

## **Testimony in Support of Amended HB 1064**

Dr. Sue Subocz, Associate President & Provost of Walden University

Adtalem Global Education

Senate Education Committee

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Chair Beard and Members of the Senate Education Committee,

Thank you for the opportunity to present this testimony today. For the record, my name is Dr. Sue Subocz, and I serve as associate president, provost and chief academic officer for Walden University, which is a university owned by Adtalem Global Education, along with Chamberlain University and others. While we certainly support the streamlining of authorizing online universities accredited by the Higher Learning Commission, this amended bill allows our institutions to continue educating hundreds of health care professionals in North Dakota in a time when the state has a tremendous shortage of healthcare professionals. The bill, as introduced, would've disallowed our education of North Dakota healthcare students. But the amendments address our concerns—and we stand in support of the amended bill.

This amended bill streamlines the administration and authorization of online universities without compromising our ability to educate North Dakotans, especially in a time when growing our healthcare workforce is so critical. The amended bill provides clear criteria for the North Dakota University System to review and determine an online university's ability to provide education to North Dakota residents. We understand the state legislature and governor have very strong support for increasing workforce development in North Dakota, and this legislation, as amended, allows our accredited institutions to provide access to online education for hundreds if not thousands of healthcare students in the coming years. We appreciate the support of various North Dakota healthcare and business organizations, who support the amended bill as well.

I will try to be as concise as possible, but please allow me to share some important background and our rationale given the technical nature of the bill.

### **Background of Adtalem**

Adtalem is the leading healthcare educator in the US and the parent company of Chamberlain University and Walden University, along with two medical schools and a veterinary school. Adtalem is at the forefront of addressing the critical challenges in healthcare, with a special focus on alleviating the workforce shortage. Nationwide, there is an expected shortage of 500,000 nurses by 2030, a shortage that many communities and healthcare systems cannot

afford. Faced with the growing impact of the workforce shortage, quality patient care is at risk and reports of mental health challenges among staff are on the rise.

Chamberlain University is the largest nursing school in the US and Walden University is the third largest nursing school. Adtalem is the #1 grantor of US nursing degrees. Walden is among the top 5 grantors of Master of Social Work (MSW) degrees. We have 139 North Dakota residents that are active students at Chamberlain and Walden University, with over 80 of those enrolled in nursing programs.

Adtalem addresses the shortage head-on by educating and preparing the next generation of nurses at Chamberlain and Walden University to enter the workforce with the tools and knowledge needed to deliver quality care. We want to be able to continue to do that in North Dakota, educating North Dakota students and enhancing North Dakota's healthcare workforce.

### **Background of Walden and Chamberlain**

Chamberlain University is a healthcare education institution, fully accredited by the Higher Learning Commission, authorized by Illinois Board of Higher Education, along with numerous programmatic accreditors. For at least 8 years, and more formally for the last 2 years, NDUS has authorized Chamberlain's operation, through approvals and prior to the approvals through the exemption process. As of March, 48 North Dakota residents were enrolled in Chamberlain's programs: 46 students were enrolled in nursing programs. As of March, Chamberlain had conferred 93 degrees to North Dakota residents. Our graduates go on to work at places like: Sanford Health, Trinity Health and Altru Health System.

Walden University is fully accredited by the Higher Learning Commission, authorized by Minnesota Office of Higher Education, along with numerous programmatic accreditors. For at least 8 years, and more formally for the last 2 years, NDUS has authorized Walden's operation, through approvals and prior to the approvals through the exemption process. As of March, 91 North Dakota residents were enrolled in Walden's programs: 74 students were enrolled in nursing, counseling, psychology and social work programs. As of March, Walden had conferred 340 degrees to North Dakota residents. About half of the degrees (187 or 55%) were in nursing (108), counseling psychology and social work. Our graduates go on to work at places like: Sanford Health, Essentia Health, Trinity Health, Altru Health System, Minot State University and Williston State College.

### **Impact of Bill**

We believe this bill, without the incorporation of the amendments, would have limited educational opportunities for North Dakota residents, and in turn, only hurt the already distressed healthcare workforce in North Dakota because of the following requirement:

- Participation in NC-SARA Requirement – The initial bill required participation in NC-SARA. The National Council for State Authorization Reciprocity Agreements (NC-SARA) is

a regional compact which streamlines distance education regulations for those who participate. Currently, those who are members of NC-SARA do not expend resources of the SBHE and NDUS as they are not required to go through the registration process.

Neither Chamberlain or Walden are able to participate in NC-SARA. Lack of participation is solely the result of Adtalem's composite score, not Chamberlain or Walden's composite score, and not based on these institutions' academic quality and rigor.

As amended, the bill defines specific criteria for an exemption from the NC-SARA requirement which I will briefly describe:

1. Namely, an exemption is granted if the online university meets two important metrics: (1) qualifies for the federal Title IV program for financial aid and (2) has an institutional-level (not parent company) score of greater than 1.5 as calculated by an independent auditor using the methodology prescribed by the United States department of education.
2. In order to be eligible for the Title IV program, you must comply with extensive requirements, ranging from consumer protections like disclosures and preventing misrepresentations, to monitoring the financial stability of the institution, to responsible awarding of financial aid, to controls on recruiter incentives, to having appropriate accreditation (programmatic and institutional). But the Department of Education permits an institution to provide an alternative method to demonstrate financial stability. If a composite score is less than 1.5, the department permits the institution to continue participation by submitting a Letter of Credit (based on a % of Title IV funds received by the institution or entire parent organization for the last fiscal year). In Adtalem's instance, our LOC is 10%.
3. In addition, the calculation of the institutional-level score as calculated by an independent auditor aligns with what NDUS requested from Walden (and Walden provided) in October regarding Walden's composite score calculation. Chamberlain's current institutional-level score is 2.2 and Walden's current institutional-level score is 2.6.
4. An exemption with clear criteria is easier and fairer to enforce, and it provides certainty to those looking to be in ND.
5. We support the addition of an administrative fee so that NDUS can outsource or otherwise resource the processing of exemptions.

## **Conclusion**

We respectfully request you consider advancing this bill, as amended, to allow North Dakotans interested in growing their healthcare knowledge and experience to continue to be educated by our accredited institutions. Passage of this bill without amendments would turn off an important healthcare educational pipeline in a time when we need more healthcare education—not less.

Thank you for your consideration, and I would stand for any questions.