Impact of For-Profit Education Institutions on the Healthcare Workforce

Kyoko Peterson, MPH
Shuang Liang, MS
Elizabeth Mertz, PhD, MA
Susan Chapman, PhD, MPH, RN, FAAN

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Overview

For-profit educational institutions have been on the rise in recent decades in the United States.[1] This brief reviews the literature on for-profit healthcare education programs nationally and analyzes the enrollment, tuition, and demographic characteristics of students in programs in California. Overall, limited research makes it difficult to draw wide conclusions about the impact of for-profit models on healthcare education, but there are some key examples. In nursing, for-profit status has been associated with lower first-time NCLEX pass rates—a widely accepted measure of nursing school quality. However, available literature suggests that for-profit medical schools in the US are comparable to non-profit medical schools in most important metrics. In California specifically, our data analysis finds that for-profit programs are concentrated in nursing, specifically practical nursing degrees, and are limited or nonexistent in medicine, pharmacy, dentistry, and physician assisting. For-profit dental and medical schools in California have notably higher numbers of white students and lower numbers of Latino students.

Problem

The effects of for-profit education on students and professional communities are controversial—while some argue that for-profit institutions are essential to increasing the supply of needed professionals, others remain concerned about rates of student debt, licensing exam pass rates, and educational quality.[2,3]

Why it matters

In a time of significant healthcare workforce shortages and complex challenges in the healthcare system, policymakers, and other stakeholders have an interest in the rise of for-profit institutions and what their impacts are on the health care workforce supply and workplace quality of care.

Workforce Development Goals

Major changes in the healthcare landscape over the past decade (i.e. ACA, Covid workforce policy changes) have impacted the stability and supply of the healthcare workforce. Ensuring an ample supply of health workers is just one critical goal of state health workforce policy. Additional California workforce goals[1] include:

1. Diversifying California's workforce so that it reflects the people that it serves
2. Increasing health workers in medically underserved areas, especially rural areas; and
3. Increasing health workers serving Medi-Cal (California's state Medicaid program) members

Achieving these goals requires improved access to health occupations and professions education, reduced cost of this education, less time to enter practice, and better workforce

[1]These goals are drawn from the Workforce for a Healthy California for All; Guiding Principles and Strategic Priorities - California Health and Human Services, and Elevating Equity through California's Health Workforce Funding Processes: Final Recommendations for HCAI.

retention once in practice[2]. The ultimate goal of health workforce development is better access, experience, and health outcomes for all patients, and improved job opportunities and sustainability for health care workers.

Below are the criteria related to these overall goals that we used to contextualize our review of clinical doctorate programs[3].

Access to education / acceptance rates. The accessibility of health profession education programs is impacted by a variety of factors, including but not limited to public awareness of the programs, exams, other application requirements, loan and grant eligibility, location of programs, admissions criteria and processes, and program acceptance rates.

Cost of education. The cost to the student is impacted by the tuition and fees charged by a school, the cost of living in the area, and whether students can hold a job while in their program. Cost to the institution is also a factor, with variable factors impacting the tuition charged.

Diversity of workforce. The diversity of the health care workforce is an important component of achieving health equity for patients. The diversity of the workforce is impacted by the demographics of students entering educational programs, as well as graduation and licensure rates, retention, and advancement in employment.

Appropriate supply. The overall supply of qualified health professionals in California should meet the demand and need for these providers. This goal is impacted by the number of students who graduate from schools each year, licensing exam pass rates, and the number of graduates seeking jobs in those professions in California.

Geography. Patients' access to care is directly related to the supply of health professionals in their area. A lower supply of health professionals in low-income and rural areas is an

[2] See above.

[3] Peterson K, Mertz E, Chapman, S. Accelerated Health Professions Education Programs in California. Policy at Healthforce Center at UCSF; June 2025. https://healthforce.ucsf.edu/publications/accelerated-health-professions-education-programscalifornia

ongoing challenge in California. Programs can address this by locating in medically underserved areas, hosting classes online, recruiting students who commit to serving in rural or low-income areas, developing partnerships with clinical sites, and pairing students with mentors from these communities.

Retention. Workforce retention refers to whether health care professionals continue working in the profession in which they were trained. It also refers to whether they continue working in certain desired specialties (e.g., primary care, psychiatry), areas (e.g., rural, low-income and location types (e.g., primary care clinic, safety-net hospital).

The purpose of this research policy brief is to assess the impact of for-profit institutions on the healthcare workforce goals both nationally and in California, and for each profession.

Methods

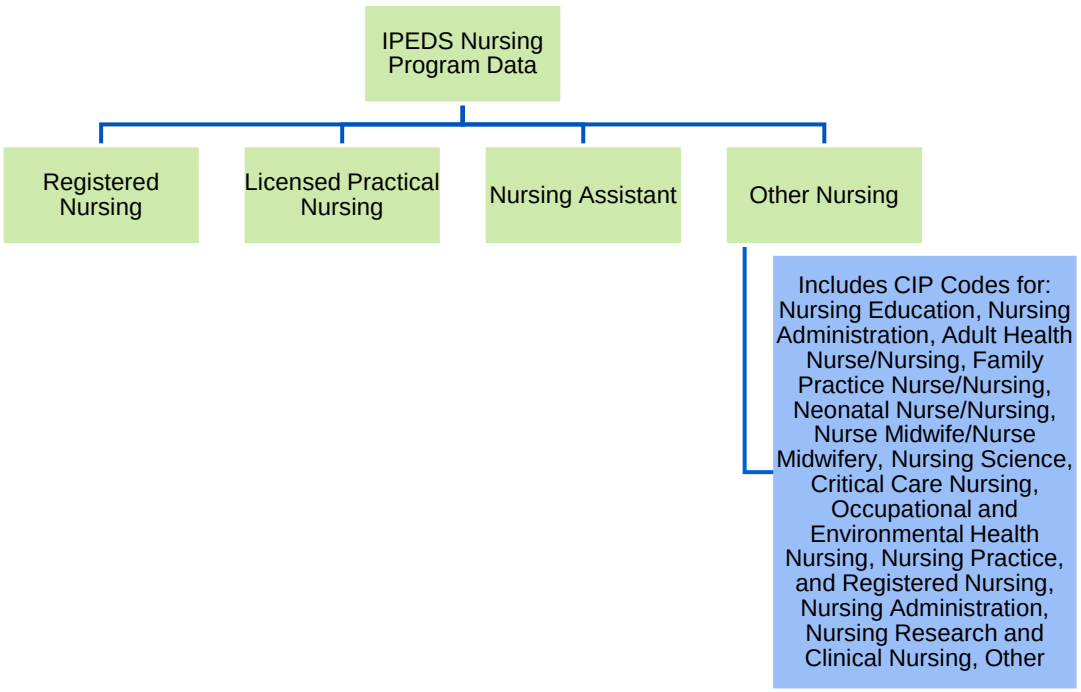
Our search encompassed both academic literature (articles published in research journals) and the grey literature (materials published outside of journals, such as reports, op-eds, and data collection by professional associations). Research on for-profit education in health care professions is limited in medicine and nursing, and almost nonexistent in pharmacy, dentistry, and physician assisting.

