

ARKANSAS REGISTER

Proposed Rule Cover Sheet



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Name of Department _____

Agency or Division Name _____

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable _____

Contact Person _____

Contact E-mail _____

Contact Phone _____

Name of Rule _____

Newspaper Name _____

Date of Publishing _____

Final Date for Public Comment _____

Location and Time of Public Meeting _____

**DIVISION OF HIGHER EDUCATION RULES GOVERNING THE
OSTEOPATHIC RURAL MEDICAL PRACTICE STUDENT LOAN AND
SCHOLARSHIP BOARD**

Effective Date:

1.00 DEFINITIONS

1.01 “Medically Underserved Community” means an area in Arkansas that the Osteopathic Rural Medical Practice Student Loan and Scholarship Board determines has unmet needs for medical services due to factors, including without limitation:

1.01.1 The ratio of primary care physicians to population;

1.01.2 The infant mortality rate;

1.01.3 The percentage of:

1.01.3.1 Population with incomes below the federal poverty level, as it existed on January 1, 2019;

1.01.3.2 Resident individuals sixty (60) years of age and older; and

1.01.3.3 Physicians sixty (60) years of age and older;

1.01.4 Accessibility within the area to primary care medicine; and

1.01.5 Other relevant criteria the board may deem necessary for a determination of unmet needs for medical services.

1.02 “Primary Care Medicine” means health care provided in one (1) of the following areas of practice:

1.02.1 Family medicine;

1.02.2 General internal medicine;

1.02.3 General internal medicine and pediatrics;

1.02.4 General pediatrics;

1.02.5 General obstetrics and gynecology;

1.02.6 General surgery;

1.02.7 Emergency medicine; and

1.02.8 Geriatrics.

1.03 “Qualified rural community” means an area:

1.03.1 With a population below twenty thousand (20,000) according to the most recent federal census;

1.03.2 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

1.03.3 That is reasonably determined by the board to be medically underserved.

2.00 DUTIES AND RESPONSIBILITIES OF THE BOARD

2.01 The Osteopathic Rural Medical Practice Student Loan and Scholarship Board shall administer the Osteopathic Rural Medical Practice Student Loan and Scholarship Program and the Community Match Rural Physician Recruitment Program and shall consist of six (6) members, including:

2.01.1 One (1) member appointed by the Governor after consultation with each medical school in Arkansas that is not the University of Arkansas for Medical Sciences;

2.01.2 One (1) member appointed by the Governor after consultation with the Arkansas Osteopathic Medical Association, who shall serve as vice chair;

2.01.3 Two (2) physician members appointed by the Governor after consultation with the Arkansas Osteopathic Medical Association, giving preference to physicians who have received:

2.01.3.1 Osteopathic rural medical practice loans;

2.01.3.2 Community match loans; or

2.01.3.3 Income incentives; and

2.01.4 Two (2) representatives appointed by the Governor after consultation with the Arkansas Hospital Association, Inc.

2.02 Members of the board shall:

2.02.1 Serve a term of three (3) years;

- 2.02.2 Not serve more than two (2) consecutive terms; and
 - 2.02.3 Except as provided under 2.05.9, shall serve without compensation.
- 2.03 The board shall:
 - 2.03.1 Prescribe forms for, and regulate the submission of, loan applications;
 - 2.03.2 Determine eligibility of applicants;
 - 2.03.3 Allow or disallow loan or income incentive applications;
 - 2.03.4 Contract, increase, decrease, terminate, and otherwise regulate:
 - 2.03.4.1 All loan and income incentive disbursements;
 - 2.03.4.2 Receipts for their repayment; and
 - 2.03.4.3 Convert loans to scholarships or grants, as applicable;
 - 2.03.5 Manage, operate, and control all funds and property appropriated or otherwise contributed;
 - 2.03.6 Accept gifts, grants, bequests, or devises and apply them as a part of the loan and scholarship program;
 - 2.03.7 Sue and be sued as the board; and
 - 2.03.8 Accept monies from federal programs that may be used for furtherance of the purposes of this rule.
- 2.04 The members of the board may receive expense reimbursement and stipends in accordance with § 25-16-901 et seq.
- 2.05 The board shall examine all osteopathic rural medical practice loan applications to determine whether the applicant needs a loan to advance his or her medical education.
 - 2.05.1 To determine whether an applicant needs a loan to advance his or her medical education, the board shall investigate:
 - 2.05.1.1 Ability, character, and qualifications of the applicant; and
 - 2.05.1.2 Financial standing of the applicant or his or her parents.

