

**ARIZONA MEDICAL STUDENT LOAN PROGRAM  
BOARD MEETING  
May 18, 2001**

The Board of Medical Student Loans held an open public meeting on May 18, 2001 at the University of Arizona College of Medicine, Administrative Conference Room 2216, 1501 N. Campbell, Tucson, AZ 85724. Diane Brennan called the meeting to order at 2:10 p.m. Also in attendance were Board members Nick Hagen, M.D., Doug Hirano, Tim Hunter, M.D., Lane Johnson, M.D., MPH, Ram Krishna, M.D., Christopher Leadem, Ph.D., and Paul Steingard, D.O. Present at the meeting: Carol Dolan, Director, Student Financial Services, Midwestern University; Maggie Gumble, Program Coordinator, College of Medicine Financial Aid Office; Tom McWilliams, D.O., Associate Dean of Student Affairs, AZ College of Osteopathic Medicine, Midwestern University.

The minutes of the December 8, 2000 Board meeting had been previously sent to the Board members for review. Nick Hagen moved to accept the minutes and Ram Krishna seconded it. It was unanimously approved.

Maggie Gumble reviewed the financial report from July 1, 2000 to May 11, 2001. The beginning balance was \$85,208.81. The appropriation from the General Fund is \$322,100.00. Loan repayments received total \$6,913.14. This amount represents payments from two individuals and the amount received for collection through the Arizona Attorney General's Office from the third individual (Rosemarie Ibanez, M.D., J.D.). The Attorney General collects \$300.00 per month and sends the Board \$195.00 per month. The rest is kept as a service charge and at the end of the year there is also sometimes a reversion amount sent to the Board. Total receipts: \$329,013.14. Fourteen students have been funded at \$21,250.00 per person. Expenditures total \$297,500.00. The balance is \$116,721.95. The expenditures have been made out of the General Fund appropriation; the appropriation from the Medical Student Loan Fund is \$20,300.00. If the Board fills the remaining two openings from candidates to be considered at this meeting, all except \$2,400.00 appropriated will be spent. When the Board submitted the budget request for these past two years, a higher tuition increase was anticipated; this accounts for the \$2,400.00 remainder.

The appropriations for 2001-2002 total \$350,400 with \$285,500 from the General Fund and \$64,900 from the Medical Student Loan Fund. At the time of the budget request, \$64,900 was available. The appropriations for 2002-2003 total \$361,500 with \$353,600 from the General Fund and \$7,900 from the Medical Student Loan Fund.

Reimbursement from the Arizona College of Osteopathic Medicine (AZCOM) was discussed. Maggie Gumble reminded the Board that the statutes state that private schools of medicine shall reimburse the University of Arizona for administrative costs related to the processing of loans for students at the private schools. In the initial Board meeting it was discussed that we would set up parallel programs at Midwestern University (Arizona College of Osteopathic Medicine) and the University of Arizona's College of Medicine and then review the reimbursement issue.

The first year of the joint program involved the development of parallel applications, a revised contract approved by the Arizona Attorney General's Office, training of AZCOM personnel, creation of the evaluation and scoring instrument required by the Arizona Auditor General's Office, coordinating of accounts to be used by both AZCOM and UA, setting up of files, extra time to determine Board dates with 3 additional people, and additional Board meeting materials. We found that we could not entirely set up parallel programs because Arizona's General Accounting Office can only handle one address. Even though Carol Dolan, Director, Student Financial Services, Midwestern University, completes the claim forms and sends them to the State, the

checks are sent to the UA College of Medicine office. Maggie realized that she would have to keep files on the AZCOM students to be able to refer to for reconciliation and other central tasks such as the strategic plan and annual report. In other aspects, Carol does the same tasks Maggie handles, such as advertising the program, counseling students, collecting applications, setting up interviews, and processing payments to students. Carol sends materials to Maggie for inclusion in the Board meeting materials. The UA Residency Office with Maggie's coordination handles residency issues, but Carol collects the materials needed from the students. Midwestern's Student Financial Services' office is responsible for the official files on the AZCOM students.