All public educational institutions in the US are non-profit, but private educational institutions can be either for-profit or nonprofit. Nonprofit schools are subject to a non-distribution constraint which means that they must reinvest any funds that remain after paying institutional expenses into either educational or charitable purposes. In contrast, leadership of for-profit schools are expected to earn and maximize profits—and if they are a publicly traded for-profit chains, have a fiduciary duty to do so. For this reason, for-profit schools are regulated by not only the US Department of Education but also financial regulators such as the Securities and Exchange Commission, the Consumer Financial Protection Bureau, and the Federal Trade Commission. In addition, for-profit schools must pay taxes and do not have endowments, but they can raise money in capital markets.[4]

Additionally, we analyzed Integrated Postsecondary Education Data System (IPEDS) data from 2019 to 2023 to compare for-profit and non-profit programs in nursing, medicine, pharmacy, dentistry, and physician assisting in California. IPEDS is a collection of interconnected surveys conducted annually by the US Department of Education's National Center for Education Statistics (NCES). The Higher Education Act of 1965 requires that institutions that participate in federal student aid programs report data on enrollments, program completions, graduation rates, faculty and staff, finances, institutional prices, and student financial aid in IPEDS. In 2023, the Urban Institute estimated that 40 of the 679, or 6% of post-secondary educational institutions in California did not participate or had limited participation in Title IV. For example, California Northstate University, which has multiple health professions programs, has limited participation and does not report data to IPEDS.

IPEDS uses the term "completions" to describe the number of post-secondary awards earned—terminology we also use throughout this brief. IPEDS uses Classification of Instructional Programs (CIP) codes to categorize the topics of educational programs. Due to the complexities of the coding system, for nursing we created an "Other Nursing" category that encompassed all nursing CIP codes that are not part of the Registered Nursing, Practical Nursing, and Nursing Assistant categories. Many of these "Other Nursing" programs are graduate programs. See Figure 1 below for how the data is organized (Figure A18 in the Appendix contains definitions of the Other Nursing CIP Codes).

FIGURE 1: IPEDS NURSING PROGRAM DATA ORGANIZATION



IPEDS Limitations

While IPEDS data is a valuable resource for analyzing workforce supply trends, a significant constraint is that most IPEDS data is collected at the institution level rather than the program level, which restricts the ability to perform detailed analyses of specific fields of study. While IPEDS provides completion data categorized by CIP codes, these are broad classifications and do not necessarily align directly with individual programs offered by institutions. For example, a single CIP code (ex. 51.3818) Nursing Practice) may encompass a wide range of programs, such as both master's and doctoral degrees for Nurse Practitioners. Accurately connecting a program to the reported CIP Code category requires examining the program in detail and using domain knowledge to understand how the institution assigned the CIP Code to the program.

A further limitation is that data on for-profit schools located in other states that educate CA students are not available. IPEDS location data is reported by institution location, not student

location. Therefore, if a large number of students in California are enrolled in an online nursing program, for example, they will not be represented in the IPEDS data we analyze.

National Impact

General Healthcare

History & Context

For-profit education has been rising in recent decades, including in the health occupations and professions.[2] Starting in 2010, for-profit institutions were subject to increasing scrutiny by the Obama administration, especially in terms of the use of use of federal financial aid for students at these schools. The Gainful Employment Rule was proposed in 2010 and enacted in 2015 to prevent student aid from going to schools where students were not prepared for "gainful employment" in a recognized occupation—while this rule was enacted for all schools, 98% of all schools that failed this rule in 2017 were for-profit schools.[5,6]

When the federal government begin to increase oversight of for-profit institutions in 2010, the institutions argued that any additional regulation of the for-profit sector would be detrimental to the nation's health carewe system because of the significant role they play in educating the health care workforce.[2] However, an analysis of national data by Morgan and Whelan in 2011 found that while for-profit schools were making contributions to the health care workforce, their contributions were overwhelmingly concentrated in medical assisting and massage therapy, neither of which is among the professions with the greatest shortage in the United States. Generally, for-profit schools focused on healthcare 'support' occupations, and 78 percent of all health care credentials awarded at for-profit institutions in the 2008-09 school year were certificates or degrees at the associate's level or below.[7]

Impact

While there is little research on the experience of healthcare students specifically in for-profit institutions, a significant body of research finds that there are many disadvantages to for-profit institutions for students. Students who attend for-profit institutions on average have more educational debt, worse labor market outcomes, and are more likely to default than

students attending public schools with similar admissions selectivity.[3] In an 2017 analysis of loan relief applications from students claiming they have been misled or defrauded by federally approved institutions, it was found that 98.6% of total complaints were about for-profit institutions.[8] In terms of employment, a national survey of 656 human resources professionals in 2013 found that half of them viewed public institutions as superior to for-profit institutions in factors such as preparing students to work, professional development opportunities, and teaching important skills. Few employers viewed for-profits as superior to public institutions on any measure of quality.[9]

Medicine

History & Context

In the early 1900s, the influential Flexner report sparked a wholesale transformation of medical education in the United States, and led to a century long prohibition of for-profit medical education in the United States.[10] In 1996, this status quo was disrupted by the an anti-trust ruling that created the possibility of accreditation for for-profit law schools and set a legal precedent for the accreditation of for-profit medical schools as well.[11,12] A decade later, the first for-profit medical school in the United states in a century opened in 2007—investor-owned Rocky Visa University College of Osteopathic Medicine was provisionally accredited. In 2013, the door to for-profit allopathic medical schools was opened when the Liaison Committee on Medical Education (LCME) abandoned its prohibition on accrediting for-profit schools.[13]

The rise in for-profit medical schools was partially driven by a desire to respond to the physician shortages in the United States. This is a continuation of the expansion of medical education since the 1970s—notably including for-profit medical schools in the Caribbean, which enroll significant numbers of American students. These schools represent an investment opportunity for their owners and shareholders.[13] Opinion on how this financial structure impacts students is divided. Dr. Kevin Klauer, CEO of the American Osteopathic Association, which oversees the accreditation council for osteopathic schools, stated that "If the standards are met, and fairness is provided to the students through those standards, we're not questioning their structure and how they're financed if they meet all of the guidelines".[12] Others, however, argued that schools are not being transparent with students

and stakeholders about who controls the institution, and that some, such as the Burrell College of Osteopathic Medicine and the Idaho College of Osteopathic Medicine, have attempted to create the impression that they are under public control [14].

