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RAM\$mart Financial Wellness for Health Profession Students


Grace E. Harris Leadership Institute, Virginia Commonwealth University

Marquita Aguilar
Virginia Commonwealth University

Cheryle Caplinger
Virginia Commonwealth University

See next page for additional authors

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Authors

Grace E. Harris Leadership Institute, Virginia Commonwealth University; Marquita Aguilar; Cheryle Caplinger; Dave Dixon; Micol Hutchison; Jenifer Murphy; Ashlie Tseng; and Christiana Lafazani

RAM\$mart Financial Wellness for Health Profession Students

TEAM MEMBERS

Marquita Aguilar, Director, Great Place Initiative, College of Humanities and Sciences
Cheryle Caplinger, Director of Marketing and Communications, School of Engineering
Dave Dixon, Pharm.D, Associate Professor, Vice-Chair of Clinical Services, School of Pharmacy
Micol Hutchison, PhD, Director of Student Success, University College
Christiana Lafazani, Associate Professor, Department Chair, Interior Design, School of the Arts
Jenifer Murphy, Patient Safety Manager, VCU Health System
Ashlie Tseng, MD, FAAP, Pediatric Hospital Medicine Fellow, Children's Hospital of Richmond at VCU, VCU Health System

Project Sponsor: Marc Vernon, Executive Director of Financial Aid, Office of Strategic Enrollment Management

PROJECT DESCRIPTION

College students today are graduating with more debt than ever before. As such, it is critical that our graduates are equipped with the right skills and frame of mind to manage their finances. This includes understanding their income, taxes, and expenses; managing debt; budgeting; saving; and retirement planning. Money management can be intimidating for anyone, regardless of background or education. While online resources are made available to our students, these resources are often overlooked, and do not necessarily set out to engage students or address the issues they may face in a convincing or compelling way.

Most of the financial resources easily accessible on the web and on VCU's sites are intended for undergraduate students. However, graduate students and in particular students in the health sciences professional programs (medicine, dentistry, pharmacy) can accrue a tremendous amount of debt, but are not exposed to as many mandatory or voluntary budgeting and financial resources.

The RAM\$mart Financial Wellness Program is a set of online modules that will allow students the opportunity to learn the basic principles of money and debt management. We are focusing this phase on professional students in the Schools of Medicine, Pharmacy, and Dentistry, with the intent to engage the whole VCU student population in the future. The RAM\$mart Financial Wellness Program will include modules on a variety of money management topics designed to get the attention of students and to provide them with practical steps they can take at the beginning of, and throughout, their graduate professional education to minimize debt accumulation. There will also be modules designed to inform students of various loan payback options upon their degree completion, and of available community and online financial resources.

Through attention-grabbing and entertaining modules, including such things as humorous video snippets and interactive questions, students' awareness of budgeting and financial responsibility will increase significantly.

QUEST FOR DISTINCTION

Theme I (Goal 1)

Student success, now and in the future, is a key aspect of Theme I. Considering the debt burden our students carry, it is our responsibility to equip our students with the knowledge, skills, and abilities to succeed in their personal and professional lives. By providing this annual online event, we will provide an opportunity for our students to engage in the money management process while at VCU so they can hopefully begin to apply these principles in their daily life.

Theme III (Goal 1)

Community engagement is essential to the mission of VCU. This proposal could promote avenues for the University to become a national model for community engagement and regional impact.

PROJECT GOALS

Develop financial modules for health professional graduate students designed to:

1. Improve financial awareness of first-year health professional graduate students.
2. Provide effective tools that can facilitate financial decisions for health professional graduate students.
3. Help alumni become better positioned financially to increase opportunities for greater philanthropic support.

