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New York Hospitals Create Outcry in Foreign Deal

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New York City's Health and [Hospitals](#) Corporation has signed a 10-year, \$100 million contract with a profit-making medical school in the Caribbean to provide clinical training for hundreds of students at the city's 11 public hospitals.

The unusual deal, proposed by a member of the corporation's board who has long worked for the Caribbean school, has been met by an outcry from New York [medical schools](#) fearing that clerkship slots will grow scarcer and that they might have to increase tuitions to compete.

Critics worry that the hospital corporation, whose mission is to serve the city's poor, is conferring prestige on a foreign school whose curriculum, they say, is more vocational than research-based and often caters to affluent students who could not get into schools in the United States.

They say that the contract, with St. George's University School of Medicine on the island of [Grenada](#), has turned a meritocracy into a bounty system in which struggling city hospitals collect more for every St. George's student they take, and could squeeze out local students.

"This changes the whole dynamic from an academic relationship to a dollar-based relationship," said Dr. Michael J. Reichgott, associate dean for clinical affairs and graduate medical education at Albert Einstein College of Medicine in the Bronx.

Traditionally, medical schools have sent third- and fourth-year students into city hospitals to work — and learn — alongside doctors without being charged. Health and Hospitals Corporation officials said some institutions had recently begun paying a flat fee of \$250,000 a year, which Dr. Andrew W. Brotman, a senior vice president at [New York University](#) School of Medicine, likened to a gratuity.

The clerkships, in which students assist and observe medical personnel through a rotation of individual specialties, are considered a critical component of medical education.

Over all, there are about 3,700 rotations for students at United States medical schools at the

city's public hospitals.

Under the contract, which was signed last year but never publicly announced, St. George's pays the hospitals \$400 to \$425 per student per week — St. George's charges students about \$1,000 a week in tuition — on top of an annual fee of \$50,000 for hospitals that take 24 or more St. George's students.

“If that \$400 per week per student algorithm were applied to the New York schools, I think it's not affordable and it would certainly be a problem,” said Dr. Brotman, estimating that it would cost N.Y.U. \$2.8 million per year. “I don't come at this from a quality point of view. I come at this from a volume and logistics point of view.”

The contract also bans the hospitals from providing clerkships to other Caribbean medical schools — a critical provision to St. George's, which has faced heightened competition in recent years, particularly from Ross University on the island of Dominica, part of DeVry Inc., a publicly traded educational company, since 2003.

The board member who first proposed the exclusive contract, Dr. Daniel D. Ricciardi — a 1981 graduate of St. George's and a rheumatologist affiliated with Long Island College Hospital in Brooklyn — said he had recused himself from deliberations involving St. George's. Dr. Ricciardi, who has been on the 16-member corporation board since 2000 and on the St. George's faculty for about 15 years, said he did not benefit financially from the deal. He was promoted to St. George's dean of clinical studies and put in charge of United States clerkships shortly before the contract was signed.

“I don't have to go to confession on this one, I really don't,” he said. “Everybody's saying there's a conflict here, and it comes back to me. They're disgruntled, jealous. A report was written on the school, and the judgment was made based on merit, not on political push.”

Dr. Ricciardi, 55, who was honored by the hospital corporation last year “for his selfless dedication to furthering the mission of H.H.C.,” compared the objecting American medical school officials to children crying, “ ‘Daddy, I can't have my free candy anymore.’ ”

Neither the president of the hospital corporation, Alan D. Aviles, nor its senior vice president of operations, Frank J. Cirillo, would discuss the contract. Ana Marengo, a spokeswoman for the agency, gave a primarily fiscal rationale, saying that the arrangement with New York medical schools does not cover costs, and that the hospitals operate on “razor-thin” margins and need the revenue.

Ms. Marengo said that only two Caribbean schools, St. George's and Ross, met the corporation's standards for bidding on the contract, and that St. George's made the more attractive offer, including one medical-school and one nursing-school scholarship to prospective New York City students for each hospital that provides at least 24 clerkships.

Joan Bates, director of investor relations for DeVry, Ross's parent corporation, declined to comment.

