Board of Medical Student Loans
Meeting December 8, 2006

The Board of Medical Student Loans held an open public meeting on December 8, 2006 at The University of Arizona College of Medicine, 1501 N. Campbell Avenue, Room 2125, Tucson, AZ 85724. Tim B. Hunter, M.D., Chairperson of the Board, called the meeting to order at 1:35 pm. Board members present were Carol Galper, Ed.D., Lane P. Johnson, M.D., M.P.H., Tom McWilliams, D.O., Paul Steingard, D.O., and Patricia Tarango. Ram R. Krishna, M.D. and Lyn McKay were unable to attend. In attendance were Maggie Gumble, Associate Director, Yolanda Carrasco, Senior Program Coordinator, and Doshia Davis, Senior Office Specialist, of The University of Arizona College of Medicine Financial Aid Office; Tanja James, Workforce Programs Specialist II and Fabian Valle, Workforce Program Manager, of the Arizona Department of Health Services; Carol Dolan, Director, and Margarita Frenette, Financial Aid Administrator, Office of Student Financial Services, Midwestern University.

The minutes of the meeting of August 18, 2006 had been distributed to the Board for review. Paul Steingard moved that the minutes be approved; the motion was seconded by Tom McWilliams, and it was unanimously approved.

Maggie Gumble reviewed the financial report for the Medical Student Loan Fund for 2005-2006. Beginning balance was $25,701.01. The State Appropriation from the Arizona Medical Board Fund was $283,400.00. Daniel J. Sabol, D.O. repaid his loan in full with principal, interest, and liquidated damages, totaling $148,962.00. Lourdes Vizcarra, M.D. completed payment in full in the amount of $64,185.26. Total repayments, including $544.05 from O. Dianna Bell, making payments through the Arizona Attorney General's Office, were $213,691.31. No funds have been received from the following who were referred to the Arizona Attorney General's Office: Patrick Arambula, M.D., David Damstra, M.D. (serving in the military and federal law does not allow pursuit of payment during military service), and Juanita Padilla, M.D. The Board has given Rey Palop, M.D. until March 2007 to resume repayment. Nine students were awarded loans totaling $292,656.00. The Medical Student Loan Fund began July 1, 2006 with $230,136.32. The process to transfer the reversion of $35.32 received from the Arizona Attorney General's Office was completed in July 2006. No other repayments have been received to date. The Medical Student Scholarship Fund, which was established last year, had a July 1, 2006 beginning balance of $1,176,852.00 remaining from the non-lapsing appropriation of $1,500,000.00 from the General Fund which funded 7 scholarship students in 2005-2006. The Scholarship Program was repealed, and the funds were transferred into the Medical Student Loan Fund in accordance with House Bill 2873, and will be used for those students who signed scholarship contracts in 2005-2006. The scholarship students are continuing in school and have been approved for loan funding for 2006-2007; they received the first part of their loans from the Medical Student Loan Fund. Those students are: Heather Holley, Jennifer Holmgren, Anne L. Maiden, Rachel Lea Martin, Valerie Matthew, Virginia A. Savala, and Monica Viteri-Giordano. The Medical Student Loan Fund appropriation was $309,800.00 for the current year. Loans paid to date from this fund total $133,966.00, leaving a balance of $175,834.00. The 3 continuing students who were on loan contracts in 2005-2006 have so far been funded a total of $76,801.00 from the State Appropriation of $1,500,000.00 for 2006-2007. The other 6 students who received loans in 2005-2006 graduated. The balance from the General Fund Appropriation is $1,423,199.00. There are 22 applications submitted for Board consideration, with 9 from The University of Arizona and 13 from Midwestern University's Arizona College of Osteopathic Medicine. Sufficient funding is available to fund all the students currently applying for 2006-2007 at the loan amounts established for 2006-2007.

The Board of Medical Student Loans was appropriated $1,809,800.00 for 2006-2007 with $1,500,000.00 from the General Fund (which is a lapsing appropriation), and $309,800.00 from the Medical Student Loan Fund. H.B. 2863 (appropriations) published the "Percent of physicians meeting the service requirement: 93%". This represents physicians who signed contracts under the new provisions which became effective in 1993. The figure used to be 100% but a couple of physicians entering repayment status results in a significant decline in percentage (i.e. Rey Palop, M.D., Juanita Padilla, M.D.). The Customer Satisfaction Ratio (Scale 1-8) is 7.5 from the survey completed 2 years ago. The Board did not want to do an annual survey on the small number of participants.

