

Chapter 616: DOCTORS FOR MAINE'S FUTURE SCHOLARSHIP PROGRAM

Summary: This rule implements P.L. 2009, c.410, “An Act to Encourage Maine Residents to Attend Medical School and Practice in Maine” by defining eligibility criteria for the Doctors for Maine’s Future Scholarship Program and establishing procedures for allocating scholarship funds to qualifying Maine-based medical school programs for award to eligible students.

1. Definitions

- A. **Authority.** The “Authority” means the Finance Authority of Maine.
- B. **Cost of Attendance.** “Cost of Attendance” means the tuition and fees applicable to an eligible student, together with an estimate of other expenses reasonably related to cost of attendance at a Medical School Program as determined by the Medical School Program and used in the awarding of Title IV aid.
- C. **Chief Executive Officer.** “Chief Executive Officer” means the Authority's Chief Executive Officer or a person acting under the supervisory control of the Chief Executive Officer.
- D. **Clerkship Experiences.** “Clerkship experiences” means primary health care clinical education in a health professional shortage area or in an area of the State defined as rural by the Authority.
- E. **Clinical Education.** “Clinical education” means any on-location teaching environment ranging from a one-to-one training between a physician and a medical student to a training in a health clinic or hospital with or without a residency program.
- F. **Fund.** “Fund” means the Doctors for Maine’s Future Scholarship Fund established pursuant to 20-A MRSA Section 12103-A(6).
- G. **Good Academic Standing.** “Good academic standing” means the student is academically qualified to maintain enrollment according to the standards of the Medical School Program as set in accordance with applicable requirements of the Medical School Program.
- H. **Health Professional Shortage Area.** “Health professional shortage area” means an area in the State lacking in medical professionals, as defined by the Commissioner of the Maine Department of Health and Human Services.
- I. **State.** “State” means the State of Maine.
- J. **Medical School Program.** “Medical School Program” means a qualifying Maine-based medical school program that has entered into a Participation Agreement with the Authority.
- K. **Primary Care or Primary Health Care.** “Primary care” or “primary health care” means general or family practice of medicine, general internal medicine, general pediatrics, and obstetrics and gynecology.

- L. **Qualifying Maine-based medical school program.** A “Qualifying Maine-based medical school program” means an allopathic or osteopathic medical school program affiliated with a medical school accredited by the Liaison Committee on Medical Education or its successor or the American Osteopathic Association or its successor in which (1) an educational or health care institution located in the State participates in curriculum development and the selection of students for admission; (2) no fewer than 10 students per class year are enrolled and in which these students are required to complete not less than one academic year of the medical school curriculum at facilities located in the State; (3) funds from philanthropic resources and the private sector are raised to match 100% of funds received from the State for scholarships pursuant to the Scholarship Program; and (4) the program curriculum includes required clerkship experiences in the State in and training and course completion in rural health care and primary care.
- M. **Scholarship.** “Scholarship” means a scholarship pursuant to the Scholarship Program, whether funded from the Fund or from matching funds of the Medical School Program.
- N. **Scholarship Program.** “Scholarship Program” means the Doctors for Maine’s Future Scholarship Program established by 20-A MRSA §12103-A.

2. **Student Eligibility**

- A. The student is or will by the time of award of a scholarship be duly enrolled in a Medical School Program as set forth in Section 3 of this Rule;
- B. The student has a substantial connection to the State of Maine as evidenced by factors such as prior education in Maine and parental or legal guardian residence in Maine;
- C. The student has had at least one year of residence in Maine for other than education purposes; and
- D. Priority must be given to a student who meets at least two of the following:
1. The student has received a high school diploma, or its equivalent, in the State;
 2. The student has received a baccalaureate degree from a four year college or university in the State;
 3. The legal residence of the student’s parent or legal guardian is in the State.
- E. Students must be commencing professional medical education on or after July 1, 2009.

