

BOARD OF MEDICAL STUDENT LOANS

Minutes of the meeting of August 15, 2008

The Board of Medical Student Loans held an open public meeting on August 15, 2008 by videoconference at The University of Arizona College of Medicine, 1501 N. Campbell Avenue, Room 2141, Tucson, AZ 85724, and at the Phoenix campus, 550 E. Van Buren Street, Phoenix, AZ 85004, Building 1, Room 1353. From the Tucson location, Carol Q. Galper, Ed.D., Chairperson of the Board, called the meeting to order at 9:07 a.m. Board members present at the Phoenix location were Ross J. Kosinski, Ph.D., Ram R. Krishna, M.D., William R. Martin III, M.D., Thomas E. McWilliams, D.O., and Paul Steingard, D.O. Patricia Tarango was unable to attend. Shirley Rheinfelder, M.D. joined the meeting by telephone; she has been appointed to the Board by Governor Napolitano but the paperwork is not yet complete for official participation. She will be filling the vacancy left when Lane Johnson, M.D., MPH resigned. Also in attendance in Tucson were Maggie Gumble, Associate Director of The University of Arizona College of Medicine Financial Aid Office, and Fabian Valle, M.S., Workforce Program Manager of the Arizona Department of Health Services. In attendance in Phoenix: Carol Dolan, Director, Office of Student Financial Services, Midwestern University, and Scott Lapinski, Financial Aid Administrator; Tara Cunningham, M.S., Director of Academic Services, Admissions and Student Affairs, and Keli Palmer, M.Ed., Coordinator, Financial Aid Services, The University of Arizona College of Medicine-Phoenix, in partnership with Arizona State University; Tanja James, Workforce Programs Specialist II of the Arizona Department of Health Services; and Debbie Richards, Assistant Director of Financial Services, A. T. Still University, School of Osteopathic Medicine in Arizona (SOMA).

The minutes of the meeting of December 11, 2007 had been distributed to the Board for review. Dr. Krishna moved that the minutes be approved; the motion was seconded by Dr. Steingard and passed unanimously.

Maggie Gumble reviewed the financial report. The General Fund appropriation for 2008-2009 approved in 2007 was reduced in 2008 under H.B. 2209 by \$379,000.00, due to the State's projected revenue shortfall. The General Fund Appropriation is \$1,121,000.00. The appropriation for the Medical Student Loan Fund was \$309,800.00 but Ms. Gumble explained that this was an error made later after the lengthy appropriation hearing that she and Carol Dolan attended. The hearing lasted until past 7:30 pm and there were only 5 legislators left. When they voted later, they erroneously added the General Fund appropriation of \$296,600 and the Medical Student Loan Fund request of \$13,200.00 and approved \$309,800.00. The Board never had that amount of money available from loan repayments. The financial report for July 1, 2007 through June 30, 2008 was reviewed. The beginning balance in the Medical Student Loan Fund was \$1,101,008.40 which included loan repayments and the non-lapsing appropriation transferred into that fund when the scholarship program was repealed. Loan repayments received in 2007-2008 included \$5,276.24 collected through the Arizona Attorney General's Office, \$2,400.00 from a physician in repayment through the Board, and \$60,797.96 from one Midwestern student who decided in his graduating year not to go into primary care and repaid principal and interest on his loan. He will owe liquidated damages at a later date if he does not fulfill his service commitment. Total receipts \$68,474.20.

The Board was provided with a detailed list of loans made to students attending the University of Arizona College of Medicine, Midwestern University's Arizona College of Osteopathic Medicine, and A. T. Still University's School of Osteopathic Medicine in Arizona. It was noted that 2007-2008 was the inaugural year for A. T. Still University's School of Osteopathic Medicine in Arizona. Total expenditures for student loans were \$1,998,226.00. All appropriated funds go to medical students and no funds are appropriated for administrative expenses; there is no provision in the statutes to provide operating expenses. The three universities provide support services at no charge to the Board and the Board serves with no compensation.

The State of Arizona transferred \$179,000.00 from the Medical Student Loan Fund in a move to reduce the state's deficit in FY 2008. The balance remaining in the Medical Student Loan Fund was \$492,256.60 which included \$4,924.60 in loan repayment funds and the remaining amount was from the non-lapsing appropriation which was transferred into that fund from the Medical Student Scholarship Fund. The \$179,000.00 transferred to the State was from loan repayments from three individuals. One physician repaid when his wife had triplets, adding to their already existing family; a hospital he contracted to work for out of state paid the loan off. A second physician, whose husband did not want to move back to Arizona, tried commuting from New Mexico and then moved to Tucson for a total service repayment of 20 months; she then paid back her remaining commitment including liquidated damages and moved back to New Mexico. The third was the student who repaid in 2007-2008. Generally, loans are being repaid in service rather than through loan repayment.

