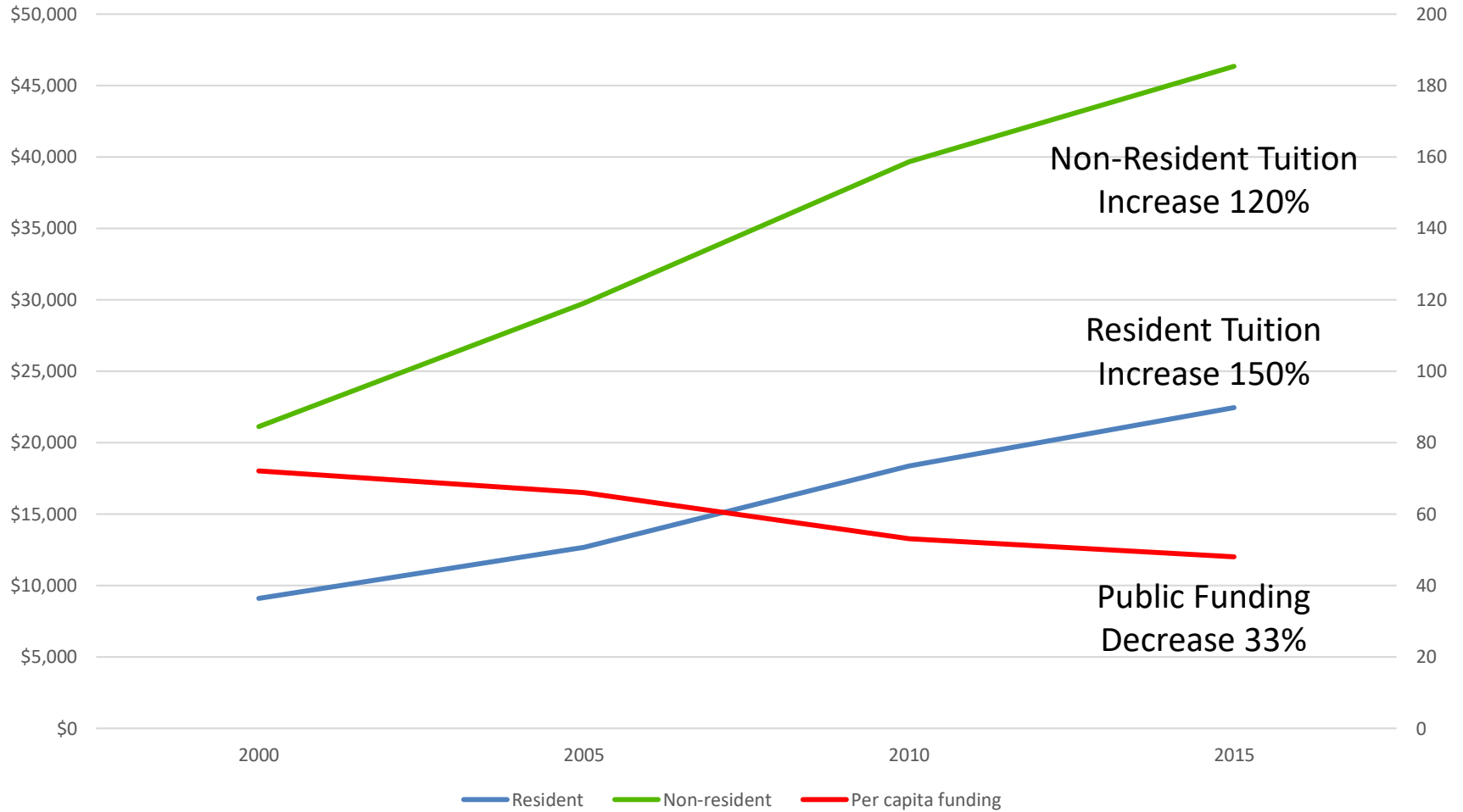
## Reduce Debt

- Scholarship endowment
- Financial literacy
- Advocacy to governments
- Minimize cost of borrowing
- 5-6 year DVM curriculum

## Increase Income

- Career awareness
- Professional competencies
- Focus on preventive medicine
- Workplace on-boarding
- Practice ownership and entrepreneurship