Charts were reviewed which were prepared in conjunction with the analyst for the Joint Legislative Budget

Committee (JLBC). FY 2007 Awards Estimated shows that there are 10 Loan and Scholarship recipients being renewed for 2006-2007. The maximum loan for University of Arizona students is $35,786 (public medical school tuition plus $20,000 living allowance) and for Midwestern University students attending the Arizona College of Osteopathic Medicine (AZCOM), $58,908 (private medical school tuition plus $20,000 living allowance). The estimated total expenditures $1,809,644.00. The maximum loan amount is set under a formula in the Arizona Revised Statutes. These amounts were approved by the Board for funding for 2006-2007.

The Board was provided with a copy of the letter which was submitted to the Governor with the Budget Requests for FY 2008 and FY 2009. Copies of the Transmittal Statement and the Budget Justification were also provided. The request from the General Fund was to continue the $1,500,000 appropriation. The amounts per student for FY 2008 were estimated at $37,965 for UA students and $62,155 for AZCOM students. The amounts were based on estimated tuition increases from both medical schools and a 3% increase in the living allowance based on the inflationary factor allowed in the formula under the statutes. FY 2009 estimated $40,320 and $65,598 respectively. Using those figures, a plan to fund the 2005-2006 scholarship recipients out of the funds transferred from the Medical Student Scholarship Fund was detailed. Funding at these levels is estimated to be $1,527,462 which utilizes the entire $1,500,000 appropriation and leaves the student on the five-year plan short of appropriated funds from that source. Since monies in the Medical Student Loan Fund carry forward but need to be appropriated, an increase in the appropriation was requested for FY 2008 and FY 2009. An additional 76.9 ($76,900) was requested for FY 2008 and 98.8 ($98,800) for FY 2009. The JLBC staff did not believe it was necessary to appropriate the funds from the Medical Student Scholarship Fund again, and the Governor's Office of Strategic Planning and Budgeting (OSPB) recommended doing so to be safe. A telephone conference call was held which included representatives from both offices and Maggie Gumble, as well as supervisors from the General Accounting Office Appropriations staff. The conclusion was that it was clear that the legislature wanted those funds used for those students awarded scholarships in 2005-2006; while it did not appear to be necessary to request additional funding approval, the case could be made before the legislature so that it is clear that those funds have been appropriated for those students.

The Board was provided a copy of the Agency Summary submitted with the Budget Requests for FY 2008 and FY 2009. We were required to add measures for the Scholarship Program, but the software is designed not to allow deletions or changes from measures submitted in the previous year. A short version gives the Performance Measures and comments for the published version, which are selected by OSPB. A copy of a letter to OSPB was provided, recommending that the Performance Measures for Goal #1 be simplified, to reflect a combination of both the Loan and the Scholarship Program.

Twenty-two applications were submitted for 2006-2007 with 9 from students from The University of Arizona College of Medicine and 13 from Midwestern University's Arizona College of Osteopathic Medicine. Each student had been interviewed by three people from their respective schools; Tanja James and Fabian Valle, from the Arizona Department of Health Services, interviewed all candidates from both schools.

Some students requested approval of specific specialties written into their contract, which the Board is allowed to do under changes in the Arizona Revised Statutes effective September 21, 2006. Maggie Gumble had been contact with Rex Nowlan, Arizona Attorney General's Office, who recommended an additional sentence be added into their contract, something like: "In addition to the specialties listed above, the Board has specifically authorized Student in writing to pursue and complete a residency in _____."

Discussion was held on each student's application and accompanying letters from **Tomas Acuna, Juan Hernandez, Bryan Sean Smithson, and Melinda Valichnac.**

Carol Galper moved to accept **Tomas Acuna's** application and approve him for residency and service in Emergency Medicine; the motion was seconded by Paul Steingard and unanimously approved. A sentence will be added into his contract approving Emergency Medicine. It was asked if the Board had to specify that the residency could be 3 to 5 years, and the consensus was that it was a given that if the specialty were approved, that the length of that specialty training was approved.

Carol Galper moved to accept **Claudia Chavez's** application and approve her for Psychiatry residency and service; the motion was seconded by Paul Steingard and unanimously approved. A sentence will be added into her contract approving Psychiatry. She had requested approval for a combined residency in Family Practice and Psychiatry. Family Practice is already part of the standard contract.