As of 2022, there were six provisionally or fully accredited for-profit medical schools in the United States—two that grant MD degrees and four that grant DO degrees. To put this into context, between 2000 and 2022, more than forty new nonprofit medical schools have been fully or provisionally accredited.[14] In California specifically, the California Northstate University College of Medicine was gained preliminary accreditation in 2015.[11]

Impact

While it has been suggested that for-profit schools could address the physician shortage by expanding the number of seats, as of 2022, with only six new schools nationally, contributing xx increase in annual graduates in a pool of xx, this has not been realized. Additionally, it has been suggested that for-profit schools could offer more affordable education with reduced tuition and scholarships, made possible by a lower overall cost structure.[13] However, data indicates that this is not the case. For example, 2019 statistics from the Century Foundation indicated that the average median amount of program debt for graduates of Rocky Vista medical schools was $294,780. This can be compared with an average amount of debt of $201,164 for graduates of private nonprofit med schools, and $177,324 for graduates of public medical schools. In addition, while schools are waiting for accreditation, students are not eligible for federal assistance and must rely on private loans with high interest rates for financial assistance.[12]

With a small sample size, it is difficult to make comparisons between attrition rates. From 1993 to 2013, the AMA reports that the total national attrition rate for nonprofit medical schools had an average of 3.3 percent. One for-profit medical school noted that out of a total of 60 new students enrolled in fall 2015, one student left the program, and three students fell back a year, with a total attrition of one student (1.7 percent). Another for-profit medical school reported on its website that 91 percent of Title IV students—students who receive federal student aid—complete the program within four years.[11]

Finally, there is the issue of the match rate for residency programs. The AMA reports that 98.7 percent of spring 2018 graduates seeking Graduate Medical Education (GME) successfully placed into GME as of April 12, 2018. In comparison, the one for-profit school had a 96.3 percent overall Match rate in 2019, and another for-profit medical reported that the majority of thirty-three students (79 percent) found a residency placement through the 2019 NRMP match. Thirty-four other students at the aforementioned for-profit school matched into their top choices through the AOA Intern/Resident Registration Program (12 percent) or into military-specific residency programs (nine percent).[11]

Nursing

History & Context

Nationally, between 2007 and 2016, nursing programs in for-profit schools grew by 400%[5]. This corresponds to the increase in for-profit education overall in recent decades--between 2000 and 2010, when enrollment in for-profit schools increased by 425%, from 0.4 million to 1.7 million students.[5] This trend has continued in recent years, as from 2021 to 2022, non-profit general baccalaureate nursing enrollment had a decline of 7,255 students (3.3%) while for-profit enrollment had an increase of 3,737 students (10.4%).

The increase has been attributed to a variety of forces, including the forecast of nursing shortages, a recession that encouraged individuals to continue their education, and the Institute of Medicine's 2011 recommendation that ADN students continue their education to the baccalaureate level [15]. In addition, the decrease of state budgets for higher education and corresponding lessening access to public education may have lead students to seek opportunities in the for-profit sector [6]. Nursing education is highly impacted—in 2021 in California, nearly 64,300 students applied for just 16,600 spots in associate, bachelor's, and master's degree nursing programs.[16]

The increase has led to concerns from regulators as well. In a 2015 survey of state boards of nursing leaders, "difficulties with proprietary [for profit] nursing programs, such as questionable program quality and low NCLEX pass rates" was cited as one of the top issues.[5] Stakeholders have recommended that nurse regulators should view monitoring nurse education as part of their public safety mandate. They have suggested that regulators should

better educate consumers and employers about the quality of nursing programs, encourage innovative routes to licensure while ensuring the integrity of the profession and protecting the public, and engage in stronger oversight of LPN-to-BSN and RN-to-BSN programs.[2]

Impact

Most of the research on the impact of for-profit nursing education has concentrated on the relationship between first time pass NCLEX pass rates and institution type. First time pass NCLEX pass rates are widely accepted in the nursing field as one of the most important measures of quality of a program.[6] After controlling for demographic and socioeconomic factors, for-profit status was associated with significantly lower NCLEX pass rates.[5,17] This was true across BSN, ADN, and LVN programs—in one study, private for-profit schools had the lowest pass rates across all three program types, with pass rates 3.5%, 13.8%, and 7.4% lower than the pass rates of public institutions in BSN, ADN, and LVN programs, respectively.[6] The greatest discrepancy existed between public and for-profit ADN programs.[5,6]

In one study, private for-profit schools had the lowest pass rates across all three program types, with pass rates 3.5%, 13.8%, and 7.4% lower than the pass rates of public institutions in BSN, ADN, and LVN programs, respectively.

Programs can also be evaluated through less tangible factors, such as student experience, employer attitudes, and student demographics. In a qualitative study of students attending a for-profit nursing program in South Florida, students acknowledged there were negative aspects of their experience, but overall felt that attending their program was a positive experience.[18] An analysis of IPEDS data from 2012 to 2018 found that for-profit ADN programs had higher racial diversity and higher percentage of students receiving financial aid than other program types. However, due to the larger overall numbers of nonprofit programs, nonprofit nursing programs contribute more to the diversity of the workforce overall.[19] Finally, a national study of 116 health care recruiters found that they favored degrees from traditional colleges and classroom instruction over those earned at for-profit institutions and through online instruction.[20]

Pharmacy, Dentistry, and Physician Assistant Programs

There is scant literature on pharmacy, dentistry, and physician assistant programs in for-profit schools. Online searches for programs at for-profit schools revealed that the numbers of these programs at for-profit schools are small. Similar to the Flexner report impact in medicine, the Geis report in 1926 similarly transformed dental education to mimic medical education in higher education institutions, and eliminated small and regional for-profit dental education until more recent policy changes. To date, there is only one for-profit dental school in the nation – and it opened in California in 2022, so will be described in the section on California Impact.

Summary of National Research

Figure 2 summarizes the research reviewed in this report on for-profit education in nursing, medicine, and pharmacy. Lack of data and lack of standardization and measures make comparisons across professions difficult.

