

**ARIZONA MEDICAL STUDENT LOAN PROGRAM
BOARD MEETING
November 2, 2001**

The Board of Medical Student Loans held an open public meeting on November 2, 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 3:08 p.m. Other Board members attending: Nick Hagen, M.D., Doug Hirano, Tim Hunter, M.D., Lane Johnson, M.D., MPH, Tammie Bassford, M.D., and Paul Steingard, D.O. Dr. Ram Krishna was unable to attend. 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, AZ College of Osteopathic Medicine, Midwestern University and John Payne, Arizona Department of Health Services.

The minutes of the Board meeting of August 10, 2001 had been previously sent to the Board members for review. Carol Dolan requested that a correction be made on page 4: she received 2 applications, rather than 3. Nick Hagen moved to accept the minutes as corrected and Tammie Bassford seconded it. Tim Hunter abstained because he wasn't present at that meeting. The motion passed.

The terms for the three Board members appointed by the Governor expire on January 21, 2002. Those members are Diane Brennan, Nick Hagen, and Lane Johnson. After discussion at the last Board meeting, Diane wrote Governor Hull suggesting that she appoint Tom McWilliams, D.O. to replace her own position, and reappoint Nick Hagen and Lane Johnson to provide for continuity and efficiency in managing and meeting the requirements of the Board. The copy of the letter provided to the Board noted that Lane had been appointed January 10, 2000 to serve a partial term. Doug Hirano's term also expires January 21, 2002 and he has requested that the Director of the Department of Health Services appoint someone or reappoint him to the position.

Maggie Gumble reviewed the financial report for the period July 1, 2001 to October 23, 2001. The beginning balance was \$74,911.95, as adjusted. The adjustment came from the Arizona Attorney General's Office transfer of funds for money collected from Rosemarie Ibanez. They put through the paperwork for 2000-2001 and the State revised it to be processed for 2001-2002. The first half of the General Fund appropriation \$142,750.00 has been transferred into the agency account. Loan repayments received total \$1,985.00. Fourteen students have been funded for the first semester at the University of Arizona College of Medicine or for the quarters attended at the Arizona College of Osteopathic Medicine. Expenditures total \$166,023.50. The first half of the General Fund appropriation has been utilized in full. The remaining payments have been made from the Medical Student Loan Fund appropriation and total \$23,273.50.

The appropriations for 2001-2002 total \$350,400 with \$285,500 from the General Fund and \$64,900 from the Medical Student Loan Fund. The appropriations have been made on a biennial basis and \$261,500 was appropriated for 2002-2003. A request was submitted for that amount by September 1, 2001 as required. According to Maggie Gumble's telephone call to the budget analyst in the Governor's Office, the Board has not been requested to reduce this year's appropriation by 4% as has been requested of other State agencies. To do so would mean we would not be able to fund one of the two openings under the program for this year. The Board has received three applications for those positions.

Maggie Gumble reports that our budget analyst from the Joint Legislative Budget Committee reported that he had been in a meeting where the Arizona Medical Student Loan Program had been discussed with the Arizona Auditor General's Office. The implications of terminating the program had been discussed due to the cost cutting measures being considered by the State; the

auditor explained the student contracts and obligations under the program. The Board wants to be sure that students on the Arizona Medical Student Loan Program are able to finish their education under the program.

The Agency Summary was reviewed by Maggie Gumble. Goal 1: To successfully recruit and retain students to participate in the program by providing substantial funding of educational costs to medical students. This year, 2001-2002, the program is providing \$21,893 per student per year. Next year an estimated \$22,593 will be provided. Senate Bill 1109 raised the formula to allow for a higher amount beginning in 2002-2003, but was not in the statutes at the time of the biennial budget request. Goal 1 Performance Measure "Maximum loan amount (percent) allowed by loan provided to each student (by State Appropriation)" decreases from 100% to 86% as a result. For 2003-2004, the higher stipend amount of \$16,000 was taken into account in estimating \$26,700 as the loan amount. This will increase the "Loan as a percent of average annual cost of public medical education" to 100%. The amount will still be less than the cost of tuition at the Arizona College of Osteopathic Medicine. Goal 2 Performance Measure "Students Funded Per Year" was increased to 22 students. Without an increase from 16 positions, only 1 opening is anticipated that year, and with the change to two colleges of medicine being active in the program, a greater number of positions is reasonable. Goal 2 Performance Measure "Student participants achieving MD or DO degree" in 2002-2003, only 1 student is expected to graduate, reflecting a larger percentage of the students in the earlier years of their education. Goal 3: To increase the number of physicians providing service to medically-underserved areas in Arizona. The site list provided by the Arizona Department of Health Services is crucial to assisting physicians in finding eligible sites. Performance Measure "Physicians in Service," in 2000-2001 we had 11 physicians in service and that number is expected to increase. The cumulative percent of physicians providing service under the old law is stabilizing at about 58% since physicians under the old contracts are finishing their training. Participants who had a combination of old and new contracts or whose contracts are all under the new law are going into service. So far, 100% of those new-law participants who have finished their training are going into practice. Performance Measure "Physicians continuing service after service requirement is met:" there were 19 physicians who have completed their service and were continuing to practice in eligible sites in 2000-2001. Physicians whose sites were grandfathered in by SB 1109 will not be reflected in this performance measure after their service ends.