Lane Johnson moved to accept **Juan Hernandez** for Emergency Medicine or Surgery, but not Orthopedic Surgery; the motion was seconded by Tom McWilliams and unanimously approved. A sentence will be added into his contract approving Emergency Medicine or Surgery.

Lane Johnson moved to accept **Comfort Hines'** application for participation; the motion was seconded by Carol Galper and unanimously approved.

Nicholas Holtan's application was discussed and concern expressed because he did not have much experience with the underserved population. The Board wants him to demonstrate a commitment to the underserved. He will be participating in the Rural Health Profession Program in summer 2007. After discussion, Carol Galper moved that he be encouraged to apply next year; the motion was seconded by Tom McWilliams and unanimously approved.

Carol Galper moved that **Maurice Lee** be approved for participation. The motion was seconded by Lane Johnson and unanimously approved.

Lane Johnson moved that **Aileen Lo** be approved for participation. The motion was seconded by Carol Galper and unanimously approved.

Lane Johnson moved that **Bryan Sean Smithson** be approved for participation and that Navajo County be specified in his contract as an eligible service area; the motion was seconded by Tom McWilliams and unanimously approved.

Paul Steingard moved that **Melinda Valichnac** be approved for participation and that Navajo County be specified in her contract as an eligible service area; the motion was seconded by Carol Galper and unanimously approved.

The Board took a break at 2:40 pm and Lane Johnson had to leave for another meeting. Five Board members remained in attendance.

After discussion, Tom McWilliams moved that **Carly Anderson** apply next year; the motion was seconded by Carol Galper and unanimously approved.

Carol Galper moved that **Bradley Benson** be approved for participation; the motion was seconded by Tom McWilliams. Paul Steingard abstained. The motion passed.

Carol Galper moved that **Joaquin Bermudez** be approved for participation; the motion was seconded by Tom McWilliams and unanimously approved.

Carol Galper moved that **Tam Chu** be approved for participation; the motion was seconded by Paul Steingard and unanimously approved.

Paul Steingard moved that **Paul Dommer** be approved for participation; the motion was seconded by Tom McWilliams and unanimously approved.

After discussion, Paul Steingard moved that **Ryan Johnson's** application be put on hold until all candidates had been reviewed. Tom McWilliams seconded the motion and it unanimously approved.

Tom McWilliams moved that **Aaron Knudson** be approved for participation; the motion was seconded by Carol Galper and unanimously approved.

Paul Steingard moved that **Michael Mortensen** be approved for participation; the motion was seconded by Carol Galper and unanimously approved.

Paul Steingard moved that **MariLynn Mulheron** be approved for participation; the motion was seconded by Tom McWilliams. Carol Galper abstained. The motion passed.

Carol Galper moved that **Matthew Payne** be approved for participation; the motion was seconded by Paul Steingard and unanimously approved.

After discussion, Carol Galper moved that **Courtney Port** be encouraged to reapply next year; the motion was seconded by Tom McWilliams and unanimously approved.

Carol Galper moved that **Scott Salmon** be approved for participation; the motion was seconded by Tom McWilliams and unanimously approved.

Carol Galper moved that **Lisa Young** be approved for participation; the motion was seconded by Tom McWilliams and unanimously approved.

Carol Galper moved that **Ryan Johnson** be encouraged to reapply next year; the motion was seconded by Tom McWilliams and unanimously approved. He should gain more experience working with the underserved population.

Katharine Gee, M.D. submitted a letter to the Board dated May 1, 2006 requesting two alternative proposals to meet her commitment: "That I may fulfill my commitment as a general surgeon serving in a medically underserved site approved by the Board upon completion of my residency training, or, that I might be allowed to repay my loans plus 7% interest plus the liquidated damages following completion of my residency training with the five year General Surgery program at the University of Kansas-Wichita, to be completed June 2011." At the Board meeting of July 21, 2006, Chris Leadem, Lane Johnson, and Tim Hunter supported her request to provide service as a surgeon, but the Board was unable to take positive action until the statutes changed on September 21, 2006 and her request was therefore tabled. Upon review, Paul Steingard moved to accept her proposal to serve in an eligible area as a surgeon. Carol Galper seconded the motion and it was unanimously approved.