3. **Medical School Program Eligibility**

To be eligible to participate in the Scholarship Program, a Medical School Program must meet the following criteria, and shall enter into a Participation Agreement with the Authority in which the Medical School Program certifies that:

- A. The Medical School Program is an allopathic or osteopathic medical school program accredited by the Liaison Committee on Medical Education or the American Osteopathic

Association, respectively, and the Medical School Program has provided the Authority with such evidence of its accreditation as the Authority may require;

- B. An educational or healthcare institution located in Maine participates in curriculum development and the selection of students for admission into the Medical School Program, and the Medical School Program has provided the Authority with such evidence of its affiliation with such educational or healthcare institution, as applicable, as the Authority may require;
- C. The Medical School Program enrolls no fewer than 10 students per class year;
- D. The Medical School Program requires that all students complete not less than one academic year of the medical school curriculum at facilities located in Maine;
- E. The Medical School Program has raised funds through philanthropic resources and the private sector to match 100% of the funds allocated to the Medical School Program from the Fund;
- F. The Medical School Program's curriculum includes required clerkship experiences in the State in and training and course completion in rural health care and primary care;
- G. Matching funds will be used to provide scholarships at least equal to the number of scholarship awards allocated to the Medical School Program pursuant to Section 6 in a given academic year, in accordance with the same student eligibility and other criteria and requirements of the Scholarship Program.
- H. The Medical School Program will only award scholarships funded by the Scholarship Program to eligible students in accordance with this Chapter 616, and will give priority to those students meeting the criteria of Section 2(C). The Medical School Program will provide such verification of the eligibility of students receiving scholarships as may be requested by the Authority from time to time.
- I. The Medical School Program will provide such information relevant to the students receiving scholarships and relevant to the Medical School Program as may be requested by the Authority from time to time. At a minimum, for each of eight years after the graduation from the Medical School Program of a student receiving a scholarship pursuant to the Scholarship Program, the Medical School Program must report to the Authority, on such forms, or electronically, as may be required by the Authority, the location of the student's medical residency, specialty and place of employment;
- J. The Medical School Program has designated one person responsible for the Scholarship Program;
- K. For a renewal scholarship, the Medical School Program must verify annually that the student scholarship recipients are in good academic standing within any applicable institutional standards and continue to meet the student eligibility criteria set forth in Section 2 and other criteria for subsequent Scholarship Program funds as set forth in Section 4;
- L. The Medical School Program has established that appropriate internal auditing and control procedures have been utilized in the operation of the Scholarship Program.

4. Length of Scholarship; period of study

A scholarship shall be for a period not to exceed one academic year. A student may not receive more than four (4) successive scholarships. A scholarship recipient who remains eligible shall be considered in the succeeding award year only upon completion of and compliance with any and all requirements of the Medical School Program or the Authority, as applicable. A Medical School Program must give priority to funding renewal scholarships prior to funding new scholarships.

5. Determination of Scholarship

Scholarships to eligible students shall be determined by the Medical School Programs as follows:

- A. A Medical School Program shall award the number of scholarships available to it in a given year to eligible students according to the procedures of the Medical School Program.
- B. Scholarships will be the lesser of \$25,000 per student or 50% of the student's cost of attendance as determined by the Medical School Program.
- C. If a recipient of a scholarship withdraws from the Medical School Program and the student is entitled to a refund of tuition, fees or other charges, the Medical School Program shall make a repayment of the recipient's scholarship directly to the Authority in accordance with the Medical School Program's published refund policy. If, however, the Medical School Program notifies the Authority of another eligible student at the time of notice of repayment, the Authority may allow the Medical School Program to award the refund to such student and the Medical School Program will be required to provide documentation thereof to the Authority. The Authority shall apply any amounts received as refunds to the Fund for use in future award years.

6. Allocation and Payment Procedures

- A. The Authority shall strive to ensure that the total number of scholarships available from the Fund over the projected life of the Scholarship Program be allocated equitably among Medical School Programs which have raised sufficient matching funds in order to allow the Authority to do so. As a result, the Authority may award different numbers of scholarships from the Fund to different Medical School Programs in a given year.
- B. In determining the number of scholarships available to be allocated in any given year from the Fund, the Authority shall take into account the number of Medical School Programs, the current and projected demand for new and renewal scholarships, the scholarship amount, funds available and projected to become available in the Fund, matching funds raised by each Medical School Program, and such other factors as the Authority, in its discretion, deems advisable or necessary in order to fairly and effectively administer the Scholarship Program. The Authority shall advise each Medical School Program of the number of scholarships to be allocated to it for the upcoming academic year no later than February 28, annually.
- C. No Medical School Program may be allocated more than the number of scholarships from the Fund for which it has raised matching funds as of January 1 immediately preceding the award year, except that in the year a Medical School Program first enters into a Participation

