

July 8, 2004

MEMORANDUM

To: Mr. Dalton B. Floyd, Jr., Chairman, and Members, Commission on Higher Education

From: Dr. Vermelle J. Johnson, Chairman, and Members, Committee on Academic Affairs and Licensing

Consideration of Request to Amend License
South University, Savannah, GA, at Columbia
B.S. in Healthcare Management

Summary

South University <<http://www.southuniversity.edu>> requests approval of an amendment to its license to offer a program leading to the B.S. degree in Healthcare Management to be implemented in Fall 2004 in Columbia.

South University of Carolina, Inc., a South Carolina corporation, is a 100% subsidiary and branch campus of South University, Inc., in Savannah, Georgia, and is owned by Education Management Corporation (EDMC), a Pennsylvania company. Other branches of South University are in Montgomery, Alabama, and West Palm Beach, Florida.

The Commission licenses South University to offer at the Columbia location programs leading to the Bachelor of Business Administration, Bachelor of Science in Information Technology, Bachelor of Science in Legal Studies, Associate in Accounting, Associate in Business Administration, Associate in Computer Information Systems, Associate in Information Technology, Associate in Medical Assisting, Associate in Paralegal Studies, and Certificate in Paralegal Studies

South University is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools (SACS) to award associate's, bachelor's, and master's degrees. The proposed program to be offered in Columbia is the same as offered at the Savannah campus.

The Columbia campus is located at 3810 Main Street in the Eau Claire community and is adequate to support the needs of the institution, including the proposed program.

To qualify for admission, an individual must:

- a. Be a high school graduate or hold a GED or the equivalent.
- b. Submit a minimum combined SAT score of 830, combined ACT score of 17, a satisfactory score on the college-administered admissions examination, or meet the criteria established for acceptance as a transfer student.
- c. Complete the application form and attach the application fee.
- d. Submit an official transcript from all high schools and colleges attended.

Students in the two-year associate degree programs at South University can transfer their coursework to a bachelor's degree. Credit for transfer from another institution will be given if it was taken at an institution with recognized accreditation, if it is equivalent to courses offered at South University, and if it carries a grade of C or better. Students may also attempt to earn credit through the credit by examination process. Acceptance of credits earned at other institutions and/or through exemption is limited to 60% of the total hours required for the degree.

Tuition is \$3,395 per quarter for 10-18 credit hours, \$2,695 per quarter for 5-9 credit hours, \$1,395 for 1-4 credit hours, and \$6,995 for the 15-week paralegal certificate program.

Faculty members must have at least 18 graduate semester hours in the teaching discipline and hold at least a master's degree or hold the minimum of the master's degree with a major in the teaching discipline. Over 96 percent of the faculty members of South University hold a master's or doctor's degree in the discipline they teach. The remainder are professionally licensed and hold credentials at the bachelor's level in their teaching discipline. Students take the major courses for the healthcare curriculum in their junior year. In each quarter of the first year of implementation of the healthcare curriculum, South University will offer two or three of the healthcare major courses. The courses will be taught by a full-time program coordinator. The institution is now recruiting for the Columbia location a full-time healthcare management program coordinator who holds a terminal degree. As enrollment grows additional faculty with appropriate credentials will be hired. A full-time program chairperson is on the staff at the Savannah campus.

The 180-quarter-credit-hour curriculum leading to the B.S. in Healthcare Management provides a foundation for a variety of healthcare careers in accounting, finance, management, ethics, and leadership. There are 29 courses that are common to other disciplines offered at the institution. The program incorporates an externship that offers students experience within healthcare facilities that may include hospitals, nursing homes, ambulatory care facilities, physician practices, and pharmaceutical and medical equipment companies. The curriculum content is displayed in the attached table.

The officials at South University project enrolling 15 new students in the first year and 20-25 new students each year thereafter. Employment opportunities are available in hospitals, nursing homes, and ambulatory care facilities such as physician practices, managed care organizations, and public health centers. Other potential markets include pharmaceutical and medical equipment companies, health-related research and development firms, and the insurance industry.

The Bureau of Labor Statistics reports that a master's degree is the standard credential for most healthcare management positions, although a bachelor's degree is adequate for some entry-level positions in smaller facilities and at the departmental level within healthcare organizations. Graduates with bachelor's degrees in health administration may also begin as administrative assistants or assistant department heads in larger hospitals. Physicians' offices and some other facilities may substitute on-the-job experience for formal education. Medical and health services managers held about 244,000 jobs in 2002. About 37 percent worked in hospitals, and another 17 percent worked in offices of physicians and nursing care facilities. The remainder worked mostly in home healthcare services, Federal government healthcare facilities, ambulatory facilities run by State and local governments, outpatient care centers, insurance carriers, and community care facilities for the elderly. Employment of medical and health services managers is expected to grow faster than the average through 2012 as the health services industry continues to expand and diversify. Opportunities will be especially good in offices of physicians and other health practitioners, home healthcare services, and outpatient care centers. Applicants with work experience in the healthcare field and strong business and management skills should have the best opportunities.

Graduates of health care administration programs are not subject to licensure or certification by any public or private agency. The Accrediting Commission on Education for Health Services Administration accredits only graduate programs. Given the absence of specialty accreditation for undergraduate health care administration programs, the Association of University Programs in Health Administration (AUPHA) established a peer review process modeled after accreditation. The officials of South University typically seek specialized accreditation for programs for which specialized accreditation exists, have applied for AUPHA membership for the program at Savannah and West Palm Beach, and will apply for the program at Columbia after it has begun

Staff Recommendation

The staff suggests that the Committee on Academic Affairs and Licensing commend favorably to the Commission approval of an amendment to the license of South University to add the program leading to the B.S. degree in Healthcare Management to be implemented in Fall 2004.

Committee Recommendation

The Committee on Academic Affairs will meet on July 7, 2004, and will present its recommendation at the CHE meeting.

Curriculum Content, South University, B.S. in Healthcare Management

Business Foundation	40
Accounting I, Accounting II, Foundations of Information Technology, Introduction to Finance, Principles of Management, Principles of Microeconomics, Principles of Macroeconomics, Medical Terminology, Business Communication, Approved Elective	
Math/Science	16
Biology I, Intermediate Algebra, College Mathematics, Statistics	
Humanities	20
Public Speaking, Composition I, Composition II/Literature, Composition III, Humanities Elective	
Social Science	12
General Psychology, Introduction to Sociology, Human Growth and Development	
Personal Development	4
Strategies for Success	
Junior Business Core	36
Accounting III, Management Information Systems, Human Resources Management, Principles of Risk Management, Employment Law, Healthcare Administration, Economics of Healthcare, Epidemiology and Disease Control, Case Studies in Health Law	
Healthcare Management Major	52
Healthcare Finance, Healthcare Marketing and Planning, Managed Care Principles, Health Information Management Systems, Healthcare Delivery Systems, Risk Management in Healthcare Settings, Issues and Trends in the Healthcare Industry, Research Topics in the Health Professions, Professional Ethics in Healthcare, Health Management Externship I, Leadership in the Community, Healthcare Management Externship II	
Total Quarter Credit Hours	180