

Student Loans: Statistics from the Bureau of Health Professions 1995 Annual Report, Part III

Timothy Mirtz

Editor's note: Part I of Dr. Mirtz's article was published in the September 1, 1996 issue of DC; Part II in the 9-23 issue. This is the final installment.

Correction: A line was dropped in Chart 8 of Dr. Mirtz's Part II article (9-23 issue). Chart 8 shows the total claim amounts for the individual professions for death, disability, bankruptcy and defaults since the inception of the HEAL program in 1979. Chiropractic participation did not begin until 1981.

Allopathy	234	82	289	1,734
Osteopathy	63	22	110	299
Chiropractic	118	61	651	2,587
Others	162	93	501	2,936

Discussion

Although the argument could be made that the many figures presented in part I and II are of no value to the profession, since the HEAL program has supplanted the Chiro-Loan program, this argument does not reflect the remaining problems that are the vestiges of those HEAL loans. To completely ignore this segment of the chiropractic population and the issue of those loan repayments may not be a wise political move.

Chiro-Loan may be better suited for the beginning practitioner than the HEAL program, but there are still the same inherent problems, no matter what the name of the loan program: defaults and past-due status.

The fundamental problems of borrowers are to realize three basic concepts. First, the money you borrow to finance your education has to be paid back. In today's society you are judged by your credit rating. An inability to pay bills and arrange suitable financial ties are reflected back on the profession.

Second, whatever the loan package, it is the total accumulated debt, coupled with the high monthly payment, that is the crux of the problem. There are advantages to a longer grace period with better deferment and forbearance periods, but this only delays loan repayment.

Third, numerous authors have stated that chiropractic practices are down as much as 20-30 percent.

This will be reflected in student loan repaying performance. The numbers provided by the federal government should be used to calculate professional progress.

It is hoped that once repayment statistics become available for the Chiro-Loan program, that those figures will be available to the profession to gauge the performance of the loan program; not just public relations information, but statistics in all areas. This will give the profession the information necessary to curtail problems and to help assess the economics of chiropractic. By not releasing all data associated with loan performance, the profession runs the risk of creating animosity amongst the holders of loans, which in turn can create or add to the current apathetic state of the profession on this subject.

Another important aspect that has to be discussed is the practice management fail rate rumor, which has been tossed around among professional circles, but never documented. The rumor is that 50 percent of chiropractic practices fail. Is this the individual practice management success rate, or is it the failure of the individual practice to reach the level desired with the assistance of the practice management firm? Or, is this 50 percent number the chiropractic profession's turnover rate regardless of assistance?

This is not a condemnation of the practice management industry, but questions do need to be asked. Since the FY 94 report indicated that 40.6 percent of the dollars owed by chiropractors are past due, is this indicative of the 50 percent failure rate?

If the practice management companies could publish studies on the statistics they encounter, would help give the profession some insight. Moreover, this may be a possible way to ease tensions between management firms and those who adamantly oppose them. It would help clarify the distinguishing roles of these companies. Such up-front honesty by practice management companies would make chiropractors more inclined to seek their assistance.

The negative image-evoking potential of such statistics provided by the federal government are clearly not what chiropractic trade organizations want to report. Meanwhile, the chiropractic profession must guard against public relations comments about such matters as medicine failing, or the managed care situation, or quotation of facts and figures without first objectively assessing the facts and figures of our own profession.

Political one-upmanship is always going to be present in any political battle, but statistics like those of the HEAL loans can come back and keep coming back to haunt us, whether they're reported or not.

We must try to find the root cause(s) of these statistics and begin the agonizing reversal of negative statistical trends in all areas of the profession before our fortunes can be turned. The profession may claim health care superiority, but meanwhile professional incomes decline, educational defaults increase, internal divisiveness and political problems abound. These do not foster the promotion of chiropractic.

The only logical way chiropractic, or any other profession with a multitude of opinions, can find a feasible way to correct the down spiraling statistics and increase membership, is to totally and systematically survey the profession for opinions on all topics that confront the profession, publish those opinions, and move in the direction that the survey suggests.

Chiropractic schools don't want default statistics revealed. Releasing such statistics to student bodies

may foster anxiety, unrest and provoke questions about their chosen field or school. Also, recruiting efforts could be stymied if unfavorable numbers are revealed. But chiropractic schools also have the responsibility to provide information; to let students know and gain a better understanding of the situations that they may face after graduation. This would truly represent an informed decision.

Conclusion

All of these points coupled together and then left unattended leave the chiropractic profession vulnerable. Although the statistics presented will engender a number of varying opinions by not amassing the opinions of the profession in statistical form and objectively assessing them, no progress can be made.

The statistics in this paper alone reveal a profession that is on the verge of economic collapse, given the default statistics and the growing list of practices in decline. When an economic collapse occurs, a political collapse ensues, and support is lost.

In World War II, the Allies used strategic bombing to break up the war-making potential of the Axis, and to disrupt the economy, hoping to fuel internal political revolt. This was one of the goals in strategic bombing, and although ground forces had to do the liberating, the opponent was softened up. Is this what is occurring at this time with chiropractic, being strategically and tactically bombed into a soft and vulnerable position, while leadership foretells the great victory to come?

Although this analogy is cynical in its presentation, could this also be another reason for the apparent apathy?

*Timothy Mirtz, DC
Hillcrest Medical Center
935 Iowa, Suite 2
Lawrence, Kansas 66049
DC*

OCTOBER 1996