PROJECT STRATEGIES

The initial scope of the project encompassed the entire university, which quickly was determined to be too broad. In order to identify a manageable scope, the first strategy was to talk with financial aid leaders in the university and the community. This helped to guide the team towards the idea of a series of online modules, which would require more active participation by students, and away from the early idea of a student loan/financial wellness “fair” event. These conversations also established the initial list of possible modules for the program. The team still felt the scope was too large and through a series of group discussions, reached a consensus to focus on the graduate health professional students, as the amount of student debt incurred in these programs (i.e. medicine, dentistry, pharmacy, etc.) far surpasses other programs. The team developed a brief survey to solicit qualitative information from the various health science programs on resources currently available to educate students about student loans and financial wellness. This was not a large survey, but did provide excellent anecdotal information to support our project idea. The team meeting with Project Sponsor, Marc Vernon, provided additional clarity on the module topics and resources to review for additional data on the student loan debt crisis. There was an ongoing question of whether this program would be optional or mandatory, which the Project Sponsor encouraged the team to propose this be mandatory, due to this issue being of such paramount importance.

ACTION STEPS

- Confer with individuals from professional schools at VCU to determine needed modules.
- Conduct environmental scan of current financial aid and loan resources.
- Determine cost estimates for creating and distributing modules to students.
- Create modules.
- Test modules with students.
- Modify modules as needed.
- Encourage additional universities to adopt modules in future.

OUTCOMES

The desired outcomes of this project would include evidence of mastery, based on students' results on post-module assessments; a reduction in percentage of offered loan taken by students in the program; a reduction in total debt of graduating students; and lastly, a potential for graduates to engage in development/philanthropic activities.

SUSTAINABILITY

In its first year, this event would be offered by a single health professional school at VCU. After assessing its effectiveness and modifying it as needed, the hope is that all health professional schools on campus would adopt it as part of their programming for incoming students. In the future, additional programs and schools in our University could easily adopt and modify the module set to be used by their own students. The team also sees the potential of being leaders in this process, as other Universities could follow our lead and offer similar programs.

FINANCING AND RESOURCES

The team estimates the cost for the development of the online module to be \$40,000, which is an initial start-up cost that includes all production costs, exclusive of salaries. Annually, IT support and a module developer and coordinator will be approximately \$95,000 per year, beginning in the first year. Subsequently, annual maintenance to the modules and the technology powering them are not expected to exceed \$8,000 per year. The annual cost for distribution will be approximately \$3-5 per student, which includes administration through a third party learning management system (similar to that of the Title IX modules distributed to employees and students of VCU), and will depend on the number of students viewing the module.

Project Budget (5-year plan)

	Item Description	Justification	Cost
1.	Module(s) Creation	Start-up cost, first year only	\$40,000
2.	IT Support	IT consultant, through university	\$25,000
3.	Module Developer & Coordinator	FTE salaried position	\$70,000
4.	Annual maintenance	May include technology upgrades and changes and additions to information	\$8,000
5.	Distribution (through third-party vendor)	\$3-\$5/student, based on initially introducing modules to one school, then expanding to additional schools	\$5,000
Total			\$140,000

*\$140,000 in the first year, \$108,000/year in subsequent years

RECOMMENDATIONS

The team has developed the background and framework for creating the RAM\$mart modules, however, we make the following recommendations:

- Create a committee with representatives from each of the MCV Campus School's to agree in principle to support the creation of the modules. Each School would identify a faculty "champion" (preferably the Dean of Student Affairs from each school) to provide profession-specific details regarding the module content.
- Partner with individuals either from the VCU School of Business or external partners (e.g., Virginia Union) in the financial industry to serve in an advisory role and assist in creating some of the informational content of each module.
- Either the School's or an individual with Financial Aid would need to take responsibility for overseeing creation and long-term management of the modules.

Potential barriers include a lack of support from the health profession schools and their willingness to require the modules as part of their existing orientation requirements; complications regarding student involvement; university funding and support for a Module Developer and Coordinator to work with each of the School's.