# Median Annual Tuition at US Colleges of Veterinary Medicine



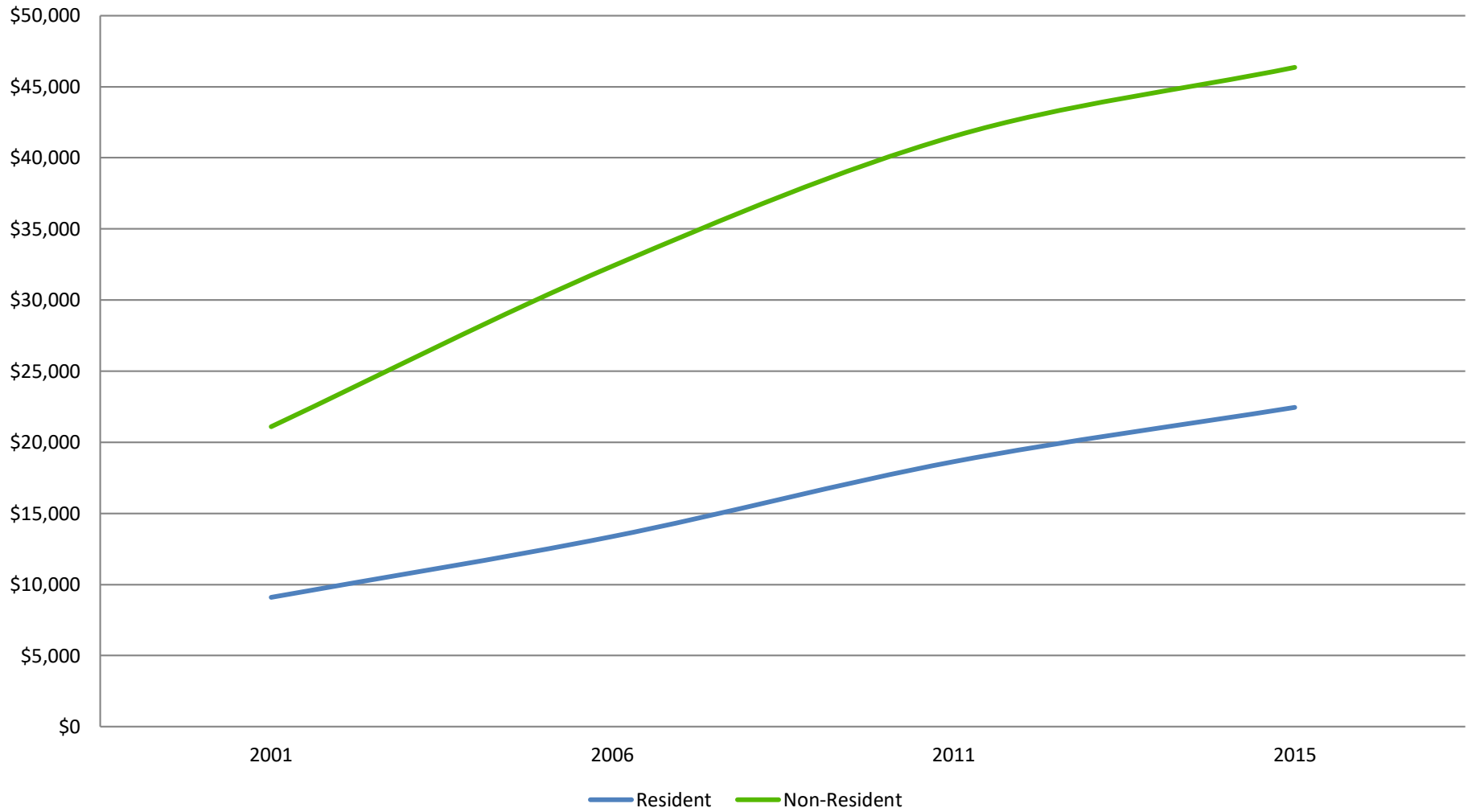
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- Collect data from all CVMs, share best practices, report metrics
- Consider a national campaign to raise new money for scholarships

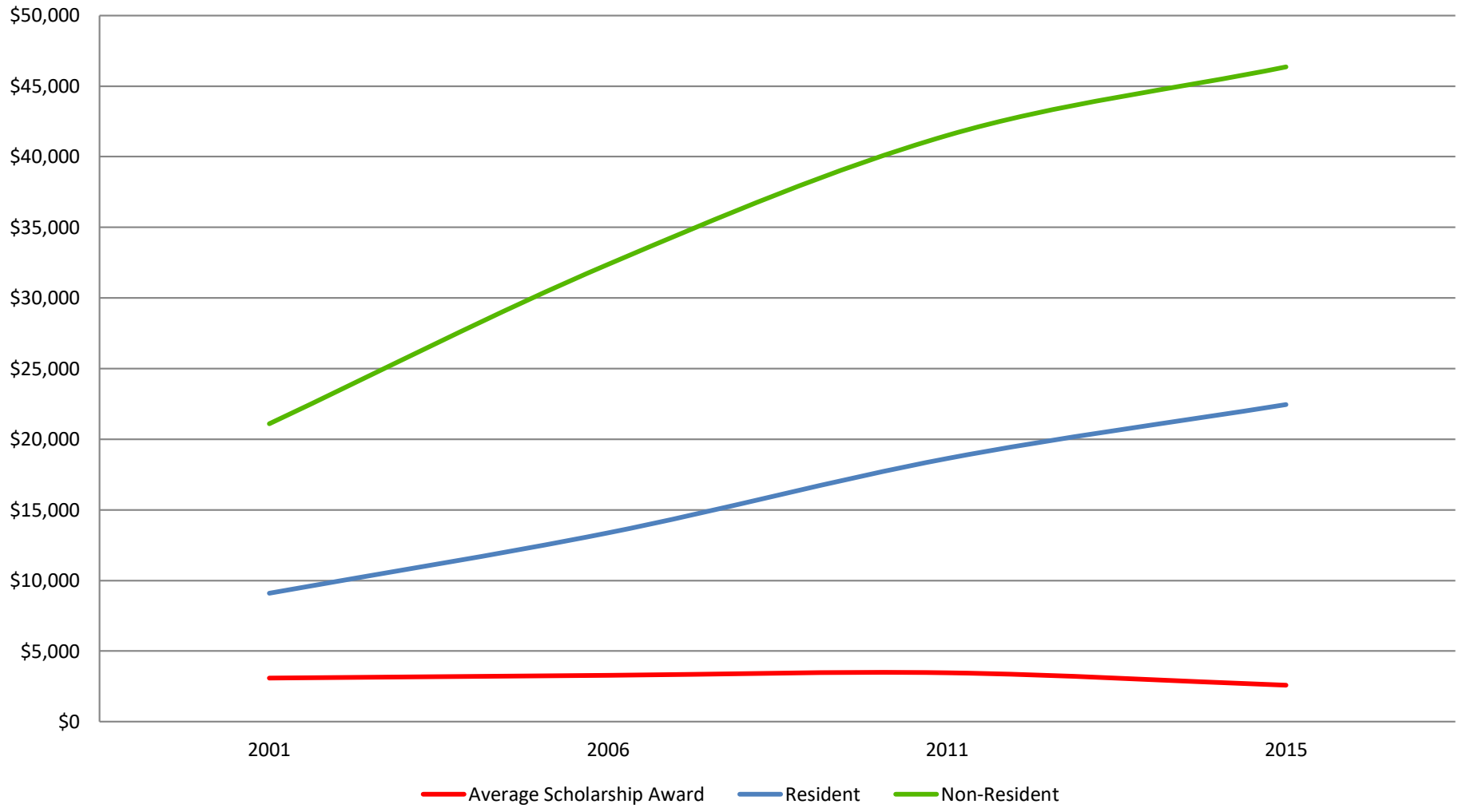
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- University of Florida Goal
  - Raise \$100M in 10 years
  - Yield \$4M, or \$10K/student
  - New development officer