It was a time-intensive year which, in addition to the above, included the audit, sunset review, and writing and reviewing changes to the legislation. The auditors were given 1000 hours to audit the program and were comprehensive. The legislative changes took a lot of time. Maggie went back and forth to Phoenix six times in January, February, and March 2001 for the appropriation hearing, and the hearings and a meeting on the new legislation. Chris Leadem noted that it is estimated that generally Maggie spends 25% of her time on the Arizona Medical Student Loan Program. Maggie estimated that overall, since October 1999, she spent about 50% of her time on the program. Much of that was unreimbursed overtime. Chris Leadem pointed out that Maggie Gumble and Sherri McClellan's primary responsibility is financial aid for the College of Medicine students of which the Arizona Medical Student Loan Program is only a small part. Senate Bill 1109 continues the program for ten years, so last year's workload should not repeat itself for quite a number of years. However, it is difficult to anticipate other requirements the state might make in the future. It was discussed that the program might be better handled by a state agency (i.e. Arizona Department of Health Services). The program is dependent upon the expertise and records of ADHS in assisting the participants to find approved placement sites. There is value, however, in the schools' involvement with the students in the program.

After the initial start-up costs, it is estimated that the time to coordinate with AZCOM and to process loans will be relatively minimal. Maggie Gumble had prepared a rough draft of the tasks done by each school, but had not yet had the benefit of Carol Dolan or Sherri McClellan's review. The final version will be presented at the next Board meeting. The Board reviewed and discussed the draft. Carol Dolan estimates that she spends 25% of her time on the program, similar to Maggie's time in routine years. After discussion, Tim Hunter moved that \$500 per year be paid by the Arizona College of Osteopathic Medicine to the University of Arizona, with the amount to be reviewed and adjusted annually. Ram Krishna seconded the motion. Paul Steingard and Chris Leadem abstained. Diane Brennan, Nick Hagen, Tim Hunter, Lane Johnson and Ram Krishna voted in favor and the motion passed. Nick Hagen recommended that Midwestern and University of Arizona keep track of time spent on the program.

Letters were presented to the Board from Ruth Franks and Jennifer Linehan who had been approved by the Board for 2000-2001 and then withdrew their applications, creating two openings. **Ruth Franks** wants to practice in Lake Havasu, which is currently not an approved site for service. **Jennifer Linehan** decided she wasn't prepared to make a commitment to primary care.

**Colleen Huber** requested a one-year leave of absence from the Arizona Medical Student Loan Program. She is taking a year off from AZCOM to be home with her newborn child. She wants to reapply for the Arizona Medical Student Loan when she returns in 2002-2003. Nick Hagen pointed out that there is no provision in the statutes for a leave of absence. The Board agreed that she would be welcome to reapply when she returns to school. Generally there are openings every year from students who graduate. Colleen was funded for one quarter in 1999-2000 and the full year of 2000-2001. She has a two-year service commitment. Carol Dolan will draft a letter and e-mail it to Maggie Gumble to be prepared for Diane Brennan's signature.

**Celia Perez** wrote the Board that she would not be reapplying for her fourth year of study at the University of Arizona College of Medicine. She said "Please be assured that I remain very much

committed to working with an underserved population as a primary care physician." She is limiting her commitment to three years.

