

AGENDA

Optometry Contract Spaces Working Group
Tuesday, August 14, 2018
12:30 PM
CPE Offices, Conf Rm A

1. Welcome and Introduction
2. Overview of Working Group Charge and Review of Program Data/Information 2
3. Discussion
4. Next Steps

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A Recommendation Concerning Future Funding of Optometry Slots for Kentucky Students

A report to the Kentucky General Assembly from the Council on Postsecondary Education

Directive

In the 2016-18 Executive Branch Budget Bill (HB 303), the Kentucky General Assembly directed the Council on Postsecondary Education (“Council”), in conjunction with the Kentucky College of Optometry, to develop and submit to the Legislative Research Commission, for distribution to the Interim Joint Committee on Education and the Interim Joint Committee on Appropriations and Revenue, a recommendation concerning future funding of optometry slots for Kentucky students by December 1, 2016.

Background

The Kentucky Contract Spaces Program provides Kentucky residents with access to select out-of-state optometry schools because, when established, no Kentucky college or university offered this program. These partnership arrangements, largely facilitated through the Southern Regional Education Board (SREB), allow Kentuckians to enroll in high-quality professional education at a cost commensurate with tuition rates paid by resident students.

A fixed number of spaces for Kentucky students are reserved at each participating university. Students meeting the requirements for Kentucky residency for purposes of tuition who are selected to enroll in these programs are required to pay only the in-state tuition rate at the out-of-state institution (or the rough equivalent at private institutions, since they do not offer differential rates of tuition based on residency).

The Commonwealth pays a contract fee to the universities to reserve the spaces and cover the balance of the students’ educational costs. While no statutory directive exists for this program, Kentucky has a long history of funding this program biannually through the Executive Branch budget bill.

HB 235, the biennial budget for 2014-16 enacted in the 2014 Regular Session, required that the Council fully fund 44 spaces at optometry schools, or an average of 11 spaces per class in the four-year program. While HB 235 and prior Executive Branch budget bills did not prescribe where those spaces were to be purchased, the Council continued its long-standing practice of purchasing space from the following institutions: Southern College of Optometry (Southern), University of Alabama-Birmingham (UAB), and Indiana University (IU).

HB 235 also required that the Council conduct a study on the effect that the licensure and accreditation of any school of optometry within the Commonwealth would have on the Contract Spaces Program and provide a report on the results on December 1, 2015 (see Exhibit A). At the time of the bill’s passage, the University of Pikeville (UPike) was in the beginning stages of developing the Kentucky College of Optometry. On November 15, 2015, the Council received notice that UPike obtained the pre-accreditation status of “Preliminary Approval” by the Accreditation Council on Optometric Education (ACOE). This enabled UPike to accept students into the program beginning in the fall semester of 2016 and provided a new option for optometry contract spaces in the upcoming biennium.

UPIke must request full accreditation status with ACOE not less than 12 months prior to the graduation of the program's first class. Full accreditation status must be granted by the time the class graduates in order for graduates to be licensed to practice. To date, UPIke has met all of its accreditation review requirements, and no institution at UPIke's level of progression has ever failed to obtain full accreditation for its first graduating class.

Due to UPIke's new accreditation status and the potential for spaces to be directed in a new manner in the next biennium, on November 30, 2015, the Council directed all three optometry school partners to cease offering new contract spaces to Kentucky students seeking to enroll in the fall of 2016, until further direction could be obtained from the General Assembly in the forthcoming budget bill. At the time of notification, three (3) spaces had not been committed for fall 2016.

The final enacted version of HB 303 required that existing contract spaces awarded to Kentucky students who entered a college of optometry in the 2015-16 academic year or in prior academic years be honored and renewed. In the 2016-17 academic year, students who were offered slots at colleges with existing contracts also were permitted to attend their college of choice. However, in light of the Kentucky College of Optometry's ability to begin enrolling students, the Council on Postsecondary Education was permitted to allocate the remaining three (3) slots for the 2016-17 school year to the Kentucky College of Optometry.

As mentioned above, HB 303 acknowledged the new school of optometry at UPIke as a new partner for Kentucky students. Since February 20, 2015, UPIke has been conditionally licensed with the Council to operate its optometry school until it obtains full accreditation. As part of its conditions, UPIke has filed quarterly reports with the Council on its progress toward completing accreditation and, to date, has met all its obligations toward fulfilling those accreditation requirements in a manner that would allow it to be fully accredited by the time its first class graduates. This would make these students eligible to become a licensed optometrist in Kentucky.

In addition, on November 4, 2016, Council staff traveled to UPIke to receive a tour of the facility that will house the new school of optometry being built on its campus, which is scheduled to open next fall. Staff also met with the optometry school administration to discuss facilities, student success, curriculum, and program finances. UPIke provided the Council with a report outlining these and other items in more detail, which can be provided upon request.

UPIke is in the final stages of completing a state-of-the-art facility to house its optometry program that will enable students to be trained with cutting-edge technology and, in the third and fourth years of the program, in a clinical setting. Instruction is scheduled to begin in the facility in the spring semester of 2017. In addition, UPIke employs qualified and accomplished faculty and administrators to instruct, guide, and support students through the program so they will be prepared to gain licensure and practice in the field upon graduation. UPIke provides support for faculty research and professional development and dedicates resources to the assessment of student learning outcomes and student success.

While language relating to the full funding of 44 optometry slots was vetoed from HB 303, the Council remained committed to ensuring that (1) all current optometry contract spaces students could continue their studies, (2) Southern, UAB, and IU could honor commitments made to the Kentucky students beginning in the fall of 2016, and (3) the three (3) open slots could be awarded to Kentucky students attending the new Kentucky School of Optometry. Contracts were negotiated that accomplished all three of those objectives, as outlined in the table below.

Optometry Program Tuition and Fees and Cost to Kentucky						
Academic Year 2016-17						
	Non-resident	Tuition for KY CS Seatholder	Difference	Cost to Kentucky		
				Per Student	Spaces	Total
Indiana University	\$ 37,714	\$ 25,178	\$ 12,536	\$ 12,536	10	\$ 125,360
University of Alabama - Birmingham	\$ 54,012	\$ 26,115	\$ 27,897	\$ 17,800	11	\$ 195,800
Southern College of Optometry	\$ 37,704	\$ 19,104	\$ 18,600	\$ 16,700	19	\$ 317,300
University of Pikeville*	\$ 38,450	\$ 21,750	\$ 16,700	\$ 16,700	3	\$ 50,100
					43	\$ 688,560
*Tuition charged includes \$6,652 in books and materials						

Recommendations:

- 1) There is the immediate and urgent question of how to utilize the appropriation for optometry students seeking admission to these programs for the fall of 2017. The provider institutions currently are receiving applications and are determining which students to admit to their programs. As part of that process, they are making offers that include any available financial aid. As a result of the directive in HB 303, as well as comments presented at the recent hearing of the Interim Joint Committee, we have withheld committing any of the funds for entering students for the academic year beginning in the fall of 2017. Given the fact that the campuses who offer these programs are well into their admissions processes, **we recommend** that the allocation of slots for new students for the 2017-18 academic year be distributed to the current providers consistent with prior allocations, or three (3) to UPike, three (3) to Southern, two (2) to UAB, and two (2) to IU.
- 2) The larger issue is how to best utilize the resources available for optometric education in the future. What follows are a set of considerations and recommendations based upon our best judgment and experience overseeing this program. We have included as Exhibit B a letter from Dinah Bevington, Executive Director of the Kentucky Optometric Association (KOA), expressing the Association's views on this topic, many of which conform to our recommendations:
 - a) Given the existence of an in-state provider (UPike), should the program continue? We conclude, as does the KOA, that there remains a shortage of optometric providers in the Commonwealth, currently and projected for the future. As such, **we recommend** that the state continue to support the education of Kentucky students pursuing careers as optometrists.
 - b) If the program is continued, should all the resources be directed only to students attending UPike, Kentucky's only optometry program? While we would not be opposed to such a directive, **we recommend** that other out-of-state providers be included in the program. There are several reasons for this recommendation. First, the geography of Kentucky makes access to providers outside the Commonwealth more proximate and convenient for students who live in the northern and western parts of the Commonwealth. Second, while

we believe that the program of training at UPike will become one of the finest in the nation, it is not yet fully accredited, and it will not be eligible for full accreditation for two more years. Third, we believe we can secure other nearby providers that offer their programs at tuition rates below those we have been paying to the current group of providers.