Payments made to students in 2007-2008 from the General Fund and Medical Student Loan Fund were detailed in the report. \$379,720.00 was expended on seven students who were originally scholarship recipients. The Scholarship program had the same service requirements as the loan program and was repealed after one year; all students now receive loans to be repaid in service in eligible service areas.

2008-2009 projections were discussed.

Loan amounts at tuition plus \$20,000 would be as follows:

AZ College of Osteopathic Medicine (Midwestern University):	\$63,304.00
School of Osteopathic Medicine in Arizona (A. T. Still University):	\$56,980.00
University of Arizona College of Medicine tuition varies with graduating year:	
UA: First Year Medical Student, Class of 2012:	\$38,508.00
UA: Second Year Medical Student, Class of 2011:	\$37,809.00
UA: Third Year Medical Student, Class of 2010:	\$37,562.00
UA: Fourth Year Medical Student, Class of 2009:	\$37,329.00

There are 29 students from the three colleges of medicine who have applied for renewal; one student from Midwestern University, Matthew Payne, did not reapply. Renewal applications from the students were provided to the Board for review in advance of the meeting as well as applications from ten new student applicants. Maggie Gumble reported that if continuing students were to be renewed at a loan amount of tuition plus \$20,000 living allowance, \$1,045,175.00 would be expended, leaving \$75,825.00 in the General Fund. Seven students who originally were on the scholarship program would be funded a total of \$391,411.00, leaving \$95,921.00. Six of those students plan to graduate in 2009 and one in 2010. Those funds have been tracked separately to insure that those seven students would be funded through graduation.

In 2007-2008 40 students in total were funded. Ten students graduated. Thirty students are continuing and 29 have applied for renewal. In 2009, 13 students are expected to graduate but that will not mean 13 openings because it includes 6 scholarship students whose funding will not be replaced. Thirteen are expected to graduate in 2010, including one previous scholarship student. Four students are expected to graduate in 2011.

Financial report July 1, 2008 – August 8, 2008 the Board has collected \$200.00 in loan repayment and \$616.27 from the Attorney General's reversion. The latter represents collection costs originally retained and the excess has been returned to the Board. A total of \$816.27 has been received.

The living allowance designated in A.R.S. § 15-1723 was discussed. The statute provides for an inflationary factor to be applied to the \$20,000.00 living allowance established in 2006-2007. Maggie Gumble explained that the minimum loan amount is the amount of tuition and the Board can include in the loan amount a living allowance up to the maximum established by the statutes. Including the inflationary factor, that amount would be \$20,951.00 for 2008-2009 according to the analysis completed by Norman Selover, Chief Economist, AZ Governor's Office of Strategic Planning and Budgeting.

After considerable discussion, Dr. Kosinski moved to fund all students who applied for renewal the amount of tuition and a living allowance of \$20,000.00. The motion was seconded by Dr. Krishna and unanimously approved:

Abbott, Brandon	\$ 56,980.00	Class of 2011
Acuna, Tomas	\$ 37,562.00	Class of 2010
Aguilar, Michelle	\$ 37,562.00	Class of 2010
Brimhall, Darrell	\$ 37,809.00	Class of 2011
Castro, Allison R	\$ 37,562.00	Class of 2010
Chu, Tam Thimai	\$ 63,304.00	Class of 2010
Dangerfield, Benjamin	\$ 63,304.00	Class of 2009
Hernandez, Juan Ramon	\$ 37,562.00	Class of 2010
Hines, Comfort	\$ 37,562.00	Class of 2010
Holley, Heather	\$ 63,304.00	Class of 2009
Holmgren, Jennifer	\$ 63,304.00	Class of 2009
Kushner, Michael	\$ 37,562.00	Class of 2010
Lee, Maurice	\$ 37,562.00	Class of 2010
Lo, Aileen	\$ 37,562.00	Class of 2010
Maiden, Anne L.	\$ 63,304.00	Class of 2009
Martin, Christina	\$ 63,304.00	Class of 2009
Martin, Rachel Lea	\$ 37,329.00	Class of 2009
Martinez, Juan Gabriel	\$ 63,304.00	Class of 2011
Matthew, Valerie	\$ 37,562.00	Class of 2010
Mercer, Laura T	\$ 37,329.00	Class of 2009
Mortensen, Michael	\$ 63,304.00	Class of 2009
Savala, Virginia A.	\$ 63,304.00	Class of 2009
Shuler, Linda	\$ 56,980.00	Class of 2011
Smithson, Bryan Sean	\$ 37,329.00	Class of 2009
Valichnac, Melinda	\$ 37,562.00	Class of 2010
Viteri-Giordano, Monica	\$ 63,304.00	Class of 2009
Willms, Jonathan	\$ 63,304.00	Class of 2010
Wolford, Mariposa	\$ 37,562.00	Class of 2010
Young, Lisa	\$ 63,304.00	Class of 2009