Three applications for 2001-2002 were discussed. One student, Robert Truesdale, was on the program for the first two years of his education and did not reapply his third year. He is now in his final year at the University of Arizona College of Medicine and is reapplying for funding. He will graduate in May 2002. Two new applicants, Angelique Ferayorni and Bridget Stiegler, have applied for consideration. There are two openings remaining for 2001-2002.

Robert Truesdale was interviewed by Tammie Bassford, Maggie Gumble, Nick Hagen, and John Payne. Tammie reported that Rob is in his 4th year of medical school. He came from a small town in Pennsylvania. His dad was a truck driver and the family lived in a trailer park outside town. They moved into town when he was 14 years old. After high school, Rob joined the Navy for 5 years and was a Navy Corpsman. After he got out, he moved to Arizona because a buddy was here and they were both going to go to school on the G.I. Bill. Rob supported himself as a nursing assistant during college and until he entered the College of Medicine. Originally he was going to go into internal medicine, but fell in love with delivering babies. He became interested in high-risk Obstetrics and didn't feel comfortable applying for the program his 3rd year. Subsequently, his experience with a Family Practice doctor in Queen Creek, who also did Obstetrics, helped make his decision to go into Family Practice. Rob is now asking to be considered for funding for his 4th year now that he has settled on Family Practice. Tammie said Rob was Vice-President of the Family Practice Club. He has had experience with the underserved through the Rural Health Professions Program (RHPP). In his 3rd year of medical school, he did Family Practice in Sells, AZ. The RHPP also took him to Queen Creek and to Kingman. He's worked in the Rural Mobile Clinic and in the Refugee Clinic. He is conversational in Spanish. While he originally envisioned himself in an urban underserved area, he is now

interested in practicing in a rural area. He didn't grow up in Arizona and still has family in Pennsylvania. However, he is very committed to Arizona where he got his education. He has excellent interpersonal skills, is a mature student, a team player, and he wants to practice in Arizona. Rob wants the Board to know he is a sure bet who honors his commitments and Tammie concurs with that assessment.

Paul Steingard noted that Robert Truesdale is almost the prototype of the person we want in the program. He moved that the Board accept him. Tom McWilliams said he did not interview Rob, but in reviewing the written applications, saw him as the top candidate. Other Board members wanted to hear about all three candidates before making a decision. Nick Hagen, who interviewed all the candidates, seconded Tammie's assessment of Robert Truesdale. John Payne also interviewed all the candidates and agreed with the information presented. He said that Rob was probably the best of the three candidates.

Angelique Ferayorni and Bridget Stiegler were interviewed by Tom McWilliams, Carol Dolan, Nick Hagen, and John Payne.

Tom McWilliams presented the background on **Angelique Ferayorni**. She has a rural background, growing up on the edge of Phoenix where her family has a 450 cow dairyherd in Tolleson. She was born in Winslow and lived there until age 10. She experienced first hand the difficulties in travelling for medical care (going to Flagstaff) and the need for comprehensive medical services. She has two siblings with significant health care problems. One sibling is deaf and the other suffers from a seizure disorder. Tom McWilliams said that Angelique comes with very fine motivation and has medical experiences with animals as well as people, growing up in a rural area. He called her a "wonderful person" and said she scored well in the evaluation, but he had some reservations. Her husband is an engineer in Phoenix and her current life is more focussed on working with the underserved in the metropolitan area. He also believed she hadn't thought through some of the challenges and implications of participating in the program. He discussed some of those challenges with her and she still opted to apply for the program. His concern is her finding a metropolitan site eligible for service since her husband is an engineer and it may not be feasible for him to move. Carol Dolan commented that Angelique's ties to Arizona and her rural background are definitely strong. Carol discussed with Angelique the possibility of being separated if there were no eligible sites in the Phoenix area. The Board discussed the current opportunities in the Maricopa County area. Tom McWilliams confirmed that Angelique was willing to accept responsibility for her commitment for the duration of her contract. Nick Hagen also interviewed Angelique and believed her to be an outstanding candidate. He evaluated her a little lower because of her desire to remain in a more urban setting given her spouse's employment considerations. John Payne agreed that she is an excellent candidate and had the same reservations. Angelique is in her first year of medical school at the Arizona College of Osteopathic Medicine.

