

# Memo



---

**Date:** September 15, 2015

**To:** Legislative Health Care Workforce Commission

**From:** Mark Schoenbaum, Director  
Office of Rural Health and Primary Care

**Phone:** 651.201.3859

**Subject:** **State Jurisdiction Over Online and Out of State Higher Education Institutions**

---

During August's discussion of requirements for health professions education programs to arrange clinical placements, the question of state jurisdiction over this issue arose, and additional information has been sought. The information below was produced with the assistance of the Office of Higher Education.

Two state laws require private and out-of-state public postsecondary educational institutions to meet state standards to operate legally in Minnesota. These laws generally apply to online programs or programs and institutions that are on-ground in Minnesota and are administered by the Minnesota Office of Higher Education.

### Which Institutions Must Be Licensed?

Private Career School Licensure is required for most private schools and training firms that offer occupational programs below the associate level in Minnesota.

### Which Institutions Must Register?

Degree-Granting Institutional Registration is required for most postsecondary institutions that are:

- private institutions or
- out-of-state public institutions or
- grant degrees exclusively at the associate level or above or
- use the terms "academy," "college," "institute," or "university" in their names.
- Some online and other distance education programs are exempt.
  - A school, including a school using an online platform service, offering training, courses, or programs is exempt to the extent it offers tuition-free courses to students in Minnesota .
  - Religious institutions that are substantially supported or maintained by a church and offer degree programs that prepare students to enter into becoming a minister (or equivalent vocation) or conduct their lives in consonance with a particular faith
  - An out-of-state institution that has been approved to participate in the National Council for State Authorization Reciprocity Agreement
  - Educational programs sponsored by employers for their employees at no cost to the employee
  - Educational programs sponsored by a nonprofit trade, labor, business, professional, or trade organization where the programs are for the sole benefit of the members of that organization and not available to the public

- Out-of-state Institutions that are sending students to Minnesota for clinical placements or internships, but the student's academic program does not include didactic courses in Minnesota
- The University of Minnesota and MNSCU programs do not need to register.

#### Degree Standards

Degree Standards have been established for both associate degrees and baccalaureate degrees offered by private and out-of-state public institutions in Minnesota. OHE has been using informal degree standards for graduate and professional degrees.

Student Academic Records - Licensed and registered institutions must make arrangements to preserve student academic records for 50 years after the student has attended

Complaints - The Office of Higher Education addresses complaints that registered and licensed institutions have not met legal requirements.

Accreditation requirements- Degree-granting institutions that are located in Minnesota must receive accreditation by an accreditor recognized by the U.S. Department of Education within five years of their initial registration approval. An out-of-state institution that is seeking approval to offer distance education programs to Minnesota residents must already have accreditation through an accreditor recognized by the U.S. Department of Education. Accreditation is not required to receive a licensure of a non-degree granting institution. If the employability of students in any program is contingent on receiving specialized accreditation or approval, our office will authorize the program contingent on approval by accreditation.

Requirement that programs arrange clinical experience for students in health care programs – OHE requires any institution that is registered or licensed approved by OHE to be responsible for ensuring students, including students in health fields, graduate, and professional students, receive a clinical experience required for graduation. It is the responsibility of the institution to arrange clinical experiences within a reasonable amount of time and within a reasonable distance from their institution or home. OHE does allow institutions to expect students to assist in the arranging of a clinical placement, but if a student is struggling, the institution is expected to intervene. This policy is found in Administrative Rule 4880.1800 Subp. 3 for licensed schools, but degree-granting institutions are notified of this requirement in their approval letter. Failure to ensure students are placed into their clinical experience for students will be a violation of their state authorization and can result in remedial action, revocation of the approval of a program, and/or compensation for students. Compensation for students includes refunds of tuition and fees and funding for continuing education experiences to refresh skills. OHE does provide flexibility to institutions on the requirement to place students if the student has been unable to be successfully placed due to issues outside of the institution's control, including failure to successfully interview for a clinical experience or a student being removed from a clinical experience by an employer.

Reciprocity – Minnesota joined the Midwestern State Authorization Reciprocity Agreement in 2015. This provides a streamlined process of regulating online education. This makes distance education courses more accessible to students across state lines. Any law in Minnesota that applies to higher education programs including quality or consumer protections will not apply to out-of-state institutions that participate in the state authorization reciprocity agreement.

For further information:

Betsy Talbot

Manager

Institutional Licensing and Registration

Minnesota Office of Higher Education

1450 Energy Park Drive, Suite 350

Saint Paul, MN 55108

651-259-3965

Betsy.Talbot@state.mn.us