FIGURE 2: IMPACT OF FOR-PROFIT EDUCATION COMPARED TO PUBLIC EDUCATION FOR HEALTH DEGREE PROGRAMS

	General Healthcare	Nursing	Medicine
Educational Quality	In an analysis of loan relief applications from students claiming they have been misled or defrauded by federally approved institutions, 98.6% of total complaints were about for-profit institutions. (Strength of data: low)[8]	Research finds significantly lower NLCEX pass rates at for-profit schools (Strength of data: high)	Mixed evidence on match rate (Strength of data: low)
Access to education programs	Unable to assess due to limited data	Unable to assess due to limited data	Unable to assess due to limited data
Student Diversity	Unable to assess due to limited data	For-profit ADN programs had higher racial diversity and higher percentage of students	Unable to assess due to limited data

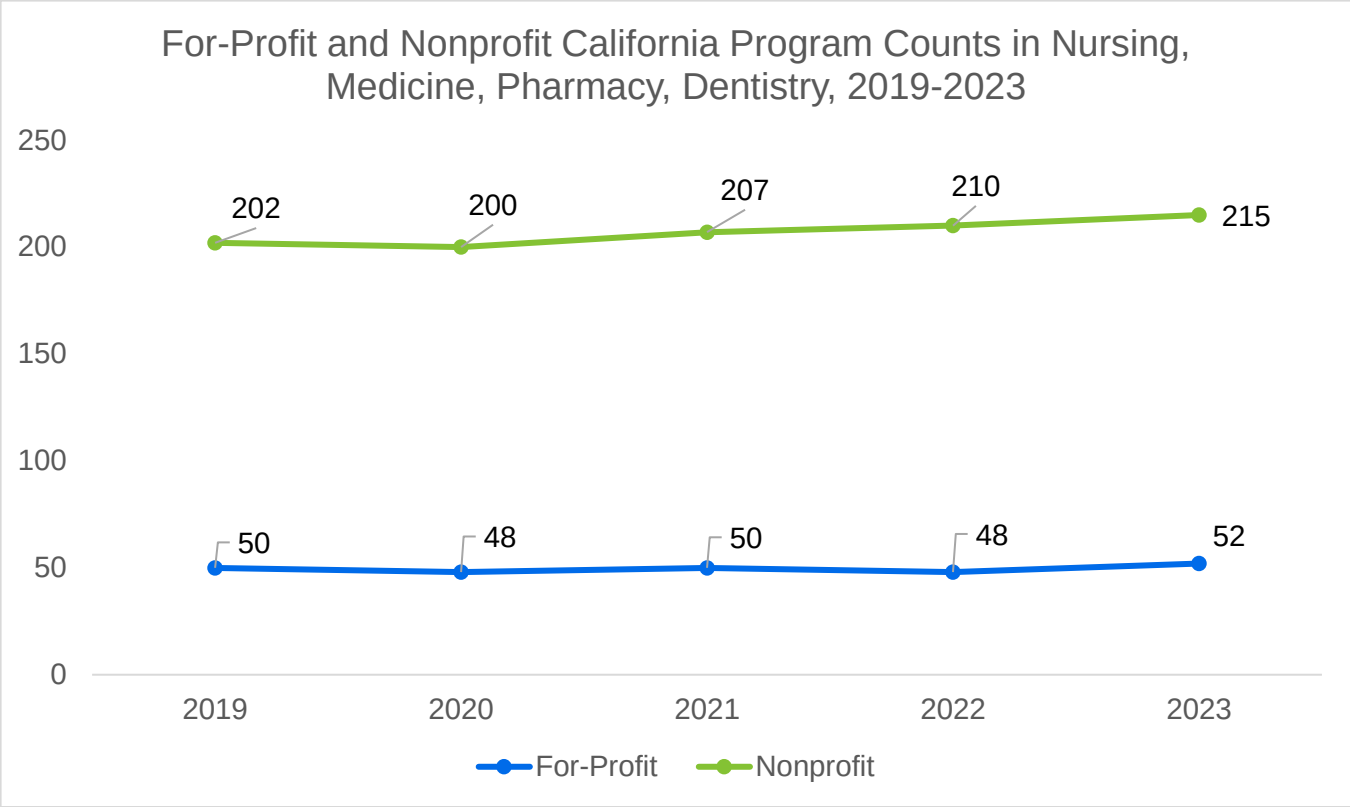
		receiving financial aid than other program types (Strength of data: low)	
Student Financial Impact	Literature indicates for profit graduates have more educational debt (Strength of data: medium)	Unable to assess due to limited data	Limited evidence suggests for-profit medical school graduates have more debt (Strength of data: low)
Access to jobs	Worse labor market outcomes; employers less likely to view for profits as superior (Strength of data: medium)	Unable to assess due to limited data	Mixed evidence on match rate (Strength of data: low)
Workforce Supply	For profit schools are concentrated in health care 'support' occupations (Strength of data: low)	Growth of for-profit nursing programs may lead to increased supply (Strength of data: low),	Numbers of for-profit schools are very small compared to nonprofit