# Financial Literacy

- Require all pre-vet applicants to complete a financial literacy interactive module
- Standardized financial report card from every school on VMCAS app
- Financial advisor available at every school with mandatory individual annual appointments
- Awareness and counseling of sources of funding, costs of education, salaries, budgeting, living expenses, managing debt

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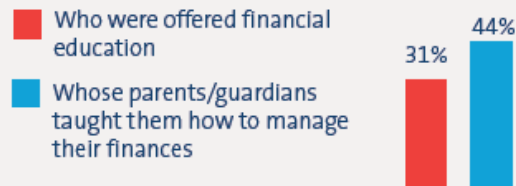
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- AAVMC Financial Literacy Report and model curriculum
- AAVMC Cost Comparison Tool
- NAAHP, NASFAA, FASHP

# FINANCIAL EDUCATION IS NOT WIDELY AVAILABLE

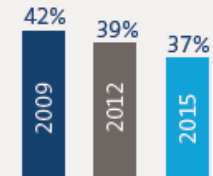


Absolute levels of financial literacy are low and financial literacy is slightly down since 2009

## Percentage of respondents



## Percentage who answered 4+ quiz questions correctly (out of 5)



## About the Report

The National Financial Capability Study (NFCS) focuses on four key components of financial capability: Making Ends Meet, Planning Ahead, Managing Financial Products, and Financial Knowledge and Decision Making. Data for the NFCS were collected from June to October 2015 through an online survey of 27,564 American adults (roughly 500 per state, plus the District of Columbia). This report includes comparisons to prior waves of the NFCS conducted in 2012 and 2009.

# DEBT CONTINUES TO BE A PROBLEM FOR MANY AMERICANS



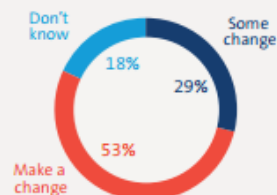
One in five Americans have unpaid medical debt



Four in ten respondents feel they have too much debt

## If respondents had the opportunity

to go through the process of taking out student loans again, would they change anything?