Tom McWilliams indicated that **Bridget Stiegler** is an excellent candidate for the program. She has an extensive background of service to the underserved. She is a 5th generation Arizona resident and was Miss Irish Arizona. He commented that her energy level is unbelievable. Bridget has strong ties to Phoenix and her family lives in the Glendale area. His reservations have to do with the uncertainties she faces. She is married and her husband anticipates applying to Midwestern's Arizona College of Osteopathic Medicine; he will probably be two years behind her. Bridget is currently a first-year medical student and would like to stay in the Phoenix area for her medical training. She accepts the possible separation as a risk but he believes she will fulfill the commitment. Nick Hagen had interviewed Bridget and stressed her strong interest in serving the medically underserved demonstrated by her volunteer background. He noted that Bridget was the victim of a driveby shooting in which her brother was shot four times and she was injured by glass. She has seen the impact of the injuries on her brother and wants to include the emotional aspects of medicine in her treatment, treating the whole person and not just the illness. Tom McWilliams said Bridget is interested in geriatrics and general internal medicine. Nick noted that Bridget is so excited about medicine. She comes from a middle class family or above. She

attended a private school and had a full academic scholarship to attend a private school in California. Financial need was discussed and Carol Dolan said that Bridget was the neediest of the two students. Nick noted that Angelique's husband provides the living expenses and Angelique is responsible for her educational expenses. Bridget estimated her debt this year at about \$46,000 and said her husband has educational debt of \$14,000. The Board also discussed the likelihood of rural underserved service as a priority, with urban underserved as second choice. Lane thought perhaps Angelique would have more affinity for rural service. Nick Hagen said that in his interviews, he did not get that sense. Her life has changed since her husband is working as an engineer in Phoenix. He thought she would serve the underserved in the inner city. John Payne said that in his experience interviewing for the National Health Service Corps, he looks strongly at volunteerism in an underserved area or foreign country where there is poverty. Those candidates get an appreciation for the poverty-stricken and often go on to stay in service. Nick Hagen commented that Bridget started working at St. Vincent de Paul in high school. She went on to work at their free clinics and started organizing and managing food service for these clinics. In college at the University of San Diego, she would go down to Tijuana, Mexico and do health screenings. John Payne indicated that his rank order of the three candidates were Robert Truesdale, Bridget Stiegler, and Angelique Ferayorni. Tom McWilliams concurred with that same ranking of candidates. Nick Hagen agreed, but indicated that his was a difficult decision and he had to look at the fine distinctions between candidates. Tim Hunter moved that the Board offer the two positions to **Robert Truesdale** and **Bridget Stiegler** and name **Anglique Ferayorni** as an alternate for 2001-2002 only, in case one of the candidates does not accept the position. Tammie Bassford seconded the motion and it was unanimously approved.

Maggie Gumble reviewed suggested revisions to the contract as a result of Senate Bill 1109. After discussion, Tammie Bassford moved to approve the changes as discussed for 2002-2003. Nick Hagen seconded the motion and it was unanimously approved. Approved changes (see contract for paragraph numbers):

2. not to exceed ~~four~~ **five** years
up to ~~\$10,000~~ **\$16,000** per year
3. The Student, by signing this Agreement, certifies that he or she intends to **enter and complete a residency program approved by the Accreditation Council for Graduate Medical Education and/or the American Osteopathic Association to become Board certified in Family Practice, Pediatrics, Obstetrics and Gynecology, or Internal Medicine, or combined Medicine and Pediatrics, and practice in a medically-underserved-area site in the State of Arizona approved by the Board.**
4. ~~...a community site approved the Board, which is within a medically underserved area of Arizona designated by the Arizona Department of Health Services.~~
 - a. ~~.....practicing General Practice, Family Practice, general Pediatrics, combined Medicine and Pediatrics, Obstetrics and Gynecology, or general Internal Medicine in a medically-underserved-area service location approved by the Board.~~

... "full time" means 2,000 hours of duty per year. ~~so scheduled as to provide not less than 100 hours duty time during any calendar month."~~
 - b.
 - c. The Board may approve service in any of the following locations, as defined in A.R.S. 15-1721:

(1) A rural AND medically underserved area of Arizona.

- (2) A medically underserved area of Arizona.
 - (3) A medically underserved population of Arizona.
 - (4) Any Indian Reservation that is located in Arizona.
5. a.decides not to complete service in ~~the designated medically underserved area,~~ **a site approved by the Board,**
- ...actually served in ~~a medically underserved area,~~ **in a site approved by the Board,** to be calculated...
- The Board may waive the payment of **principal,** interest, and liquidated damages if it determines that death or permanent physical disability...
- b. If Student would have begun practice in ~~the designated medically underserved area,~~ **a site approved by the Board,** and was prevented from doing so....