California Impact

General Healthcare

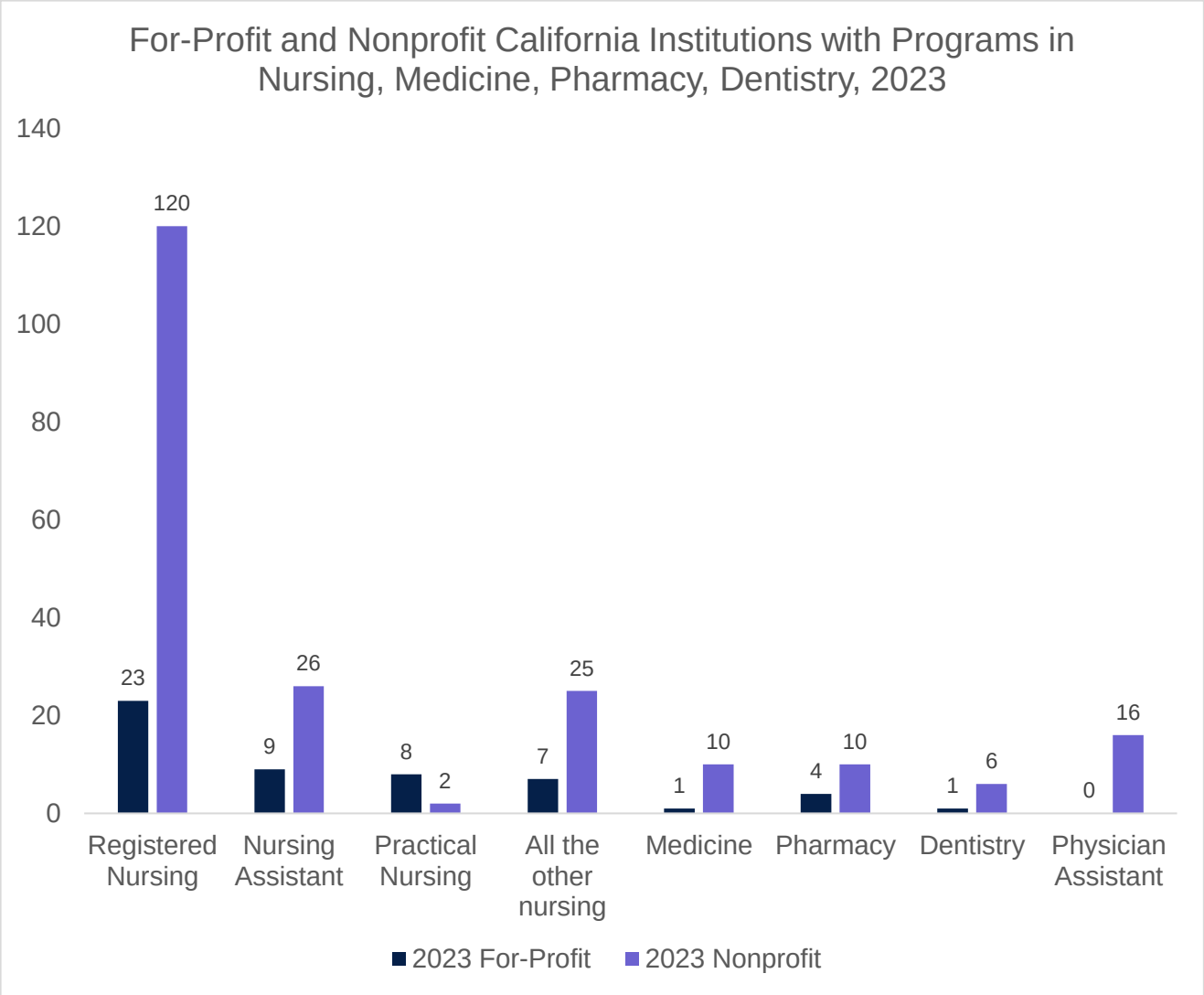
Similar to national trends, healthcare programs at for-profit schools in California have increased slightly in recent years (Figure 3). Of the four professions reviewed in this report, nursing has the highest number of programs at for-profit schools (Figure 4). There were no for-profit schools in California in the IPEDS dataset with dentistry or physician assistant programs, and only one school with an MD or DO program. There were 4 schools with a pharmacy program. However, one dentistry program at a for-profit school in California was identified using Commission on Dental Accreditation data (CODA) and included in Figure 4. Please note there are additional data points provided in the Appendix for California specific comparisons. Due to the extensive data in IPEDS only select data are shown.

FIGURE 3: FOR-PROFIT AND NONPROFIT CALIFORNIA PROGRAM COUNTS IN NURSING, MEDICINE, PHARMACY, DENTISTRY, 2019-2023



Notes: Data from IPEDS, 2019-2023. CIP Codes for each program are as follows: Nursing (51.3203, 51.3802, 51.3803, 51.3805, 51.3806, 51.3807, 51.3808, 51.3809, 51.3810, 51.3811, 51.3812, 51.3814, 51.3815, 51.3816, 51.3818, 51.3819, 51.3821, 51.3822, 51.3824, 51.389); Medicine (51.1201); Pharmacy (51.2001); Dentistry (51.0401); Physician Assistant (51.0912). Institutions are only included if at least one degree was awarded from the program.

FIGURE 4: FOR-PROFIT AND NONPROFIT CALIFORNIA INSTITUTIONS WITH PROGRAMS IN NURSING, MEDICINE, PHARMACY, DENTISTRY, 2023



Notes: Data from IPEDS, 2019-2023 & Commission on Dental Accreditation 2023-24 survey of dental education. IPEDS CIP Codes for each program are as follows: Nursing (51.3203, 51.3802, 51.3803, 51.3805, 51.3806, 51.3807, 51.3808, 51.3809, 51.3810, 51.3811, 51.3812, 51.3814, 51.3815, 51.3816, 51.3818, 51.3819, 51.3821, 51.3822, 51.3824, 51.389); Medicine (51.1201); Pharmacy (51.2001); Dentistry (51.0401); Physician Assistant (51.0912). Institutions are only included if at least one degree was awarded from the program.

Our analysis of IPEDS data found that the average tuition and fees for for-profit institutions in California are higher than that of nonprofit, though the standard deviation is wide (Figures A1 and A2 in the appendix for details). This data is by institution, not educational program, and therefore is not specific to healthcare programs, but it provides general context to the dynamic between for-profit and nonprofit institutions in California. In 2020, it was estimated that in California, 46% of students at non-profit private institutions borrowed, while 55% of students at for-profit private institutions did.[21]

Medicine & Dentistry

There is one for-profit institution with both a medical school and dental school in California—California Northstate University College of Medicine. Tuition at California Northstate was reported to be higher than the average in-state tuition for non-profit medical schools—in 2023, $75,639 per year and $52,191 per year, respectively (Figures A24 and A25 in the Appendix).

In 2022, California Northstate University (CNU) enrolled its first class of dental students with provisional accreditation by the dental board of California. It is the first for-profit dental school in the country. In 2025 CNU gained CODA accreditation and graduated its first class of DMDs. Due to the recent opening of the dental school at CNU, tuition was not reported in IPEDS, but ADA data shows that CNU was among the most expensive dental schools in the country (estimated $372K in total tuition). However, this tuition was lower than University of the Pacific ($384K) and USC ($437K) in California, both private nonprofit institutions.

In our analysis of IPEDS data of California medical schools, we found that the gender balance at California Northstate and the nonprofit institutions was similar (Figures A26 and A27 in the Appendix). However, there were slight differences in the racial demographics (Figures 6 and 7). Higher proportions of the California Northstate students were Asian and White compared with the students at non-profit medical schools—in 2023, 51.5% and 30.9% vs 34.8% and 26.9%, respectively.

FIGURE 5: RACE/ETHNICITY OF GRADUATES AT FOR-PROFIT MEDICAL SCHOOLS, 2019-2023, CALIFORNIA

Year	AIAN	Asian	Black	Hispanic	NHPI	White	Two+	Unknown	Total (N)
2019	-	-	-	-	-	-	-	-	0
2020	-	-	-	-	-	-	-	-	0
2021	1.1%	52.1%	1.1%	0.0%	0.0%	37.2%	5.3%	3.2%	94
2022	0.0%	48.8%	1.2%	3.6%	1.2%	31.0%	6.0%	8.3%	84
2023	1.0%	51.5%	1.0%	3.1%	0.0%	30.9%	10.3%	2.1%	97
Total (N)	2	140	3	6	1	91	20	12	

Notes: Data from IPEDS, 2019-2023.

