

# Buyer Beware:

## Stopping Fraud in Nursing Education

Tracey L Murray, DNP, FNP-BC, Nayna Philipsen, PhD, JD,  
Denise Pope, PhD, RN, Natalie Hart, MSN, RN, Stacey Wood, MSN, RN,  
Charlotte Wood, PhD(c), MBA, Elizabeth E Lamm, JD,  
Danita Tolson, EdD(c), RN, and Denyce Watties-Daniels, MSN

### ABSTRACT

The current health care system demands a highly qualified nursing workforce. The American Association of Colleges of Nursing has adopted the position that a doctorate should be the entrance requirement for advanced practice registered nurses (APRNs) by 2015. This pressure, combined with guaranteed federal student loans, has resulted in increased student expenditures. Unfortunately, money attracts fraud. To avoid deception, nursing education “buyers” must be prepared to evaluate nursing programs. APRNs have a responsibility to protect their colleagues, public health and welfare, and the integrity of our profession by promoting awareness of education fraud.

**Keywords:** accreditation, accreditation mills, board of nursing, degree-granting institutions, diploma fraud, diploma mills, nursing education, nursing regulation, unaccredited unapproved nursing schools

© 2012 American College of Nurse Practitioners

Current health care system requirements challenge nurse educators to prepare a highly educated nursing workforce that is equipped with the skills necessary to meet societal demands. The American Association of Colleges of Nursing (AACN) and affiliate institutions have recommended that advanced practice registered nurse (APRN) certification should require a doctorate degree by 2015.<sup>1</sup> The Institute of Medicine (IOM) report “The Future of Nursing: Leading Change, Advancing Health” highlights the need to significantly increase the number of APRNs obtaining a clinical practice or research doctorate.<sup>2</sup> The 2010 Patient Protection and Affordable Care Act (PPACA) features an individual mandate that will impact the total number of APRNs needed to manage the health care workforce demand.<sup>3</sup> More demand for nurses and APRNs create more competition in nursing education for entry into the profession.

“Diploma mills” or “degree mills” are among the most extreme deviations from educational standards. These entities sell documents that appear to meet post-secondary requirements for a degree, but they do not

require academic achievement.<sup>4,5</sup> These options have also been called “degrees gone wild.”<sup>6,7</sup> Fraudulent education programs were identified as early as the 11th century.<sup>4,6</sup> The Morrill Land Grant Act of 1862 called for an increase in the number of universities, which had a direct correlation to the number of developing programs that bypassed the educational system, giving rise to an increased number of fraudulent degrees.<sup>4</sup> The first known reference to the term *diploma mill* dates back to 1876. An increase in diploma mills was acknowledged in 1944 during the passage of the Servicemen Readjustment Act, also known as the GI Bill.<sup>4</sup>

Diploma mills claim to award degrees based on prior work or life experience,<sup>8</sup> rather than a formalized educational program that adheres to the federal standards for an educational institution, the state requirements, and those of the recognized accrediting agencies.<sup>9</sup> These agencies establish guidelines for nursing school approval to safeguard the public and to provide a safe and effective nursing workforce. If an APRN program is not accredited by an organization recognized by the Department of Education (DOE), the entity may be a diploma mill.<sup>10</sup>

The infiltration of fraudulent activities associated with diploma mills and nonapproved programs threatens to erode societal trust regarding the safety and security of the health care workforce, negatively impacting nursing's reputation.<sup>11</sup> Historically, fraud increases during times of economic recession, such as our economy since 2008. APRNs can help protect themselves, colleagues, patients, and employers from the expensive threat of educational fraud by being aware of its presence and knowing how to detect, deter, and avoid it. This article describes fraudulent education schemes in nursing, provides examples, notes what makes nurses vulnerable to these schemes and how to decrease their risk, offers practical steps and red flags to help identify fraudulent entities infiltrating nursing education, and discusses how and why APRNs must be informed about these threats

### REGIONAL AND NATIONAL ACCREDITATION

Regional accreditation assures students and the public that the college or university where the nursing program is located provides quality educational programs.

Regional accreditation provides degree-granting authority and recognition of the degree by other schools.<sup>12</sup> This means that credits from these programs can transfer to programs at other colleges and universities and indicates that the institution meets higher education standards.

