



NEWS RELEASE

FOR IMMEDIATE RELEASE
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STATE SHUTS DOWN THE INSTITUTE OF MEDICAL EDUCATION

Alleges the Bay Area school violated several laws

SACRAMENTO – State regulators with the Department of Consumer Affairs' Bureau for Private Postsecondary Education (Bureau) have shut down the Institute of Medical Education's (IME) campuses in both San Jose and Oakland because the school is no longer financially viable and is misleading students.

The Bureau issued an emergency decision effective February 16, 2012 ordering the Institute of Medical Education to:

- Cease enrolling new students in all of its programs;
- Cease all instruction in all of its programs; and,
- Cease collecting tuition and fees for all of its programs.

"The State is committed to protecting the interests of student consumers," said Department of Consumer Affairs Director Denise Brown. "Private postsecondary institutions can be expensive and result in large out-of-pocket expenses or large student loans. We want to make sure students aren't ripped off. This emergency decision effectively closes this school and protects students from further problems and financial loss."

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STATE SHUTS DOWN THE INSITUTE OF MEDICAL EDUCATION

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An investigation revealed a number of violations by the school and found it can no longer provide adequate educational services to the students enrolled in its programs. Among the violations:

- Institute of Medical Education is not accredited, but is falsely advertising itself as accredited, which is against the law;
- The school is no longer financially viable as it has withdrawn from the Federal Financial Aid Program (the primary source of its operating funds);
- Most of the Institute of Medical Education's financial aid staff has either left the Institute or been terminated;
- Institute of Medical Education defaulted on its enrollment agreement by discontinuing the junior class of its Dental Hygiene Program. It has no Director for the Dental Hygiene Program, and the Commission on Dental Accreditation (CODA) withdrew its accreditation of the school's program; and
- Institute of Medical Education has enrolled students in its MRI and Ultrasound programs, even though these programs have not been approved the Bureau.

"These items, taken together, put students at risk," said Deputy Bureau Chief Joanne Wenzel. "It is likely that the students who were close to completing their programs would not have qualified to take their licensing tests if we had allowed the school to remain open. Now, the students may qualify for instruction at other schools or be eligible for loan discharge or payment from the Student Tuition Recovery Fund."

This action is a result of an ongoing investigation. The Bureau anticipates filing an Accusation to seek permanent revocation of the school's approval to operate.

An investigation into Institute of Medical Education has been underway since last summer, and is one of the first investigations undertaken by the Bureau.

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