- c) The General Assembly may want to review and adjust the current structure of the program. As currently designed, it leaves to the CPE the responsibility of selecting the various providers, and of negotiating with them the number of slots they will provide to Kentucky students. Those universities then decide which Kentucky students to admit to their program, and which of those students will receive the Kentucky subsidy. The issue before us is how best to move forward. Under any scenario, all current students, and those who would be admitted to the entering class in the fall of 2017, would be able to complete their optometric training under the same support and conditions as are currently in place. This is an important concern for the KOA and we concur.

One choice is to continue the program as currently structured, including UPike as an eligible provider, along with the three out-of-state providers we have historically used.

Another option is to use this group of providers, but convert the program to a fixed dollar scholarship. Currently, the funding is tied to the number of slots, and the notion that Kentucky will fund the full difference between in-state and out-of-state tuition at these public providers (as well as a comparable subsidy for those attending private institutions). The problem has been our inability to control tuition increases, which are often not matched by our state appropriation. By going to a fixed dollar scholarship, the General Assembly could define a fixed dollar subsidy and determine the number of students it wants to support, allowing for a predictable and stable appropriation year after year. Providing a state subsidy of between \$12,500 and \$17,000 per year to Kentucky students is a substantial benefit, even if it does not cover the full difference between in-state and out-of-state tuition and any annual tuition increases these schools may impose.

A third option is to convert the program to a forgivable loan program. Such a program is currently in place for Kentucky students seeking osteopathic medical training. Upon graduation, for each year of service in Kentucky, a year of tuition subsidy is forgiven. If the students choose to practice elsewhere, they retain the obligation to pay back the loan at attractive student loan repayment rates. Such a program would be administered by KHEAA.

A fourth option would be to use a fixed dollar scholarship program approach, but to allow Kentucky students to utilize the subsidy at any university of their choosing. In this option, we would not limit the choices to those four schools currently being utilized. Instead, students would apply, gain admission to a qualified program of their choice, and then apply for the scholarship. In this model, the General Assembly could define the criteria used to select the recipients (or delegate that responsibility to CPE or KHEAA), and control the size of the subsidy, the number of recipients, and the annual appropriation. While we would give up guaranteeing a fixed number of slots at any particular university, this option would provide students with ultimate flexibility in finding an institution that best meets their personal and educational needs.

We look forward to discussing these options with members of the administration and the General Assembly over the next several months to determine the most beneficial path forward for this important program.

Optometry Education and Kentucky's Contract Spaces Program

A report to the Kentucky General Assembly from the Council on Postsecondary Education

Directive

In the 2014-2016 Executive Branch Budget Bill (HB 235), the Kentucky General Assembly directed the Council on Postsecondary Education ("Council") to conduct a study on the effect that the licensure and accreditation of any school of optometry within the Commonwealth would have on the Contract Spaces Program and submit the results to the Interim Joint Committee on Appropriations and Revenue and the Interim Joint Committee on Education by December 1, 2015.

Background

The Kentucky Contract Spaces Program provides Kentucky residents with access to training in veterinary science and optometry at partner universities outside the state because no Kentucky institution offers these programs. The partnership arrangements, which are largely facilitated through the Southern Regional Education Board (SREB), allow Kentuckians access to high-quality professional education at a cost commensurate with the resident rate of tuition.

A fixed number of spaces for Kentucky students are reserved at each participating university. Students meeting the requirements for Kentucky residency for purposes of tuition and who are selected to enroll in these programs are required to pay only the in-state tuition at the host institution, or the rough equivalent at private institutions, which do not offer differential rates of tuition based on residency.

The Commonwealth pays a contract fee to the universities to reserve the spaces and cover the balance of the students' educational costs. While no statutory directive exists for this program, Kentucky has a long history of funding this program biannually through the Executive Branch budget bill.

HB 235 requires that the Council fully fund 44 spaces at optometry schools, or an average of 11 spaces per class in the four-year program. While HB 235 and prior Executive Branch budget bills do not prescribe where those spaces were to be purchased, the Council has a longstanding practice of purchasing space from the following intuitions: Southern College of Optometry (Southern), University of Alabama-Birmingham (UAB), and Indiana University (IU).

The Council currently contracts for 20 total spaces at Southern, a private nonprofit institution; and 12 each at UAB and IU, both public institutions.

Program Costs

The Council contracts with SREB for spaces at Southern and UAB and purchases space directly from IU. The FY 2015-2016 respective costs and tuition rates are outlined below. Kentucky students participating in the program are charged either the regional or resident rates of tuition.

Optometry Program Tuition and Fees and Cost to Kentucky

Academic Year 2016-17

	Non-resident	Resident	Difference	Cost to Kentucky		
				Per Student	Spaces	Total
Indiana University	\$37,714	\$25,178	\$12,536	\$12,536	12	\$150,433
University of Alabama - Birmingham						
Average tuition: (varies by student year)	50,802	24,875	25,927	17,800	12	\$213,600
Southern College of Optometry						
2016-17 rates available March 2016	NA	NA	NA	17,800	20	\$356,000
2015-16 tuition and fees	33,929	20,531	13,398	16,700		
Total Students/Cost					44	\$720,033

Demand for Optometry School Spaces

The following chart provides the number of applications received and students enrolled at each institution since 2011. Those applications received may or may not represent submissions by viable candidates for admission.

Kentucky Student Applications and Enrollments

	<u>Entering</u>	<u>Class of</u>	<u>Applied</u>	<u>Accepted</u>	<u>Enrolled</u>
Southern College of Optometry	2015	2019	16	6	4
	2014	2018	17	8	6
	2013	2017	22	10	8
	2012	2016	12	4	2
	2011	2015	16	9	6
University of Alabama - Birmingham	2015	2019	12		4
	2014	2018	13		5
	2013	2017	19		4
	2012	2016	12		3
	2011	2015	13		3
Indiana University	2015	2019	15	10	6
	2014	2018	14	7	5
	2013	2017	15	5	4
	2012	2016	8	6	5
	2011	2015	13	6	3
	2010	2014	9	4	3

Three Institutions Combined	2015	2019	43	14
	2014	2018	44	16
	2013	2017	56	16
	2012	2016	32	10
	2011	2015	42	12

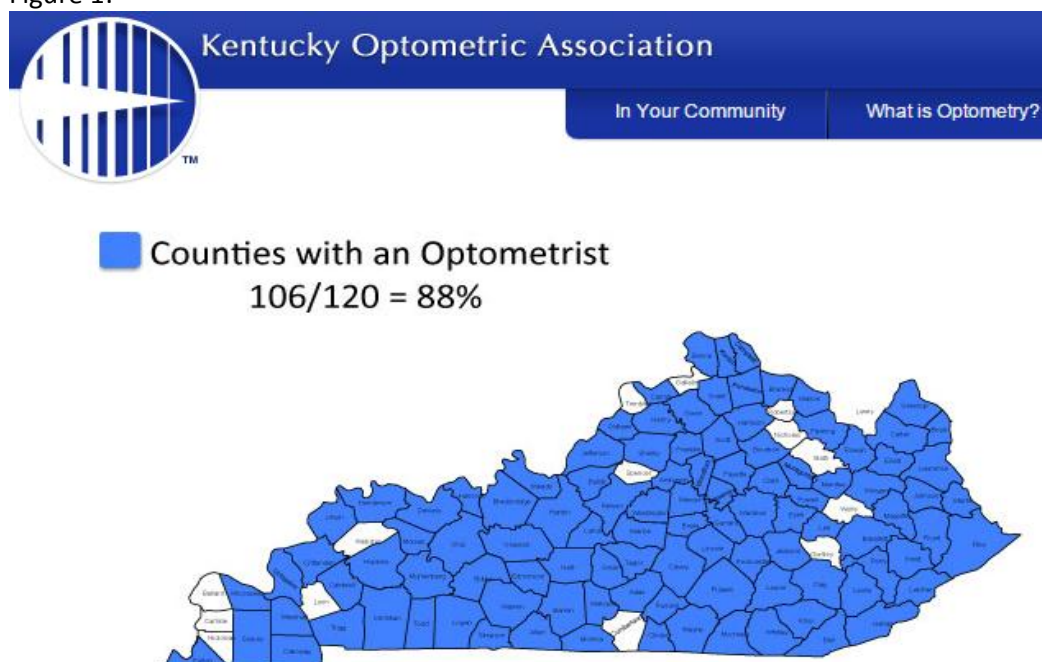
Source: Institutions

Current Employment of Optometrists in Kentucky

In 2012 Deloitte Consulting conducted a comprehensive study of the capacity of the healthcare workforce in Kentucky, where the need for optometrist was assessed based on the licensing database. According to the report, 568 optometrists worked in Kentucky in 2012, with over 25% of counties lacking a practicing optometrist. The study also documented a rural-urban divide: 87 rural counties had 234 (or 41%) practicing optometrists, while 33 urban counties had 334 (or 59%) doctors practicing optometry.ⁱ