National accreditation by 1 of these federally authorized organizations assures the public that a program has been externally reviewed by nurse educators and practitioners with expertise in the program type and compared to national standards in the promotion of ongoing quality improvement.<sup>12,13</sup> Currently, there are only 2 organizations that are federally authorized by the DOE Secretary to accredit nursing education programs: the Commission on Collegiate Nursing Education (CCNE) and the National League of Nursing Accrediting Commission (NLNAC).<sup>14</sup>

### LICENSURE AND STATE BOARDS OF NURSING

All states have passed a Nurse Practice Act that mandates licensure as a registered nurse before an individual can practice nursing as an APRN. This process is overseen by state boards of nursing (SBONs), which work together in this mission with the NCSBN.<sup>15</sup> State nursing licensure provides the legal authority required for an individual to practice nursing. The SBONs also approve nursing programs offered within their state (university and non-university). The schools must meet state regulations for their

graduates to take the licensure examination.<sup>12,16,17</sup> The SBON educational requirements primarily govern prelicensure nursing and recertification APRN programs. The state Nurse Practice Act may require the board to review and approve all APRN programs before certifying applicants as APRNs.

### CERTIFICATION

Certification is required for advanced nursing practice in the US. Currently, only 3 states do not require certification: California, Indiana, and Kansas. In 47 states, passing the national certification examination is required as a condition for practice.<sup>18</sup> Regardless of the type of nursing program selected (university or non-university), the program's primary goal is to prepare students to enter into practice as safe and effective clinicians who are eligible to take the national certification examination offered by the American Academy of Nurse Practitioners (AANP) or the American Nurses Credentialing Center (ANCC).

### FRAUD

What is fraud? The lay definition of fraud may be simply lying, cheating, and stealing. The legal definition is more specific. Black's Law Dictionary<sup>19</sup> defines fraud as deceitful, willful, and done with the intent to injure another. Fraud involves a false statement, that is intended to mislead another person and cause him or her to engage in an act that injures him or her and benefits the fraudster. Fraud can also involve omitting an important fact, also designed to mislead another. Pressure, opportunity, and rationalization are all present in fraud and are often referred to as "the fraud triangle." Fraud is not easily prevented, since typically only opportunity can be identified in advance.<sup>20</sup> This means that the best way to stop fraud is to remove or lessen the opportunity.

### CHARACTERISTICS OF FRAUDULENT NURSING EDUCATION PROGRAMS

The Bureau of Consumer Protection provides the following guidelines for suspecting a school's credentials.

- Predatory advertising, including flashy commercials, high-pressure telemarketing, and pop-up ads that include testimonials of prior students<sup>21</sup>
- Lack of federally recognized accreditation
- Invalid location—is the only listed address a post office box or a suite number?
- Offers of 24-hour servicing

- Guaranteed success in the program or on the professional examination
- Credit for life experience

SBONs can discipline only their approved programs, whose graduates are eligible to take the licensure or certification examination, since all the SBON can do is deny graduates the ability to get licensure or certification. They do not have authority over non-SBON-approved programs, since the most discipline that a program can receive from an SBON is nonapproval. These complaints will be referred by the SBON to another agency, such as the DOE, Consumer Protection, or criminal division, which have as their roles protection of students, private consumers, or the public from future crime.

## CASES TO ILLUSTRATE FRAUDULENT PROGRAMS

### Case 1

A recent student reported she enrolled in an online program. She had already earned a master's degree from another university but decided to return to school for security and to further her education by earning a doctorate degree. She was aware that the school was not accredited, but it was cost effective and appeared to be a credible program. The Web site was cohesive, uniform, well organized, and comprehensive, and it advertised a live help desk available when necessary.

She paid her tuition, completed the online coursework, and began to work on the dissertation—and then she was not able to find, locate, or communicate with the program for over a year. It seems she got caught in a scam.<sup>7</sup> She is not able to get her money back, nor can she get the time back that she lost trying to earn the doctorate degree.

