

International Institute of Chinese Medicine Closes

Editorial Staff

ALBUQUERQUE - The International Institute of Chinese Medicine (IICM), which had been in operation since 1984 and was one of the most respected acupuncture schools in the country, ceased operation on August 16, less than four months after being put on probation by the Accreditation Commission for Acupuncture and Oriental Medicine. As we go to press, the institute is in the process of arranging a teachout agreement with Southwest Acupuncture College that would allow students to complete their education at that institution.

The decision by IICM to close its doors marks the fourth time in the past 18 months that an ACAOM-accredited school has had to shut down due to financial or administrative difficulties. Other schools that have closed in that time include the Northwest Institute of Acupuncture and Oriental Medicine, the Maryland Institute of Traditional Chinese Medicine and the Florida Institute of Traditional Chinese Medicine.

IICM was founded in 1984 by Dr. Michael Zeng, a former faculty member at Chengdu University of Traditional Chinese Medicine in China. The institute quickly rose among the ranks of the nation's acupuncture schools, gaining candidacy status from ACAOM in 1988 and full accreditation in 1990. It earned high marks from TCM practitioners and administrators nationwide for its excellent teaching staff and academic standards; in 2001, its faculty and curriculum were honored by the Traditional Chinese Medicine World Foundation as among the best in the country.¹

But while the school appeared to flourish on the outside, internal problems led to its eventual demise - problems that remained unknown even to some who attended the school. An Associated Press story published on August 8 stated that the school's decision to shut down "caught students and patients by surprise," but failed to elaborate on the situation.² E-mail messages sent from *Acupuncture Today* to the school were not returned, and an official at the institute's business office in Albuquerque declined to comment.

As a result, *Acupuncture Today* contacted Dort Bigg, ACAOM's Executive Director, for more information on what caused the institute to close, and the effect it could have on the Oriental medicine profession. Mr. Bigg's interview with *AT* is as follows.³

Acupuncture Today (AT): IICM's closing was a shock to a lot of people. Why did the people who ran the school decide to shut it down?

Dort Bigg (DB): The ultimate reason the school closed was financial difficulties. The program didn't have adequate revenue to meet operational expenses.

AT: We understand that the school was put on probation before it actually shut down.

DB: That's correct. The Commission placed the program on probation at its spring 2003 meeting.

AT: Was this the first time the school was put on probation?

DB: The school had been placed on notice of probation previously, based on issues unrelated to finances.

AT: Were there any other reasons, aside from the financial difficulties, that caused IICM to be put on probation?

DB: Yes. The school has had challenges in meeting the commission's standards for governance and administration appropriate to an accredited institution of higher education. Some of these were historical problems relative to governance and administration that had been identified and cited by the commission in previous reviews of the program, which were subsequently resolved by the program, but then resurrected as new problems. The issues which led to ACAOM's decision to place the program on probation were brought to the commission's attention in the form of complaints we received from many students, faculty and administrators, immediately prior to ACAOM's spring 2003 meeting. The complaints alleged a number of administrative and governance irregularities, as well as concerns regarding the institution's financial stability.

Under our procedures, when the Commission receives complaints about a school in our accreditation process, ACAOM staff promptly conducts an investigation of those complaints, including seeking information from individuals who are in a position to know the conditions at a college. Staff document those complaints, and give the program an opportunity to respond to the information revealed during the course of the investigation. After the completion of an investigation, the record of the complaints and the results of the investigation, as well as the program's response to them, are considered by the commission, and the program is often provided the opportunity to appear before the commission in a special hearing to consider the complaints directly.

Based on ACAOM's recent investigation of the complaints against IICM, the commission decided that adverse action against IICM was necessary. The options were to either withdraw accreditation, or to place the program on probation. Because the program was disputing the complaints and the commission felt that it required additional information before knowing whether the conditions at the college justified withdrawal of accreditation, the commission voted to place the program on probation and conduct an expedited, emergency review of the program. As part of the probation decision, the commission advised the program that it must submit a full report in early in August on the school's compliance with our standards on governance, administration and financial stability, and to submit to a site visit by the middle of August. The plan was for the commission to consider the conditions at the program by conference call and render an appropriate decision at the earliest practicable time.

AT: Did the school submit that report, or submit to having a site visit?

DB: No, they hadn't. We were informed that the school would be closing before the program's report was due and before a site visit could be scheduled. Consistent with U.S. Department of Education requirements, our procedures afford programs due process rights to challenge adverse commission decisions before they are finalized and made public. The program sought commission reconsideration of the probation decision in the spring, and the commission affirmed its probation decision in early

July.