## Of credit card holders...



47% of Americans carry a credit card balance



22% have been contacted by a debt collection agency in the last year

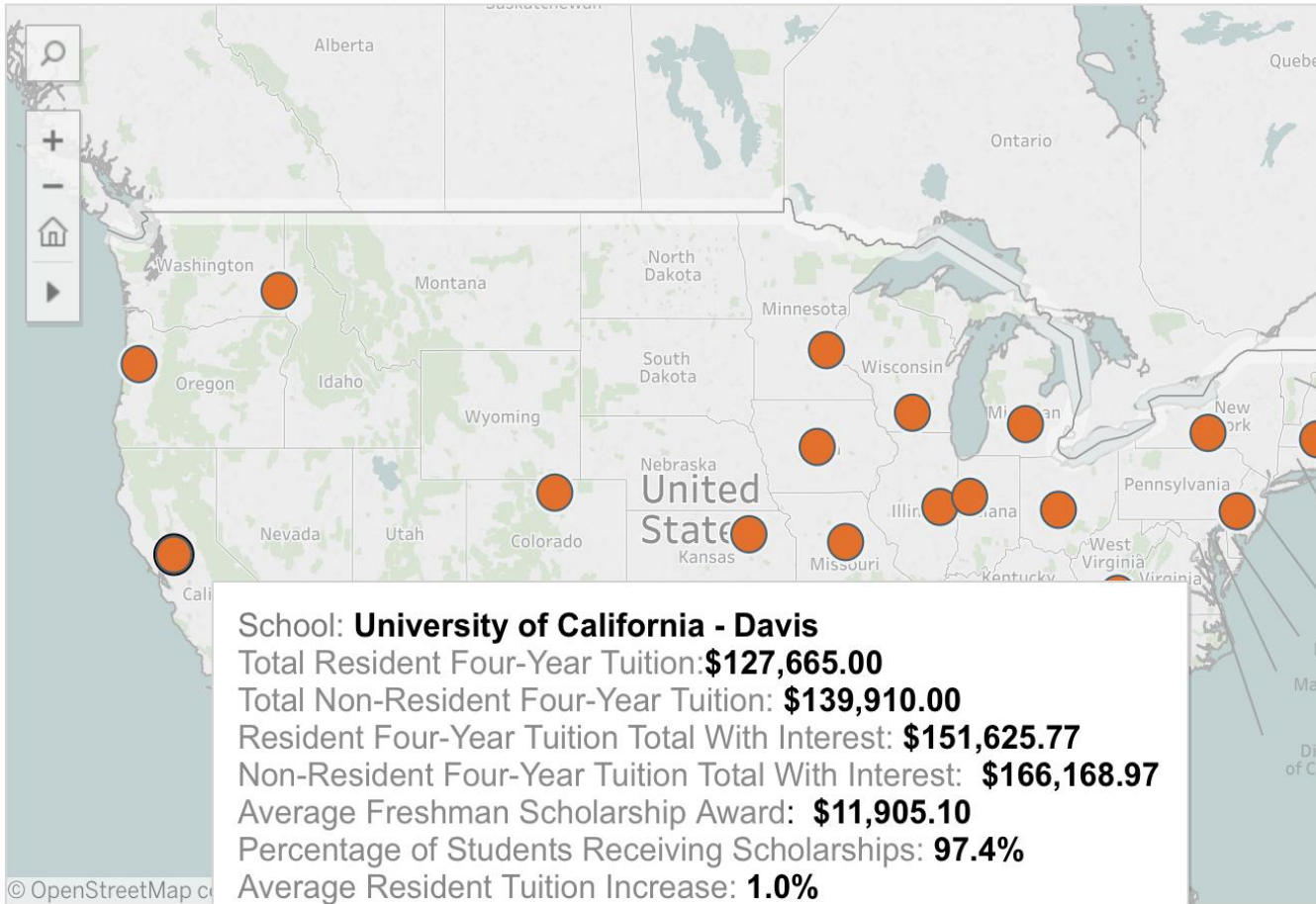
# Financial Literacy for Veterinary Students

Year 1	Year 2	Year 3	Year 4
Budgeting 101	What does financial success mean to me?	Budgeting as a first year graduate	Risk management: health, life, disability insurance
How to live within the "cost of attendance"	How to use credit and credit scores	Can I afford to do an internship?	Investments: How to get started
Scholarship search techniques	Identity theft	Student debt & practice ownership	Retirement options
Student debt & practice ownership	Time value of money	Understanding debt & financial counseling companies	Student Loan Repayment Tool used at exit interview
How student debt affects career choices	Student Loan Repayment Tool	Student Loan Repayment Tool	Tax advantages of student debt
Introduction to Student Loan Repayment Tool			



# AAVMC Cost Comparison Tool

Use the filters to select colleges of veterinary medicine



**Resident 4 Year Tuition**  
 \$67,927.00 \$166,793.00

**Non-Resident 4 Year Tuition**  
 \$92,290.00 \$222,216.00

**Average CVM Freshman Awards**  
 \$0.00 \$21,333.33

**Percent of Students Receiving Aid**  
 0.0% 97.4%

**Can Establish Residency for Tuition Discount**

- (All)
- No
- Yes

**School: University of California - Davis**  
 Total Resident Four-Year Tuition: **\$127,665.00**  
 Total Non-Resident Four-Year Tuition: **\$139,910.00**  
 Resident Four-Year Tuition Total With Interest: **\$151,625.77**  
 Non-Resident Four-Year Tuition Total With Interest: **\$166,168.97**  
 Average Freshman Scholarship Award: **\$11,905.10**  
 Percentage of Students Receiving Scholarships: **97.4%**  
 Average Resident Tuition Increase: **1.0%**  
 Average Non-Resident Tuition Increase: **0.6%**  
 Estimated Resident Loan Interest Accrued: **\$23,960.77**  
 Estimated Non-Resident Loan Interest Accrued: **\$26,258.97**  
 Can Establish Residency For Tuition Discount: **Yes**