### Case 2

In July 2011, the attorney general's office of New York, in collaboration with the New York State Department of Education (NYSDE), uncovered several fraudulent nursing programs. Hundreds of students enrolled and paid costs of anywhere between \$7,000 and \$20,000 for bogus nursing courses that did not lead to qualification for nursing careers. Students spent between 10–24 months completing the program, only to be issued fraudulent certifications and transcripts, some of which reportedly came from a private school in Jamaica and were never approved by New York licensing agencies. Eleven people who owned or operated the schools were indicted on

charges of theft, scheming to defraud, and operating a fraudulent nursing school.<sup>22</sup>

These programs falsely stated that completing the programs would make them eligible to take the National Council Licensure Examination and become nurses in New York. “These conspirators intentionally targeted people in pursuit of new opportunities, lining their pockets with others’ hard-earned money,” New York Attorney General Eric Schneiderman said.<sup>22</sup>

## EVALUATING A PROSPECTIVE NURSING PROGRAM

Unlike other professional health care disciplines, nursing has multiple levels of practice entry.<sup>14,23</sup> APRNs must now complete a graduate degree beyond the baccalaureate. To evaluate the quality of any nursing program, it is important that prospective students understand licensure (nursing regulatory requirements) and accreditation (national standards and guidelines), the 2 benchmarks used nationally to evaluate the quality of nursing programs.<sup>13,16,24</sup>

Researching selected schools of interest can be time consuming but is well worth the effort. Methods for determining the difference between a real and fake school require an informed consumer. The first question must be: Is the institution regionally accredited, and is the nursing school accredited by NLNAC or CCNE?<sup>23–25</sup> The next is: Have graduates of the nursing school been denied licensure or certification by an SBON? Additional questions that help identify nursing program concerns include:

- Is the school asking for a flat rate for the degree?
- Does the school offer to take tuition money in advance of its due date (“escrow”)?
- Are there little or no assignments or testing?
- Is there limited or no contact with instructors?
- Is achievement of the degree accomplished in an unrealistic amount of time?
- Is there emphasis on life experiences for credit?
- Does the program reward more than 25% of its credits based on life experience or advanced placement tests?
- Does the program accept more than 75% of the credits for a degree from outside sources?
- Does the program claim that limited or no clinical experiences are required?
- Does the recruiter ask for personal financial information?
- Does the recruiter guarantee that students will have funding or be admitted?

- Does the recruiter suggest that this program is students' only option?
- Does the recruiter offer to tell students what courses will transfer without review of an official transcript by the school's registrar?
- Does the recruiter offer immediate admission?
- Are students unable to identify the names and credentials of the faculty?
- In the case of an online program, does the nursing school also have on-site programs?

### REPORTING SUSPICIOUS OR DECEPTIVE PROGRAMS

Each state has various processes for filing, investigating, and resolving complaints filed against licensed individuals. During SBON investigations, staff will examine information about the reported nursing education of an applicant or licensee. This may unveil whether the applicant is presenting credentials from a fraudulent program or is presenting fraudulent credentials for an approved program. Both situations pose a significant challenge for the health care system. Applying for a license with fraudulent credentials is a breach of the good moral character requirement and among the grounds for which a nurse can be denied licensure.

The NURSYS<sup>26</sup> system permits SBONs to verify licensure information, review disciplinary actions, and communicate among the SBONs in different states.

The discovery of the fraudulent program must be investigated by the local or state law enforcement for possible prosecution. The agency that has jurisdiction over licensure issues or nursing program approval is the SBON. The agency that oversees secondary or higher education is the state Higher Education Commission. In order for an agency to investigate, however, someone must bring their attention to the situation. That means that APRNs must report suspected fraud to whatever agency they think may investigate it. That also means that APRNs should advocate for laws that deter fraud and should help publicize any fraud targeting them. Just as the Internet can help fraudsters communicate, it can help APRNs reach out to each other.<sup>27</sup>

### IMPLICATIONS OF FRAUDULENT PROGRAMS FOR NURSING EDUCATION AND THE WORKFORCE

Nursing schools are the first-line gatekeepers and character filters for replicating high quality nursing care.<sup>27</sup> However, nursing programs are not impervious to admit-

ting students who have character flaws, nor is there a comprehensive list of fraudulent schools that do *not* meet the accreditation standards.<sup>27</sup>

