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# The False Wisdom of Tuition Based Ranking of Allied Health Programs: Is Your Program Affordable?

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### Abstract

**Purpose:** The purpose of this analysis was to investigate the extent to which the ranking of programs based on total tuition cost changes when housing and program length were added to total tuition. Method: To accomplish this, the cost of tuition at 13 physical therapist education programs was compiled. Programs were ranked from most expensive to least expensive. The costs associated with housing, program length, and lost opportunity to earn wages were then added to total tuition. Programs were again ranked from most expensive to least expensive. **Results:** Regional differences in the cost of living and the total length of the program made a significant difference in the total cost of attending a program. **Conclusions and Recommendations:** Factors other than tuition may have a significant impact on the total cost of completing a program. Programs should consider how the length of the program and regional housing costs may affect the affordability of their program. Students should consider these other factors when comparing programs.

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### Introduction

The value of an education is often calculated using the analogy of an investment to determine what the return on the investment of education might be<sup>1</sup>. This type of calculation is particularly useful for an individual who is making a decision about whether or not to seek a degree at a college or university.

Students who are applying to Allied Health programs however have already made the decision to attend college and have completed significant pre-requisites. Many allied health programs, such as physical and occupational therapy programs, speech language pathology programs, and other allied health disciplines, are entry level masters or doctoral programs. Students entering these programs have not only completed pre-requisites, but have completed an undergraduate degree as well.

For many students seeking degrees in allied health

professions, return on investment is often a moot point; the decision to attend college has already been made. The more pressing question for these students is how much it will cost to complete one allied health program in their chosen field versus another.

Tuition costs play a significant role in the decision to attend college, and a significant inverse relationship exists between tuition and enrollment<sup>2</sup>. Other factors, however, such as regional differences in cost of living and program length, have the potential to significantly impact the overall cost of obtaining a degree from any given allied health program.

The impact of differences in regional cost of living, particularly housing costs, is obvious. For students that live near the college or university that they are attending, the greater the housing costs in the area in which the

program is located, the greater the cost to the student.

The length of a program has the potential to impact student costs in two ways. First, students must pay living expenses for the time that they attend the program. The longer the program in calendar months, the greater the total cost of living expenses related to school. Second, once students graduate they have the opportunity to enter the workforce and generate earnings in their chosen profession. Longer programs delay this entrance and the associated potential earnings. If one program is significantly longer than another, and both programs result in essentially the same earning power, the lost opportunity to earn could be a significant factor.

### **Purpose**

Students who are comparing programs may use the cost of tuition alone as the basis for making decisions about which programs are affordable. This is unfortunate because these students may subsequently eliminate their program of choice thinking that they cannot afford it, when in fact their first choice might be comparable in cost when other factors are considered. Additionally, programs that consider only tuition when analyzing program costs may overlook important factors that could influence program planning and development. The purpose of this analysis was to investigate the impact of cost of living differences, particularly housing costs, and program length on a group of Physical therapist programs in the western region of the United States.

### **Methods**

#### **Sample**

Physical therapist educational programs must meet standards delineated by the Commission on Accreditation in physical Therapy Education (CAPTE).<sup>3</sup> Additionally, Physical Therapist educational programs must meet standards related to regional accreditation for the college or university with whom they are affiliated. All physical therapist educational programs accredited by CAPTE, located in institutions accredited by the same regional association, the Western Association of Schools and Colleges (WASC) were included in this analysis. To identify these programs, a list of accredited physical therapist educational programs was obtained from the American Physical Therapy Association and compared to a list of WASC member institutions.<sup>4,5</sup> This resulted in a list of 13 accredited physical therapist educational programs in the WASC region. Each of these programs is required to meet essentially the same standards for both professional and regional accreditation.

#### **Demographic Data**

Demographic data was compiled for each program including the type of degree awarded, and whether the program was situated in a public or private university or

college.

#### **Total Tuition**

Estimates of the total tuition a student would pay to complete each program were obtained from the APTA.<sup>4</sup> Each individual program was then contacted and confirmed or in some cases updated this number based on the tuition published by the individual college or university for the year 2005.

#### **Length of Program**

Most physical therapist education programs are full time academic endeavors, with students matriculating in a true cohort from entry of the professional component to graduation. The length of the program for purposes of this analysis was considered the number of months from the program start date to the date that students become qualified to sit for the licensure exam. This number was obtained by contacting each program and determining the date that a hypothetical student entering the program in 2005 would become eligible to sit for the licensure exam and calculating the consecutive calendar months from entrance to this date.

#### **Regional Housing Costs**

Although a variety of housing options exist, for the purposes of this comparison, the cost of a 1 bedroom apartment was chosen to illustrate regional differences. The Department of Housing and Urban Development determines regional fair market rents using a combination of census data and random surveys.<sup>6</sup> The 2005 fair market rent for a one bedroom apartment located in the same region as each program was obtained from this data base.<sup>7</sup> An estimate of regional housing costs for each program was then calculated by multiplying the fair market rent for a one bedroom apartment by the length in months of the program.