Current data from the Kentucky Optometric Association shows a more extensive coverage of Kentucky's counties by optometrists: 88% of counties have an optometrist.

Figure 1:



Source: Kentucky Optometric Association, retrieved from <http://www.kyeyes.org/maps.html>

Employment Outlook

The Kentucky Education and Workforce Development Cabinet (EWDC) projects that positions for optometrists will grow by 32% (from 500 to 660) between 2010 and 2020, with an average of 40 openings annually. Half of these 40 annual positions will be generated through processes of occupational mobility, retirement, and separation replacing existing jobs and the other half through occupational growth.ⁱⁱ

Similarly, analysis of Kentucky Office of Employment and Training data suggests that optometrist positions will grow by 29% from 588 in 2014 to 752 in 2024. Annual demand or the number of jobs expected to be annually available throughout the 2014-2024 period is projected to be 38 positions.

Online advertised vacancies may provide an indication of current occupational demand for optometrists in Kentucky. The dynamic nature of real-time vacancies also enables labor market trend identification. Job postings for optometrists in Kentucky from Burning Glass Technologies point to a lower demand. Over the past 12 months, the search for optometrist vacancies yielded 12 positions, and all of them were located in large metropolitan areas and urban centers.

The 2013 Deloitte study notes a high need for optometrists in Kentucky. Overall, the number of optometrists needed in 2017 is estimated at 838 full-time positions, with an additional 291 FTE professionals required to meet the need by 2017. The number of additional professionals reflects only growth of new jobs, disregarding the process of replacing existing jobs.

To summarize, analysis of Kentucky workforce data projects the demand for new optometrists ranging between 38 and 40 professionals annually, while real-time advertisement data show an annual demand of 12 doctors. Deloitte Consulting notes the need for additional 291 full-time optometrists to be employed between 2012 and 2017. Using these multiple data sources, a comprehensive picture has emerged, allowing for more informed interpretations and inferences. The triangulation of data should be considered to complement each other and create a richer context, rather than be contradictory.

The University of Pikeville's Kentucky College of Optometry

Earlier this year the Council conditionally approved the University of Pikeville's (UPike) application to offer an optometry program conditioned upon the university obtaining full accreditation with the Accreditation Council on Optometric Education (ACOE). UPike has received the pre-accreditation status of "Preliminary Approval" by ACOE and will enroll its first class of optometry students in August 2016. UPike must request full accreditation status not less than 12 months prior to graduation of the program's first class. Full accreditation status must be granted as the class graduates for graduates to be licensed to practice.

UPike's class size is projected to be 60 students until final accreditation occurs with graduation of the first class. Thereafter, the projected enrollment will be 64 new students each year.

Tuition in 2016-17 will be \$35,975 for academic instruction and \$2,475 for necessary equipment for a total tuition of \$38,450.

While UPike will primarily prepare optometrists to serve the people of Central Appalachia and rural areas in general, it will be a national school and will accept students from all parts of the United States.

Because there are currently no colleges of optometry in Kentucky, West Virginia, North Carolina, South Carolina, and Georgia, the new optometry school's primary service area will be the southeastern part of the country.

Kentucky College of Optometry and the Contract Spaces Program

Based on the analysis in this report, there is value in continuing the practice of purchasing seats in optometry programs to assure Kentucky residents have access to optometry education at affordable rates. As described above, the demand for optometrists in Kentucky exceeds the current supply of licensed professionals. Also, interest in optometry programs is high among Kentucky students and exceeds the current supply of purchased seats through the contract spaces program.

UPIke is a private, nonprofit institution operating without state General Fund operating support. The \$38,450 tuition UPIke will charge for the optometry program in 2016-17 is similar to the non-resident rates of Kentucky's partner public institutions and the non-regional rate at Southern. Additionally, UPIke's new program, which will enroll 60-64 students per class, will have the capacity to accommodate the average of 11 spaces the Council secures for Kentucky students pursuing optometry education each year.

Further Considerations

Currently there is no requirement that Kentucky residents participating in the contracts spaces program return to Kentucky. Incentivizing optometry school attendance at a Kentucky institution through reduced tuition may lead to a greater percentage of graduates residing in the state and help the Commonwealth better secure a greater return on its investment.

If Kentucky decides to purchase optometry seats from UPIke rather than the three out-of-state partner institutions consideration should be given to continuing the commitment made to those Kentucky students who have been admitted or are currently enrolled at the three campuses through the contract spaces program. This would require a phased in approach to support Kentucky students who wish to attend UPIke while continuing to support those students enrolled at the other institutions until their graduation.

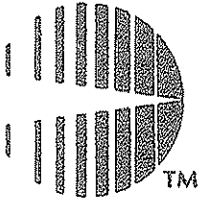
As an alternative to supporting Kentucky students pursuing optometry education through the contract spaces program, a scholarship program similar to the Osteopathic Medicine Scholarship Program established in KRS 164.7891, could be created. The Osteopathic Medicine Scholarship Program provides financial aid to Kentucky students pursuing a degree at the Kentucky College of Osteopathic Medicine at the University of Pikeville. The program is administered by the Kentucky Higher Education Assistance Authority (KHEAA). Participating students must:

- Be a U.S. citizen.
- Be a Kentucky resident.
- Practice one year in Kentucky in a qualifying field for each year the scholarship is received.
- Repay the scholarship plus interest if student does not complete program or service requirement.

This program provides an annual award equal to the difference between the average amount charged for in-state tuition at Kentucky medical schools and the tuition charged at UPike's Kentucky College of Osteopathic Medicine.

ⁱ Deloitte Consulting (May 2013). The Commonwealth of Kentucky health care workforce capacity report.

ⁱⁱ Crouch, R. and Howell, T. (2012). Kentucky occupational outlook to 2020: A statewide analysis of wages, employment, growth and training. Frankfort, Kentucky: Education and Workforce Development Cabinet.



KENTUCKY OPTOMETRIC ASSOCIATION

Affiliated with
American Optometric Association

Dinah T. Bevington
Executive Director

May 31, 2016

Robert L. King, President
Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601

RE: Optometry School Contract Spaces

Dear President King:

The Kentucky Optometric Association (KOA) has played a vital role in the promotion of opportunities for Kentucky students to receive optometric education. As you know, because Kentucky has not previously had an in-state optometry school, these educational opportunities took the form of "contract spaces" which were reserved for Kentucky students to attend several out of state optometry schools at in-state tuition rates. These contract spaces have been provided within the Executive Branch Budget for over four decades.

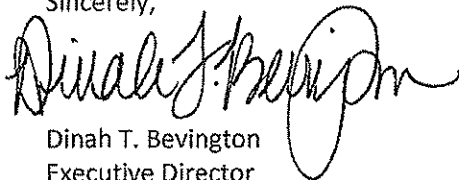
In light of the pre-accreditation of the Kentucky College of Optometry (KCO) during the fall of 2015, the legislature mandated in the 2016 Budget Bill (House Bill 303) the following:

By December 1, 2016, the Council, in conjunction with the Kentucky College of Optometry, shall develop and submit to the Legislative Research Commission, for distribution to the Interim Joint Committee on Education and the Interim Joint Committee on Appropriations and Revenue, a recommendation concerning future funding of optometry slots for Kentucky students.