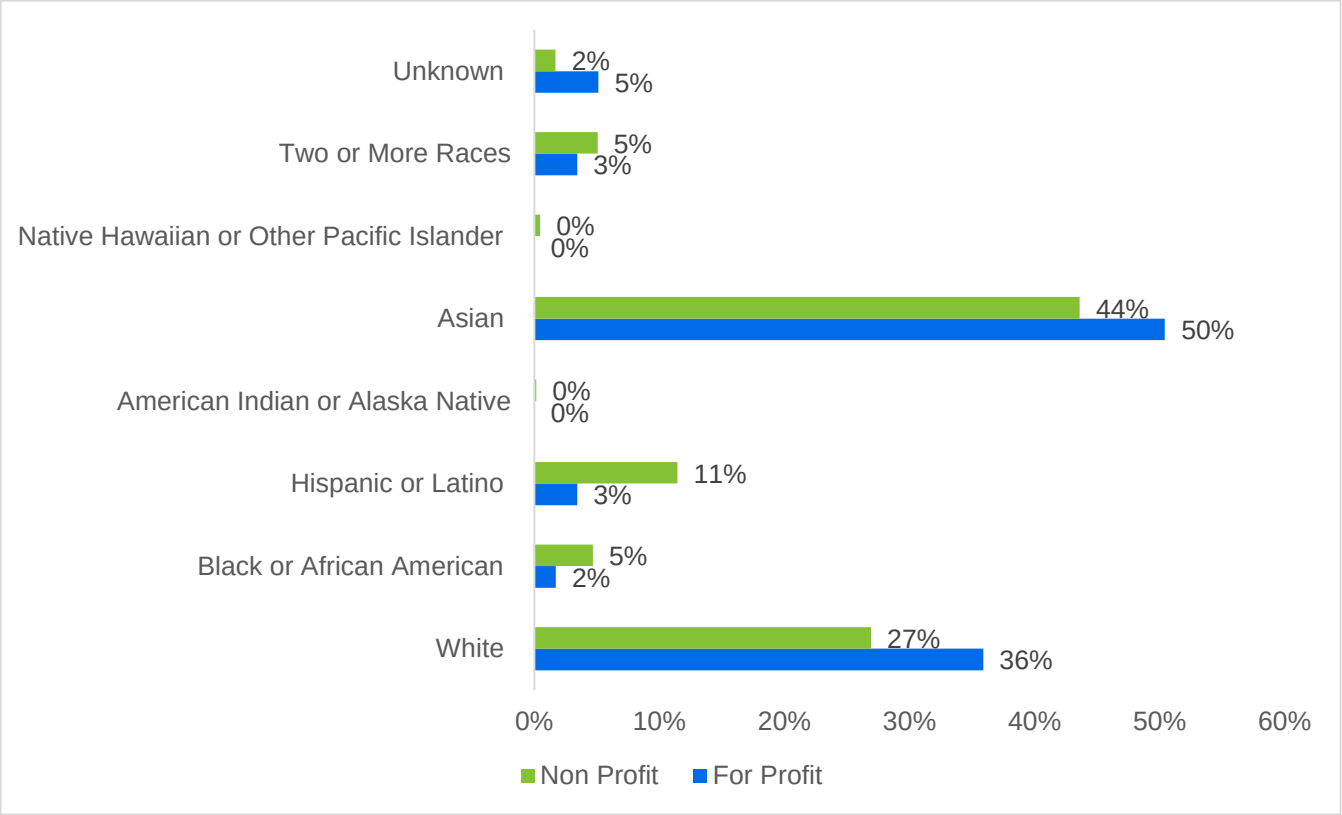
FIGURE 6: RACE/ETHNICITY OF GRADUATES AT NONPROFIT MEDICAL SCHOOLS, 2019-2023, CALIFORNIA

Year	AIAN	Asian	Black	Hispanic	NHPI	White	Two+	Unknown	Total (N)
2019	0.1%	32.5%	5.2%	14.0%	0.0%	31.7%	6.4%	10.0%	1106
2020	0.1%	33.1%	5.9%	15.5%	0.1%	32.2%	6.4%	6.7%	1115
2021	0.1%	32.4%	6.0%	16.7%	0.1%	32.2%	5.5%	7.0%	1227
2022	0.0%	35.8%	5.7%	15.2%	0.1%	29.0%	5.8%	8.3%	1133
2023	0.0%	34.8%	6.6%	13.8%	0.2%	26.9%	5.6%	12.1%	1189
Total (N)	3	1945	342	869	5	1754	342	510	

Notes: Data from IPEDS, 2019-2023.

In our analysis of CODA data of California dental schools, we found that the gender balance at California Northstate and the non-profit institutions differed--50% vs 55% female (Figure A27 in the Appendix). Like medical schools, there were differences in the racial demographics (Figure 7). Higher proportions of the California Northstate students were Asian and White compared with the students at non-profit dental schools—50% and 36% vs 44% and 27%, respectively. Students were also much less likely to be Latino at California Northstate than at non-profit dental schools—3% vs 11%, respectively.

FIGURE 7: RACE/ETHNICITY OF TOTAL ENROLLMENT AT FOR-PROFIT AND NONPROFIT DENTAL SCHOOLS, 2023-2024, CALIFORNIA



Notes: Source: American Dental Association, Health Policy Institute, Commission on Dental Accreditation 2023-24 Survey of Dental Education (Group II, Questions 11, 18, 19, and 20).