The Board reached a consensus that the strategic plan submitted with the budget requests for FY 2010 and FY2011 would reflect loan amounts of estimated tuition plus \$20,000 living allowance. The Board will review annually the amount of funding appropriated and applications from the students in determining actual loan amounts to be offered.

Ten applications for 2008-2009 have been submitted from students attending The University of Arizona College of Medicine (3 applications), Arizona College of Osteopathic Medicine at Midwestern University (2 applications), the School of Osteopathic Medicine in Arizona at A. T. Still University (5 applications). All student applicants will be interviewed for consideration by the Board at the next meeting. The following students have submitted applications:

University of Arizona College of Medicine:

Sommer Aldulaimi, Year 2, Class of 2011

Anne Bojorquez, Year 2, Class of 2011

Jacob Tuttle, Year 1, Class of 2012

Arizona College of Osteopathic Medicine, Midwestern University:

Michael Brady, Year 3, Class of 2010

Tyson Lahti, Year 1, Class of 2012

School of Osteopathic Medicine in Arizona, A. T. Still University:

Jesse Crane, Year 1, Class of 2012
Douglas M. Duy, Jr., Year 1, Class of 2012
Katherine Kononova, Year 1, Class of 2012
Kyle J. Sanniec, Year 1, Class of 2012
Toyo A. Trenou, Year 2, Class of 2011

PARTICIPANT REQUESTS AND UPDATES

University of Arizona College of Medicine graduates:

Jennifer Baumbach, M.D. requested approval for meeting her two-year service commitment at Maricopa Medical Center, 2601 E. Roosevelt Street, Phoenix, AZ 85008. This is an eligible service site on the list approved by the Board of Medical Student Loans for residents looking for positions for 2008 and made available to Dr. Baumbach; she had sought Board approval prior to signing the contract to provide Ob/Gyn services. Carol Galper, Chairperson of the Board, wrote her advising her to proceed with signing the contract to secure the position pending the next meeting of the Board. Dr. Krishna moved that this service location be approved; it was seconded by Dr. McWilliams and unanimously approved.

Julio Garcia, M.D. requested approval from the Board of the position as Medical Director, St. Elizabeth of Hungary Clinic, and assurance of the Board's approval of his full-time four-day work week. He had been approved by the Board to work at St. Elizabeth of Hungary Clinic, 140 W. Speedway #100, Tucson, AZ 85705 at the Board meeting of April 26, 2007. He submitted a Certification of Practice signed by the Executive Director, Nancy J. Johnson on February 8, 2008 with a start date of August 16, 2007, working full-time in Family Practice. He described a four-day work week with 12 hour days being average. Dr. Kosinski moved to approve his requests; it was seconded by Dr. Martin and unanimously approved.

Lora Grimes, M.D. wrote to indicate she is completing her service commitment on August 22, 2008 at El Rio Community Health Center, at the main clinic on Congress Street. El Rio Community Health Center, Main Clinic, 839 W. Congress Street, Tucson, AZ 85745 was one of two locations approved by the Board at a meeting on March 10, 2006 for her to work as a Family Practice physician to meet her two-year service commitment. Dr. Krishna moved to approve the completion of her service commitment pending confirmation from El Rio Community Health Center of her service there. Dr. Steingard seconded the motion and it was unanimously approved.