#### **Lost Opportunity to Earn Wages**

The lost opportunity to earn wages can be viewed as the product of the monthly salary that could be earned multiplied by the months that the student was delayed in entering the workforce. For purposes of comparison, the length of the shortest program was subtracted from the length of each program. The resulting difference represented the number of months that opportunity was lost for each program. The most recent average annual salary for a newly graduated physical therapist was obtained from the most recent salary survey published by the APTA.<sup>8</sup> The annual salary was converted to a monthly number and multiplied by the number of months of lost opportunity for each program to obtain the total lost opportunity to earn wages.

#### **Program Comparison**

Programs were initially ranked on the basis of total tuition

from most expensive to least expensive, with 1 indicating the most expensive program and 13 indicating the least expensive. This numeric ranking, representing the placement of the program in terms of total tuition, was used to identify each program for the remainder of the comparison. Each of the other two factors, regional housing costs and total lost opportunity to earn wages were added to total tuition. After adding each additional factor programs were ranked again from most expensive to least expensive. The original numerical ranking according to tuition was retained, so that any changes in the order as a result of additional factors could be identified.

**Results**

The initial ranking of programs based on total tuition, along with program characteristics, is shown in table 1.

Table 1: Program Ranking by Total Tuition

Ranking	Total Tuition	Pub/Priv	Degree
1	97,000.00	Private	DPT
2	76,974.00	Private	DPT
3	76,500.00	Private	DPT
4	73,509.00	Private	DPT
5	71,250.00	Private	DPT
6	70,173.00	Private	DPT
7	69,480.00	Private	DPT
8	63,836.00	Private	DPT
9	41,205.00	Public	DPT
10	13,923.00	Public	MPT
11	12,061.00	Public	MPT
12	11,545.00	Public	MPT
13	10,000.00	Public	MPT

The ranking of programs based on the sum of the total tuition and total rent is shown in table 2.

Table 2: Program Ranking by Tuition + Housing Costs

Ranking	Total Tuition	Length	Rent/mo	Total Rent	Tuition +Rent
1	97,000.00	36	900.00	32,400.00	129,400.00
6	70,173.00	36	1,098.00	39,528.00	109,701.00
3	76,500.00	36	900.00	32,400.00	108,900.00
5	71,250.00	36	900.00	32,400.00	103,650.00
7	69,480.00	36	900.00	32,400.00	101,880.00
8	63,836.00	33	1,132.00	37,356.00	101,192.00
4	73,509.00	39	638.00	24,882.00	98,391.00
2	76,974.00	25	595.00	14,875.00	91,849.00
9	41,205.00	36	1,229.00	44,244.00	85,449.00
10	13,923.00	36	900.00	32,400.00	46,323.00
11	12,061.00	36	900.00	32,400.00	44,461.00
13	10,000.00	30	812.00	24,360.00	34,360.00
12	11,545.00	36	519.00	18,684.00	30,229.00

The ranking of programs based on the sum of total tuition, housing costs, and lost opportunity to earn wages is shown in table 3.

Table 3: Ranking of Programs Based on Tuition + Housing + Lost Opportunity

Ranking	Total Tuition	Length	Delay	Rent/mo	Total Rent	Sal/mo	Lost Opp.	Final Cost
1	97,000.00	36	11	\$900.00	32,400.00	4,250.00	46,750.00	176,150.00
4	73,509.00	39	14	\$638.00	24,882.00	4,250.00	59,500.00	157,891.00
6	70,173.00	36	11	\$1,098.00	39,528.00	4,250.00	46,750.00	156,451.00
3	76,500.00	36	11	\$900.00	32,400.00	4,250.00	46,750.00	155,650.00
5	71,250.00	36	11	\$900.00	32,400.00	4,250.00	46,750.00	150,400.00
7	69,480.00	36	11	\$900.00	32,400.00	4,250.00	46,750.00	148,630.00
8	63,836.00	33	8	\$1,132.00	37,356.00	4,250.00	34,000.00	135,192.00
9	41,205.00	36	11	\$1,229.00	44,244.00	4,250.00	46,750.00	132,199.00
10	13,923.00	36	11	\$900.00	32,400.00	4,250.00	46,750.00	93,073.00
2	76,974.00	25	0	\$595.00	14,875.00	4,250.00	0.00	91,849.00
11	12,061.00	36	11	\$900.00	32,400.00	4,250.00	46,750.00	91,211.00
12	11,545.00	36	11	\$519.00	18,684.00	4,250.00	46,750.00	76,979.00
13	10,000.00	30	5	\$812.00	24,360.00	4,250.00	21,250.00	55,610.00

A comparison of the relative positioning of each program after the addition of housing costs and lost opportunity to earn wages is shown below in Table 4.

Table 4: Comparison of Relative Program Positions

1	2	3
Total Tuition	Tuition + Housing	Tuition + Housing+ Lost Opportunity
1	1	1
2	6	4
3	3	6
4	5	3
5	7	5
6	8	7
7	4	8
8	2	9
9	9	10
10	10	2
11	11	11
12	13	12
13	12	13

The analysis included 13 programs, 8 situated in private institutions and 5 situated in public institutions. Total tuition ranged from \$10,000 to \$97,000; with the 5 programs at public universities representing the least expensive programs in terms of total tuition.