As the leading resource on Kentucky optometry, the KOA welcomes the opportunity to discuss this issue with you further. We are more than willing to answer any questions you may have about Kentucky optometry and the impact of any changes to the existing contract program. The KOA has no vested interest in where the allocated funds are awarded – rather, the KOA is solely interested in making sure that optometric education opportunities for Kentucky students remain in place.

Again, the KOA is available to assist in any manner and would welcome the opportunity to be involved as your recommendation is developed on this important issue.

Sincerely,



Dinah T. Bevington
Executive Director



Optometry Contract Spaces Work Group

Meeting #1
August 14, 2018

Work Group Charge

- Study the effects of the establishment of a forgivable loan program for the students of the optometry contract spaces program
- Study the projected return of optometry school graduates to practice in Kentucky
- Report due to the Interim Joint Committee on Appropriations and Revenue no later than December 1, 2018

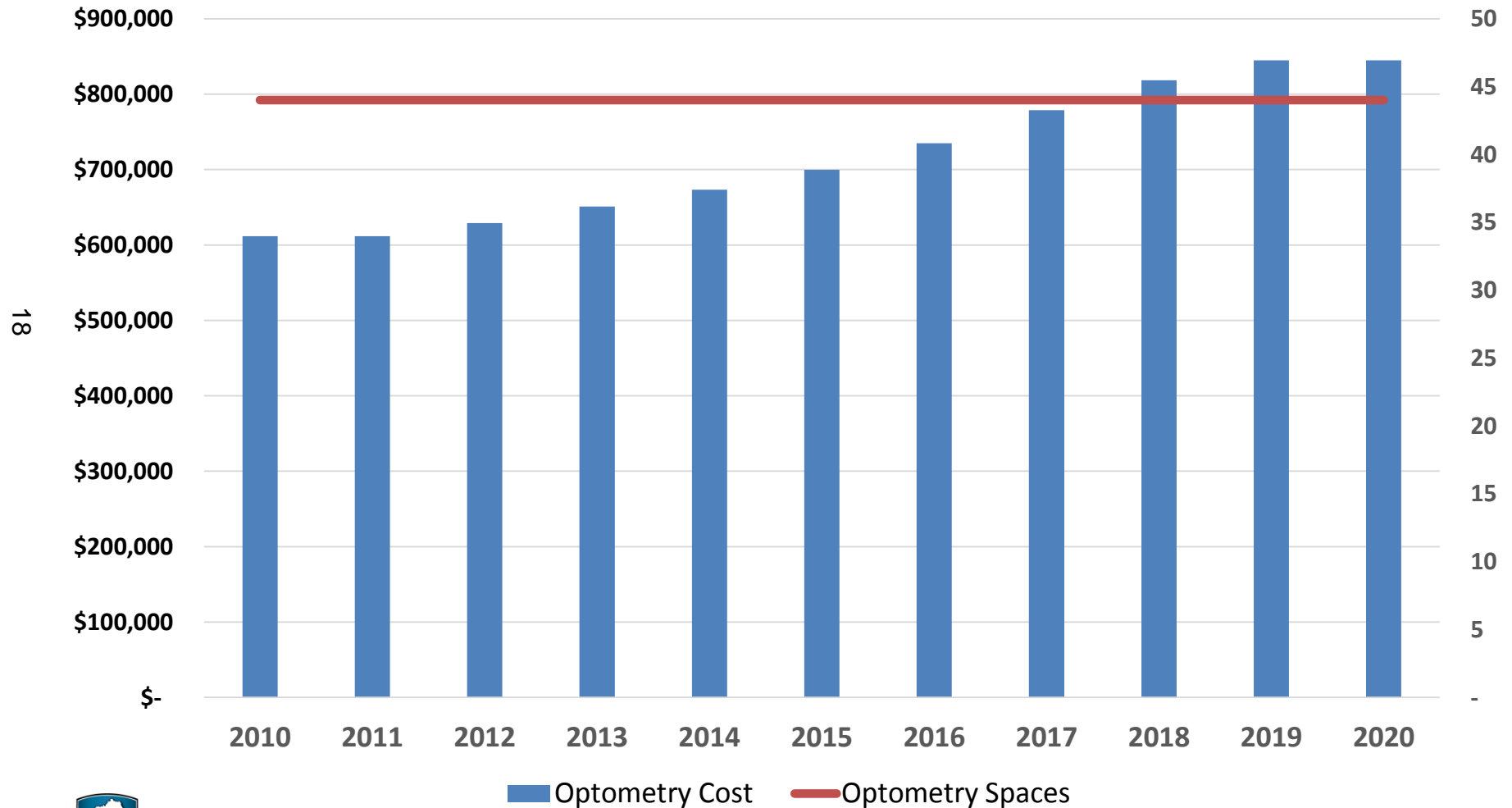
Program Purpose and Structure

- Kentucky participates in the Southern Regional Education Board (SREB) Contract Spaces Program
 - 1951 - Veterinary Medicine Program
 - 1974 - Optometry School Program
- Kentucky pays the schools the difference between in-state and out-of-state tuition for a pre-determined number of Kentucky students.
- Kentucky residents compete for Kentucky's reserved spaces. Those who are awarded these spaces (by the attending institution) will pay the in-state tuition rate.