J. Brock Amon, M.D. is serving at the San Luis Walk-in Clinic, 1896 E. Babbit Lane, San Luis, AZ 85349 as approved by the Board. His start date was August 1, 2005. He was approved for full-time equivalency which is 4000 hours at the clinic where he works part time as an Ob/Gyn. He self-certified the form reporting his hours. The Board indicated that he must submit certification from the San Luis Walk-in Clinic as to the number of hours worked, as specified in the Board meeting of August 5, 2005.

Requests for approval of service completion and documentation submitted were reviewed by the Board:

Robert D. Babyar, M.D. had a 4-year service commitment and was approved for service as a Family Practice physician at Sun Life Family Health Center, 865 N. Arizola Rd, Casa Grande, AZ 85222. He began his service on August 1, 2001 and remains employed at the clinic. His documentation was signed by the Interim CEO of the clinic.

Richard P. Benedict, M.D. was approved for service at 5300 S. Highway 95, Suite K, Ft. Mohave, AZ 86426 and opened that office on August 20, 2002. He had a 4-year service commitment. He practices Ob/Gyn as a solo practitioner. He submitted the self-certification document sent to him. Maggie Gumble has also been in touch with his office by telephone during the years of his service.

Alan N. DeWitt, M.D. was approved for service as a Family Practice physician at Snowflake Medical Center, 590 S. Main Street, Snowflake, AZ 85937-5228. He had a 4-year service commitment and established his practice on July 15, 2002. He self-certified the documentation and continues in practice at that location. Dr. DeWitt was a preceptor for the Rural Health Professions Program and recommended the program to Sean Smithson, who was approved for participation at the meeting today.

Laura E. Harrington, M.D., MS submitted documentation that she completed her service commitment at 1331 N. 7th Street, Phoenix, AZ 85006, where she has been practicing psychiatry since January 2004 in an area designated as underserved and approved by the Board. Previously Dr. Harrington had received Board approval and practiced psychiatry at 926 E. McDowell Rd., Suite 123, Phoenix, AZ 85006 where she practiced from January 2002 to June 2003. The office was located in the South/Central Phoenix Health Profession Shortage Area (HPSA) and Arizona Medically Underserved Area (AzMUA). The newer approved location was also located in the same HPSA and AzMUA and was also a federally-designated Medically Underserved Area (MUA). She had a three-year service commitment. Maggie Gumble has talked with Dr. Harrington's staff in the last few years, including Susie George August 23, 2006, and Annette Mason, Office Manager, who submitted verification of Dr. Harrington's practice December 3, 2004 at the current location. In total, Dr. Harrington has practiced in approved locations in excess of the three year commitment.

Sarah Hulsey, M.D. had a 4-year service commitment and was approved for service as a Family Practice physician at Sun Life Family Health Center, 865 N. Arizola Rd, Casa Grande, AZ 85222. She began her practice on August 13, 2001 and remains employed at the clinic (over 5 years). She self-certified the form, has submitted previous documentation signed by the clinic, and Maggie Gumble has confirmed her practice at that location by telephone.

Veronica Pimienta, M.D. had a 4-year service commitment and had been approved by the Board initially at Mariposa Community Health Clinic in Nogales, AZ where she began July 2, 2002. The Board approved her change to Kino Community Hospital (now University Physicians Healthcare Adult Outpatient Clinic and Hospital at Kino Campus) where she began on January 5, 2004. She continues to practice Internal Medicine at that location as certified by the Department of Medicine Human Resources on September 28, 2006.

Troy M. Tompkins, M.D. had a 4-year service commitment and had been approved by the Board for service as a Family Practice physician at the Carondolet Medical Group next door to Holy Cross Hospital in Nogales, AZ. He began at Carondolet Medical Group, 1209 W. Target Range Rd, Nogales, AZ 85621-2466 on August 7, 2001 and worked there until July 2006 (5 years) at which time he transferred to Tucson. He self-certified the form. Maggie has previous documentation signed by the clinic and has been in touch with staff by telephone at both locations in the process of confirming his practice.

Tom McWilliams moved for approval of completion of service for **Robert D. Babyar, M.D., Richard P. Benedict, M.D., Alan N. DeWitt, M.D., Laura E. Harrington, M.D., Sarah Hulsey, M.D. , Veronica Pimienta, M.D., and Troy M. Tompkins, M.D.**; the motion was seconded by Paul Steingard and unanimously approved.

