

Irene's Myomassology Institute
Testimony Regarding Proprietary School Bill
Kathy Gauthier, Executive Director

- ! Irene and I founded our first state licensed school 22 years ago.
- ! We have always met and exceeded state standards, and continuously strive to improve our program.
- ! In 1998, we opened our student clinic with approval from the state proprietary school unit.
- ! It is common practice across the country to include a student clinic in a massage therapy program. Supervised massage clinics are an important part of a student's education. They provide the much needed opportunity to practice massage skills on the public while under the supervision of faculty members.
- ! The clinic also provides a service to the community by allowing senior citizens and low income individuals to receive the benefits of massage at a cost they can afford.
- ! To offset the expense of operating a clinic without raising student tuition, schools charge the clients a small fee for the massage.
- ! We operated our clinic for more than nine years with nothing but positive feedback from the proprietary school unit.
- ! To become nationally recognized for providing high standards of education, we sought and achieved national accreditation in 2001 with the Accrediting Council for Continuing Education and Training (ACCET) in Washington, DC.
- ! In 2005, I attended an ACCET conference in which I was asked to join a task force as an expert witness to establish specific criteria for massage school curriculums.
- ! In alignment with the standards set in place by the Commission on Massage Therapy Accreditation (COMTA), the task force set requirements for all of ACCET approved massage schools. These requirements include providing a supervised student clinic in the program.
- ! In the spring of 2007, with no discussion, we along with all other proprietary schools in Michigan were informed by the Department of Labor and Economic Growth (DLEG), which oversees the proprietary school unit that our clinic was in violation of PA 148 of 1943. We were told we would have to either close our clinic or stop charging the clients for the service.

- ! I have spent 21 years building my business under the licensure of the proprietary school unit. I established a clinic, made it part of my curriculum, got it approved by my accrediting agency, recognized by the federal Title IV financial aid program, and five years ago when I built our new facility, I invested substantial amounts of money in a space to operate our student clinic. All with the blessing of the proprietary school unit.
- ! After investing decades in this business model along with millions of dollars, to be told that I am in violation of a law that was enacted before I was born, and that I have to essentially start from scratch feels patently unfair.
- ! The revenue generated by the clinic does not go to profit for the school. Instead, it is used to offset the students' tuition. When the expenses of payroll, oils and lotions, a linen service, massage tables, cleaning service, rent and utilities are deducted from revenue the clinic typically breaks even.
- ! In order to provide this educational experience for the students and the massage service for free, we would have to raise the student=s tuition more that \$1,000 each.
- ! Upon enrollment, students sign an enrollment agreement which is considered a legally binding document. This agreement specifies the curriculum stated in the school catalogue and the student's total tuition.
- ! The school cannot begin to afford to provide the clinic services for free. This would put us out of business.
- ! If this bill is not passed, I would find myself in the position of being forced to close our clinic and thereby lose national accreditation and consequently Title IV funds. That would also put us out of business.
- ! Legally, I cannot raise the cost of tuition for current students to whom I am legally bound to provide the clinic experience.
- ! If I try to raise tuition for new incoming students more than \$1,000, my already low enrollment will decrease and put us out of business.
- ! All of this is based on a new interpretation of a law that was on the books before our school was ever founded. A law from 1943 that was not enforced, nor was I ever made aware of. This law was on the books the entire time our clinic was being developed with the blessing and positive input of the proprietary school unit.
- ! Taking into consideration the current economic situation, to be blind sided with this decision on the part of DLEG is devastating.
- ! Our school in which close to 200 students attend class is in a beautiful 17,500 square foot facility in which we have a \$2 million mortgage.

- ! We have approximately 20 administrative and retail staff, 20 instructors, 5 clinic supervisors and 30 contract labor. In today=s economy, I cannot imagine the hardship of closing a local business over an issue like this.
- ! This is not only happening to me. This is also happening to other massage schools, dog grooming schools, and boat building schools in the state. This affects any school that has the misfortune of being licensed by the proprietary school unit.
- ! However, cosmetology schools, nail tech schools, culinary schools, and dental assistants all have the same clinic model in as much as they charge reduced fees for their student services. This is allowed simply because they are licensed by a different department.
- ! I do not understand how that can be right. If it is wrong to charge for student services in my school, why is it OK to charge in a cosmetology school? If it is wrong to charge for dog grooming, why is it OK to charge for a manicure?
- ! House Bill 5995 is designed specifically to address this problem.
- ! I am certain you are all aware how difficult it is in our current economic situation for a small business to survive. To my knowledge, schools have already begun to close due to this issue.
- ! I can't stress to you enough how critical your decision on this bill is to the on-going viability of my business. Therefore, I ask you to please support this bill.
- ! I, Kathy Gauthier, Executive Director of Irene's Myomassology Institute can be reached with any questions at 248-350-1400.

Clinic Testimony Notes October 2009

State licensed school 22 years

Opened student clinic 1998 with state approval

Student clinics common practice across country

Providing clinic experience required federal DOE through accreditation

Schools charge small fee for massage offsets cost of clinic expense
-Keeps tuition lower

School doesn't profit

To include expense in tuition increase more than \$1,000

Sallie Mae stopped providing loans for students of proprietary schools

Today's economy difficult to pay tuition without lending source

School can't afford to cover cost of tuition

Raising tuition lowers enrollment

Not providing clinic lose accreditation and Title IV

All of these **PUT ME OUT OF BUSINESS**

50 employees and 30 contract labor-
forced to lay many off if bill not passed

Other schools licensed under different acts in Michigan charge for
student services -cosmetology, culinary and dental
-double standard creating disadvantage to proprietary schools

Students would not attend schools in Michigan if forced to pay for clinics

Thanks for listening to me – Urge pass bill -Smiles