The Board considered the following two applications submitted for 2000-2001:

**Lora Grimes'** application had been submitted to the Board for review along with evaluations from John Payne, Chris Leadem, and Maggie Gumble. Lora graduates in May 2002, having split her 4<sup>th</sup> year into two years since she had a baby this year. Maggie reported that Lora was born in Philadelphia and moved to Prescott, AZ her senior year of high school. She loved Prescott and stayed in Arizona to attend Arizona State University and the University of Arizona College of Medicine. She has lived in Tucson 12 years. She wants to do her residency in Tucson and live here. She is concerned about her parents' declining health and wants to do her service in the Tucson or Phoenix area to be near hospitals and doctors in these areas. Her sister passed away last Spring of leukemia and Lora is the only living child. She and her husband have a new baby. Her husband works three-quarters time and attends school. Their financial situation, already very difficult, is critical now that they have the expenses of a child. The Arizona Medical Student Loan Program will help her complete the College of Medicine. Lane Johnson said that he knows Lora very well and she is unquestionably dedicated to family practice and the underserved population. He gives her his highest recommendation. Chris Leadem confirmed that academically Lora is doing fine. In answer to the Board's questions regarding the feasibility of sites in Tucson and Phoenix, Doug Hirano named several in both locations that qualify. Chris also noted that Lora is flexible and would move to Phoenix if necessary. Nick Hagen moved that Lora Grimes' application be approved. It was seconded by Ram Krishna and unanimously approved.

**Diane Downing** applied for 2000-2001. She is currently a third year student. Maggie said she doesn't know Diane well but was impressed by her. Diane grew up in Findlay, Ohio, a town of about 50,000 people. It was a corporate town and not diverse. She described her family as middle class and not upper middle class. Her father was an engineer and there were 5 children in her family. She described a well-adjusted close-knit family. She and her husband both grew up in Findlay, attended high school together, and married. Her husband joined the Air Force and they moved to Tucson. After the Air Force, they continued to live in Tucson and they have three children, ages 16, 10 and 8 years old. They have been married 21 years and have lived in the same house all those years. They would like to live in a small town in Arizona when she establishes her practice. She will have 2 children still at home when she begins practice and does want to be in a good school system. She discussed rural school systems with John Payne. Diane wants to be a pediatrician and opportunities for pediatricians were also discussed. Diane is interested in a two-year Pediatric Integrative Medicine fellowship after residency and the Board discussed her request. The Board has not been approving fellowships and Chris noted that in the past, physicians who entered fellowships tended to specialize. He did not get the sense from Diane that she was trying to specialize, but to broaden her knowledge of clinical techniques. The Board did not want to have her expect to do a fellowship. Lane Johnson moved to approve Diane Downing's application, not making a commitment to any kind of fellowship. Tim Hunter seconded the motion and it passed unanimously. Maggie Gumble indicated that she had Diane write the letter regarding the fellowship so that Diane would know up front when she made her decision whether the Board would consider the fellowship favorably.

Applications for renewal were submitted by the following participants: **Jennifer Baumbach, Kirstin Grahn, John Kercheval, Valerie Miranda, Julissa Ochoa-Buck, Terence Rousseau, and Daniel Sabol.** Discussion included John Kercheval's academic problem with neuroscience, which he intends to retake at another medical school prior to beginning 3<sup>rd</sup> year. Tom McWilliams said that John's wife had two surgeries this year and John was also spending a significant amount of time working as a P.A. They have discussed the situation. Tom McWilliams does not expect that John would have other academic problems and expects him to excel in clinical work. He had no reservations recommending him for renewal. Valerie Miranda's statement regarding her research was discussed. Chris indicated that the UA College of Medicine encourages students to have experience in research and has recently established a Distinction in Research

Track. The Board decided that Chris Leadem would talk with Valerie about the Board's concerns. Tim Hunter moved that the Board approve all the applications for renewal. Ram Krishna seconded the motion and it was unanimously approved.

It was noted that Diane Downing also applied for 2001-2002 and had just been approved for 2000-2001. Dr. Steingard moved that **Diane Downing** be approved for 2001-2002 as well; Nick Hagen seconded the motion and it was unanimously approved.

Senate Bill 1109 was signed by the Governor on April 3, 2001 and a copy of the final bill was provided to the Board. It becomes effective in 90 days but there was a question as to whether this is 90 days after signature or 90 days after the end of the session. Maggie Gumble will call the Secretary of State's Office.