© OpenStreetMap c

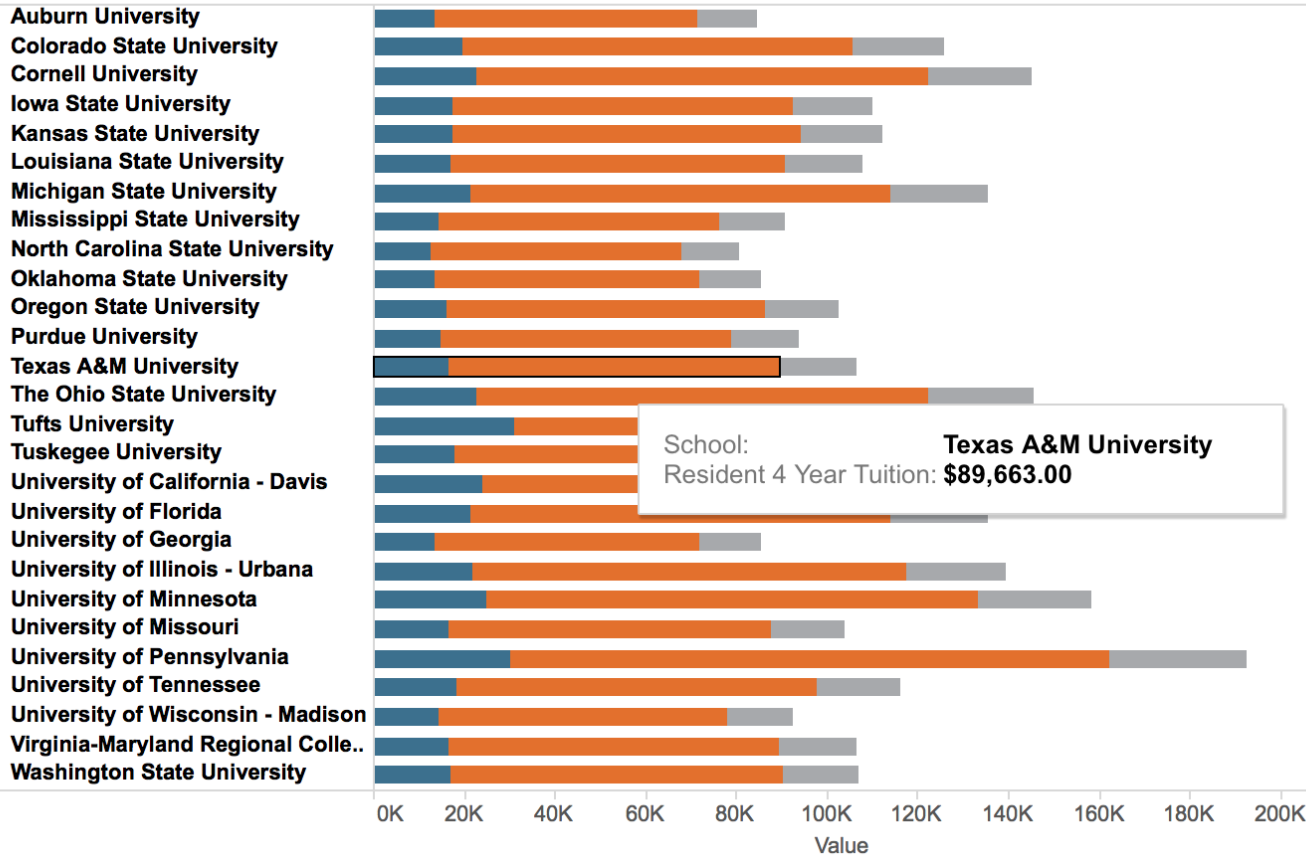
Figures for tuition, fees, o  
 continued escalations in t  
 Estimated loan interest in  
 Data on the amount of av  
 college funded scholarshi

ts with data collected from 2011-2016. Users should anticipate  
 at a rate of 6%.  
 et tuition conducted in 2015. Institutional aid is understood to be



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### Resident - Estimated Loan Interest Accrued

\$12,748.86      \$31,304.50



### Resident - 4 Year Total Tuition

\$67,927.00      \$166,793.00



### Resident 4 Year Tuition & Loan Fees Total

\$80,675.86      \$198,097.50



### Resident Cost Categories

- Estimated Resident Loan Interest
- Resident 4 Year Tuition
- Resident 4 Year Tuition & Loans

## FIRST (Financial Information, Resources, Services, and Tools)



### **FIRST for Students and Residents**

The AAMC's FIRST (Financial Information, Resources, Services, and Tools) program provides free resources to wise financial decisions by providing unbiased, reliable resources.



### **FIRST for Financial Aid Officers**

The AAMC provides a wide range of resources and tools to help financial aid officers help their students.



### **FIRST for Pre-health Advisors**

Find resources to help you show your advisees the importance of becoming informed consumers, financial literate financial decisions, and responsibly managing their student loan debt.