2.06 The board shall make an annual report to the Governor concerning the activities of the board and shall file a copy of its report with the Legislative Council.

2.06.1 The report shall include:

2.06.1.1 The names of the recipients of the loans;

2.06.1.2 The amount of each loan;

2.06.1.3 An accounting of the funds granted, on hand, and expended for necessary expenses;

2.06.1.4 The total amount of funds received during the year from gifts, federal grants, bequests, and devises; and

2.06.1.5 The amount of loans which, during the year, become scholarships through compliance with the conditions of the loan contracts.

2.06.2 This report shall include the names and addresses, and amount of loans to each person, of those recipients who are in default of repayment obligations.

3.00 OSTEOPATHIC RURAL MEDICAL PRACTICE STUDENT LOAN AND SCHOLARSHIP PROGRAM ADMINISTRATOR

3.01 The Osteopathic Rural Medical Practice Student Loan and Scholarship Program administrator shall:

3.01.1 Be employed by the Division of Higher Education;

3.01.2 Serve as liaison between loan recipients and rural communities by:

3.01.2.1 Working with the communities to:

3.01.2.1.1 Identify their unique needs;

3.01.2.1.2 Develop profiles of their ideal candidates; and

3.01.2.1.3 Prepare for recruitment visits;

3.01.2.2 Assisting medical students and residents to:

3.01.2.2.1 Identify medically underserved and other rural communities that suit their personal and medical practice needs; and

3.01.2.2.2 Meet their contractual obligations;

3.01.3 Collect and monitor student loan and scholarship program data, including:

3.01.3.1 Demographic data of participants and communities;

3.01.3.2 Service completion rates;

3.01.3.3 Retention rates beyond service completion;

3.01.3.4 Satisfaction of obligated physicians and communities; and

3.01.3.5 Other relevant information;

3.01.4 Prepare annual program evaluations and present the evaluations to the Osteopathic Rural Medical Practice Student Loan and Scholarship Board;

3.01.5 Assist with preparation and submission of program reports;

3.01.6 Attend board meetings in a nonvoting capacity; and

3.01.7 Perform other functions assigned by the board.

4.00 LOAN APPLICATIONS

4.01 An individual may apply for a loan through the Scholarship Application Management System, which will then be reviewed by the Osteopathic Rural Medical Practice Student Loan and Scholarship Board, if the individual is:

4.01.1 Accepted for admission to, or enrolled in good standing in, in studies at an Arkansas medical school that lead to the degree of Doctor of Osteopathic Medicine;

4.01.2 A person of good moral character that has the talent and capacity to profit by medical studies;

4.01.2.1 The qualified rural community does not have to be determined at the time of application but instead at the completion of residency training.

4.01.3 In need of financial assistance to complete their medical studies through a "medically underserved and rural practice curriculum"; and

4.01.4 A bona fide resident of Arkansas.

- 4.02 A graduate of an accredited osteopathic medical school in the United States may apply for the community match income incentive program so long as the applicant satisfies the criteria set forth in section 8 of these rules.
- 4.03 The osteopathic rural medical practice loans are solely for paying the applicant's tuition, maintenance, educational, and necessary living expenses of his or her dependents while the applicant is enrolled in the program pursuant to these rules.
- 4.04 The board may make osteopathic rural medical practice loans to the applicant, subject to the provisions of 4.08 and 5.03, if the board finds that the applicant:
- 4.04.1 Is a bona fide resident of Arkansas;
- 4.04.2 Has been accepted for admission to or is enrolled in good standing in studies that lead to the degree of Doctor of Osteopathic Medicine;
- 4.04.3 Is enrolled in a medically underserved and rural practice curriculum;
- 4.04.4 Needs financial assistance to complete his or her medical studies;
- 4.04.5 Desires to practice medicine in an eligible qualified rural community; and
- 4.04.6 Has good moral character, talent, and capacity to profit by medical studies.
- 4.05 Subject to the availability of funds, an initial osteopathic rural medical practice loan for one (1) academic year shall:
- 4.05.1 Be renewable annually for the number of years required to complete studies leading to the Doctor of Osteopathic Medicine degree; or
- 4.05.2 For additional amounts, not to exceed the maximum amounts specified in 4.06; but
- 4.05.3 All subsequent osteopathic rural medical practice loans shall be granted only upon application by recipient and finding by the board that applicant:
- 4.05.3.1 Has completed successfully the medical studies of the preceding academic year and remains in good standing as an enrolled student in the college;
- 4.05.3.2 Is enrolled or participating in a medically underserved and rural practice curriculum;
- 4.05.3.3 Continues to be a resident of Arkansas; and
- 4.05.3.4 Continues to warrant financial assistance.

