



UNITED STATES DEPARTMENT OF EDUCATION OFFICE OF POSTSECONDARY EDUCATION

Overview of the Gainful Employment Information Rates Session 3: March 14-18, 2022

This memo presents an overview of the information rates published by the Department of Education (ED) to provide the field with data to better understand the impact of the proposed rule. The data analyzed here include informational Gainful Employment (GE) metrics for GE programs offered by all domestic institutions currently in operation based on PEPS information as of February 22, 2022. These are draft data that are both subject to, and expected to, change from year to year. Moreover, due to limitations in data available to the Department, the methodology used to produce these data differs from the Department's proposed methodology in the 2022 Negotiated Rulemaking sessions, which relies on data elements that institutions would need to but do not currently report. ED believes these information rates give the best possible depiction of the rule's impact given the data currently available to the Department, but the debt-to-earnings rates published here will differ from those produced under the proposed methodology for some programs. Institutions may be able to use their own data to assess how their debt measures created using ED's proposed methodology may differ from the measures presented here.

For programs with a two-year cohort (excepting those with medical/dental residencies due to data limitations), if the GE rule were in place the data released in Fall or Winter 2021-2022 would be based on the set of Title IV students completing their credential in the 2014-2015 and 2015-2016 award years. Students in such programs would have their earnings captured in the third calendar year following the end of the award year in which they completed—calendar years 2018 and 2019, respectively, for the two cohorts. The earnings data used in the information rates are assembled following this structure.

To better contextualize the impact of the Gainful Employment rule, we include in the associated data file information on other programs that are not defined as GE programs under the statute and the number of credentials awarded in those programs using data from IPEDS. The data on credentials awarded from IPEDS include both Title IV and non-Title IV students, whereas the GE information rates data are based only on Title IV award recipients. These data can be used to roughly estimate the number of all students enrolled in programs that pass and fail the GE metrics relative to the total number of students enrolled in different institutions, fields of study, and sectors.¹

Notes About the Data Used for 2022 Informational Rates

In interpreting the rates presented in this memo, several key properties of the data used to produce these data should be noted:

¹ The data are imperfect for this purpose, since the IPEDS data measure completions and not total enrollment by program. Moreover, IPEDS data do not distinguish between Title IV and non-Title IV students by program.

- ED has proposed capping individual borrowing amounts at the amount paid for tuition, fees, books, and supplies for each student before calculating median debt levels. ED does not currently have reported data to implement the cap, so estimated median program debt levels may be higher in the information rates as a result. See [data](#) presented at Session 2 for more information on the effects of capping total loan debt.
- ED has proposed including institutional and private loan debt in calculating median debt levels. ED does not currently have the reported data, so estimated median program debt levels reflect only Federal student loan debt and may be lower in the information rates as a result.
- To calculate median debt levels by program, ED used the debt levels for the two-year cohort of completers between 2015-2016 and 2016-2017—a cohort differing from that used to measure earnings. We measure their debt levels in 2016 dollars (adjusting by the CPI), and use this as an estimate for the debt levels of the AY2015 and AY2016 2-year cohort assuming debt levels remained unchanged in real terms between these cohorts.
- To provide the public with these informational rates, ED relied on program-level median earnings data through the College Scorecard. ED notes that the methodology for calculating these earnings data differs from that used in the 2014 rule in several important ways:
 - The lag from when students complete a program to when their earnings are measured is longer, and median program earnings are likely to be significantly higher as a result. The methodology proposed in the 2022 Negotiated Rulemaking utilizes this longer timeframe.
 - Earnings data are computed at the 4-digit, rather than 6-digit level. The methodology proposed in the 2022 Negotiated Rulemaking utilizes this same 4-digit CIP code level.
- Programs that require students to complete a medical or dental internship or residency would receive a longer timeframe for measuring earnings than other programs under the methodology proposed in the 2022 Negotiated Rulemaking and under the 2014 GE regulations. Those programs are not identified in our data, so those programs are instead included here with the same timeframe for earnings (three years) as other GE programs in the information rates. Earnings for those programs are likely lower as a result.
- The earnings threshold measure in the information rates and in this analysis use a state-specific threshold for all programs (measured as the median earnings of a working adult aged 25-34 with only a high school diploma or equivalent in the state in which the institution is located). In the proposed methodology for the 2022 Negotiated Rulemaking, programs where a majority of students enroll from a state other than the state where the institution is located would use the national median earnings of workers aged 25-34 with a high school diploma as the threshold). This may mean that some programs, particularly fully online programs, would be subject to a higher or lower earnings threshold under the proposed rule, depending on the state in which the institution is located.

