Mission and Educational Focus
The mission of the Minnesota College of Osteopathic Medicine (MNCOM) is to educate students from diverse backgrounds in osteopathic medicine and to promote patient-centered, evidence-based medicine. Students will have access to 21st-century medical technology, including a state-of-the-art holographic and plastination lab and extensive online training resources. MNCOM’s onsite support and clinical training facilities (OSCE and Sim Labs) will help students apply and hone practical skills. Future physicians will be trained in cost-effective medical practices that improve patient health and health care experiences. MNCOM’s educational programs will emphasize primary care in rural and underserved areas in Minnesota and the Upper Midwest. Faculty members and students will collaborate with state medical organizations to promote healthy communities.

Lead Developer – The Danza Group
The Danza Group (www.danzagroup.com) is an accomplished developer of medical facilities. As the Mid-Atlantic’s foremost developer of decommissioned hospitals, these buildings are renovated to serve the expanding health care needs of numerous communities. Tony Danza, CEO of the Danza Group, has assembled a consortium of doctors who want to build a graduate school of osteopathic medicine in rural Minnesota. In 2014, The Danza Group completed the first phase of redeveloping the 375,000 square foot Horton Hospital Complex in Middletown, New York into a similar medical school and campus.

MNCOM is building a 4-year Graduate School for Osteopathic Medicine that will train 150 doctors who will graduate each year with D.O. certifications. Many graduating doctors will be interested in establishing medical practices in Rural America, specifically in Minnesota and the Upper Midwest. By year five, MNCOM will have 600 medical school students and 80+ students in the Master’s program. Within a decade, the MNCOM will consider expanding the facility so physical and occupational therapists, nurses, physician’s assistants, and pharmacists can also be trained.

“There is a projected shortage of over 90,000 physicians in this country by the year 2025. Minnesota is expected to have a shortage of 2,000 physicians during that same period. I believe it is critical that an investment in medical education be made in Gaylord, Minnesota. A medical school in Gaylord will mean that student doctors can experience first-hand the primary care needs of a rural population and become excited about being a primary care physician.”

The Danza Group and Gaylord, MN
The Danza Group was contacted by Phil Keithahn, CEO and owner of Sterling Capital Advisors and ProGrowth Bank. Keithahn was arranging the financing for RS Fiber Cooperative, which is building a gigabit fiber-optic broadband network to connect 10 cities and 17 townships in 4 counties in South Central Minnesota.

At the same time, the Sibley East school district passed a $43 bond referendum to build a new elementary school in Gaylord. The City of Gaylord will acquire the existing elementary and junior high school, and expressed an interest in redeveloping the school property to foster economic development. Mayor Don Boeder, the City Council, and the Economic Development Authority worked with Danza and Keithahn to insure that an empty building could be redeveloped into a medical campus.

Tony Danza
Chief Executive Officer
The Danza Group
65 Prospect Avenue
Middletown, NY 10940
Phone: 201-891-3777
Email: danzagroup@aol.com
Website: www.danzagroup.com

Philip A. Keithahn
Chairman and CEO
ProGrowth Bank
320 Main Avenue, PO Box 266
Gaylord, MN 55334-0266
Phone: 507-237-5535 Ext 3014
Cell: 612-210-4866
Fax: 507-237-5197
Email: phil@progrowth.com
Website: www.progrowth.com
The Opportunity – A Medical School in Gaylord, Minnesota

Fast Facts
The MNCOM campus will be located in Gaylord, Minnesota, which is 65 miles southwest of Minneapolis and St. Paul. A $30 million renovation of the existing buildings will result in a 125,000 square foot school building, plus the addition of dormitories to house up to 300 students. The Gaylord campus will be completed in 2018. MNCOM plans to hire 60 full-time employees, 50 part-time workers, and 250 adjunct faculty members. Similar schools nationwide have created 800-1,000 jobs through joint efforts with the local medical community.

Degrees Offered
- Doctor of Osteopathic Medicine (DO)
- Master of Science in Interdisciplinary Biological and Physical Sciences (MS)

Student Enrollment Forecast
MNCOM’s initial class will begin in July 2018 with 150 medical students and 40 interdisciplinary students. By July 2022, enrollment will have increased to almost 700 students: 600 medical students and 80 biology students.