The final opportunity granted to programs in challenging a commission decision if programs are not satisfied with a commission decision following reconsideration is to file an appeal. After we provided the program a letter affirming ACAOM's probation decision upon reconsideration, we received a letter from the program's attorney, indicating that the program intended to appeal the decision. While we were in the process of preparing for an appeal, we received a letter dated July 28 from the school's executive director, who informed us that the school had voted on July 24 to shut down and liquidate its assets in order to meet current financial obligations. The letter claimed that the program would continue to operate classes and clinics until the end of the summer semester on August 16, and that their first priority would be to arrange a teachout program with another school. Since then, we've been working with the program, the Department of Education and the state acupuncture board to develop a teachout program and agreement to protect IICM students.

Southwest Acupuncture College was the program identified to conduct the teachout program for IICM students, and we're still in the process of attempting to finalize a teachout agreement and program.

AT: What type of recourse do the IICM students at have? Say, for instance, that they've already paid their tuition for the fall semester. Will they get a refund on their fees, or some other type of assistance?

DB: Under our teachout procedures, the commission requires that the teachout agreement address the issue of unearned tuition. If students have paid tuition to a closing program, and those students have not received the contracted-for education, our teachout requirements specify that the teachout agreement must require that the closing program either provide a refund to those students to allow them to complete their education elsewhere, or reimburse a program that is willing to conduct the teachout to allow students to complete their education without additional cost.

These are difficult issues because once a school has made the decision to close, the commission effectively loses jurisdiction over the program. The only influence we have over a program is ACAOM's ability to withdraw accreditation status. Once a school decides to close, we lose that leverage. Accrediting agencies don't have any legal authority to force a closing program to do anything. That's why when we approve teachout agreements and programs, ACAOM gets the Department of Education and state regulators involved, so students will be adequately protected. Many state laws also include provisions to protect students of a closing program.

Whenever a school decides to close, the commission attempts to ensure, to the greatest extent possible, that a program's closing is accomplished with minimum disruption to both the students and the community the program has served. We want to ensure that students enrolled at the time of the closure of a program be afforded every opportunity to complete their training and have access to certifiable transcripts. So, our major concern is to protect the students when we have information that a school is or may be closing.

AT: That's understandable. That is the most important issue.

DB: Absolutely. And it's really a shame that IICM closed, because from a program perspective, they provided excellent training. It was the governance, administrative and financial issues that resulted in the school's ultimate demise.

AT: How bad were things financially? Was the school unable to pay the rent, or compensate its instructors?

DB: I really can't get into details on that. Suffice it to say that the school's financial obligations greatly exceeded their revenue and available resources, and it got to the point where they did not have the financial resources to properly operate the program.

Their executive director was hired, I believe, about three weeks to a month before the commission took the action to place the program on probation. He was basically their "white knight" to turn the school around, but he has since resigned.

AT: With IICM closing, that makes four Oriental medicine schools that have shut down in the past 18 months or so. Do you see anything these schools had in common that caused this to happen?

DB: The one thing I can state is that for most schools that have trouble meeting our standards and maintaining a viable educational institution, it always boils down to one thing: the need for a stronger administration, with experience and understanding in higher education administration. If that's not in place, a school will not have sufficiently strong leadership to meet accreditation requirements, to run a viable program, and to avoid problems.

AT: Do you have any advice for the other schools so that they can avoid what happened at IICM from happening to them?

DB: The biggest thing, and I advise schools of this all the time, is to make sure the program has very strong governance and administrative leadership, in terms of individuals with the credentials, experience and commitment to higher education administration. Schools that have a strong governance structure and strong administrative staff are not the programs that have these types of problems.

As I said, it's really a tragedy. This is a program that received candidacy in 1988. They've been accredited since November 1990, and have maintained accreditation since then, though with some problems in the interim, from an accreditation perspective. It's always a shame when a program that is providing good training has to close.

AT: Thank you, Mr. Bigg.

DB: Thank you.

References

1. Best of the West 2000 winners receive awards. *Traditional Chinese Medicine World* Summer 2001;3(2).
2. ABQ Chinese medical school closes to surprise of students. Associated Press, August 8, 2003.
3. Interview with Dort Bigg, executive director, Accreditation Commission for Acupuncture and Oriental Medicine, August 21, 2003.

OCTOBER 2003