- Agreement with the Authority, no Medical School Program may be allocated more than the number of scholarships from the Fund for which it has raised matching funds as of the date of the Participation Agreement. Regardless of the amount of matching funds a Medical School Program has raised, the maximum number of scholarships it may receive in a given year from the Fund is within the discretion of the Authority, taking into account the factors in subsection B, above.
- D. By such time annually as is determined by the Authority, each Medical School Program eligible for scholarship funds from the Fund for the upcoming academic year shall provide a certification on such form as is required by the Authority from its chief financial officer stating the amount of matching funds which the Medical School Program had available as of January 1 and that the required matching funds continue to be available for scholarships. Each Medical School Program must subsequently provide to the Authority a certification from its independent auditor regarding the amount of matching funds that were available on January 1 of the year and the number and amount of scholarships that were awarded to eligible students with matching funds and from funds provided to the Medical School Program from the Fund in the academic year following January 1.
- E. The Authority will make Scholarship Program funds from the Fund available to Medical School Programs for award to eligible students on a semi-annual basis, with one disbursement in the fall semester and one disbursement in the spring semester.

7. Program Review

The Authority may conduct periodic program reviews of a Medical School Program's operation of the Scholarship Program and compliance with the Participation Agreement, and may offer technical assistance to the Medical School Program. The Authority may require audited financial statements from a Medical School Program.

8. Waiver of Rule

The Chief Executive Officer may waive any requirement of this rule, except to the extent that the requirement is mandated by applicable law, in cases where deviation from the rule is insubstantial.

BASIS STATEMENT:

The rule is necessary to implement the provisions of P.L. 2009, c. 410, "An Act to Encourage Maine Residents to Attend Medical School and Practice in Maine", which will provide scholarships of up to \$25,000 to eligible students at qualifying Maine-based medical school programs and will require such programs to provide additional scholarships with matching funds raised from philanthropic and private sources.

The rule was adopted on an emergency basis consistent with the emergency passage of P.L. 2009, c. 410, so that qualifying Maine-based medical school programs may access scholarship funds for eligible students beginning medical education in 2009. The Authority found that emergency adoption was warranted to avoid a threat to the public's general welfare for the reasons set forth in the emergency preamble to P.L. 2009, c. 410, primarily the need for primary care physicians especially in rural areas of

the State and the current availability of limited federal funds for medical education scholarships, and also because of the pressing need for students and medical school programs to make financial plans for the upcoming academic year.

A public hearing was held July 16, 2009. Lisa Harvey-McPherson RN, MBA, MPPM, Vice President Continuum of Care at Eastern Maine Health Systems, and Katie Fullam Harris, Sr. Director of Government and Employer Relations, MaineHealth, spoke at the public hearing and submitted written comments. Patricia Kelley, Associate Dean of Students, College of Osteopathic Medicine, University of New England, also spoke at the public hearing but did not submit written comments. Written comments were also received during the comment period from Charles Dwyer, Jr., Director of the Office of Rural Health and Primary Care, Maine Department of Health and Human Services; Kevin Lewis, Executive Director of the Maine Primary Care Association; and Dr. James Schneid, Chair of the Maine Dartmouth Family Medicine Residency.

Ms. Harvey-McPherson objected to the requirement of the proposed rule that clerkships be performed in health professional shortage areas (HPSAs) or areas of the State defined as rural by the Authority. Ms. Harvey-McPherson commented that the Eastern Maine Medical Center medical school anticipates providing clerkship experiences throughout its service region, in particular at Critical Access Hospitals which may not be in HPSAs or areas of the State defined as rural by the Authority. Ms. Harvey-McPherson recommended instead that clerkship experiences be defined as “primary health care clinical education developed to address the health care needs of rural populations.” Ms. Harvey-McPherson also objected to the requirement that a student receiving a scholarship have had at least one year of residence in Maine for other than education purposes. Ms. Harvey-McPherson recommended that this requirement be deleted as it may serve to eliminate otherwise deserving students.