- 4.06 The maximum amount of each osteopathic rural medical practice loan for osteopathic medical students is \$12,000 per academic year or \$6,000 per academic semester, or those costs that are reasonable and necessary for the student's attendance as determined by the board.
- 4.07 The maximum amount of each community match income incentive shall not exceed eighty thousand dollars (\$80,000) or as the board otherwise shall determine payable under 9.02 of these rules.
- 4.07.1 The board shall provide fifty percent (50%) of the community match income incentive, and the qualified rural community shall provide the other fifty percent (50%) of the income incentive.
- 4.07.2 However, if the board does not have sufficient funds to match the community's portion of the income incentive, nothing precludes a qualified rural community from providing the total income incentive amount.
- 4.08 All payments for osteopathic rural practice loans and community match loans shall be made on requisitions signed by the Chair of the board, drawn against the funds held for purposes of these rules.
- 4.08.1 The following funds shall be held in trust and disbursed by the fiscal officers of a medical school in Arkansas, that is not the University of Arkansas for Medical Sciences:
- 4.08.1.1 State appropriations so designated;
- 4.08.1.2 Revolving amounts received from repayment of loans and interest; and
- 4.08.1.3 All funds, property, and income received by the board under its authority to accept and apply gifts, bequests, and devises for the aforesaid purposes.
- 4.08.2 Funds collected because of a recipient's breach of an osteopathic rural practice loan contract or community match loan contract shall be:
- 4.08.2.1 Held in trust for either the use of the Osteopathic Rural Medical Practice Student Loan and Scholarship Program;
- 4.08.2.2 The Community Match Rural Physician Recruitment Program;
- 4.08.2.3 Or any other use otherwise deemed appropriate by the board in its discretion; and

- 4.08.2.4 Disbursed by the fiscal officer of an osteopathic medical school in Arkansas pursuant to these rules.

5.00 LOAN CONTRACTS — OBLIGATIONS AND CONDITIONS

- 5.01 The Osteopathic Rural Medical Practice Student Loan and Scholarship Board shall enter into a loan contract with each osteopathic rural medical practice loan recipient.
- 5.02 Contracts shall be approved by the Attorney General and shall be:
- 5.02.1 Signed by the Chair of the board;
- 5.02.2 Countersigned by the Secretary of the board; and
- 5.02.3 Signed by the applicant.
- 5.03 Each applicant receiving an osteopathic rural medical practice loan granted by the board shall execute a written loan contract that incorporates the following obligations and conditions:
- 5.03.1 The recipient shall agree to practice primary care medicine full time in a qualified rural community upon completion of:
- 5.03.1.1 Medical internship of one (1) year undertaken immediately following earning a degree of Doctor of Osteopathic Medicine;
- 5.03.1.2 Four (4) additional years of medical training beyond the internship if:
- 5.03.1.2.1 The training has been approved in advance by the board; and
- 5.03.1.2.2 Includes practice experience in a rural community; or
- 5.03.1.3 At the request of the loan recipient, the board may approve practice in more than one (1) qualified rural community to meet the obligation to practice full time.
- 5.03.1.3.1 This requires a board determination that either:
- 5.03.1.3.1.1 Physician need in rural communities cannot sustain a full-time medical practice; or
- 5.03.1.3.1.2 Other compelling circumstances exist.