The bill includes the addition of federally-designated medically underserved areas and medically underserved populations. It also specifies that all Indian Reservations qualify. The federal policy changed last year to require that Indian Reservations apply for designation and sites that qualified in July no longer qualified in August. Therefore, the provision to add them as approved sites was added to the bill.

Doug Hirano presented an updated map (May 2001) that shows areas that currently meet one or more of the eligible designations once the bill goes into effect. He noted that Mohave County moves in and out of approved status.

SB1109 contains a provision that the Board may write into a student's contract to permit a student to seek employment in a specified eligible area; once an area is specified, it is designated in subsequent contracts as an approved area and as an approved service location. This protects the student's interest in returning to serve in an area that was medically underserved when s/he entered the program.

SB1109 contains a grandfather clause that provides that service locations approved by the Board before July 1, 2000 are approved until the program participants fulfill the conditions of their contracts. It adds combined medicine/pediatrics to the list of approved practices; it limits the required tracking of recipients to 10 years after completion of the service commitment; it provides loans for a period of up to 5 years. Maggie Gumble noted that one current participant will be able to apply for her 5<sup>th</sup> year after the bill goes into effect.

The Auditor General's report on implementation of the recommendations was reviewed. SB1109 will implement the remainder of the recommendations. The Auditors received a copy of the 3<sup>rd</sup> version of the interviewing and scoring form currently being used.

The Arizona Department of Health Services provided the program a list in February 2001 of sliding fee scale clinics located in Arizona Medically Underserved Areas (AZMUAs). Doug Hirano noted that this isn't a comprehensive list of eligible sites. There are other locations that qualify as well. Maggie Gumble said she did a survey of openings using this list and passed the information on to participants looking for positions. It is important that we have such a list because the AZMUA list with block groups and small towns does not give participants the specifics they need to find a location. She also provided a fax from John Payne documenting that Clinica Adelante in Surprise, AZ also qualifies for approval.

**Rob Babyar, M.D.** e-mailed a letter requesting approval of Sun Life Family Health Center, 865 N. Arizola, Casa Grande, AZ 85222-6011. The Board noted that it is an approved site per the list provided by ADHS. Lane Johnson moved that Rob Babyar be approved to serve at this location; it was seconded by Tim Hunter and passed unanimously.

**Alan DeWitt, M.D.** wrote a letter requesting approval of Snowflake as his service site. The Board will consider his request at the next Board meeting after the new law takes effect. Snowflake is in an area federally designated as a Medically Underserved Population (MUP) per Doug Hirano. Alan is seeking approval for July 2002.

**Nick Gonzalez, M.D.** requested that he be approved at Maryvale Family Health Clinic, 51<sup>st</sup> Avenue and Indian School, Phoenix, a clinic associated with Maricopa County. He also requested that he be able to start in August instead of July. The clinic is not on the list and Doug Hirano said it is not in an AZMUA. Doug had written Maggie an e-mail today with Nick's options, which the Board agreed would be forwarded to Nick. The clinic is in an area that was just submitted to the federal government as a federal medically underserved area, but action on that application will probably take at least five to six months if it is approved. If Nick starts working there, he would not be able to be approved unless it receives MUA approval. If there were an opening at one of the other Maricopa County Clinics that is eligible (e.g. Guadalupe, Avondale, El Mirage, 7<sup>th</sup> Avenue, south Central), he could transfer to Maryvale Clinic upon approval of the area as a MUA. Doug offered ADHS' assistance in providing more information to Nick Gonzalez. The Board will consider Nick's situation in the next Board meeting. It had no problem approving an August start date. Maggie Gumble will indicate to Nick Gonzalez that the site does not qualify and forward Doug Hirano's e-mail detailing options in making his decision.