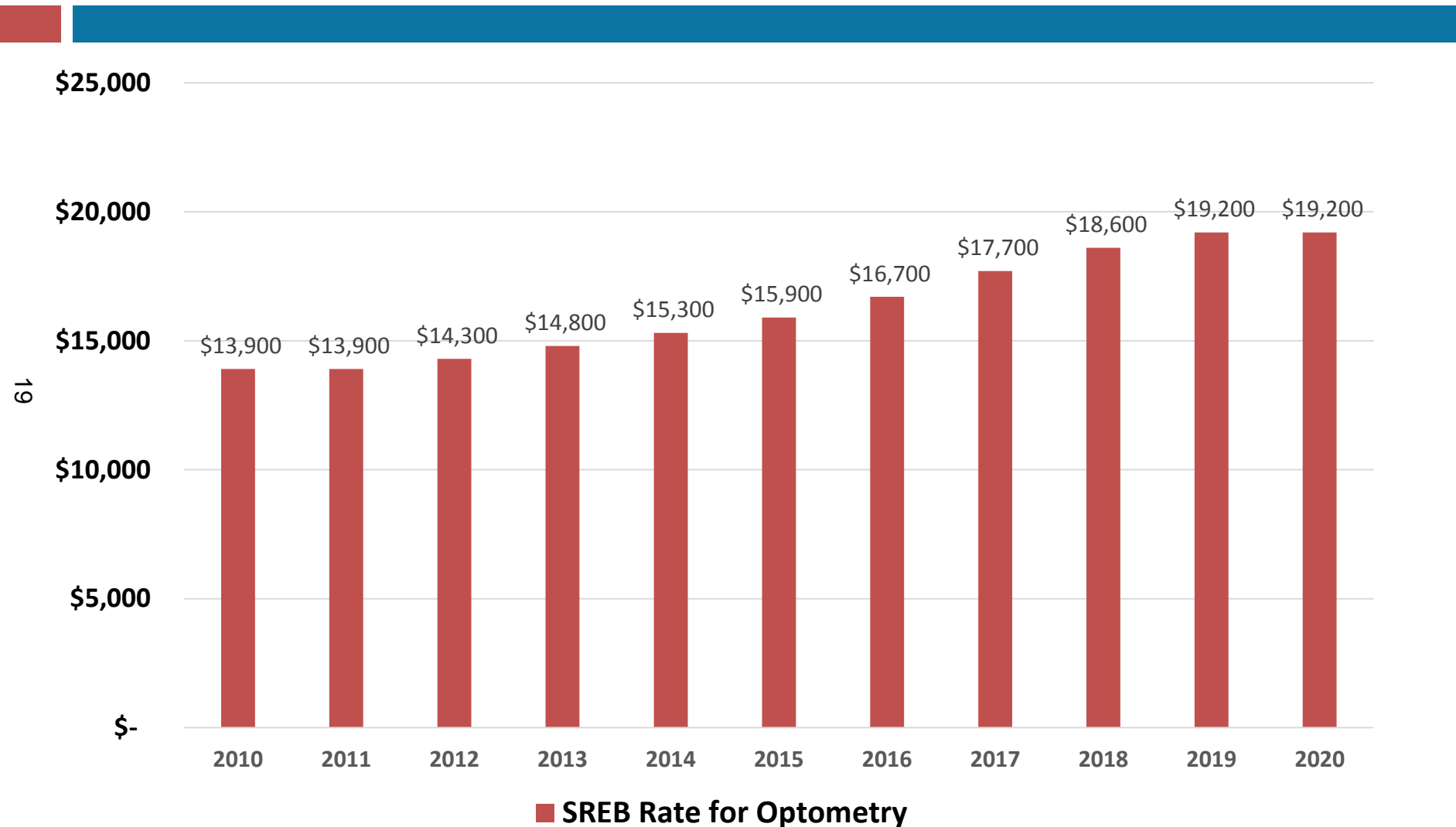
Factors Driving the Work Group Review

- New optometry program in Kentucky
- Growth in program costs
- State budget constraints
- Concern that needs of rural Kentucky are not being met
- Different models for financing professional programs

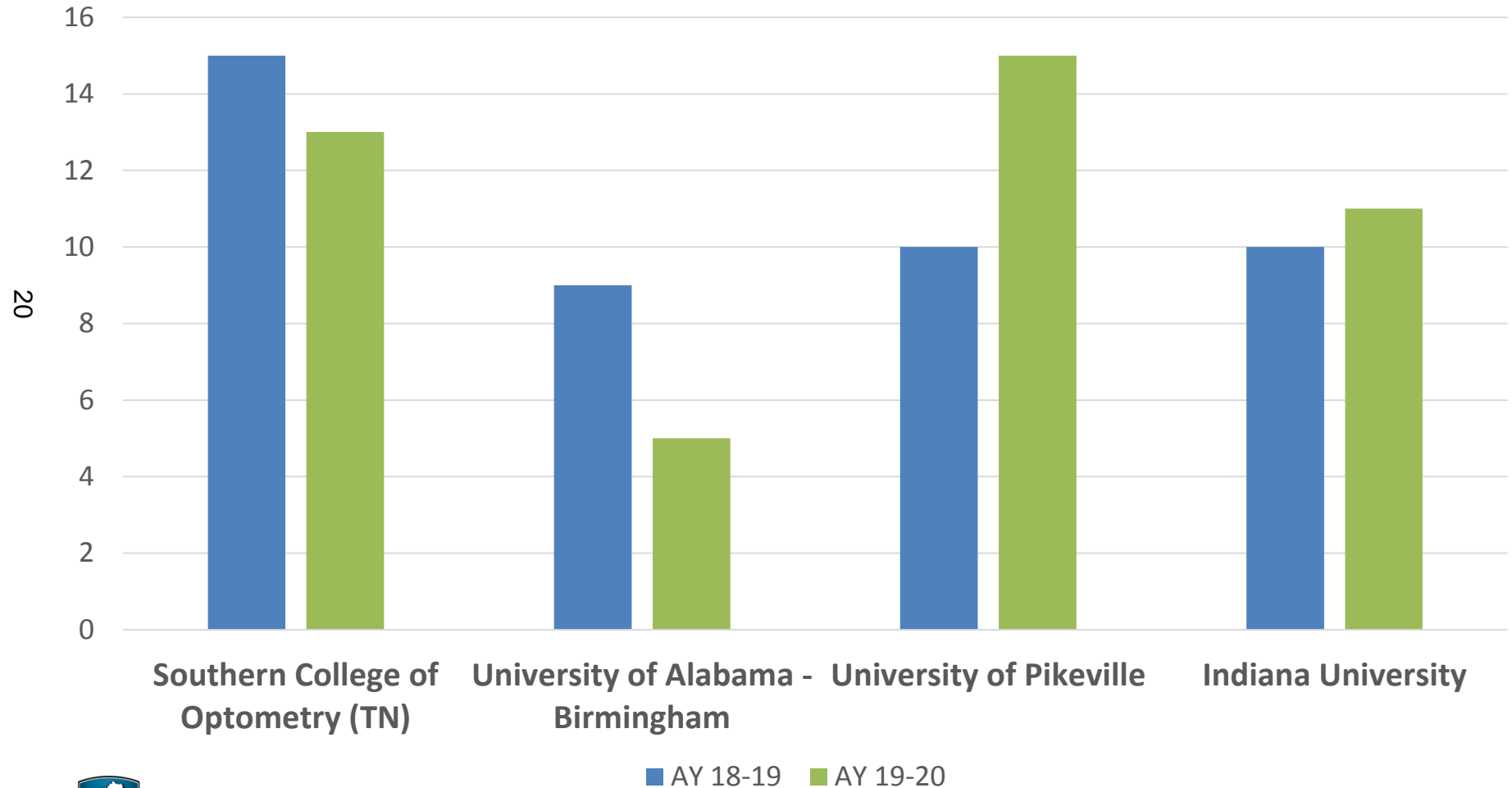
Number of Optometry Spaces and Cost to Kentucky



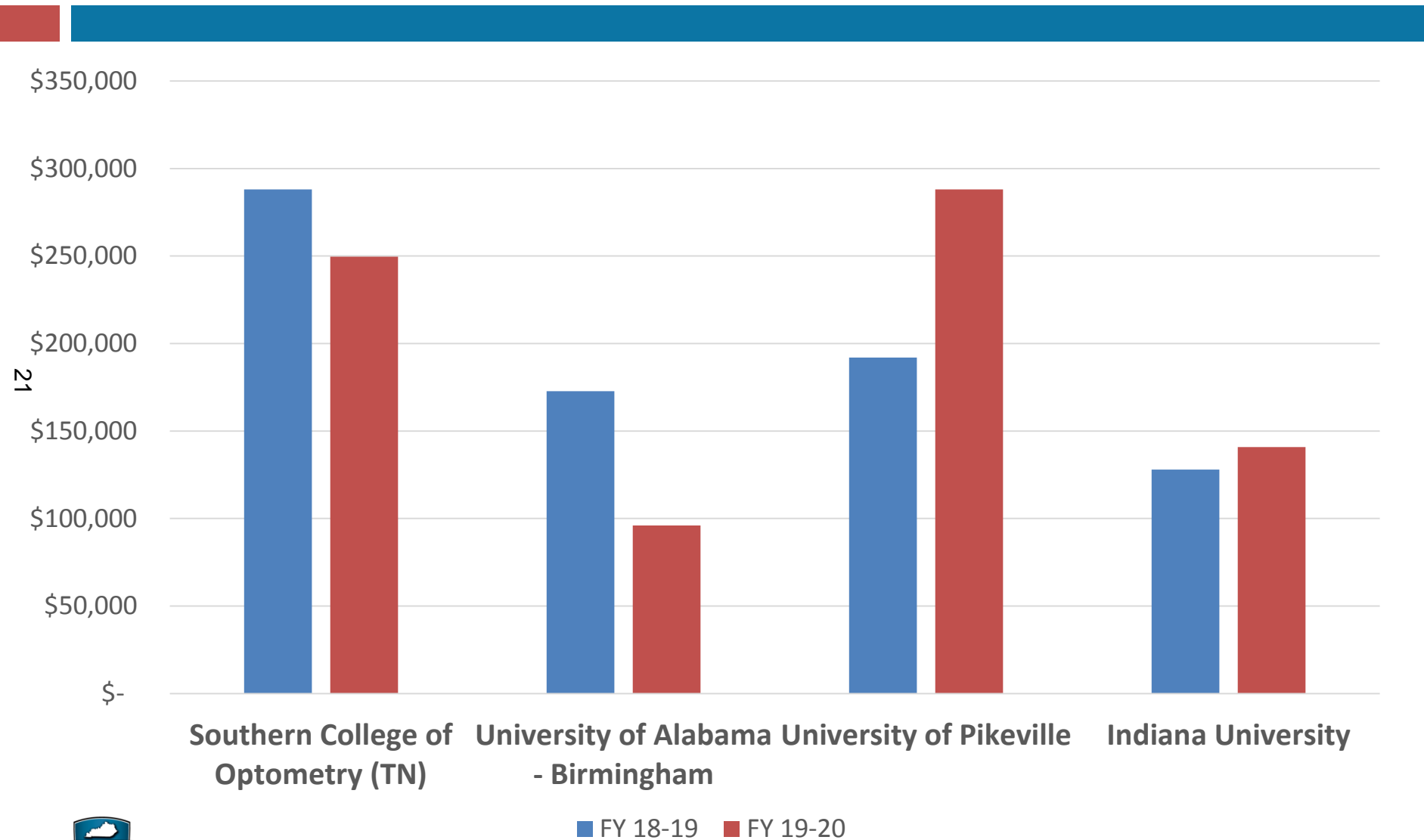
SREB Rate Per Optometry Space



Number of Optometry Contract Spaces by Year and Institution



Current State Funding, by Institution



What do Kentucky Students Pay Annually?

