



Western Interstate Commission for Higher Education

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## Memorandum

Date: June 4, 2018

To: Deans, Directors, Departments of Participating Professional Student Exchange Programs (PSEP)  
WICHE Certifying Officers  
Western State Higher Education Executive Officers

CC: WICHE Commissioners  
WICHE Veterinary Medicine Advisory Council

From: Jere Mock, Vice President, Programs and Services  
Margo Colalancia, Director, Student Access Programs

RE: Approved Support Fees for the 2019-20 and 2020-21 Biennium

20% Cap on Support Fee Incentives for Public Programs, Effective for New Students  
Enrolling Academic Year 2019-20

Public Institutions May Charge Students the Balance of Resident/Nonresident When the  
Differential Is Not Covered by the Support Fee

### Approved Support Fees for the 2019-20 and 2020-21 Biennium

A memo describing the proposed support fees for the 2019/2020 biennium was transmitted for your review and comment via survey in March 2018. This is to notify you that the WICHE Commission approved the support fee increase as detailed at their May 7, 2018 meeting in Missoula, Montana. In concert with the 2016-2017 HECA (Higher Education Cost Adjustment) index, the Commission approved a 2.2 percent increase for the fields of dentistry, occupational therapy, optometry, osteopathic medicine, pharmacy, physical therapy, physician assistant, and podiatry.

The Commission voted to freeze support fees for the fields of allopathic medicine and veterinary medicine at the 2018-19 rates for the next biennium. Historically, their support fees were set at a higher rate to cover a greater percentage (approximately 61 percent) of nonresident or full

private tuition compared to the other fields (about 35 percent). WICHE states supporting students in these fields believe that higher coverage of nonresident or full private tuition is no longer warranted as competition for admission has recently softened in some of the participating programs and the higher support fees were becoming prohibitive for the states supporting students in allopathic and veterinary medicine.

Field	2018-19*	2019-20	2020-21
Dentistry	\$26,175	\$26,750	\$27,350
Allopathic Medicine	32,650	32,650	32,650
Occupational Therapy	13,700	14,000	14,300
Optometry	18,025	18,425	18,830
Osteopathic Medicine	22,400	22,900	23,400
Pharmacy	7,975	8,150	8,330
Physical Therapy	15,075	15,400	15,750
Physician Assistant	17,850	18,250	18,650
Podiatry	15,550	15,900	16,250
Veterinary Medicine	32,400	32,400	32,400

\* Fees for 2018-19 were established by the Commission in May 2016 and are included for reference.

Unless noted, the approved support fees are calculated based on standard program length. Adjustments to accommodate accelerated programs or other special circumstances are spelled out in the PSEP Administrative Manual which can be accessed at [www.wiche.edu/psep](http://www.wiche.edu/psep) along with an updated chart of support fee amounts. We encourage you to bookmark the URL and keep a copy of this memorandum for future reference.

## 20% Cap on Support Fee Incentives for Public Programs, Effective for New Students Enrolling AY 2019-20 (Original notification memo: July 7, 2017)

On May 23, 2017, the WICHE Commission approved an action item to cap support fee incentives received by public programs enrolling students through WICHE's PSEP. PSEP has provided affordable access to professional healthcare education since the 1950s and has educated thousands of professionals across a range of healthcare fields including: dentistry, allopathic and osteopathic medicine, physician assistant, occupational and physical therapy, optometry, pharmacy, podiatry, and veterinary medicine.

The Commission and WICHE staff recognize that there are divergent stakeholder and state views on the appropriate level of financial incentives for the programs at public universities that enroll students through PSEP, along with significant historical precedents. Because of those factors,

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WICHE staff and Commissioners of WICHE's Programs & Services Committee spent considerable time trying to find an option that would best serve the needs of Western states, WICHE students, and the professional public programs that enroll them.

The compromise position recommended by staff and approved by the WICHE Commission will cap the maximum incentive for each PSEP public program at 20 percent of the respective field's support fee, effective for new students enrolling in the fall of 2019. This approach still provides some financial incentive to participating programs whose resident/nonresident tuition differential is less than their field's respective support fee.

In an effort to mitigate any negative financial impact to our partner public programs, the WICHE Commission approved a slow and gradual implementation of the new incentive cap. We also provided a substantial two-year notice to our programs so that if your program is one of those that will likely be affected, you can plan for the change. The cap on incentives will take effect only for new students enrolling in summer/fall 2019 and later. Continuing students (those who enrolled in their respective PSEP program prior to academic year 2019) will continue to pay resident tuition to public programs receiving an incentive, and programs will be allowed to retain the full incentive for continuing students until they graduate. Additionally, for new students enrolling in summer/fall 2019 and later, any incentive amounts in excess of the 20 percent cap are to be applied to further reduce the PSEP students' resident tuition.

Our hope is that our cooperating programs will continue to offer some level of preferential admission to WICHE applicants. WICHE staff has committed to monitoring PSEP admissions numbers for potential negative impacts, particularly in programs whose incentive may be reduced because of the 20 percent cap.

Public programs whose resident/nonresident tuition differential is greater than the support fee (or public "self-pay" public programs that charge the same tuition rate to residents and nonresidents) and private programs are not affected by this change. They should continue to apply the support fee to nonresident or full private tuition, and charge the PSEP student the balance.

While public institutions may receive different levels of incentives (or no incentive) due to the variation in each one's "gap" between resident and nonresident tuition, all programs in a field receive a standard support fee. Approved WICHE support fee rates for the 2019-20 and 2020-21 academic years are available on page 1 of this memo. WICHE staff will be contacting your program administrators with additional information to illustrate the projected impact of the cap on support fee incentives, in 2018-19 terms.

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## Reminder: Public Programs May Charge Students the Unmet Balance If Resident/Nonresident Differential Is Not Covered by the Support Fee

Prior to enrollment of new students in fall 2013, all public programs were required to charge a PSEP student resident tuition, even if the support fee did not adequately cover the resident/nonresident tuition differential. In May 2012, a new policy was approved to help programs that had been losing tuition revenues for WICHE students' sake.

If your public program's resident/nonresident tuition differential is not covered by the support fee, your program is allowed to credit the support fee against full nonresident tuition and the student is responsible for the balance.

Private programs are not affected by this policy. They should continue to apply the support fee to nonresident or full private tuition, and charge the PSEP student the balance.

### Coming Soon

WICHE staff will be contacting participating programs with support fee illustrations including detailed information for programs potentially affected by the 20% incentive cap. Please contact Margo Colalancia at 303.541.0214 or [mcolalancia@wiche.edu](mailto:mcolalancia@wiche.edu) with your questions.

WICHE staff and PSEP students are very grateful for your continued commitment to regional collaboration. We appreciate the vital role you play in building the West's professional healthcare workforce.