FINAL PITCH

The goal of the RAM\$mart Financial Wellness project is to create interactive, self-paced, online modules on a variety of student loan and money management topics that are relevant to health professional students. There is significant demand for a well-trained and educated healthcare workforce. However, the increased cost of education has decreased the return on investment (ROI) and may discourage individuals from pursuing opportunities in healthcare. VCU can distinguish itself by offering a program tailored to meet the unique needs of each healthcare profession. Furthermore, part of VCU's mission as an urban institution is to train healthcare professionals equipped to the community at-large.

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Student Loan Literacy Education Program for Health Professional Students

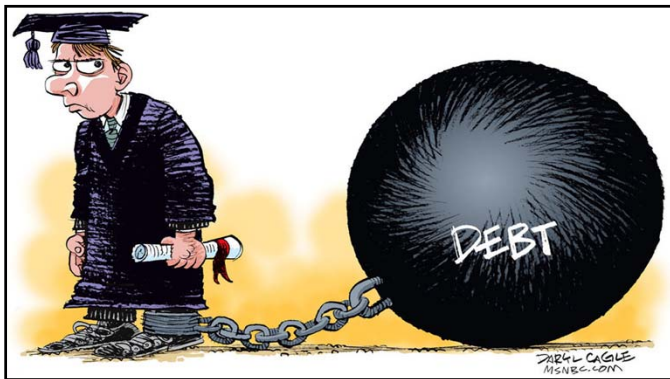
Our Team:

- Marquita Aguilar
Director, Great Place Initiative
- Cheryle Caplinger
Director of Marketing & Communications, School of Engineering
- Dave Dixon
PharmD, Associate Professor and Vice-Chair, School of Pharmacy
- Micol Hutchison
PhD, Director of Student Success, University College
- Christiana Lafazani
Associate Professor, Department Chair, Interior Design, School of the Arts
- Jenifer Murphy
MHA, CPPS, Patient Safety Manager, VCU Medical Center
- Ashlie Tseng
MD, FAAP, Pediatric Hospital Medicine Fellow, Children's Hospital of Richmond

Our Sponsor:

- Marc Vernon
PhD, Executive Director of Financial Aid, VCU

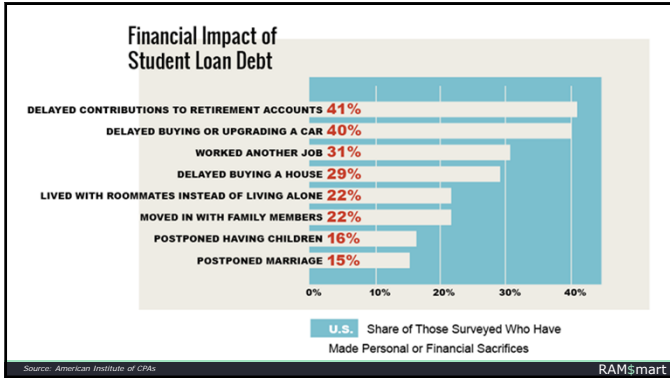
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Project Goal:

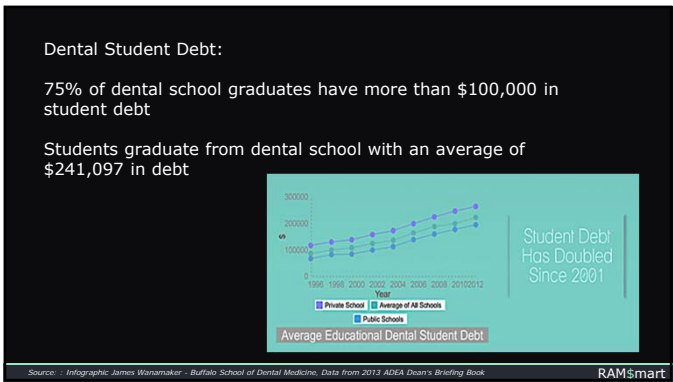
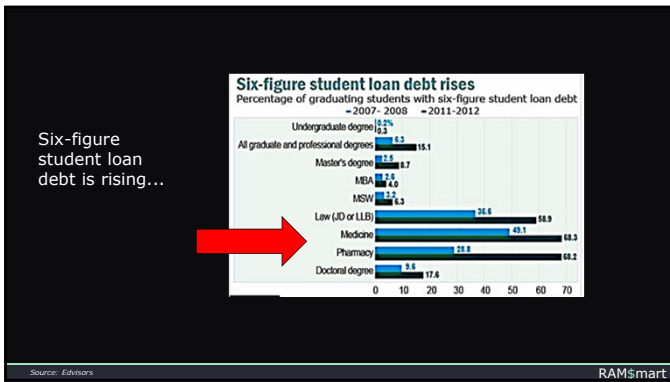
To provide financial literacy training tools and resources for VCU graduate health profession students.