- Southern College Of Optometry
 - Regional rate (2018-19): \$17,976 plus room, board, and fees
- University of Alabama Birmingham
 - In-state rate (2018-19): \$17,760 plus room, board, and fees
- Indiana University
 - In-state rate (2018-19): \$27,980 plus room, board, and fees
- Pikeville University
 - Rate minus contract amount (2018-19): \$21,975 plus room, board, and fees

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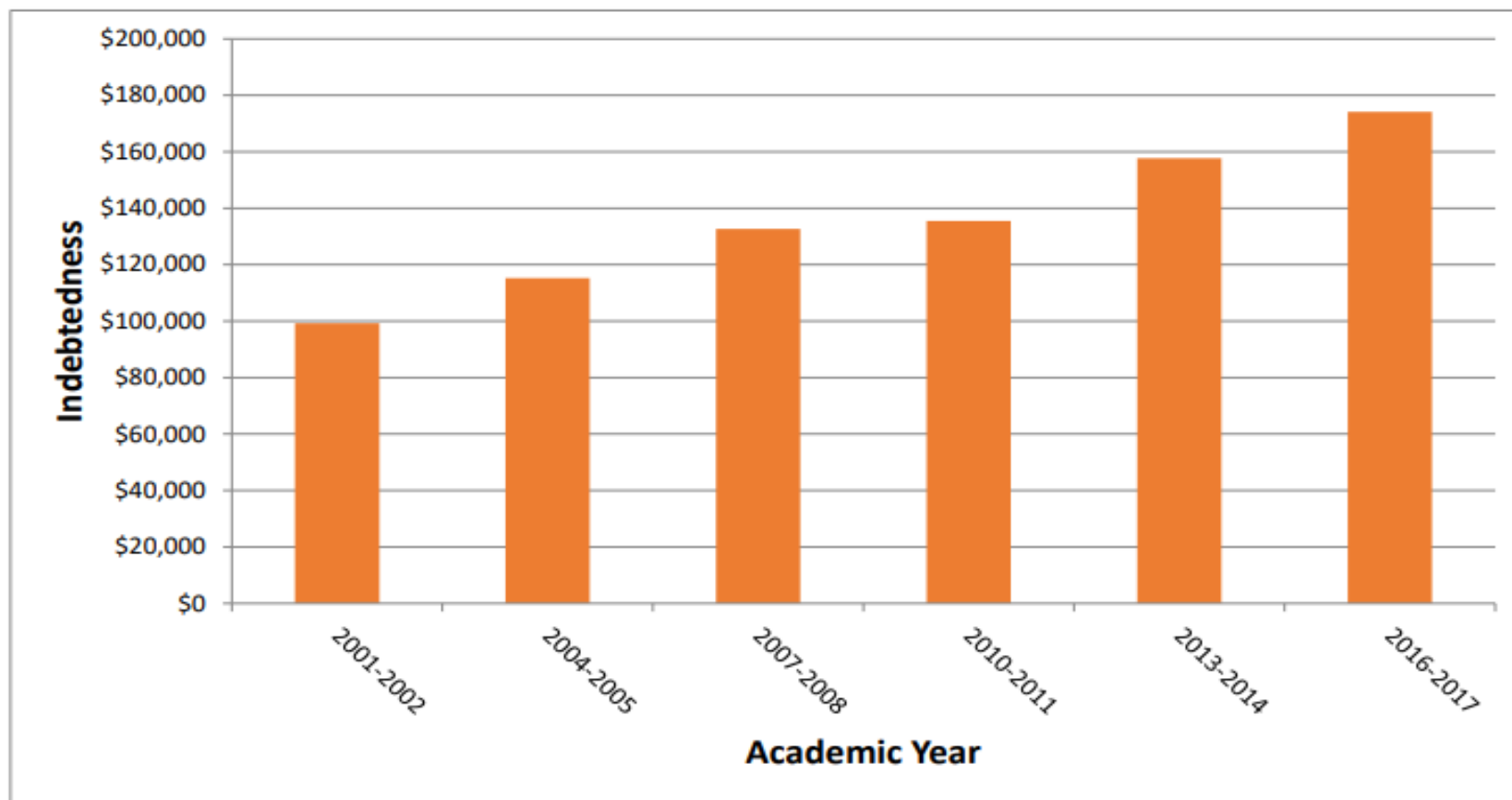


Average Educational Indebtedness of Graduates with Debt*

U.S. Schools and Colleges of Optometry Including Puerto Rico

2001-2017

(Includes graduate and professional school debt. Does not include undergraduate debt.)



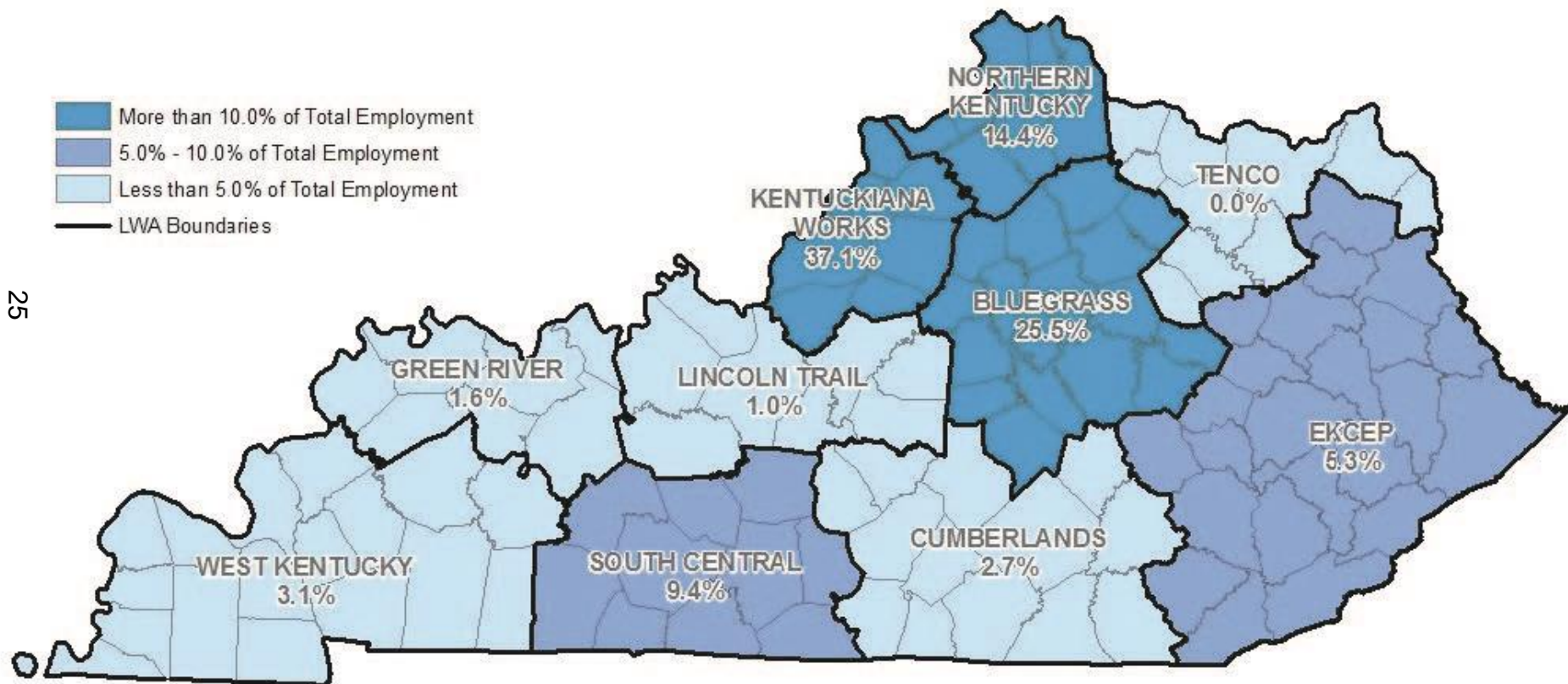
	2001-2002	2004-2005	2007-2008	2010-2011	2013-2014	2016-2017
Average Indebtedness	\$99,208	\$115,194	\$132,630	\$135,505	\$157,659	\$174,165

