SUMMARY: COST/BENEFIT AND ECONOMIC IMPACT ANALYSIS OF MEDICAL EDUCATION EXPANSION OPTIONS/NEEDS IN EASTERN WASHINGTON

COST/BENEFIT FINDINGS

- UW School of Medicine provides the most cost-effective way for the State of Washington to provide medical education in order to grow the state’s physician workforce.
- Tripp Umbach believes that developing a new independent medical school is currently the most expensive option to grow the state’s physician workforce.
- While national data demonstrates that operational impacts from a standalone medical school typically generate more economic impact than regional program expansion, higher operating costs to taxpayers associated with a standalone WSU medical school will negate much of this benefit.

CAPACITY FINDINGS

- Eastern Washington cannot feasibly support two medical schools at this time due to limited clinical training and residency training sites.
- The University of Washington has a greater capacity than Washington State University to grow graduate medical education programs in Spokane & Eastern Washington.
- Increasing the number of medical school graduates without increasing the availability for them to remain in-state to complete their residency training would be ineffective in addressing the shortage of physicians within the state.

MEDICAL EDUCATION ANNUAL COST PER STUDENT

- UW: $70K
- NATIONAL AVERAGE: $81K-$130K
- WSU: $98K

UW SCHOOL OF MEDICINE RETURN RATE TO WASHINGTON VS. NATIONAL AVERAGE

- UW: 55%
- NATIONAL AVERAGE: 39%
Despite investing hundreds of millions in new medical schools, Florida has less doctors per capita than Washington State. This is because Florida does not have enough residency slots for graduates ranking 42nd nationally in physicians-in-training per 100,000.

ABOUT THE FIRM
Tripp Umbach is national leader in conducting feasibility analysis and economic impact studies for universities, hospitals, academic medical centers, and corporations throughout the United States and internationally, having completed more than 2,000 studies over the past 25 years. During that same time, the firm has completed multiple studies for both the University of Washington and Washington State University.

BACKGROUND
In 2009, Greater Spokane Inc. commissioned Tripp Umbach to study the economic impact of expanding medical education and research at the Spokane Riverpoint campus. The report found that rapidly expanding the WWAMI program would contribute to an estimated economic impact of $1.6 billion and 9,000 jobs over a 20 year period. This year, Tripp Umbach was invited in by the University of Washington to conduct a comprehensive independent analysis of the costs and economic benefits of medical education expansion in Eastern Washington. Tripp Umbach’s timely report provides independent, third-party recommendations to best fulfill the medical education expansion needs in Eastern Washington for the State of Washington.

CONCLUSIONS & KEY FINDINGS
Our study finds that both the expansion of UW School of Medicine in Spokane, and a startup WSU medical school can meet the objectives of our earlier 2009 report. However, in terms of cost to the state, UW’s expansion plan is clearly the most cost-effective option, while WSU’s startup plan is the most expensive option.

We also find that Eastern Washington cannot feasibly support two medical schools due to lack of clinical and residency capacity.

As an established program, UW School of Medicine has greater capacity to retain students who remain in the region to practice and grow graduate medical education in Eastern Washington.

METHODOLOGY
The Tripp Umbach research team completed eight weeks of research and analysis of each of the programs, as well as the broader community and statewide needs. The team also met with business leaders in the Spokane community to gather impressions and information on the community needs in the area. This study is intended to allow leaders at UW, WSU, as well as multiple health care, education, and economic development partners regionally and statewide, to understand impacts and implications associated with both schools’ plans.