

# Study highlights socioeconomic, racial differences in the financing of medical education

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National data analyzed by University of Minnesota Medical School researchers show that nearly 40 percent of all funds used to pay for

medical school are expected to come from family or personal sources and scholarships. The prevalence of these sources, however, varies widely by race and socioeconomic status.

Arman Shahriar, Varun Sagi and Lorenzo Gonzalez, all fourth-year students at the University of Minnesota Medical School, are co-lead authors of the study, which was published today in *JAMA Network Open*.

"Financing a four-year [medical education](#) requires upwards of a quarter-million dollars, and this amount has been rising faster than inflation since the 1960s. Prior to this study, little was known about how students pay for medical school, so we set out to shed light on this opaque subject," Shahriar said.

Their research analyzed de-identified data from more than 29,000 medical students nationwide who responded to the 2017 to 2019 Association of American Medical Colleges (AAMC) Matriculating Student Questionnaire. The study found that:

- Nearly 25 percent of all medical students come from the top five percent of [household incomes](#) (greater than \$270,000 in 2019), and 37% of these high-income students will be paying for [medical school](#) primarily using family or personal funds. For comparison, only three to four percent of students from the lowest three income quintiles rely primarily on family or personal funds.
- Family or personal financing was more prevalent among Asian students and white students and was least prevalent among Black students. Shahriar says, "This may be a reflection of the widening racial wealth gap—rooted in structural racism—and may explain AAMC data indicating Black students graduate with the highest debt burden of any racial group."
- Between high- and low-income students, scholarships were

distributed much more evenly than family or personal funds. The heavier reliance on loans among low-income students suggests an inadequacy of current scholarship amounts to offset the large deficit in family or personal funds that these low-income students face.

"Knowing that scholarship funds are finite, individual medical schools should work to ensure that scholarships are awarded through holistic review with ample consideration of economic background," Shahriar said. "Additionally, considering the degree to which some students are relying on family wealth, medical schools ought to be ensuring equal access to expensive resources during training, like board preparatory materials. As medicine works toward improving its socioeconomic, racial and [ethnic diversity](#), the last thing we want is for [family](#) wealth to be influencing educational quality."

The study team is now looking at socioeconomic diversity among matriculating [medical students](#). Shahriar says that future work on the topic of financing should better examine how financing methods have evolved over time for various subgroups, as well as link matriculant financing plans with debt and other economic outcomes at the time of graduation and beyond.

**More information:** Arman A. Shahriar et al, Comparison of Medical School Financing Plans Among Matriculating US Medical Students From 2017 to 2019, *JAMA Network Open* (2021). [DOI: 10.1001/jamanetworkopen.2021.17704](#)

Provided by University of Minnesota Medical School

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