*Figures are incomplete as each of the reported years do not include all optometry schools. Two or three schools (different each year) report that average indebtedness information is not available.

Optometrists in KY – Occupational Snapshot

- As of 2016, there were an **estimated 1,155 optometrists employed in Kentucky**;
- **67% of optometrists in Kentucky are self-employed.**
- Another **22% are employed by private, for-profit firms** and the remaining **11% are in private, non-profit firms** (colleges and universities);
- Nearly **84% of optometrists in Kentucky are male**;
- KY's projected number of optometrists in 2024 is 1,470, **ranking Kentucky #11 nationally in number of practicing optometrists in the state.**

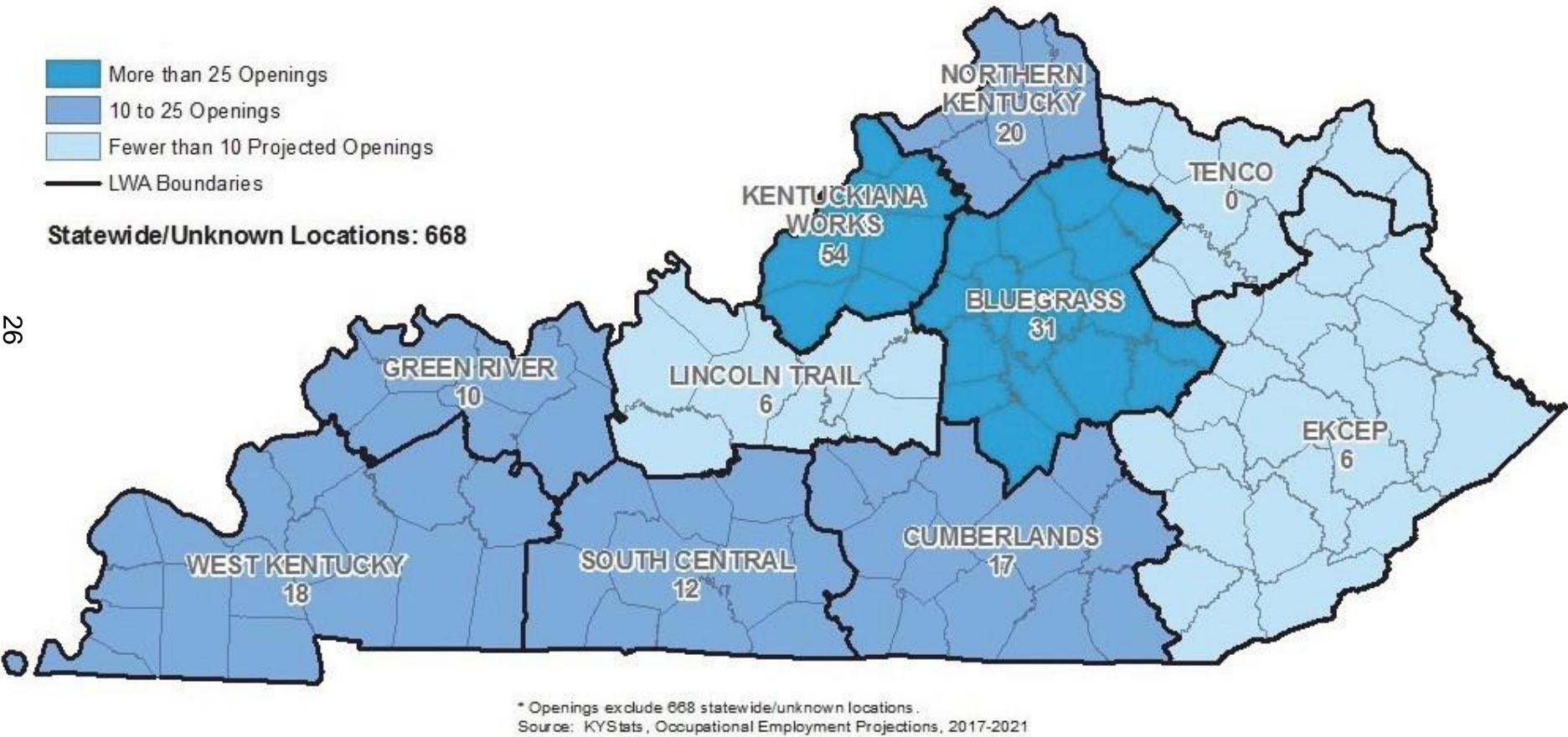
Percentage of Total Optometrist Employment in Kentucky by Local Workforce Area - 2016



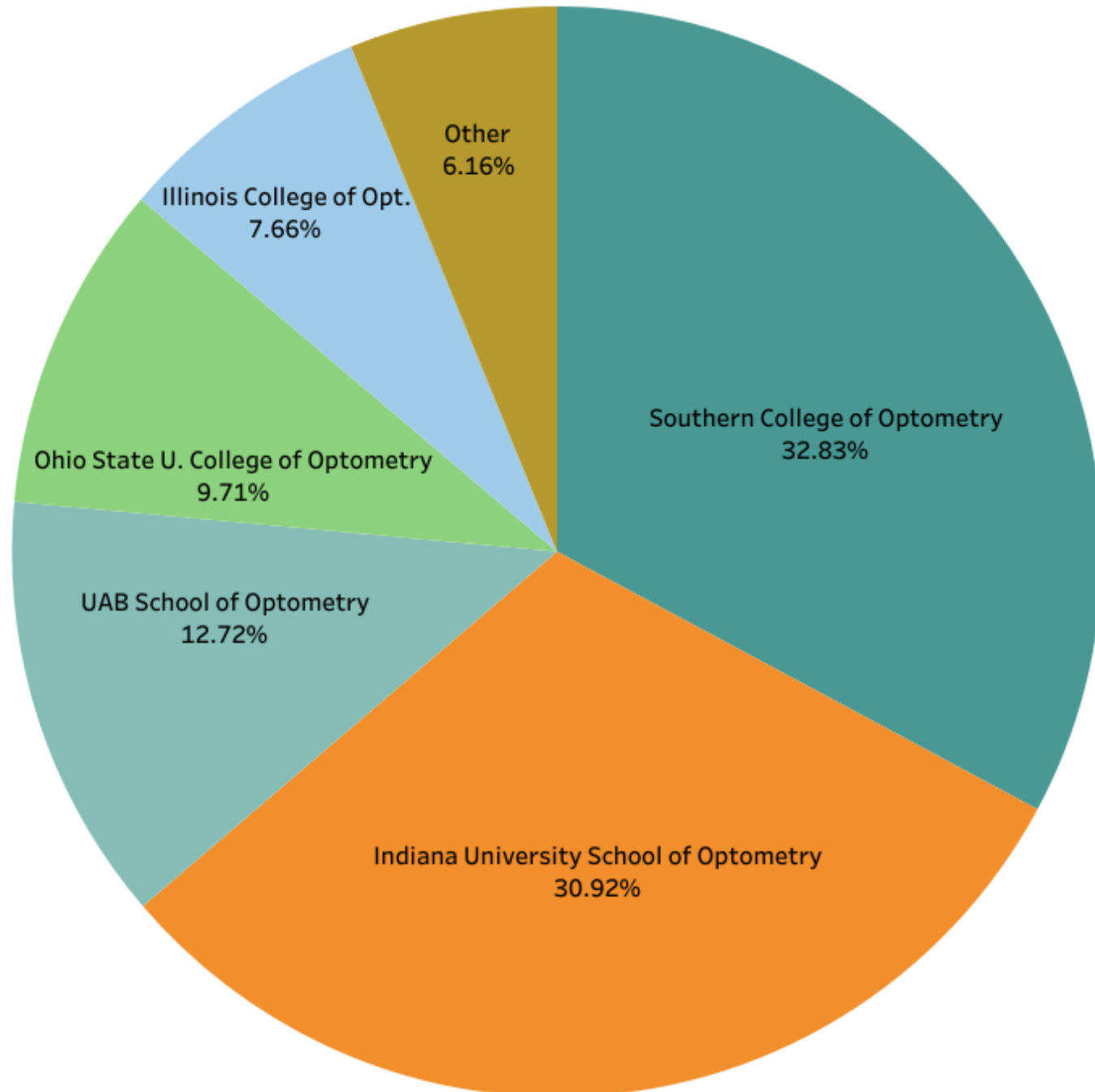
* Totals exclude statewide/unknown locations.