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Here at VCU - Sample Cost of Tuition and Fees:

School (In-State)	Years in Program	Total Estimated Tuition and Fees Costs
Dental	4	\$95,264
Pharmacy	4	\$57,358
Medical	4	\$129,892
Nursing Graduate Masters OR DNP	2	\$24,794
MHA	3	\$20,134



"We have married friends who have \$800,000 [in student debt] combined!" (Kelly, dental school graduate)

"When I started, I had this image that I would graduate and immediately be making more than enough money to not have to worry about loan payments. Now, I'm beginning to see that it's not quite like that." (Christine, 2nd year PsyD student)

"I wish I had known more about the long term payback back amount, subsidized vs. unsubsidized, and the impact of going into forbearance on my undergraduate loans while I was in graduate school." (Sam, MHA graduate)

"I did not receive any guidance during the loan process. The school just sent me paperwork and asked me to fill it out and submit it. There was no communication on the different loan options...I was surprised with how much the final loan amount was after medical school. And the interest keeps growing, which is making my loan amount increase exponentially." (Brandon, medical school graduate)

VCU NEWS

Saturday, Sept. 3, 2016

Student debt crisis

Why it's everyone's problem and what VCU is doing to help

Resources for students

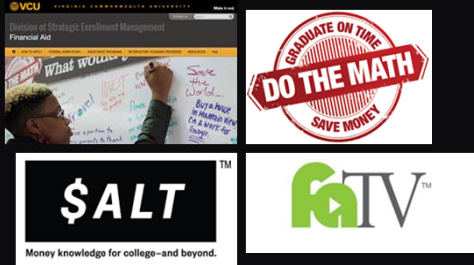
Do the Math: A VCU campaign to help make college students aware that they can save an estimated \$20,000 by taking 15 credits per semester and graduating in four years instead of six.

Financial Aid TV: A series of short online videos that teaches students about topics such as applying for financial aid, granting identity theft, and understanding credit scores.

The Money Quest: A new peer support counseling center located in HSB has helped students deal more easily with applying for financial aid and offers help with their financial future.

Source: VCU News, July 2016

Financial Resources at VCU:



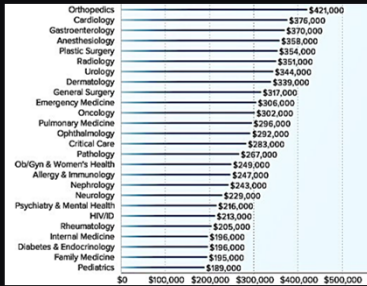
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"The cost for education is beginning to shift people away from the specialties they're most passionate about and feel a part of," Rappley says. "We want students to go into pediatrics, primary care, cardiology or thoracic surgery because they love doing those things. We don't want them making their decisions based on economic factors."

Marsha Rappley, MD
VCU Vice President for Health Sciences and VCU Health System Chief Executive Officer

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"But don't doctors make a lot of money?"