When housing costs and lost opportunity costs were added to total tuition, the final program cost ranged from \$55,610.00 to \$176,150.00. Program length ranged from 25 months to 39 months, with the majority of the programs (9) taking 36 months to complete. The cost of a 1 bedroom apartment ranged from \$519.00 per month to \$1229.00 per month, with 9 of the 13 programs having associated

monthly housing costs of \$900.00 per month or more.

There was no change in the rank order for 5 of the 13 programs when housing and lost opportunity costs were added to total tuition. Five additional programs moved only 1 position in the positive or negative direction in terms of rank order, positive being in the direction of increasing cost, negative being in the direction of decreasing cost. Of the remaining three programs, one program moved 2 positions in the positive direction, one program moved 3 positions in the positive direction, and one program moved 8 positions in the negative direction.

## Discussion

For ten of the programs, the additional consideration of housing costs and the lost opportunity to earn wages made little or no difference in the position of the program relative to the other programs. All but two of these programs were 36 months in length and the rent was the same for 6 programs in this category. Given these similarities, it is not surprising that the impact was minimal. It is notable however, that even with minimal impact on rank order for the majority of the programs, the gap between the least costly program and the most costly program was considerably narrowed. Based on tuition alone, the most expensive program was 9.7 times more expensive than the least expensive program. After housing and lost opportunity costs were factored in to the final cost, this gap was narrowed so that the most expensive program was only 3.16 times more expensive than the least expensive program. The least expensive programs may not be as much of a bargain as first assumed when other costs are considered.

The program that ranked fourth most expensive in terms of tuition moved two positions in the positive direction to second most expensive after housing and lost opportunity costs were considered. It is interesting to note that this program had one of the lowest associated housing cost factors; however, it was longer by three months than any other program. The lost opportunity costs as well as the additional months of rent associated with increased length not only erased any financial advantage but moved the program upwards in ranking by two places.

The program that ranked sixth most expensive in terms of tuition moved 3 places in the positive direction to third most expensive after housing and lost opportunity costs were considered. Although this program was the same length as 9 other programs, the rent for a 1 bedroom apartment in the area where the program was located was more expensive than 10 of the other programs. This fact was reflected in the total cost.

The program that ranked second most expensive in terms of tuition moved eight positions in the negative direction to ninth most expensive, out of the thirteen programs under consideration. This phenomenal position change in the direction of less expensive was the result of two factors. First, this program was the shortest program of all programs under consideration. This fact erased the impact of lost opportunity costs when compared to other programs, and reduced housing costs associated with program length. Second, the rent for a 1 bedroom apartment in the area where the program was located was significantly less expensive than most other rents. These two factors combined made a substantial difference when total costs were considered.

## Limitations

This analysis considered only two of the many factors in addition to tuition that might affect the total cost of obtaining a degree in physical therapy, the cost of housing, and the length of the program. Many other factors could significantly impact student costs. For comparison of regional differences in housing costs, only the cost of a one bedroom apartment was considered. Although this allowed regional differences in housing to emerge, many other housing options may be available to students. The impact of program length on potential earnings was illustrated by using the national average salary for a newly graduated physical therapist. Regional differences may exist that would change this estimate. Finally, this comparison only considered the end result of a program, the ability to sit for the physical therapist licensure examination. The many unique aspects of each individual program, in other words what a student might be receiving for the money spent, certainly warrant consideration by students when considering the total cost of a program.

## Conclusions and Recommendations

Where program length and housing costs were comparable, little change in the rank order of programs occurred. Moderate differences in either program length or regional cost of living did significantly impact the ranking of programs in some cases, and program length combined with low regional cost of living had significant impact on the ranking of the program in terms of overall cost. Programs in areas with higher living costs might consider developing more alternative living arrangements for students as a way to make programs more affordable. Many programs have dorms available; however these are not always appropriate living situations for graduate students. Physical therapist education programs are rigorous in nature and exclusively graduate programs. Mixing with the general undergraduate student population may not always be practical. Alternatively, programs in areas with lower housing costs may want to highlight the potential impact that this may have on student costs.

Allied health programs in general have a history of curriculum expansion. While this expansion is often necessary to include the increasing body of knowledge needed to enter the field, this comparison shows that increasing the length of the curriculum can seriously impact the ability of a student to afford the education, regardless of tuition costs. Secondly, the cost savings associated with public universities versus private universities is significantly reduced. In one instance, the combination of low housing costs and shorter program length resulted in a program at a private institution ranking lower in cost than two public institutions after these two factors were considered. This analysis shows that program length has the potential to significantly impact the affordability of the program. Increasing program length should be considered carefully

from the perspective of total program cost.

This comparison is simplified, and many more refined schemes could be developed to analyze the total costs of attending a given program. What this analysis does make clear is that factors other than tuition have the potential to significantly impact the total cost that a student might incur

to complete a given program.

Students would be wise to include at least these two factors, in addition to tuition, when evaluating their financial ability to attend any given program. Programs would be wise to thoughtfully consider how these other costs may impact students.

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