Maggie Gumble reviewed materials on designation of eligible sites: Arizona Revised Statutes, Article 7, Medical Student Loans, 15-1721 Definitions: "Medically underserved area" means an area of this state designated by the department of health services pursuant to title 36, chapter 24, article 1, or by federal law. "Medically underserved population" means an area designated by the United States department of health and human services." At question is whether a "Facility Designation" qualifies for the Arizona Medical Student Loan Program as a service site. Because that has not been clear, to date facilities with that designation have not been utilized, such as the El Rio Northwest Clinic, 330 W. Prince Rd, Tucson, AZ 85705. If "Facility Designations" are not qualified, the Board might want to request an amendment to the statutes to allow them. Prisons, detention facilities, and state mental hospitals are other facilities typically with HPSA facility designations. A.R.S. Title 36, chapter 24, article 1 (36-2352 Designation of medically-underserved areas) says in part: "The department shall designate areas of medical need in this state as medically-underserved if either:
1. The area is designated as a health professional shortage area as defined in 42 Code of Federal Regulations part 5.
2. The area is designated as medically underserved by the department of health services by using an index that measures the following indicators..."

Maggie included in materials for Board review the list of Arizona Provider Eligible Service Sites approved by the Board on August 18, 2006 for the use of participants entering service in 2007. The two corrections noted have been made: El Rio Pascua Yaqui Clinic has been marked as eligible for the Arizona Medical Student Loan Program

(AMSLP) since it is on an Indian reservation. Sunset Community Health Center, 2060 W. 24th Street, Yuma, AZ 85364 was removed as an eligible site.

A list of Arizona Medical Student Loan Program Eligible Hospitals was provided with designations detailed as Arizona Medically Underserved Areas (AzMUA), Federal Medically Underserved Areas (FEDMUA), Federal Medically Underserved Populations (FEDMUP), Primary Care HPSA (PC HPSA), and Mental Health HPSA (MH HPSA).

Maggie sent out a survey of openings to sites on the Eligible Service Sites and Eligible Hospitals list at the end of November and is beginning to get back responses. So far, there have been 15 openings identified for Family Practice physicians, 10 Pediatrics, 8 Ob/Gyn, 12 Internal Medicine, 3 Emergency Medicine, 1 Surgery, 3 Psychiatry, and others including Orthopedics, Gastroenterology, and Cardiology.

Tanja James provided the Board with maps as a visual view of AZMUAs, federal MUA and MUPs, and Mental Health HPSAs. It was noted that MUA and MUP designations do not go through a review cycle like the HPSAs do every three years. Greenlee, Graham, and Cochise County designation as Mental Health HPSAs are pending. AMSLP Behavioral Health Eligible Service Sites list was provided, with columns noting if they were designated as MH HPSA, MUA, MUP, or AZ MUA. General information on the designation process of Health Professional Shortage Areas and Mental Health Professional Shortage Areas was provided by the Arizona Department of Health Services.

Paul Steingard urged that the next time the statutes are revised for the Board of Medical Student Loans that authorization for operating expenses be included. The program is growing and taking much more time to administer. He and Tim Hunter noted the amount of time put in by Maggie Gumble beyond normal working hours and said she should be given a stipend. She is actually serving as Executive Director for the Board. Maggie noted she gets paid by The University of Arizona College of Medicine on salary, although she did confirm that she puts in a lot of extra hours. Tim Hunter noted that Board members and schools pay their own transportation expenses to attend Board meetings. Board members usually receive compensation, but that is not true for the Board of Medical Student Loans because funds are not available for this purpose. Maggie noted that there is a provision in the Arizona Revised Statutes for compensation for Board members, but there is not authorization in the Statutes to utilize appropriations for anything other than to provide loans to students.

Paul Steingard recommended that Ross Kosinski be invited to the Board meetings since he is an interviewer for all the candidates attending the Arizona College of Osteopathic Medicine at Midwestern University. Tom McWilliams asked that Beth Poppre, Director of Student Affairs, A.T. Still University, be included. She serves in a similar capacity to Carol Dolan at Midwestern.

The meeting was adjourned at 4:00 pm.

Minutes available for review December 13, 2006.

Respectfully Submitted,

Maggie Gumble

Maggie Gumble, Associate Director
University of Arizona College of Medicine
Financial Aid Office

Approved:

Tim B. Hunter, M.D.
Chairperson
Board of Medical Student Loans