

Arkansas Osteopathic Rural Medical Practice Student Loan and Scholarship Program

As amended by Act 857 of 2019

*Information for Recipients Signing Contracts on or after **September 1, 2022***

What is the goal of the program? To increase the number of physicians practicing medicine in rural communities in Arkansas; by allowing students who receive rural practice loans during medical school to have these loans converted to scholarship grants by practicing full-time primary care medicine in a rural community in Arkansas.

Who is eligible to apply? Any bona fide resident of Arkansas who is enrolled, or accepted for admission, accepted for admission to, or is enrolled in good standing in studies that lead to the degree of Doctor of Osteopathic Medicine. Each applicant must be interviewed and approved by the Arkansas Osteopathic Rural Medical Practice Student Loan and Scholarship Board.

What function does the rural practice board perform? (1) determines eligibility of applicants for loans, (2) names recipients of such assistance, (3) sets the amounts of loans, (4) all disbursements and collections, (5) grants special provisions, and (6) makes compliance and non-compliance determinations.

What other qualifications must applicants meet? An applicant must be a person of good moral character, of good academic standing, in need of financial assistance to complete medical studies, participating in a "medically underserved and rural practice curriculum", and who clearly demonstrates a desire to practice full-time primary care medicine in a rural community.

What is a qualified rural community? A rural community (1) with a population below twenty thousand (20,000) according to the most recent federal census, (2) That is at least twenty (20) miles from a city or town with a population of more than twenty thousand (20,000) according to the most recent federal census; and (3) That is reasonably determined by the board to be medically underserved.

What is a medically underserved community? An area the Board determines to have unmet needs for medical services due to factors including and without limitation: the ratio of primary care physicians to population and the infant mortality rate; the percentage of the population with incomes below the federal poverty level; resident individuals 60 and older; physicians 60 and older; accessibility within the area to primary care medicine; and other relevant criteria the Board may deem necessary.

How is 'primary care' defined? Family Medicine, General Internal Medicine, General Pediatrics, General Internal Medicine/Pediatrics, General Obstetrics/Gynecology, General Surgery, Emergency Medicine, and Geriatrics.

Do I have to name the community in which I will practice at the time I apply for a loan? No. You are simply making a promise to practice full-time primary care medicine in a qualified rural community in Arkansas. You do not have to decide on a rural community until you complete residency training.

How much may I borrow? At present, funding for the program can only support \$12,000 per academic year.

Can these loans be renewed? Yes, by completing a renewal application each year before the Board--if funds are available, and the student continues to meet all of the eligibility requirements.

How are rural practice loans repaid? Each applicant approved by the Board for a loan shall practice full-time primary care medicine in a rural community. For each continuous whole year of full-time medical practice, the Board shall cancel, by converting to a scholarship grant, the full amount of one year's loan plus accrued interest. Loans made for subsequent years will be converted in like manner, one year of service for each year of assistance until the loan obligation is retired.

What provision is allowed for internship and residency training? Following graduation, a recipient is allowed one year of medical internship and no more than four additional years of primary care residency training. The residency training program must include practice experience in a rural community and must be approved in advance by the Board. Requests for deferment of payment must be approved by the Board on an annual basis. Allowance is made for involuntary military service.

What happens to my loan(s) in the event of death? All loans unpaid shall be due and payable.

What happens in the event a recipient defaults on his/her obligation? The recipient remains obligated to repay loans received, together with interest at the maximum rate allowed by Arkansas law, or 5% above the federal discount rate, whichever is less. Interest accrues from the date each loan check was received. Repayment shall be due and payable in full when it is determined that the recipient is not in compliance with the provisions of the contractual agreement. Other penalties apply to Alternates who, if interviewed and approved by the Rural Practice Board, are advanced to the top of the Alternate List and subsequently admitted to medical school.

Is it true that legislation stipulates that my license may be suspended to practice medicine in the state of Arkansas if I default on my rural practice loan? Yes! State law stipulates that the recipient of a rural medical practice loan or loans shall bindingly contract that not engaging in the practice of medicine in accordance with the loan contract may result in the suspension of his or her license to practice medicine in Arkansas. The suspension shall be for a period of years equivalent to the number of years that the recipient is obligated to practice medicine in a rural community and the suspension shall continue until the loan, with interest, is paid in full.

In summary...

This **is not** a scholarship for average medical students looking to take on less debt.

This **is** a scholarship for medical students with a preexisting interest and passion for rural medicine.

This scholarship is **a commitment**, which will obligate you for at least the next eleven years: four years of medical school, plus a minimum of three years for a primary care residency training program, plus four years of full-time practice in a medically underserved rural community in Arkansas

Things will change over the next seven years between the time you begin medical school, complete residency training, and choose a community where you will reside and practice.

Please understand that your decision to sign a contract to practice in a medically underserved rural community in Arkansas is separate and independent of any employment opportunities. The contract with the state of Arkansas does not guarantee employment, a clinic, an income guarantee, or a salary.

However, that will not change your moral obligation (your word) and your legal obligation (your contract).

This is a great scholarship program that will greatly minimize your medical school educational indebtedness while helping to meet the healthcare needs of rural Arkansans for generations to come. The choice is yours. We just want you to be absolutely sure that the choice you make is a decision you can live with over the next eleven years.