

# SREB Regional Contract Program

## *What RCP Does*

The Regional Contract Program succeeds through a simple concept: sharing scarce resources to the benefit of all. The program, established in 1948, lets SREB states offer their residents first-class educational programs in high-need fields — dentistry, medicine, optometry, osteopathic medicine, podiatry, veterinary medicine — without bearing the high cost of duplicating these programs. Since its inception RCP has given more than 18,500 students the chance to enter specialized health professions at reduced tuition rates.

## *No Cost to States*

SREB charges no fee for the Regional Contract Program. Like many other services SREB provides at no additional cost to the states, RCP benefits are part of the return on investment for states' legislative appropriations to the SREB compact.

## *States Win*

When states contract for openings for students in out-of-state professional programs, they lower their healthcare training costs significantly.

States save the cost of creating and funding expensive specialized programs like veterinary medicine but can retain their graduates, who are often recruited to work in those fields in their home states.

## *Universities Win*

Institutions setting aside RCP space in their healthcare programs benefit by enrolling well-qualified, motivated students from across the region. Universities receive per-student subsidies from students' home states to help make up the difference between in-state and out-of-state tuition.

## *Students Win*

Students have more options. They can attend elite professional health programs not offered in their state yet avoid the prohibitive cost of out-of-state tuition.

## How It Works: SREB Services to States and Institutions

### *Contracts*

SREB acts as intermediary between states and institutions to manage the five-year contracts. In years 2 through 5 an amendment, Exhibit A-1, provides details of student enrollment and state funding for the upcoming fiscal year. SREB staff annually execute master contracts or amendments for seven states and 24 institutions.

### *Contract Rates*

SREB staff continually analyze program data, track in- and out-of-state rates and consider general economic conditions to make projections about anticipated tuition rates. Working with states and institutions to obtain anticipated tuition increases where available, we review economic indicators such as the U.S. inflation rate, the cost of living allowance used by the Social Security Administration, and the Higher Education Price Index. SREB staff then make a recommendation to the SREB Board for contract rates three years in advance, to allow states with biennial budgets time to pass their legislative budgets two years in advance.

## *Documentation and Invoicing*

SREB performs the following services for RCP states, at no charge:

- Managing student invoices on behalf of institutions and state agencies
- Tracking student progress and managing funds to be paid out each semester
- Invoicing states for the total tuition amount for classes for that semester
- Processing state checks and mailing tuition payments to the institutions
- Tracking outstanding invoices, sending reminders, ensuring prompt and accurate management of over \$15 million in tuition funds each year
- Processing 587 students each semester
- Maintaining a program ledger that tracks year-over-year program recruitment projections, student enrollment and persistence, institutional receivables, total tuition paid per state, and total tuition earned by institution.

## *Customer Service*

SREB staff receive questions, concerns and communications from students, parents, state agencies, university staff, and legislators who inquire about the Regional Contract Program by phone, email, and web forms. SREB staff field all questions and concerns, serving as liaison between students and parents and participating agencies and institutions, as well as between the state agencies and legislators who request annual data on the program.

## *Training*

SREB staff maintain the RCP Guidelines Manual, updating it annually with feedback from participating state and institutional coordinators. SREB staff take on the role of trainer when state and institutional staff turnover occurs, offering open lines of communication and, by request, one-on-one virtual training sessions with state and institutional staff as needs arise. SREB also hosts annual meetings for RCP coordinators to share with their peers what other states and institutions are doing, to ensure policies and procedures are being implemented consistently, and to share best practices and recommendations. The cost of attendance at annual meetings is also covered by SREB, so travel costs are not a burden on the state.