# Advocacy to Governments

- Advocate at the federal level for legislation that would impact student loans (choice, flexibility, cost)
- Restore subsidies, abolish origination fees, reduce interest rates, no interest while in school
- State VMAs working with Congressional members in home districts to advocate for legislation

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- AVMA Issue Briefs on student aid programs
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  - In the last six weeks nearly 140 letters were sent to lawmakers on Capitol Hill by veterinary advocates
- 2017 AVMA Fly-in: **April 24-25**

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- FASHP ED to MED Campaign
- Public Service Loan Forgiveness Program (PSLF)

# ED to MED Campaign

- **Lower interest rate caps** for graduate and professional students established by the Bipartisan Student Loan Certainty Act of 2013
- Reinstatement of the **in-school interest subsidy** for Federal Stafford Loans for graduate and professional students
- Preserve the continuation of **GradPLUS and Federal Perkins Loan** programs
- Invest in federal **public service scholarship and loan repayment** programs, such as the Public Service Loan Forgiveness Program
- Reduce administrative and financial burdens that **regulatory barriers** place on health professions schools and the students they educate
- Encourage prospective health professions students to pursue health professions education by maintaining low interest rates on federal graduate and professional loans



# Public Service Loan Forgiveness

## Federal Employee Awareness Campaign Day

- October 25, 2016 has been designated as Public Service Loan Forgiveness Program Federal Employee Awareness Campaign Day
- USDE Office of Federal Student Aid and Office of Personnel Management will host a Twitter chat from 3:00—4:00 p.m. EST to answer any questions about the program
- See what others are sharing about these efforts on Twitter through the hashtag **#PSLFtoFEDS**
- You can learn more about the Public Service Loan Forgiveness Program at <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/public-service.>



# 5-6 Year DVM Curriculum

- Commit to working on the development of a 5-6 year DVM program
- Review current curricula and identify ways to make it more efficient and decrease number of semesters
- Admit students into the program out of high school, get prerequisites done in undergrad and then admit to DVM program

# CURRICULUM REINVENTION

## Curriculum Reinvention

[Motion/Charge/FAQ](#)

[Reports](#)

[Videos](#)

[Calendar](#)

[Steering Committee](#)

E-mail comments and questions about the Curriculum Reinvention project to [curriculum@cvm.msu.edu](mailto:curriculum@cvm.msu.edu)



The College of Veterinary Medicine is embarking on a process to reimagine the DVM curriculum. The goal outlined by Dean Baker is a learner-centered curriculum that prepares career-ready, high-value graduates and is attentive to costs to both students and the College.

These goals were directly influenced by the College's strategic planning process.

### CURRICULUM REINVENTION

#### WORKING GROUPS

##### Competencies

Focus: Defining the target competencies for career-ready graduates.  
Conveners: Dr. Mike Scott, Dr. Ioana Sonea, and Dr. Stephen Carey

##### Economics of Higher and Veterinary Medicine

Focus: Develop recommendations with the potential to reduce the debt-to-income ratio.  
Convener: Dr. Harris-Kober

# Debt-to-Income Ratio

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## Increase Income

- Career awareness
- Professional competencies
- Focus on preventive medicine
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- Practice ownership and entrepreneurship



# Career awareness

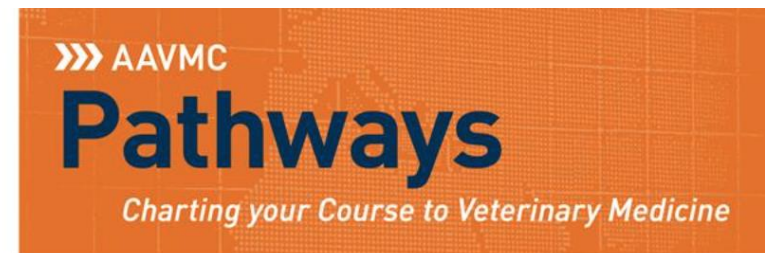
- Reformulate in our heads what it means to be a veterinarian
- Get out of your own bubble, educate about opportunities to all ages of young people
- Promote the breadth of veterinary medicine as a career with many different pathways

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- Promote the breadth of veterinary medicine as a career with many different pathways
- VMCAS VSES – outreach to applicants and pre-applicants
- AAVMC ARC/NAAHP Prevet Advisor Initiative
- AAVMC VetCAN – Career Advisor Network
- AAVSB/NBVME/AVMA Video

# Vet School Engagement System

- Customized monthly newsletters
- Tailored for academic status
  - High school
  - College
  - Pre-vet
- Different versions for
  - Students
  - Parents
  - Advisors





# DIVERSITY & INCLUSION ON AIR

CONVERSATIONS ABOUT DIVERSITY,  
INCLUSION & VETERINARY MEDICINE



*Dr. Rachel Cezar*

## Careers in Public Practice

Join Drs. Rachel Cezar from USDA-APHIS & Valerie Ragan from VA-MD College of Veterinary Medicine as they discuss diversity through the lens of public practice!

Learn about employment opportunities and efforts to increase diversity in this practice area.



*Dr. Valerie Ragan*

**OCTOBER 3, 2016**

**4pm EDT**

<http://tinyurl.com/DiversityonAirS2-PublicPrac>

**Watch Live or Later!**

**Send Advance Questions to [DiversityMatters@aavmc.org](mailto:DiversityMatters@aavmc.org)!**

*Submit advance questions to  
[diversitymatters@aavmc.org](mailto:diversitymatters@aavmc.org)*