<table>
<thead>
<tr>
<th>Year</th>
<th>DO Degree</th>
<th>MS Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-2019</td>
<td>150</td>
<td>0</td>
</tr>
<tr>
<td>2019-2020</td>
<td>297</td>
<td>40</td>
</tr>
<tr>
<td>2020-2021</td>
<td>441</td>
<td>50</td>
</tr>
<tr>
<td>2021-2022</td>
<td>582</td>
<td>80</td>
</tr>
</tbody>
</table>

Preliminary Timeline

<table>
<thead>
<tr>
<th>Year</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>Finalize Purchase Agreement for Building.</td>
</tr>
<tr>
<td></td>
<td>Establish Affiliation Agreements with hospitals and medical organizations for clinical rotations by 3rd and 4th year students.</td>
</tr>
<tr>
<td></td>
<td>Submit application for accreditation.</td>
</tr>
<tr>
<td>2017</td>
<td>Finalize design plans and prepare for redevelopment and expansion of buildings.</td>
</tr>
<tr>
<td></td>
<td>Receive approval for accreditation and arrange all financing for construction, operations and student scholarships.</td>
</tr>
<tr>
<td>2017-2018</td>
<td>Renovate school buildings and construct new dormitories and other required housing.</td>
</tr>
<tr>
<td>2018</td>
<td>First class of medical students matriculates.</td>
</tr>
</tbody>
</table>

How is MNCOM organized?
MNCOM will have a positive economic impact on Minnesota. As a privately-owned, for-profit college, MNCOM will develop collaborative partnerships with the medical community.

Goals
- To train 150 certified DO physicians each year focused on primary care and rural communities.
- To build a diverse medical community, with Minnesota college graduates, minority students, and prospective doctors who want to practice medicine in underserved communities in the Upper Midwest.

America’s Physician Workforce Shortage
America faces a critical physician workforce shortage. Projections of future supply and demand for physicians suggest a shortfall of 46,100 to 90,400 physicians.

Primary Care Physician Shortage
Future supply and demand projections include a shortfall of 12,500 to 31,100 primary care physicians and 28,200 to 63,700 non-primary care physicians. To eliminate projected shortages in 2035, primary care residency production must increase by 21% compared with current production. Delivery models that shift toward smaller ratios of population to primary care physicians may substantially increase the shortage.

Osteopathic Physicians: Today and in the Future
76,000+ fully licensed osteopathic physicians focus on health education, injury prevention and disease prevention; helping patients achieve a high level of wellness. Osteopathic physicians diagnose and treat patients with cost-effective osteopathic manipulative techniques, bringing a patient-centered, holistic, hands-on approach to diagnosing and treating illness and injury. Osteopathic physicians can choose any specialty, prescribe drugs, perform surgeries, and practice medicine anywhere in the United States. Each year more than:
- 4,800 new osteopathic physicians enter the workforce.
- 20%+ of medical students in the United States are training to be osteopathic physicians.

25 private and 6 public colleges of osteopathic medicine are educating over 24,600 future physicians – more than 20% of U.S. medical students at 44 teaching locations in 29 states.

Accreditation
MNCOM is finalizing its application for accreditation from the Commission on Osteopathic College Accreditation (COCA) of the American Osteopathic Association (AOA).  

1 COCA’s main office is 142 E. Ontario St., Chicago, IL 60611-2864. As an accredited college, MNCOM will become a member of the American Association of Colleges of Osteopathic Medicine, or AACOM. (www.osteopathic.org/)


Tuition, Room and Board

MNCOM will be competitively priced with other medical schools in the Upper Midwest.

<table>
<thead>
<tr>
<th></th>
<th>2014-2015 Academic Year</th>
<th>MNCOM (Stated in 2014 $)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Univ. of MN – Twin Cities + Duluth</td>
<td>Mayo Medical School - Rochester</td>
</tr>
<tr>
<td>Tuition</td>
<td>49,767</td>
<td>47,470</td>
</tr>
<tr>
<td>Room, Board, &amp;</td>
<td>13,658</td>
<td>14,328 + 4,260</td>
</tr>
<tr>
<td>Medical Insur.</td>
<td>2,100</td>
<td>1,960 + 2,884</td>
</tr>
<tr>
<td>Books &amp;</td>
<td>2,500</td>
<td>6,360</td>
</tr>
<tr>
<td>Supplies</td>
<td>1,840</td>
<td>540</td>
</tr>
<tr>
<td>Totals (COA)</td>
<td>73,138</td>
<td>78,736</td>
</tr>
</tbody>
</table>

|                |                      |                          |                  |            |            |
| No. Applicants | 3,700+               | 4,700+                   | 3,700+           |            |            |
| Total Students | 980+                 | 210+                     | 875              |            |            |
| Average GPA    | 3.68                  | 3.63                     | 3.8              |            |            |
| Average MCAT   | 32                    | 28                       | 33               |            |            |

What financing will be available for students?

- Student loan programs will provide competitive financing.
- Scholarship programs will help students who need special financial assistance.
- Service repayment loan programs are available, including:
  - Public Service Loan Forgiveness Program;
  - National Health Service Corps Loan Repayment;
  - Health Professions Scholarship Program, provided by the U.S. Armed Forces.
- Students will have complete access to all federal student loan programs after MNCOM becomes fully accredited.