The contract, which has a five-year term automatically renewable for another five, unless either side objects, calls for up to 600 clerkships, but resistance at the city's prestigious medical schools, including New York University and [Albert Einstein](#), has prevented the program from getting off the ground at their training hospitals, Bellevue Hospital Center on the East Side and Jacobi Medical Center in the Bronx.

According to Charles R. Modica, the chancellor of St. George's, about 200 students have been placed at six hospitals: Coney Island, Queens, Elmhurst, Lincoln, Metropolitan and Woodhull. Ms. Marengo, the corporation spokeswoman, said St. George's paid about \$2 million in the first year of the contract, adding: "We expect that to grow gradually as additional facilities prepare to take on more students."

Dr. Steven B. Abramson, vice dean of medical education at N.Y.U., said the resistance stemmed from concern about the caliber of education at St. George's, which admits about 1,000 medical students a year, compared with 160 at N.Y.U. He cited the large student body and the fact that the clerkships were divorced from the faculty and academic facilities in Grenada, noting that medical schools here integrated classroom work, research and clinical training.

"I don't begrudge the kids," Dr. Abramson said. "I just think the model takes advantage of these kids; the structure is substandard."

Jennifer Golia, who grew up in Queens and graduated from Princeton in 2003, spent two years collecting rejection letters from medical schools in the United States before enrolling at St. George's; she has done clerkships at five New York City hospitals, most recently in neurology at Brooklyn Hospital Center.

"The Albert Einstein students did the exact same thing that we did," Ms. Golia said of her stint at Flushing Hospital Medical Center last year. "We were standing next to each other on ward rounds, presenting patients together at clinic and presenting cases to each other. We had the same supervisors."

St. George's students generally attend classes in Grenada for two years, then spend the next two in clerkships in Britain or the United States, primarily at hospitals in New York, New Jersey, California and Florida.

In 1985, New York State's education commissioner barred St. George's students from New York hospitals, saying that the school's program was too fragmented and the involvement of school officials was too tenuous. After the school made some changes, that ruling was reversed, and St. George's has since routinely sent students to New York hospitals, but the new contract could quadruple the number while raising what until now had been a \$300 fee per student per week.

Jo Wiederhorn, executive director of the Associated Medical Schools of New York, argued during a presentation to a state medical licensing board in May that as American medical schools tried to increase enrollment to address a shortage of doctors, the contract could threaten access for local institutions and put pressure on them to pay the hospitals more. Noting that St. George's tuition is nearly \$50,000 a year, compared with \$40,000 at top American medical schools, Ms. Wiederhorn worried in an interview that New York schools would have to raise tuition by \$20,000 to pay for clerkships and "it would make them noncompetitive with the rest of the country."

The St. George's medical school accepted its first class in 1977, and has an admissions office on Long Island; some 70 percent of its students are United States citizens. When the United States military invaded Grenada in 1983, a principal goal was to rescue American students studying at St. George's amid the unrest.

In 2005, Senator [Jeff Sessions](#), a Republican from Alabama, led an unsuccessful drive to cut off federal [student loans](#) to St. George's, Ross and American University of the Caribbean on St. Maarten, saying they were little more than diploma mills "created to serve American students who cannot get into American medical schools."

Mr. Modica, the chancellor, acknowledged that St. George's students generally had lower grade-point averages and lower scores on entrance exams than students at American schools, but he said the gap was narrow.

He said the school had sought an exclusive contract with the hospital corporation because "we have had problems with some of these other Caribbean schools overloading these services."

He staunchly defended the contract, saying it had drawn the ire of medical school deans only because it had threatened their monopoly. Indeed, about a third of doctors licensed in New

York State went to foreign medical schools, according to the State Education Department.

“There has always been a need for foreign-trained students because these same deans like to limit the numbers arbitrarily,” Mr. Modica said of school admissions policies. “They have a lot of nerve to tell us that we’re taking places from them.”

Dr. Eric Manheimer, medical director of Bellevue Hospital, was one of two doctors who spent a week visiting St. George’s on behalf of the hospital corporation before the contract was approved and said that the Caribbean school “passed the threshold” of being a competent medical school. He said that it was hypocritical for universities with connections to pharmaceutical companies to criticize the contract.

“Some of our best doctors at N.Y.U. went to medical school in Mexico and then came in through the back door,” he said.

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