Fraudulent nursing programs form a billion-dollar business that targets vulnerable populations (buyers). We have described the causative factors, which include both the program marketers and the desire to accomplish a goal with ease.<sup>28</sup> The common warning signs are quick degrees, inaccurate or invalid addresses, a post office address, programs not listed with state or federal agencies, and an offering of college credits for experience.<sup>29</sup>

Nursing programs that provide illegal documents for a fraudulent formal education compromise the integrity of the entire educational system. Fraudulent nursing programs also endanger public health and safety.<sup>30</sup> In addition to compromising patient safety and professional standards, fictitious programs attract individuals with a poorly defined moral compass and a skewed code of personal ethics. Many individuals are looking for a quick fix. They forget that the purpose of getting an education and attaining a degree is to learn and, ultimately, improve patient outcomes. A fraudulent program tends to confuse nurses and harm the reputation of legitimate schools.<sup>29</sup>

### CONCLUSION

Core components of an effective and trustworthy nursing workforce are licensure, national certification, and verifiable credentials. Nursing must ensure that bogus accreditation, deceptive student recruiting practices, misleading or misapplied "innovations," and degree/diploma mills are not allowed to penetrate nursing. Unsuspecting buyers who forget the fundamental goals of education often lose a substantial sum of money and are faced with the reality that they will have to pursue other avenues to obtain legitimate nursing credentials. The buyer cannot afford to choose educational programs based solely on flexibility, affordability, or the perception of easy access or success.

There are many reasons that APRNs must help control this fraud and not ignore or tolerate it in the educational system. These include an ethical obligation to promote a climate of excellence, deter fraud, protect the integrity of compliant programs, avoid becoming part of fraudulent or criminal activities themselves, and protect their peers, patients, and themselves from becoming victims. APRNs have a duty to report possible fraud and to

promote public awareness about the importance of quality education and the need to be alert to the reality that, even in education, the buyer has to beware. **JNP**