**Sarah Hulseley, M.D.** presented three possibilities to the Board for approval: Clinica Adelante, Tidwell Family Care Center, 16560 N. Dysart Rd., Surprise, AZ 85374; Sun Life Family Health Center, 865 N. Arizola Rd., P.O. Box 10097, Casa Grande, AZ 85222; White Mountain Regional Medical Center, P.O. Box 880, Springerville, AZ 85938. The Board noted that all three sites are approved per documentation provided by the Arizona Department of Health Services. Nick Hagen moved that the Board approve all of these options for Sarah; Paul Steingard seconded the motion and it was unanimously approved.

**Troy Tompkins, M.D.** e-mailed the Board requesting approval of a clinic which is part of Carondolet Medical Group located next door to Holy Cross Hospital in Nogales, Arizona. He provided the address, telephone number, and FAX number. His start date is August 7, 2001. The Board was provided with a FAX from John Payne documenting that Nogales, AZ is an Arizona Medically Underserved Area as part of the Santa Cruz HPSA. Tim Hunter moved that Troy Tompkins be approved at the site in Nogales; Lane Johnson seconded the motion and it was unanimously approved.

Maggie Gumble updated the Board on the following participants: **Patrick Arambula, M.D.** filed for bankruptcy. Maggie forwarded the papers to the Arizona Attorney General's Office who had received the Board's referral in February 2001. She received a call from the Attorney General's Office this week and they are filing the appropriate paperwork and indicating that student loans are not dischargeable in bankruptcy. Dr. Arambula is not requesting that the student loans be discharged. He has presented a plan for repayment of other debts. When that plan is completed and notice of dismissal has been received, the Attorney General's Office can resume collection.

**Paul Budnick, M.D.** did not move to Arizona to begin service and his license has expired. He owes the loans plus liquidated damages. Maggie just wrote him last week and billed him at a new address. She suggested that the Board be updated in the next meeting. She also has his work telephone number at the Emergency Room.

**David Damstra, M.D.** was referred to the Attorney General's Office in February 2001. A copy of the letter without the attachments was mailed to Dr. Damstra at his new APO address; a copy was provided to the Board for review.

**Kimberly Gerhart, M.D.** was sent a letter in February 2001 reviewing her situation. It indicated that in order for Ponderosa Pediatrics to be approved as her service location, both the Arizona statutes governing the program must be changed to include "Medically Underserved Population"

and the federal designation for that area as a "Medically Underserved Population" must be approved. Maggie noted in her fax that all the Board members except one who was out of town had reviewed the letter so Kimberly knows she has the knowledge and support of the Board in her situation. Dr. Gerhart sent back documentation of Yavapai County's designation as "Medically Underserved Population (MUP)" that she received from Congressman Bob Stump. ADHS had not yet received the documentation. The Board directed Maggie Gumble to write Dr. Gerhart that they would consider her request for approval at the next Board meeting.

**Laura Harrington, M.D.** was recently sent a request to update the Board. She currently is not able to practice medicine. The Board will review her situation in the next Board meeting.

**Brenda Sipes, M.D.** has been asked to submit a proposal to complete the remainder of her obligation to the Arizona Medical Student Loan Program. Her approved practice site was downsized and she moved to another location which at the time could not be approved by the Board. The change in the statutes and the designation of Yavapai county as a MUP will allow her to serve the remainder of her obligation in her present location once SB 1109 becomes effective. The Board will review her situation at the next Board meeting.

The participants who just graduated in May 2001 were invited to the meeting to talk with Board members. Each student was presented with a certificate: "Arizona Board of Medical Student Loans takes pleasure in recognizing (name) on the successful completion of your degree and your commitment to giving quality health care to underserved areas in the State of Arizona." **Matt Hinton, Brock Amon, and Cathy Taylor** attended the meeting. Juanita Padilla, Jean Amon, and Buck Hendrix also graduated in May and will be given their certificates but they were not able to attend the meeting.

The meeting was adjourned at 4:50 p.m.

Minutes available for review Friday, May 18, 2001.

Respectfully submitted,



Maggie Gumble  
Program Coordinator Senior  
University of Arizona College of Medicine

Approved:



Diane Brennan  
Chairperson  
Board of Medical Student Loans