Ms. Harris also objected to the one-year residency requirement, as proposed, commenting that “for other than education purposes” could preclude students who move to Maine with their families during high school, and that it precludes Maine students who graduate from secondary school in another state. Ms. Harris commented that residency should be considered a factor in applying the “substantial connection” test, not a stand alone requirement. Ms. Harris also raised concerns about the clerkship location requirement, since “rural” is not specifically defined in the rule and could prove to be overly constrictive.

Mr. Dwyer commented that Critical Access Hospitals are in areas of the State currently defined as rural by the Authority and that it is important to the goal of retaining students to practice in rural areas after graduation that they experience medical practice in rural areas during their medical education.

Mr. Lewis commented that placement of students in rural rotations was expressly anticipated by the underlying legislation and is a necessary component of a program that purports to address a shortage of primary care physicians, especially in rural areas of the State. Mr. Lewis commented that rural primary care rotations were an important component of the Access to Medical Education Program and should continue to be a component of the Doctors for Maine’s Future Scholarship Program. Mr. Lewis also suggested that the Authority include Medically Underserved Areas in addition to HPSAs and rural areas as placements for clerkships. Mr. Lewis also commented that one year of residency should be a stand alone requirement in order to increase the likelihood that scholarship recipients remain in the State after graduation.

Dr. Schneid commented on the difficulty of finding practitioners for clinical rotations, which could prove frustrating to the medical school programs if they are required to provide clerkships in certain areas. Dr. Schneid also commented that one year of residency as a stand alone requirement was too restrictive.

Ms. Kelley spoke generally in support of the Doctors for Maine’s Future Scholarship Program.

The members of the Authority’s Board of Directors declined to adopt any of the proposed changes. The members determined that the combination of HPSAs and rural areas covers a broad area of the State, including Medically Underserved Areas. Critical Access Hospitals are located in rural areas as currently defined by the Authority, and, to maintain flexibility, rural areas are not defined in rule.

Clerkships in HPSAs and rural areas will provide students with clinical experiences in those areas, as opposed to having students work with patients from rural areas, but in other settings.

The members of the Authority also determined that an explicit requirement of one year of residency for other than education purposes serves the important purpose of assuring that the scholarship funds are awarded to students with the closest possible nexus to the State. The legislation requires that, at a minimum, students exhibit a “substantial connection” to the State as evidenced by factors such as prior education in the State, parental residence in the State and at least one year of non-education related residence in the State. The Authority may set additional requirements by rule. The residency language in the rule, “for other than education purposes”, is commonly used in the Authority’s education programs and is most frequently interpreted as post-secondary education. It could also apply, appropriately, to an out-of-State resident attending boarding school in Maine who should be excluded from consideration as a resident. (A student who moves to Maine with a resident parent during high school is considered a Maine resident, as is a student who was a legal resident of Maine while attending secondary school out-of-State.)

The legislation, and the rule, also require that priority be given to students who meet at least two of the following three provisions: (1) the student has received a high school diploma, or its equivalent, in Maine; (2) the student has received a baccalaureate degree from a 4-year Maine college or university; and (3) the legal residence of a parent of the student is in Maine. The rule makes one year of residency (at any time) an explicit requirement, rather than a factor. Such a requirement is not overly restrictive, especially in light of the priority provisions.

ECONOMIC IMPACT ANALYSIS STATEMENT/FISCAL IMPACT NOTE:

- A. The cost of this rule to the Agency will be covered by expenses charged to the Fund.
- B. The rule provides an economic benefit to those who are eligible to receive scholarships.
- C. The rule is not expected to have any material affect on competition or the employment market, except that students who have received scholarships may eventually seek employment in the State.
- D. The above statements were made based on the Authority’s administration of similar programs and from information provided by the sponsors of the program.

The proposed rule will not impose any costs on municipalities or counties.

STATUTORY AUTHORITY: 20-A MRSA Section 12107; 10 MRSA Section 969-A(14)

EFFECTIVE DATE: June 30, 2009 (Emergency); September 20, 2009 (Non-Emergency)