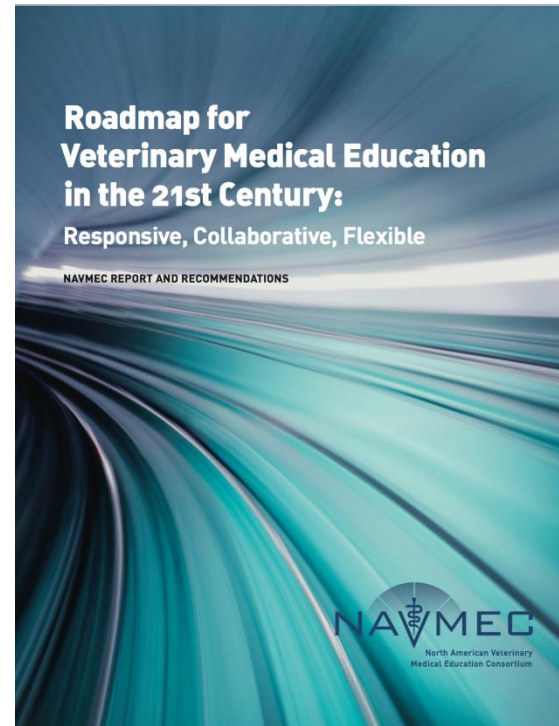
*Don't forget you can use the  
podcast to fulfill your Diversity  
and Inclusion Certificate  
attendance requirement!*

# Professional competencies

- Structure clinical year with emphasis on Day 1 competencies and the ability to do the common things uncommonly well
- Increase ability to generate revenue sooner by increasing confidence and decreasing perceived need for internships
- Adopt VBMA core competencies in current curriculum

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- NAVMEC Professional Competencies
- VBMA Business Certificate Program

## Professional Competencies

<p><i>Communication</i></p>	<p>Veterinarians sustain effective professional relationships and skillful, sensitive, appropriate communications with clients, colleagues, other healthcare professionals, and the public. They communicate effectively, using various methods in a variety of settings with the purpose of achieving the best outcomes/results.</p>
<p><i>Collaboration</i></p>	<p>Veterinarians serve integral roles in interdisciplinary teams to achieve success in business and optimal societal outcomes. They work as effective team members in interdisciplinary, multi-professional, and multicultural environments.</p>
<p><i>Management (self, team, system)</i></p>	<p>Veterinarians make effective choices to manage their professional and personal lives. They are aware of the challenges and the importance of making good work/life balance decisions. They are able to prioritize, coordinate, and effectively execute tasks and manage resources.</p>
<p><i>Lifelong learning, scholarship, value of research</i></p>	<p>Veterinarians recognize that research, which is based on the scientific method, leads to the generation of new knowledge that underpins the veterinary medical profession. They demonstrate a lifelong commitment to learning. They regularly ask questions and are able to review and analyze the validity of research findings. They apply new knowledge to problem solving and take an evidence-based approach to practice. They are committed to improving their knowledge, skills, and judgment. They participate in the creation, dissemination, translation, and adaptation of new knowledge to their work in order to maintain delivery of the highest quality service.</p>
<p><i>Leadership*</i></p>	<p>Veterinarians are proactive leaders in the profession and are recognized voices of authority in important areas, such as animal welfare and One Health medicine. They are committed to the health and welfare of animals and the protection of human health through ethical practice, professional self-regulation, legal compliance, and high personal standards of behavior and practice. They are guided by a code of ethics and law and a commitment to professional competence, appropriate attitudes and behavior, integrity, personal well-being, and the public good.</p>
<p><i>Diversity** and multicultural awareness</i></p>	<p>Veterinarians demonstrate an understanding of the manner in which culture and belief systems impact delivery of veterinary medical care while recognizing and appropriately addressing biases in themselves, in others, and in the process of veterinary medical care delivery.</p>
<p><i>Adapt to changing environments</i></p>	<p>Veterinarians recognize that they function within a continually changing physical, technological, economic, and societal environment. They demonstrate curiosity and flexibility when challenged with changing priorities and situations. A key attribute for veterinarians is their ability to quickly acquire technological expertise.</p>

# Business Certificate Program

## Business Leadership Skills

This category focuses on developing and leading an effective team through collaboration and communication skills.

### CATEGORY 3

- ❖ Recruitment, hiring, and termination
- ❖ Presentation skills
- ❖ Listening skills
- ❖ Communication (with coworkers and clients)
- ❖ Delegation
- ❖ Responsibility and accountability
- ❖ Leadership
- ❖ Managing change
- ❖ Teamwork
- ❖ Conflict resolution
- ❖ Motivation
- ❖ Exam room skills

## Career and Personal Development

This category focuses on preparing students to manage their career and personal finances.

### CATEGORY 4

- ❖ Resumes and the CV
- ❖ Interviewing
- ❖ Networking how-to's
- ❖ Internship and mentorship
- ❖ Career search and employment opportunities
- ❖ Continuing education
- ❖ Personal finance
- ❖ Personal investments
- ❖ Student debt
- ❖ Credit score
- ❖ Personal taxes
- ❖ Personal budgeting



# Focus on preventive medicine

- Promote a positive culture of preventive medicine
- Use Partners for Healthy Pets toolkit to integrate preventive medicine and wellness programs into practice
- Use AVMA's externship locator tool to engage students in preventive healthcare programs
- Integrate veterinarians into not-for-profit municipal shelters and collaborate on best practices for preventive care

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- PHP Preventative Care Certificate
  - 2000 participants since inception with over 400 completions; 97 starts and 35 completions this September
- Primary Care Veterinary Educators (PCVE) certificate program for instructors in partnership with Partners for Healthy Pets