Why should hospitals affiliate with MNCOM?

- Financial support for teaching programs.
- Increased access to medical personnel (students in training and residents).
- Increased status as a teaching hospital.
- Pipeline of new physicians who want to practice medicine, especially primary care in Minnesota the Upper Midwest.
- Access to a medical campus for continuing education, conferences, and workshops.

Residents tuition is $35,872

What does MNCOM need from hospitals?

- Commitments for 150 clinical rotations for third and fourth-year medical students.
- Internship and Residency Development
- Doctors and medical professionals who are interested in serving as adjunct faculty members.

Why Minnesota?

The Upper Midwest has a high percentage of older physicians in primary care practices throughout rural areas.

- 14,977 of Minnesota’s 21,669 active licensed physicians list their primary business address in Minnesota.
- 26% of all active physicians are Board-certified in primary care specialties.
- 13.1% of physicians live and work in rural or isolated areas in Minnesota.
- 36.7% of licensed Minnesota physicians are over age 55, compared to 21% for all U.S. occupations.
- 1,500+ physicians in Minnesota plan to discontinue their practices in less than 6 years and 3,000+ physicians plan to discontinue their practices within 10 years. Over 64% of these departures (2,000) will result from retirement.
- 6 states in the Upper Midwest (Minnesota, Wisconsin, North Dakota, South Dakota, Nebraska, and Wyoming) do not have an osteopathic medical school.
- Minnesota consistently provides less than 160 primary care residencies each year.
- Minnesota’s 17 private liberal arts colleges provide outstanding undergraduate pre-med programs.
- Minnesota has an educated, high quality workforce.
- Minnesota tied with New Hampshire for POLITICO magazine’s 2015 rating as the Best American State. POLITICO evaluated 14 rating criteria, including education, health and wealth, crime, unemployment, and death.
- Minnesota has a significant concentration of health care organizations such as HealthPartners, Ridgeview, Allina, HealthEast, Mayo, Sanford, CentraCare, Blue Cross Blue Shield, United Health Care, Medica, etc.
**Gaylord is the Hub of Minnesota**

Minnesota’s upcoming retirement of physicians plus Gaylord’s location in rural America near the Twin Cities, the availability of a quality building, and gigabit internet access all provide compelling reasons for a new medical school.

---

**Regional and Local Community Support**

- Gaylord is receptive to pay-as-you-go tax abatement (TIF).
- Gaylord has invested over $20 million in necessary infrastructure to support the medical school.
- Gaylord’s Economic Development Authority has established a Housing Task Force that is working with the school to develop other housing, commercial, and retail sites to support the needs of students and visitors.

**Access to Technology**

- Availability of high-speed gigabit fiber-optic broadband internet service at competitive pricing.
- Minnesota has a long history of supporting medical education and investing in technologies that support innovative medical practices.

**Construction and Operating Costs**

- The former Sibley East School building provides a centrally-located 125,000 square foot school building that can be remodeled into a medical school.
- Land near the school is available for redevelopment into student dormitories and faculty housing.
- Gaylord has adequate room for expansion of housing and other businesses related to medical education.
- Land acquisition and redevelopment costs are lower than in metropolitan areas.

---

**Location near Minneapolis-St. Paul Area**

- Gaylord is located in the Southwest Minnesota Region, 65 miles (75 minute drive) from downtown Minneapolis and the Minneapolis-St. Paul International airport.
- Gaylord is located southwest of Minneapolis/St. Paul, south of the St. Cloud MSA, and northwest of the Mankato MSA; providing easy access to 3 of the largest 6 metropolitan areas in Minnesota.
- The Southwest Region has the highest population in Minnesota with 1,734 people for every one primary care physician –50% higher than major metropolitan areas.

---

**Location near Doctors and Hospitals**

- **Gaylord is centrally located less than 2 hours from:**
  - 12,766 of Minnesota’s 14,977 resident physicians (85.2%).
  - 80% of Minnesota’s primary care physicians.
- **Gaylord is centrally located less than 75 miles from:**
  - 60%+ of Minnesota’s hospital beds.
  - 26%+ of Minnesota’s rural hospital beds.
  - 13 private liberal arts colleges.

---

**Location in Rural America**

- Gaylord is a County Seat (Sibley County), which is an isolated Rural-Urban Commuting Area (RUCAS) by the Minnesota Department of Health.
- Gaylord is classified as a rural community and is eligible for USDA long-term fixed rate financing.
- Gaylord’s location means that MNCOM is eligible for New Market Tax Credit financing.