Based on the outcomes of negotiations, comments received following publication of a proposed rule, and further analyses of the best data available to ED, the methodology to produce program median earnings, debt levels, D/E rates, and earnings thresholds may change. Moreover, some year-to-year variability in the metrics is to be expected. The data presented are the best available currently to illustrate the impact of the Gainful Employment rule, but the outcomes depicted in the information rates for particular programs may differ from those generated by a future gainful employment rule.

Coverage of the GE Rule

Counting programs at the 4-digit CIP code level, IPEDS completion survey data show that approximately 164,000 programs had at least one credential awarded by domestic institutions of higher education that are still currently operating and participating in the title IV, HEA programs as of February 2022. Of these programs, 40,377 are gainful employment programs based on the statutory definition—accounting for about 25 percent of all programs, and about 25 percent of all completions reported in IPEDS data. The table below shows these numbers by institution control. In total, the information rates include 6,818 programs at private for-profit institutions; all such programs are GE programs under the statute. The rates include 53,082 programs offered by private nonprofit institutions; 4,908 of those (9 percent) are GE programs. The rates also include 104,062 programs at public institutions, of which 28,651 (28 percent) are GE programs.

The information rates data were produced only for programs with at least 30 completers in the 2-year cohort. Most GE programs graduate few students each year, and so only 3,989 GE programs have debt-to-earnings measures in the information rates and 4,184 programs have earnings data available to construct the earnings threshold measure. Slightly less than half of the completions reported in GE programs in IPEDS data are in programs for which GE metrics are available. At for-profit institutions, about two in five programs have reported data, though those programs cover 88 percent of credentials awarded in that sector. At private nonprofit institutions, fewer than 250 of the nearly 5,000 programs have published data (about 5 percent of programs), and those programs cover about 40 percent of credentials awarded in GE programs in that sector. At public institutions, 968 programs (3 percent) have DTE rates published and 1,032 (4 percent) have earnings threshold measures published, covering 17-18 percent of GE credentials awarded.

	Total Programs	Total GE Programs	% of Total Completions in GE Programs	GE Programs with Published DTE / Earnings Threshold Metrics	% of GE Credentials Awarded in Programs with Published DTE / Earnings Threshold Metrics
Private For-Profit	6,818	6,818	100%	2,799 / 2,912	87.9 / 88.4
Private Nonprofit	53,082	4,908	5.7%	222 / 240	40.5 / 40.9
Public	104,062	28,651	19.7%	968 / 1,032	17.5 / 17.8

GE Programs Debt-to-Earnings Performance

The table below shows the debt-to-earnings performance of GE programs by institution control and credential level using a measure of median debt that includes Parent PLUS loans. Among certificate programs (both undergraduate and graduate certificates), 3,535 are offered by for-profit institutions, 4,908 by nonprofit institutions, and 960 by public institutions. Of those, 210 programs at for-profit institutions fail the measure, covering 9.9 percent of all credentials awarded in the sector; 18 programs at nonprofit institutions fail, covering 2.2 percent of credentials awarded; and 12 programs at public institutions fail, covering 0.1 percent of credentials awarded. Among Historically Black Colleges and Universities (HBCUs),² just 3 of 332 GE programs fail the DTE rates, representing 0.08 percent of all 3,654 programs offered by HBCUs; and no Tribally Controlled Colleges and Universities (TCCUs) have published GE information rates data.