# Partners for Healthy Pets

The screenshot shows the website's header with the logo "partners FOR HEALTHY PETS" and navigation links: Home, Your Toolbox, Forward Booking, Continuing Education, Pet Owner Campaign, and About. Two circular callouts with paw prints say "Don't forget to book my next appointment!". A main banner features a dog and a cat in circular frames, with a blue button labeled "Access Your Tools". The main text reads "Inactive Client Program" followed by "A proven program now utilized by over a thousand practices that brings inactive clients back into your practice." and "Yes — you read that right!". A "Click here" link is provided to learn more. A progress indicator at the bottom shows 12 dots, with the first one highlighted in yellow.

partners  
FOR HEALTHY PETS

Home   Your Toolbox   Forward Booking   Continuing Education   Pet Owner Campaign   About

Don't forget to book my next appointment!

Don't forget to book my next appointment!

Book ALL of your patients' next appointments before they head out the door. **Find out how!**

Access Your Tools

## Inactive Client Program

A proven program now utilized by over a thousand practices that brings inactive clients back into your practice.

Yes — you read that right!

**Click here** to learn more.



Continuing Education



THE UNIVERSITY OF GEORGIA®  
College of Veterinary Medicine



# Primary Care Veterinary Educators' Symposium

UGA-CVM Athens, GA  
October 20-23, 2016



♥ Event Description

⚙ Contacts and Sponsors

⚙ Hotels and Directions

## Primary Care Veterinary Educators' Symposium

Thu, October 20, 2016 - Sun, October 23, 2016

The annual symposium, co-hosted by the University of Georgia College of Veterinary Medicine and the Mississippi State College of Veterinary Medicine offers presentations and networking opportunities designed to help primary care educators generate new ideas and develop more effective educational strategies. Topics will include presentations on what is happening at a number of

# Practice ownership and Entrepreneurship

- Promote practice ownership, small business opportunities
- Change mindset from ownership to entrepreneurship
- Convene an Entrepreneurship Summit that includes students, recent graduates, practice owners, and industry

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- Convene an Entrepreneurship Summit that includes students, recent graduates, practice owners, and industry
- Facebook group promoting entrepreneurship
- Practice ownership rotations at Illinois, Georgia
- Live Oak Bank business externship
- AABP practice ownership workshops
- SAVMA Symposium collaborative workshops and lectures

## Students can get a crash course in practice ownership

Posted Oct. 12, 2016

Veterinary students looking for in-depth business training can spend a week or more this summer learning from business and industry experts and having discussions related to financial topics and business ownership.

Since 2014, Live Oak Bank has hosted groups of five students at a time at its Wilmington, North Carolina, headquarters for a short-course on business ownership. The Veterinary Student Summer Program is designed to be a hands-on learning experience with real-life scenarios for the students who are selected to participate.

The goal is to engage participants in a variety of activities—all intended to elevate their business acumen, impart what it means to be a practice owner, and equip them with knowledge and skills to be successful at running a practice. Veterinary students have discussions with business experts on topics such as business finance, practice management, marketing, communications, leadership, business models, and lessons learned from the hundreds of veterinary practices the bank has financed.

The 2017 program sessions are as follows:

- One-week sessions: June 26-30 and July 10-14
- Two-week sessions: May 22-June 2 and July 31-Aug 11

The program is open to all veterinary students in good standing with their universities and the Veterinary Business Management Association. No business experience is required. The two-week program is designed especially for students who need the program to count for credit during the clinical phase of their training; however, any student in good standing can apply for those sessions. The program is overseen by a licensed veterinarian. Participation and lodging expenses are covered by Live Oak Bank.

The deadline to apply is Feb. 1, 2017. More information and the application form for the program can be found [here](#).



»» COMMUNITY OF INTEREST

# Fix-the-Debt Initiative

*Join the Conversation... Coming Soon!*

## AAVMC News

- Monday, September 19, 2016  
AAVMC Introduces Web-based Educational Cost Comparison Tool
- Wednesday, August 10, 2016  
Saskatchewan's Freeman Assumes Leadership of AAVMC
- Friday, June 24, 2016  
New Leadership for AAVMC Leadership Academy
- Monday, May 23, 2016  
Texas A&M University College of Veterinary Medicine & Biomedical Sciences Wins 2016 AAVMC Excellence in Communications Award

## Vet School News

- OVC Pet Trust receives \$2.5 million gift to create NEW cutting-edge surgical facilities at UofG's Ontario Veterinary College
- Texas A&M Researchers Awarded Grant to Establish "Tissue Chip" Center
- WARF Innovation Award Winners Take on Zika Outbreak, Airway Obstruction
- DEXA scanner enhances body composition research in pets
- Education and awareness vital to manage stresses of veterinary practice
- Celebrating Dr. Charles W. "Doc" Graham, '53
- 2016 Purdue Veterinary Conference Attracts Strong Turnout

## Quick Links

- Education**  
Achieving Education Excellence
- Recruitment**  
Recruit Exceptional Students
- Diversity**  
Build Diversity in the Profession
- One Health**  
Foster One Health
- Research**  
Promote Discovery