Maggie Gumble indicated that the changes in the contract would be reviewed by the Arizona Attorney General's Office. The Board also agreed that Maggie would work with the Arizona Department of Health Services in proposing a paragraph to be inserted on a case-by-case basis and approved by the Board, which would take advantage of the opportunity to add a provision in a student's contract to designate an approved area and service location.

Olanethia Dianna Bell's circumstances were discussed regarding her repayment obligation and financial situation. The Attorney General's Office was asked to write a letter to the Board regarding their options. The Board discussed the fact that the Attorney General's Office potentially has more flexibility to work out a solution than does the Board. Nick Hagen moved that Olanethia Dianna Bell's case be referred to the Arizona Attorney General's Office for collection. The motion was seconded by Tim Hunter. Tammie Bassford abstained. The motion passed.

Maggie Gumble advised the Board that the Arizona Attorney General's Office reports that they are pursuing repayment by **Paul Budnick, M.D.** and **David Damstra, M.D.**

Patty Kane, M.D. submitted documentation of her service since October 27, 1999 at La Frontera. Dr. Kane completed her residency program in Psychiatry in December 1997 and began working at COPE Behavioral Services February 1, 1998 with her position being .8 time. This position was approved by the Board July 31, 1998 with extended time to meet 2000 hours per year as called for in her contract. In October 1999, she terminated her employment with COPE and received Board approval on October 1, 1999 to serve at La Frontera. She works at two clinics, the First Avenue Clinic at 3045 N. First Avenue, Tucson, AZ 85713 and RAPP Clinic (Homeless Outreach), 102 E. Council, Tucson, AZ 85701. Confirmation of her service at 26-32 hours per week is in her file (document provided to Board indicated this number of hours per month and was corrected by La Frontera, Margaret Candland). Patty Kane was in the Arizona Medical Student Loan Program prior to the time it was modified to primary care service and had a two-year commitment. Tim Hunter moved to approve the completion of Dr. Patty Kane's service. Lane Johnson seconded the motion and it passed unanimously.

Daniel E. Tinlin, M.D. submitted a letter to the Board and documentation of his service at Spectrum Health Center, 2330 N. 75th Avenue, Suite 110, Phoenix, AZ 85035. The Board was provided with copies of the recommendation from the Arizona Department of Health Services upon which they approved Dr. Tinlin's service at that location on August 29, 1997. Dr. Tinlin's service began in July 1997 and he had a four-year commitment. Dr. Tinlin's letter explains that Mercy Integrated Health closed the clinic due to financial losses and he and a partner purchased the clinic and continued in the same location with the same policies. A sliding fee scale for uninsured patients is available. Maggie Gumble notes that the approved practice location was on the border of the El Mirage HPSA, across the street, and therefore Dr. Tinlin's service falls under

the grandfather clause of Senate Bill 1109. Paul Steingard moved that Dr. Tinlin's service be accepted as completed; Nick Hagen seconded the motion and it was unanimously approved.

Maggie Gumble submitted a copy of the letter to Sharlene Batiste-Milton, M.D., written in August 2001, advising her that the Board is requesting an increase in monthly payments and to pay in full by December 31, 2002. Dr. Batiste-Milton has increased her monthly payments to \$500.00 as of October 2001.

Nick Gonzalez, M.D. reported that he accepted a job at Maryvale Clinic, beginning October 1, 2001, a site approved by the Board on August 10, 2001.

Laura Harrington, M.D. was referred to Pinal Gila Behavioral Health Association for eligible sites for the Arizona Medical Student Loan Program, per e-mail from John Payne. The Board discussed eligible sites for behavioral health. Doug Hirano and John Payne, Arizona Department of Health Services, both concurred that participants are eligible for any site in Arizona in a medically underserved area, a medically underserved population, or an Indian Reservation in Arizona, regardless of whether or not it is designated for behavioral health.

The next Board meeting is tentatively planned for Friday, April 5, 2002 at Midwestern University's Arizona College of Osteopathic Medicine (AZCOM). It was suggested that the meeting be held from 10 a.m. – 12 noon, followed by lunch and a tour of AZCOM. The Board would like the opportunity to meet some of the student participants. The agenda will include renewal of applicants for 2002-2003 and preparation for the budget submission for the next two years. A second meeting will be held in September 2002 primarily to review new applications for the Arizona Medical Student Loan Program.

Nick Hagen moved that the meeting be adjourned; it was seconded by Lane Johnson and unanimously approved. The meeting was adjourned at 5:20 p.m.

Minutes available for review Monday, November 5, 2001.

Respectfully submitted,



Maggie Gumble
Program Coordinator Senior
University of Arizona College of Medicine

Approved:



Diane Brennan
Chairperson
Board of Medical Student Loans