Valerie Miranda, M.D. wrote the Board on August 1, 2008 that she has been accepted to the Conroe Family Medicine Residency Program in Conroe, Texas. Currently she is waiting for a Physician in Training Permit from the Texas Medical Board to begin rotations. She and her family relocated to Texas temporarily to complete residency training and upon completion, they would return to their home in Arizona and she would begin working in an underserved community to fulfill her loan obligations. She submitted documentation signed by the Director of the residency program of her anticipated participation in the program. Dr. Krishna moved to approve the residency program; the motion was seconded by Dr. Kosinski and unanimously approved.

Julissa Ochoa-Buck, M.D. has contacted Maggie Gumble that she is retaking her clinical skills test on September 11, 2008 and then will take Step 3 to apply for her license. She had been offered a position at El Rio Community Health Center in Tucson but will not be able to work until January. The Board expects a letter from Dr. Ochoa-Buck for the next meeting.

Agnes Oviemhada, M.D. corresponded by email with Maggie Gumble and Carol Galper to determine if she could work as a hospitalist at an eligible hospital. She was finishing her residency in Internal Medicine in June 2008. She was given the approval as long as she worked in primary care in an eligible service area. She submitted a written request to the Board for approval as a hospitalist at Banner Good Samaritan

Medical Center, 1111 E. McDowell Rd., Phoenix, AZ 85006. The hospital is on the list of the approved service sites. After discussion, Dr. Krishna moved that her service as a hospitalist at this location be approved; Dr. Martin seconded the motion and it was unanimously approved.

Robert Truesdale, M.D. submitted a letter regarding his circumstances and requested the Board's consideration that his three years of practice at eligible service sites be accepted as completion of his three-year service commitment. He was approved by the Board at the meeting of April 26, 2007 to work with the Maricopa Integrated Health System, assigned to the Avondale Family Health Center, 950 E. Van Buren Street, Avondale, AZ 85323. He said that in approximately April 2008 the contract was renegotiated and an ambulatory department was established which decreased their department by 80%. The department chair and vice chair resigned and Dr. Truesdale said in his letter "I am unable to work where I do not feel appreciated or respected as a family physician." He resigned effective August 8, 2008. He will begin working at Queen Creek Primary Care on August 25, 2008, an address which does not qualify for service. He is requesting that the Board consider the last three years of practice at eligible service locations a completion of his commitment. Originally at the completion of his residency in 2005, he moved back from Pennsylvania to work with Dr. Lamb in Queen Creek. That position fell through and with Board approval, he entered a fellowship program offered at Maricopa Medical Center for family physicians to enhance their skills. Subsequently, he found out the program was not accredited. He said that even though he was considered a "fellow," he was also considered an attending physician in his department. He worked without supervision and was able to bill as an attending physician. During the two years of the fellowship and the last year he worked full-time at the following locations:

Avondale Health Center, 950 E. Van Buren Street, Avondale, AZ 85323. (623) 344-6800

Maricopa Medical Center, 2601 Roosevelt Street, Phoenix, AZ 85008. (602) 344-5426.

Phoenix Memorial Hospital, 1201 S. 7th Avenue, Phoenix, AZ 85007. (602) 344-6622 (now Maricopa Integrated Urgent Care Center, Phoenix Memorial Health Care Plaza at the same address).

Certification of Practice was submitted for these three locations for August 15, 2005 to August 8, 2008 signed by John Andazola, M.D. A letter of support was also submitted from Dr. Andazola, Chair, Department of Family and Community Medicine, Maricopa Integrated Health System, 2601 E. Roosevelt, Phoenix, AZ 85008.

After discussion, Dr. Krishna moved that a decision be deferred pending further information and documentation that billing was done as an attending physician for the two years of the fellowship, rather than as a fellow with billing done by another physician. Dr. Kosinski seconded the motion. Dr. Martin recused himself. The motion passed.

Diane Downing, M.D. requested that the Board approve the completion of her two-year service commitment. She worked for United Community Health Center at the following two locations: United Community Health Center, Presidio Pointe Clinic, 275 W. Continental Rd., Ste 141. Green Valley, AZ 85614 and United Community Health Center, 1260 S. Campbell Rd., Green Valley, AZ 85614. She began on July 24, 2006 and ended on July 25, 2008. She indicated that Dr. Rudolfo Jimenez, medical director of United Community Health Center will be completing a certification of practice and submitting it. Dr. McWilliams moved that the Board approve the completion of her two-year service commitment pending receipt of documentation; the motion was seconded by Dr. Kosinski and unanimously approved.