Source: KYStats, Occupational Employment Projections, 2017-2021

Projected Openings* for Optometrists in Kentucky by Local Workforce Area, 2017-2021



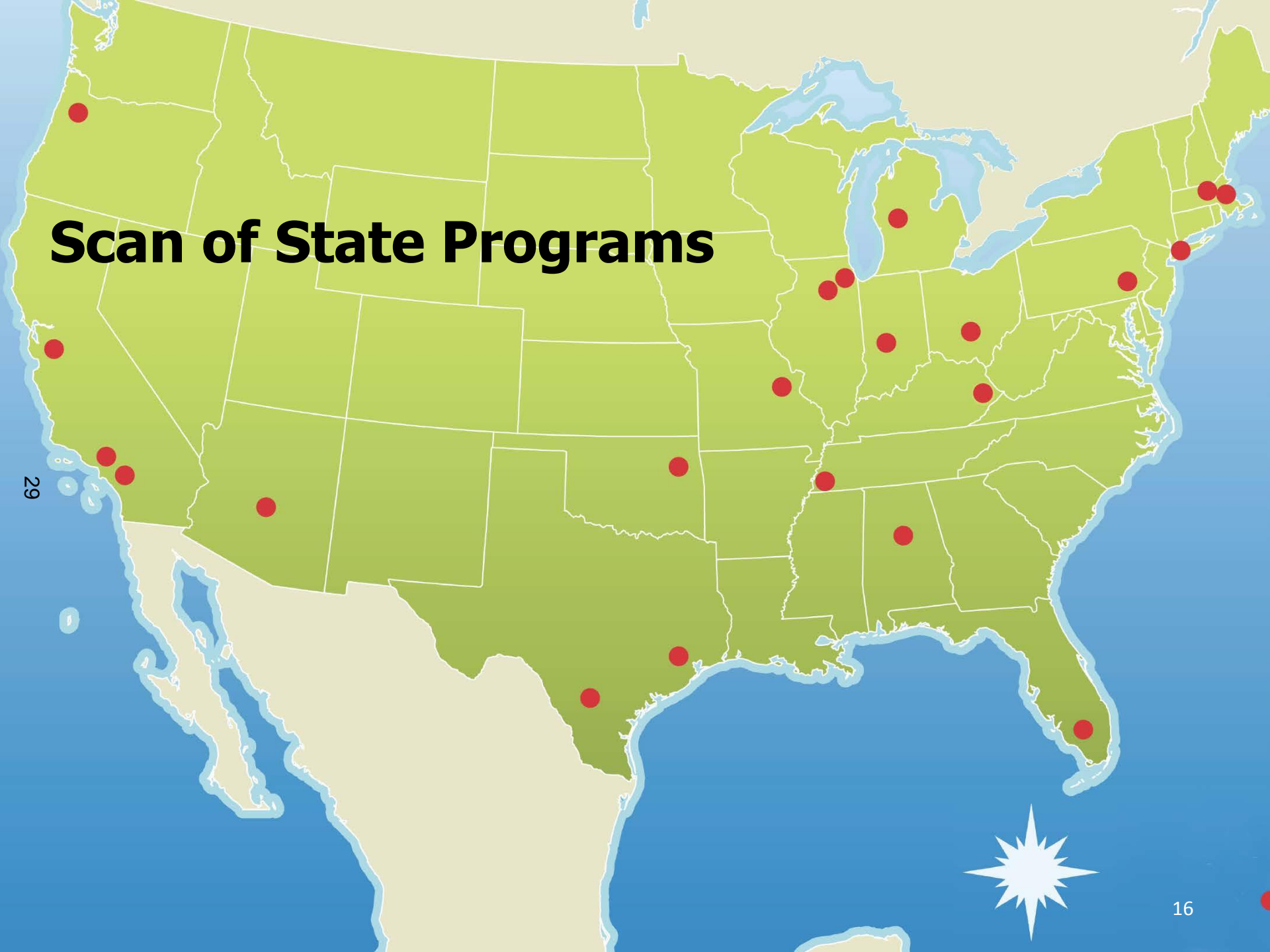
Top Schools attended by Practicing Kentucky Optometrists



Salary Data for KY Optometrists

- The average annual wage for optometrists in Kentucky was **\$100,352 in 2017, or \$48.24 per hour.**
- **Entry level wages were \$45,974 while experienced workers earned an average wage of \$152,918.**
- Wages varied dramatically by Local Workforce Area (LWA), with **EKCEP having the highest mean wage at \$144,051 and Green River having the lowest at \$85,018.**
- Annual wages for optometrists in **Kentucky lag behind national wages** for all levels of experience.
- Median wages in Kentucky were **nearly \$20,000 less than those at the national level**, while entry-level wages were about \$8,000 lower.

Scan of State Programs



2016 Report to the Legislature

- The 2016-18 Budget Bill Directed CPE to provide a recommendation to the GA concerning future funding of optometry slots for Kentucky students;
- **Recommendations** for the near future:
 - that the allocation of slots for new students for the 2017-18 academic year be distributed to the current providers consistent with prior allocations, or three (3) to UPike, three (3) to Southern, two (2) to UAB, and two (2) to IU;
 - that the state continue to support the education of Kentucky students pursuing careers as optometrists
 - that other out-of-state providers be included in the program.

2016 Optometry Report, Continued

- The report also recommended evaluating the program and consider the following options:
 - **maintain the status quo** in terms of program structure and allocation;
 - convert the program to a **fixed dollar scholarship** to use at current providers (define a fixed dollar subsidy and determine the number of students KY wants to support, allowing for a predictable and stable appropriation year after year);
 - convert the program to a **forgivable loan program** (for each year of service in Kentucky, a year of tuition subsidy is forgiven);
 - use a **fixed dollar scholarship program approach, but to allow Kentucky students to utilize the subsidy at any university.**

Discussion

- What are the goals for this program and are we meeting them?
- Does Kentucky offer the right mix of optometry school providers?
Is there enough choice?
- Is there an issue with geographic distribution?
- Should Kentucky focus all or more of its resources on students attending the new Kentucky School of Optometry?
- Should Kentucky consider a more predictable financial mechanism to support the program, such as a fixed scholarship?
- Should there be a service requirement to Kentucky in order to receive the contract space benefit?
- Would a forgivable loan model (as with osteopathic medicine) better serve Kentucky?

Next Steps

- Meeting #2 – September
 - Tentative Agenda: Review of forgivable loan model; Presentations by stakeholder groups; Discussion of preliminary recommendations
- Meeting #3 – October
 - Tentative Agenda: Presentations by stakeholder groups (if necessary); Discuss report structure; finalize recommendations
- Meeting #4 – November
 - Review/Adopt Report



QUESTIONS?