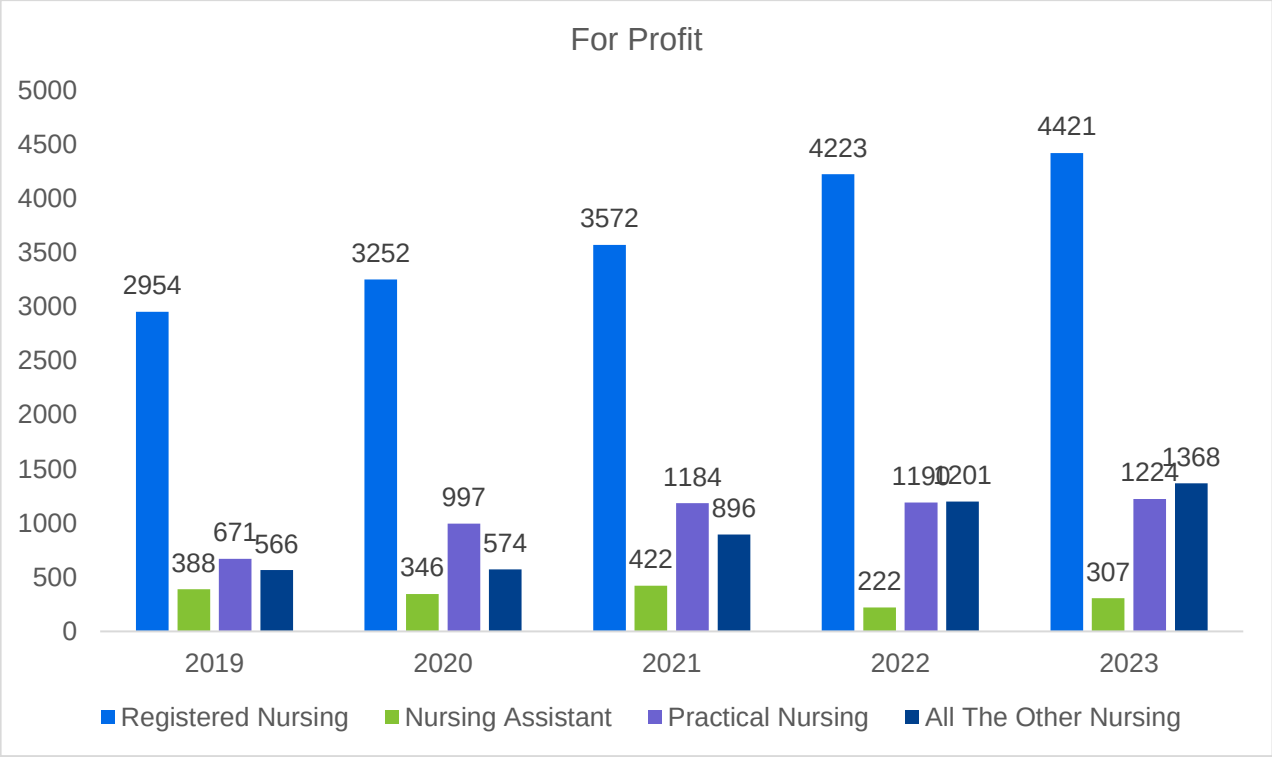
Nursing

Figures 9 and 10 shows the number of degrees and certificates awarded in nursing in California by for-profit and nonprofit schools from 2019 to 2023. The number of nursing degrees and certificates awarded by nonprofit schools is almost three times the number of degrees and certificates awarded by for-profit schools—an estimated 12,000 to 4,000. However, this gap has been narrowing slightly in recent years as the number of Registered Nurse degrees awarded by for-profit schools increases. Other Nursing and Practical Nursing are a higher proportion of degrees awarded by for-profit schools than non-profit schools.

Figures A3, A8, A13, and A19 in the Appendix present the number and percent of nursing degrees or certificates of each type (Registered Nursing, Practical Nursing, Nursing

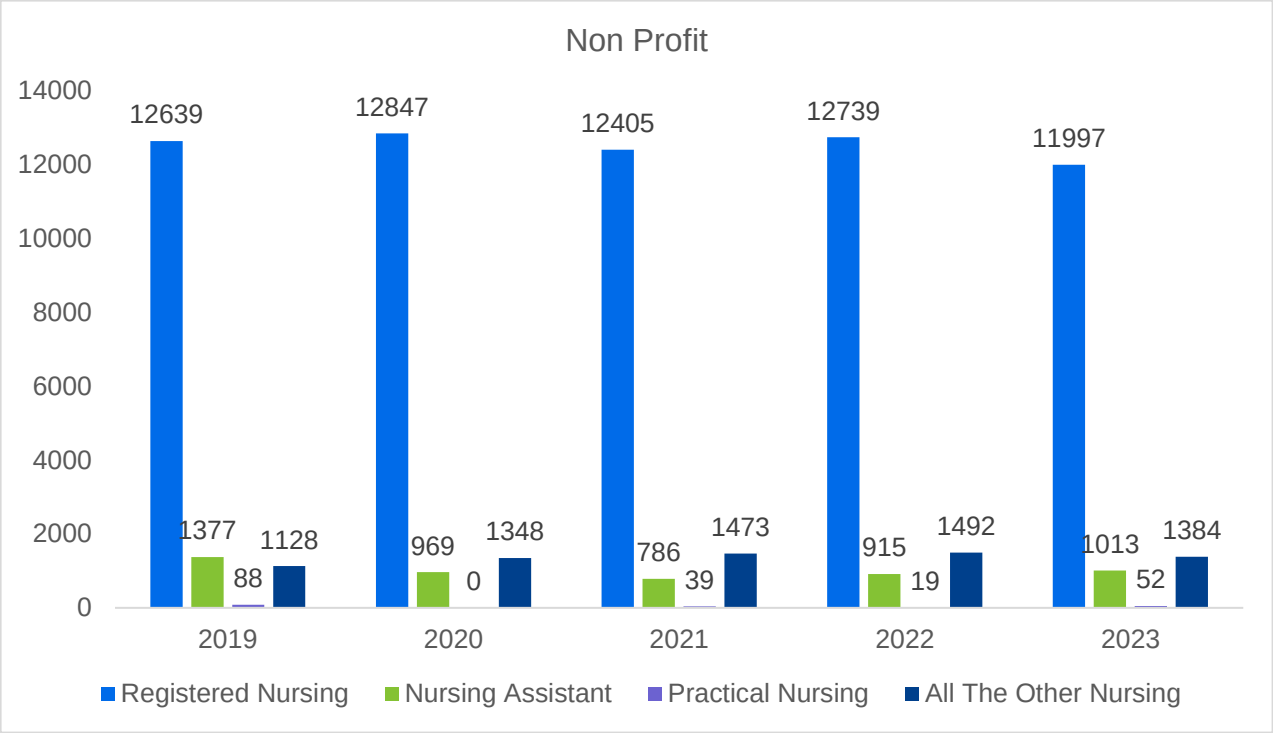
Assistant, Other Nursing) awarded by for-profit and nonprofit schools. For-profit schools are more likely to offer programs in practical nursing and other nursing than registered nursing or nursing assistant. Over 90% of the Practical Nursing degrees or certificates in California between 2019 and 2023 were awarded by for-profit schools. In contrast, over 70% of the Registered Nursing degrees and over 70% of the Nursing Assistant certificates in California between 2019 and 2023 were awarded by nonprofit schools. However, the share of Registered Nursing degrees awarded by for-profit schools has risen in recent years—from 19% in 2019 to 27% in 2023. Similarly, the number and share of Other Nursing degrees awarded by for-profit has also increased—from 33% in 2019 to 50% in 2023. Further charts on race and gender in nursing programs are available as Figures A4-A7, A9-A12, A14-A17, and A20. Tuition and fee information for nursing programs in California was not available.

FIGURE 8: NURSING DEGREES & CERTIFICATES AWARDED AT FOR-PROFIT SCHOOLS, 2019-2023, CALIFORNIA



Notes: Data from IPEDS, 2019-2023.