PARTICIPANT REQUESTS AND UPDATES

Arizona College of Osteopathic Medicine, Midwestern University graduates:

Christopher Dixon, D.O. Carol Dolan updated the Board on Dr. Dixon, who will complete his family medicine residency in 2009 and is looking for eligible service locations. He wanted to know about urgent care centers. Mrs. Dolan was told that the site needed to be located in an eligible service area. He also

asked about working as a civilian in a military facility. Those facilities are not underserved. She will give that information to Dr. Dixon.

John Kercheval, D.O. was approved for service at the Board meeting of October 5, 2007 at Sun Life Family Health Center, 865 N. Arizola Avenue, Casa Grande, AZ 85222 retroactive to July 10, 2007 when he started his position there as a family physician. Mrs. Dolan reported that after he began, he was deployed to Afghanistan with the Arizona National Guard. She wasn't sure of his deployment date but he returned in December 2007. His question was whether his time in Afghanistan counted toward service for the Arizona Medical Student Loan Program. After discussion, Dr. Krishna moved that a decision be tabled pending the receipt of legal advice from the Arizona Attorney General's Office. Dr. Steingard seconded the motion and it was approved.

Terrence Rousseau, D.O. is requesting Board approval for service at Payson Regional Medical Center, 807 S. Ponderosa, Payson, AZ 85541. Tanja James, Workforce Programs Specialist, Bureau of Health Systems Development, Arizona Department of Health Services, on June 20, 2008 confirmed that this address is located in Gila County and currently designated a federal Medically Underserved Area (#00114). Dr. Rousseau submitted documentation on August 11, 2008 indicating he was moving back from Michigan, still undergoing the credentialing process, and was hoping to start seeing patients by early September. Dr. Martin moved that this service site be approved for Dr. Rousseau's service; Dr. Krishna seconded the motion and it was unanimously approved.

Bridget Stiegler, D.O. is a third year resident who emailed Carol Dolan on July 23, 2008 that she had been offered the position of chief resident for next year and wanted to know if it would count toward her "payback" time or if she needed to apply to defer her payback until after the chief year. The question was referred to Carol Galper, Chairperson, Board of Medical Student Loans, who said that the chief resident year can be accepted as a deferment but not towards loan payback. Dr. Stiegler was advised to write a letter addressed to her for the Board and formally request a deferment. The letter had not been received by the time of the Board meeting. Dr. Krishna moved to table the request pending her letter. After discussion, he withdrew his motion. Dr. McWilliams moved to approve her request to take the fourth year as chief resident, pending documentation. Dr. Martin seconded the motion which passed unanimously. Maggie Gumble noted that in her emails, Dr. Stiegler spoke of her "being offered a permanent position as an attending at the medically underserved community outpatient clinic and as a teaching attending in the hospital downtown." Dr. Stiegler needs to submit a specific request to the Board with the name, complete address, zip code, and telephone number of the clinic and hospital and what she would be doing in order to have the locations evaluated and considered by the Board.

Edwin Wehling, D.O. was approved by the Board in the meeting of December 11, 2007 to practice general and vascular surgery in an eligible service area. He had signed a contract to practice at Navapache Regional Medical Center, 2200 E. Show Low Lake Road, Show Low, AZ 85901. He indicated the facility might be changing the name to Summit Health Care. It was on the list of eligible service sites for residents entering service in 2008. Carol Dolan indicated that Dr. Wehling had sent an email update and was starting practice today, August 15, 2008.

Approval of Site Lists:

Tanja James, Arizona Department of Health Services, prepared two documents for Board review: "Arizona Medical Student Loan Program 2008-2009 Eligible Service Site List – Primary Care" and "Arizona Medical Student Loan Program 2008-2009 Eligible Service Site List – Mental Health." They were prepared 8/11/08 based on data 7/31/08.

Dr. Krishna moved that the lists be approved as eligible service sites for participants seeking service locations in 2009 for the Arizona Medical Student Loan Program. Dr. Kosinski seconded the motion and it passed unanimously.

Dr. Krishna moved that the meeting be adjourned; Dr. Kosinski seconded the motion and the meeting adjourned at 10:55 a.m.

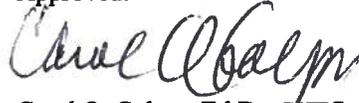
Minutes available for review August 17, 2008.

Respectfully Submitted,



Maggie Gumble
Executive Director
Board of Medical Student Loans

Approved:



Carol Q. Galper, Ed.D., CHES
Chairperson
Board of Medical Student Loans