Within other credential levels, only degree programs offered at proprietary institutions are GE programs. Of 1,686 for-profit associate degree programs, 199 (11.8 percent) fail the DTE rates, covering 32.9 percent of all credentials awarded at that level. Of 948 for-profit bachelor's degree programs, 117 fail the DTE rates (12.3 percent), covering 23.3 percent of all credentials awarded. Among 484 master's degree programs at for-profit institutions, 47 (9.7 percent) fail the DTE rates, covering 14.0 percent of credentials awarded. Of 123 doctoral-level GE programs, 12 (9.8 percent) fail the DTE rates, covering 24.7 percent of GE credentials awarded. And among 42 first professional degrees covered by GE, 4 (9.5 percent) fail the DTE rate, covering 25.9 percent of credentials awarded.

Overall, 619 programs fail the DTE rates. If Parent PLUS loans were excluded in calculating median debt levels, ED estimates that 91 fewer programs would have failing rates, though we note that inclusion of PLUS may change the status of fewer programs if loans were capped at tuition, fees, books and supplies as ED has proposed. Of the 91 programs where including Parent PLUS loans changes their DTE metric from passing to failing, 90 are in the for-profit sector. Of those, 50 are certificate programs, 24 are associate degree programs, and 16 are bachelor's degree programs.

	Number of GE Programs	Programs Passing DTE Without Published DTE Metrics	Programs with DTE Metrics		% of All GE Credentials Awarded in Programs with Failing DTE Rates
			Passing DTE	Failing DTE	
Private For-Profit Certificates	3,535	1,917	1,408	210	9.9
Private Nonprofit Certificates	4,908	4,686	204	18	2.2

² In this analysis, HBCU status is defined based on an institution's 6-digit OPEID.

Public Certificates	28,651	27,683	956	12	0.1
Associate	1,686	1,114	373	199	32.9
Bachelor's	948	586	245	117	23.3
Master's	484	288	149	47	14.0
Doctoral	123	81	30	12	24.7
First Professional	42	33	5	4	25.9

GE Programs Earnings Threshold Performance

The table below shows the earnings threshold performance of GE programs by institution control and credential level. Among certificate programs (both undergraduate and graduate certificates), 3,535 are offered by for-profit institutions, 4,908 by nonprofit institutions, and 960 by public institutions. Of those, 1,089 programs at for-profit institutions fail the measure, covering 51.1 percent of GE credentials awarded; 78 programs at nonprofit institutions fail, covering 23.5 percent of all GE credentials awarded; and 190 programs at public institutions fail, covering 2.9 percent of all GE credentials awarded. Among Historically Black Colleges and Universities (HBCUs), just 5 of 332 GE programs fail the earnings threshold measure, representing only 0.14 percent of all 3,654 programs offered by HBCUs; and no Tribally Controlled Colleges and Universities (TCCUs) have published GE information rates data.

Within other credential levels, only programs at proprietary institutions are GE programs. Of 1,686 for-profit associate degree programs, 155 (9.2 percent) fail the earnings threshold measure, covering 21.1 percent of all credentials awarded at that level. Of 948 for-profit bachelor's degree programs, 24 fail the earnings threshold measure (2.5 percent), covering 2.9 percent of all credentials awarded. Among 484 master's degree programs at for-profit institutions, 9 (1.9 percent) fail the earnings threshold measure, covering 1.3 percent of credentials awarded. Of 123 doctoral-level GE programs and 42 first professional degree GE programs, none fail the earnings threshold measure.

	Number of GE Programs	Programs Passing Earnings Threshold Without Published Earnings Threshold Metric	Programs with Earnings Threshold Metrics		% of All GE Credentials Awarded in Programs with Failing Earnings Threshold
			Passing Earnings Threshold	Failing Earnings Threshold	
Private For-Profit Certificates	3,535	1,866	580	1,089	51.1

Private Nonprofit Certificates	4,908	4,668	162	78	23.5
Public Certificates	28,651	27,619	842	190	2.9
Associate	1,686	1,077	454	155	21.1
Bachelor's	948	574	350	24	2.9
Master's	484	278	197	9	1.3
Doctoral	123	79	44	0	0
First Professional	42	32	10	0	0