FIGURE 9: NURSING DEGREES & CERTIFICATES AWARDED AT NONPROFIT SCHOOLS, 2019-2023, CALIFORNIA

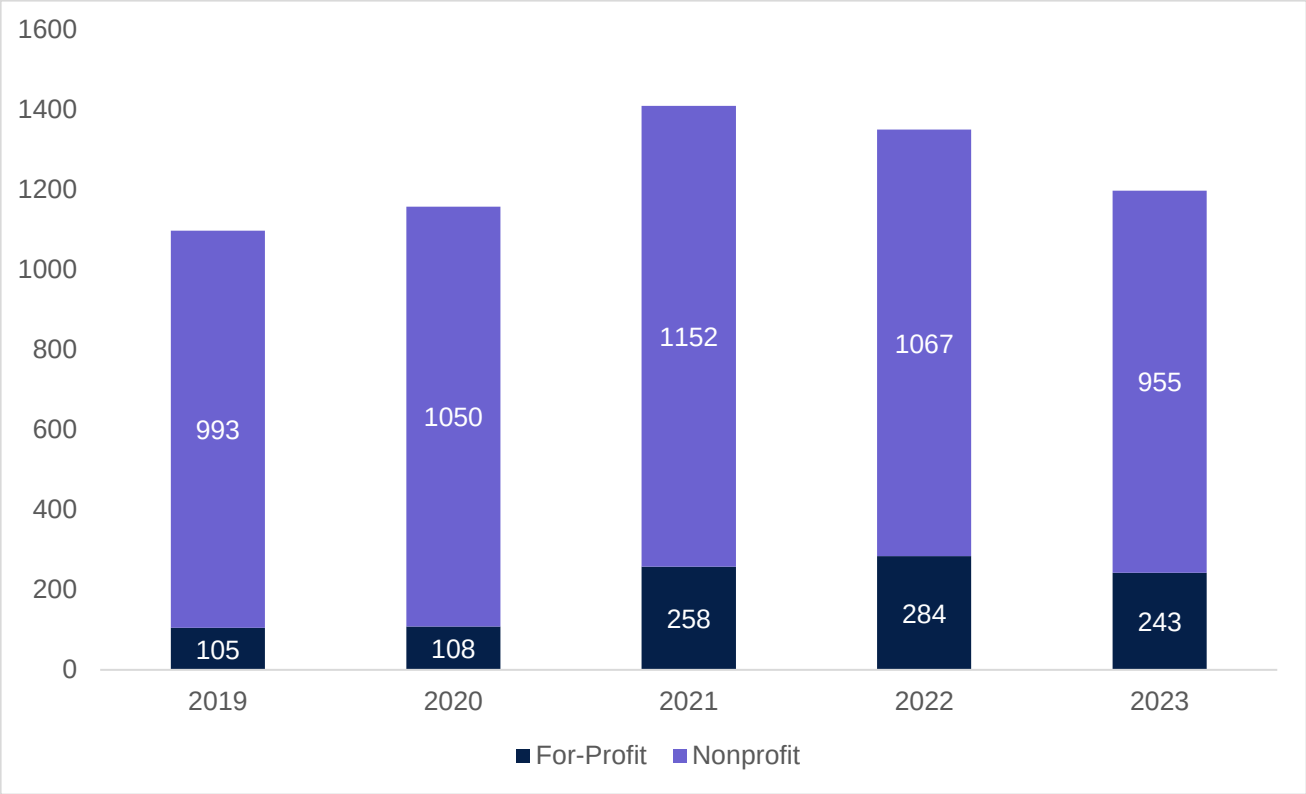


Notes: Data from IPEDS, 2019-2023.

Pharmacy

Figure 10 shows the number of degrees awarded in pharmacy in California by for-profit and nonprofit schools from 2019 to 2023. The proportion of degrees awarded from for-profit schools has increased in recent years—from 10% in 2019 to 20% in 2023. Figures A33 and A34 in the Appendix shows the pharmacy graduates from for-profit and nonprofit schools by race. Pharmacy graduates at for-profit schools are more likely to be white and less likely to be Asian when compared to nonprofit graduates. Data on the gender balance is available as Figures A31 and A32 in the Appendix. Finally, Figures A29 and A30 in the Appendix shows the average instate tuition at for-profit and nonprofit pharmacy Schools—with the caveat that the standard deviations are wide, the tuition and fees at nonprofit schools has been higher than that at for-profit schools.

FIGURE 10: PHARMD DEGREES AT FOR-PROFIT AND NONPROFIT SCHOOLS, 2019-2023, CALIFORNIA



Notes: Data from IPEDS, 2019-2023.

Impact on Workforce Goals

FIGURE 11: HYPOTHESIZED IMPACT OF FOR-PROFIT INSTITUTIONS ON HEALTHCARE WORKFORCE GOALS

Strategies	Supply	Diversity[1]	Access to education	Geography	Cost	Retention[1]
For-Profit Program	For-profit programs are more common in nursing and less common in medicine, pharmacy, dentistry, and physician assisting.	Underrepresented students may be more likely to enroll in for-profit programs (Mohammed et al, 2021); however, they may not be well-served by them, due to high debt burden, and lower licensing exam pass rates (Armona et al., 2018).	For-profit schools are often more flexible and easier to enroll in than traditional schools (Campbell et al, 2020)	Limited evidence.	For-profit students often take on more debt (Armona et al., 2018, however our analysis of IPEDS data of California healthcare programs found that pharmacy for-profit programs may be less expensive.	Limited evidence.

Green = Hypothesized positive impact on workforce goals
Grey = Hypothesized neutral impact on workforce goals
Red = Hypothesized negative impact on workforce goals

Based on our literature review and data analysis, we hypothesize the impact of for-profit institutions on the essential healthcare workforce goals outlined in the earlier section. For-profit programs are suggested to have a positive impact on access, neutral impacts on impact on supply and cost, and a negative impact on diversity. Data on geography and retention was too limited to suggest any conclusions.

Conclusion

Limited research and small numbers of schools makes it difficult to draw conclusions about the impact of for-profit schools on the healthcare workforce. The literature suggests that students at for-profit schools generally have more student debt, potentially worse labor-market outcomes, and are more likely to default than students attending public schools with similar admissions selectivity. In nursing, for-profit status has been associated with lower first-time NCLEX pass rates—a widely accepted measure of nursing school quality. However, while the small numbers of for-profit medical schools make comparisons difficult, available data suggest that for-profit medical schools in the US are comparable to non-profit medical schools in most important metrics. In California, for-profit programs are concentrated in nursing, specifically practical nursing degrees, and are limited or nonexistent in medicine, pharmacy, dentistry, and physician assisting.

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Appendix

See the separate Appendix document for further charts and figures.