#### References

- American Association of Colleges of Nursing. AACN position statement on the practice doctorate in nursing. Washington, DC: The College; 2004.
- Institute of Medicine. The Future of Nursing: Leading Change, Advancing Health. 2010. <http://www.iom.edu/Reports/2010/The-Future-of-Nursing-Leading-Change-Advancing-Health.aspx>. Accessed May 26, 2012.
- Public Law 111 – 148 – Patient Protection and Affordable Care Act. 2010. <http://www.gpo.gov/fdsys/pkg/PLAW-111publ148/content-detail.html>. Accessed May 26, 2012.
- Council for Higher Education Accreditation. Degree mills: an old problem and a new threat. 2012. <http://www.chea.org/degremills/frmpaper.htm>. Accessed April 10, 2012.
- Contreras A, Gollin G. The real and the fake degree and diploma mills. *Change*. 2009;41(2). <http://www.changemag.org/Archives/Back%20Issues/March-April%202009/abstract-real-and-fake.html>. Accessed August 13, 2012.
- Lumadue RT. When graduate degrees prostitute the educational process: degrees gone wild. *Christian Higher Educ*. 2006;5(3):263-278.
- Moore MG. A sad reminder that diploma mills are still with us. *Am J Distance Educ*. 2009;23(4):175-178.
- Federal Trade Commission BCP Business Center. Diploma mills: degrees of deception. 2006. <http://www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt149.shtm>. Accessed April 10, 2012.
- American Association of Colleges of Nursing. *The essentials of doctorate education for advanced practice nursing*. Washington, DC: The College; 2006.
- World Education Services. Diploma mills. 2009. <http://www.wes.org/ewen/diplomamills.htm>. Accessed April 4, 2012.
- Murray T, Philipson N, Brice E, Harvin L, Hinds D, Warren-Dorsey R. Healthcare fraud: stopping nurse imposters. *J Nurs Pract*. 2011;7(9):753-760.
- Matthiesen V, Wilhelm C. Quality outcomes and program evaluation in nursing education: an overview of the journey. *Qual Manage Healthcare*. 2006;15(4):279-284.
- Tanner SJ. The changing nursing education landscape. *Nurse Educ*. 2011;36(6):229-230.
- Ellis P, Halstead J. Understanding the commission on collegiate nursing education accreditation process and the role of the continuous improvement progress report. *J Prof Nurs*. 2012;28(1):18-26.
- National Council State Board of Nursing. 2012 APRN Consensus Model Legislation. 2012. <https://www.ncsbn.org/aprn.htm>. Accessed April 4, 2012.
- Benefiel D. The story of nurse licensure. *Nurse Educ*. 2011;36(1):16-20.
- Hartigan C. The licensure certification interface. *AACN Adv Crit Care*. 2011;22(1):50-65.
- APRN Joint Dialogue Group Report. Consensus Model for APRN Regulation: Licensure, Accreditation, Certification and Education. July 7, 2008. <http://www.aanp.org/NR/rdonlyres/56292A59-8240-449D-910D-EF331FC7DC86/0/FinalAPRNJointDialogueReport7708.pdf>. Accessed April 14, 2011.
- Garner B. *Black's Law Dictionary*. New York: West; 2009.
- Dorminy JW, Fleming AS, Kranacher M, Riley RA. Beyond the fraud triangle: enhancing deterrence of economic crimes. *Fraud Magazine: Association of Certified Fraud Examiners*. Sept/Oct 2011. <http://www.fraud-magazine.com/article.aspx-id54294970127>. Accessed May 5, 2012.
- The Consumer Chronicle. Five nursing schools charged with scamming students. 2011. <http://www.theconsumerchronicle.com/2011/07/22/five-nursing-schools-charged-with-scamming-students/>. Accessed August 13, 2012.
- New York State Attorney General. A.G. Schneiderman announces takedown of fake nursing school network. 2011. <http://www.ag.ny.gov/press-release/ag-schneiderman-announces-takedown-fake-nursing-school-network>. Accessed May 5, 2012.
- Lane SH, Kohlenberg E. The future of baccalaureate degrees for nurses. *Nurs Forum*. 2010;45(4):218-227.
- Lytte B. Under fire: nursing degrees from for-profit institutions. *Am J Nurs*. 2012;111(1):19-20.
- RNDegrees Online degree mills - how to recognize and avoid them. <http://rndegrees.net/articles/degree-mills.html>. Accessed April 14, 2012.
- National Council State Board of Nurses. NURSUS. 2012. <https://www.nursys.com/>. Accessed April 4, 2012.
- Johnson C. Credentialism and the proliferation of fake degrees: the employer pretends to need a degree: the employee pretends to have one. [http://119.226.37.130/0644010101/topics\\_all/doc/Johnson\\_Creola\\_2006.pdf](http://119.226.37.130/0644010101/topics_all/doc/Johnson_Creola_2006.pdf). Accessed August 13, 2012.
- Wolf Z. Nursing practice breakdowns: good and bad nursing. *Medsurg Nurs*. 2012;21(1):16-36.
- Cornick J. Nurses targeted by pseudo schools and fraudsters selling phony degrees. *Maryland Nurse*. 2007;8(4):1.
- Fontana J. Nursing faculty experiences of students' academic dishonesty. *J Nurs Educ*. 2009;48(4):181-185.

*All authors are affiliated with Coppin State University in Baltimore, MD. Tracey L. Murray, DNP, CRNP, FNP-BC, is an associate professor and interim associate dean in the School of Nursing and can be reached at [tmurray@coppin.edu](mailto:tmurray@coppin.edu). Nayna Philipson, PhD, JD, RN, former director of education at the Maryland Board of Nursing, is a professor and legal consultant to the dean in the College of Health Professions. Denise Pope, PhD, RN, Natalie Hart, MSN, RN, Stacey Wood, MSN, RN, Charlotte M. Wood, MSN, MBA, RN, Danita Tolson, EdD(e), RN, and Denyce Watties-Daniels, MSN, are assistant professors. Elizabeth E. Lamm, Esq., is an attorney with the Law Firm of Anderson, Rudd, Donahue, & McKee. In compliance with national ethical guidelines, the authors report no relationships with business or industry that would pose a conflict of interest.*

1555-4155/\$ see front matter  
© 2012 American College of Nurse Practitioners  
<http://dx.doi.org/10.1016/j.nurpra.2012.07.032>