Median Salary Variation Based by Physician Specialty

Source: 2015 Medscape Physician Compensation Report

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Sample Loan Repayment:

Description	Repayment Years	Monthly Payment	Interest Cost	Total Repayment
PAFE during residency and after with \$18,000 starting salary	Residency: 3 Post-Res: 17	\$300 to \$340 \$1,600 to \$2,800	\$224,000	\$407,000
Forbearance during residency, then PAFE with \$18.5K starting salary	Residency: 3 Post-Res: 18	\$0 \$1,600 to \$2,500	\$240,000	\$423,000
Forbearance during residency, then Standard	Residency: 3 Post-Res: 10	\$0 \$2,700	\$146,000	\$329,000
Forbearance during residency, then Standard	Residency: 7 Post-Res: 10	\$0 \$3,300	\$216,000	\$399,000
Forbearance during residency, then Extended	Residency: 3 Post-Res: 25	\$0 \$1,600	\$297,000	\$480,000
Forbearance during residency, then Standard with 5yr VA EDRP of \$120K	Residency: 3 Post-Res: 5	\$0 \$2,700	\$108,000	\$171,000

Notes: PAFE is Pay As You Earn. VA EDRP is the Dept. of Veterans Affairs Education Debt Reduction Program. All figures are approximate, rounded for clarity, and estimated for a 2016 graduate. Full assumptions for each scenario available on request. Salaries in 2014 dollars.

Source: AAMC

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"[Student debt] is metastasizing. It's like cancer."

"Because the cost is very high, graduate students accept all of the monies".

Marc Vernon, PhD
Executive Director of Financial Aid, VCU

Our Goal:

Develop financial modules for health professional graduate students designed to:

Improve financial awareness - target first-year health professional graduate students (immediate)

Provide effective tools that can facilitate financial decisions for our health professional graduate students (through their term of study)

Help our alumni become better positioned financially to increase opportunities for greater philanthropic support (long term)

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Modules (overall topics):

Module #1 - Introductory information
Average tuition cost per school
Financing options
Average debt cost
Assessment

Module #2 - Financing options for graduate schools in the health field
Federal loans & Private bank loans
What & how to get them
Amount of funds offered
Assessment

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Modules (overall topics):

Module #3 - Explanation of loan repayment options
Monthly payments
Deferment
Loan forgiveness
Resources
Assessment

Module #4 - Personal finances
Creating a budget
Future need considerations
Assessment

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Sample Module #3:

Explanation of loan repayment resources & options :

Monthly payment information and resources | Deferment options & resources | Loan forgiveness options & resources | Assessment

Sample for [video](#) Module #3

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Measurable outcomes (Indicators of goals achieved):

- Evidence of mastery, based on students' results on post-module assessments
- Reduction in percentage of offered loan taken by students in the program (measured at the beginning of each year's financial aid cycle; statistically significant reduction after 4 years)
- Reduction in total debt (adjusted for inflation and rising cost of tuition) of graduating students (comparison, at the end of schooling, between students who completed program at the start of their graduate program and those before them who did not)
- Potential for graduates to engage in development/philanthropic activities (statistically significant increase)


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RAM\$mart and Alignment with Quest...

Theme I: Become a leader among national research universities in providing all students with high quality learning/living experiences focused on inquiry, discover, and innovation in a global environment.
Goal I: Recruit and retain talented and diverse students who will graduate at a higher rate and will contribute to a highly skilled workforce



Theme III: Become a national model for community engagement and regional impact.



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Next Steps:

- Develop sample modules
- Confirm interest and commitment from key stakeholders/schools to make modules required for first year health profession graduate students
- Finalize module content and pilot with students
- Launch final modules
- Adapt content to meet needs of other graduate programs and, eventually, undergraduate programs.
i.e. Starting a private practice for dental, medical, and pharmacy students

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Challenges:

- Existence of similar programs/content
- Buy in from key stakeholders to make modules mandatory for students
- Large volume of curriculum already required by graduate health profession students
- Feeling of infallibility felt by students in regards to student loan debt and future income earning potential

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The Final Pitch:



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Thank you!

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