

**THE BOARD OF MEDICAL STUDENT LOANS**  
**MEETING AGENDA**  
**September 14, 2023**

**Virtual link via Microsoft Teams**

<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting>

Meeting ID: 266 723 445 747

Passcode: 7uVPoJ

**5:15 p.m. Call to order**

**Approval of Minutes from the Meeting of July 13, 2023**

Discussion/Action

**Financial Review and Budget**

Discussion

The Medical Student Loan Fund (MSLF) currently has approximately \$208,172.69 plus pending transfers from payments made to the Attorney General for defaulted loans in the amount of \$82,730.21. The Board has approximately \$290,902.90.

The State of Arizona has given the Board \$4 million in General Fund appropriations to make loans to medical students who are committed to practicing Primary Care in needed areas of the state.

The State has given the Board an additional \$4 million in Medical Marijuana Fund appropriations to make loans to medical students who are committed to practicing Psychiatry in needed areas of the state.

**Review and Approval of an Interagency Service Agreement with the Arizona Department of Administration Central Services Bureau for Backup Accounting Services**

Discussion/Action

One of the needs of the Board is access to the Medical Student Loan Fund (MSLF) in the Arizona Financial Information System (AFIS). During the year, the Board oversees the loading of appropriations, transferring of funds from Attorney General collections, and issuing loans to medical students in the Arizona Medical Student Loan Program (AMSLP). The State used to but no longer provides an AFIS liaison to assist with AFIS. The Board does not have direct access to AFIS, therefore it needs assistance from the Arizona Department of Administration (ADOA) Central Services Bureau (CSB). With the assistance of accounting staff at CSB, transactions in AFIS will allow the Board to make its loans to medical students.

For the Board's consideration, ADOA CSB has provided an Interagency Service Agreement (ISA) to the Board for backup accounting services. The ISA comes at a cost of \$1,500 annually which provides 12 hours of services. Time spent on fund loads and transfers, and check requests should be minimal as long as the Board provides all necessary forms and information such as account numbers, dollar amounts, loan recipients' names, and required signatures. Over the 12 hours of service, hourly costs of approximately \$75 per hour will be charged.

## **Review of Administrative Options**

### Discussion/Action

Historically, the University of Arizona College of Medicine-Tucson (UACOM-T) has provided the administration of the Board of Medical Student Loans. Current legislation in A.R.S. §15-1723 (H) states, "Private schools of medicine shall reimburse the university of Arizona for any administrative costs related to processing loans for students at private schools of medicine pursuant to subsection A of this section." This was added to offset UACOM-T's administrative expenses due to the inclusion of the medical students from the two private medical schools who participated in the AMSLP, and the Board agreed upon set costs to satisfy this directive.

Starting this year, the administrative needs of the Board are greater due to a growing number of medical schools in Arizona and \$8 million in appropriated funds. These needs may exceed the resources of UACOM-T, such that the Board might consider an update to its administration.

If UACOM-T continues to provide administration to the Board, UACOM-T may ask to be paid administrative costs by the Board. UACOM-T staff member, Sherri McClellan, has been assisting the Board by working with the chairperson, coordinating the meetings, revising the loan program fact sheet, loan application, residency form, contract and supporting the Board's mission.

The Board may consider seeking a change to the legislation to remove section H from A.R.S. §15-1723 to establish an operating budget to self-administer, thus making these service loans to students at no cost to the public or private medical schools. This change in administration may be in the form of an Executive Director as other boards have. Assistance with this change may come from ADOA and the University of Arizona Office of Government Relations. The change in legislation will likely take one year.

## **Review Application Materials, Interview Questions and Selection Process**

### Discussion/Action

**Fact Sheet:** A fact sheet highlighting the qualifications, requirements and expectations will be distributed to the medical schools in Arizona to the offices of the deans, student affairs and financial aid to garner interest in the AMSLP. Sherri McClellan's contact information is included for questions and to receive the application.

**Residency Classification:** Per A.R.S. §15-1723, to be considered for the Arizona Medical Student Loan Program, "One of the qualifications shall be Arizona residency, which shall be determined according to the same criteria prescribed for in-state student status in section 15-1802." The general rule for resident classification for tuition purposes includes evidence of 12 months continued physical presence prior to the date of matriculation with concurrent permanent intent to be a resident of Arizona. The Residency Classification Form asks questions from the applicant to determine eligibility. Sherri McClellan will review applicants for eligibility under the requirements of A.R.S. §15-1802 with support as needed by the University of Arizona Residency Classification Office.

**2023-2024 AMSLP Application:** The application will collect information from the medical student to provide the Board with a first look at the applicant's interest in medicine, ties to Arizona, and education debt. The application process also requires a personal statement and authorization to release information from the applicant's school.

**Interview Questions:** Qualified applicants who have submitted complete applications and have been evaluated for residency will undergo three interviews (in-person or virtual) in no particular order:

1. To be evaluated as a candidate for the AMSLP and to ask questions and clarify the service commitment repayment phase, the applicant will be interviewed by the Chairperson of the Board and Sherri McClellan.

2. To be evaluated as a candidate for the AMSLP and to ask questions and clarify the eligible service locations in Arizona, the applicant will be interviewed by Sherri McClellan and Edith Di Santo, Board Member and Chief of the Primary Care Office of the Arizona Department of Health Services.
3. To be evaluated as a candidate for the AMSLP by the member of the Board who is the representative from the applicant's medical school.

The completed interview questionnaires and evaluations from the four interviewers will be given to Sherri for compilation and summary for the Board to review and select participants in a public Board meeting.

### **Application Process Timeline and Meeting Schedule**

Discussion/Action

Initial Application Period Opens September 18: Pending approval of all AMSLP and application materials at today's meeting, the Fact Sheet, Residency Classification Form, and Application will be provided to the medical schools and made available on the Board's website on September 15. The application period opens September 18. As applications are received, residency will be evaluated by Sherri McClellan, and interviews will be scheduled in the following weeks. The application period will be rolling, and any medical students who wish to apply throughout the academic year will be considered accordingly.

Meeting of the Board: The Board should expect to review and select participants in a meeting during the week of November 6 or November 13. After participants are selected, services contracts will be offered. Loan checks should be processed in December.

### **Other items from Board Members or Audience**

Discussion Only

### **Adjournment**

Pursuant to A.R.S. § 38-431.03 (A) (2) and (A) (3), the Board may vote to go into Executive Session, which will not be open to the public, for legal advice concerning any item on the agenda or to review, discuss and consider records exempt from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law.