- 5.03.2 The recipient of a loan shall agree that for each year's loan that he or she shall practice medicine in accordance with 5.03.1 for a whole year.
- 5.03.3 For each continuous whole year of medical practice, subject to reasonable leave periods, including without limitation vacation, sick leave, continuing medical education, jury duty, funerals, holidays, or military service, the board shall cancel, by converting to a scholarship grant, the full amount of one (1) year's loan plus accrued interest;
- 5.03.3.1 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.
- 5.03.3.2 Requests for deferment of payment must be approved by the board on an annual basis, however, allowance is made for involuntary military service.
- 5.04 The recipient of an osteopathic rural medical practice loan or loans shall agree that not engaging in the practice of medicine in accordance with these rules may result in suspension of his or her license to practice medicine in this state.
- 5.04.1 The recipient's medical license may not be suspended unless:
- 5.04.1.1 Recipient's contract contained a specific term that loss of license was a consequence of breach; and
- 5.04.1.2 Recipient signed a written acknowledgment that the suspension of license was explained orally as a potential consequence of breaching the contractual provisions.
- 5.04.2 The suspension may be for a period of years equivalent to the number of years recipient is obligated to practice medicine in a rural area, but has not so practiced, and until the loan with interest together with any civil money penalties, as reduced by each full year of medical practice according to the terms of the loan contract, is paid in full;
- 5.05 Any communication from a medical school in Arkansas, that is not the University of Arkansas for Medical Sciences, with any state medical licensing board shall include a notation that:
- 5.05.1 The recipient of an osteopathic rural medical practice loan has a contract with Arkansas to practice medicine in a rural community; and
- 5.05.2 Breach of contract may result in suspension of recipient's Arkansas medical license;

5.06 If any loan recipient does not engage in the practice of medicine in accordance with the terms of this rule and recipient's loan contract to have the loan contract recognized as a scholarship, the recipient shall remain obligated to repay the loan or loans received, together with interest at the maximum rate allowed by Arkansas law or the federal discount rate plus five percent (5%) per annum, whichever is the lesser, the interest to accrue from the date each payment of funds was received by the recipient.

5.06.1 Neither interest nor the obligation to repay the principal sums accrued shall accrue during any one (1) period of time that the recipient involuntarily serves on active duty in the United States Armed Forces.

5.06.2 Repayment of principal with interest shall be due and payable in full at the earliest to occur of the following events:

5.06.2.1 Failure to remain enrolled in a medically underserved and rural practice curriculum;

5.06.2.2 Failure to remain in enrollment status continuously to completion of the degree of Doctor of Osteopathic Medicine for any reason other than temporary personal illness;

5.06.2.3 Failure to complete the internship;

5.06.2.4 Failure to engage in the full-time practice of medicine while residing in a qualified rural community;

5.06.2.4.1 However, the board may waive the residency requirement on a case-by-case basis; and

5.06.2.5 Failure to establish a practice as required in this rule within six (6) months following either internship or four (4) additional years of medical education that includes practice experience in a rural community.

5.06.3 In the event of the death of the recipient, the entire loan amount that has not been converted to a scholarship grant pursuant to the terms of the loan contract shall be due and payable.

5.07 Medical school alternate's contracts shall contain an additional term that breach of the contract may result in civil money penalties in the amount of one hundred percent (100%) of the loan amount if:

5.07.1 An alternate on the waiting list for acceptance to an osteopathic medical school in Arkansas enters into an osteopathic rural medical practice

program contract conditioned only upon the applicant's being accepted for admission to the college;

5.07.2 The alternate otherwise meets the requirements of this rule; and

5.07.3 The applicant is moved to the top of the waiting list pursuant to section 9.

5.07.3.1 This shall not prohibit the board from considering and entering a negotiated settlement with the loan recipient involving:

5.07.3.1.1 The license suspension;

5.07.3.1.2 The amount of the civil money penalty; and

5.07.3.1.3 The terms of repayment of the loan.

5.08 The board may amend agreements entered into with any loan recipient at any time prior to full performance of the recipient's contractual obligations.

5.08.1 A loan recipient may apply to an osteopathic medical school in Arkansas for a waiver of the contractual provisions set forth in 5.04.

5.08.1.1 If the osteopathic medical school determines that exigent circumstances warrant a waiver, the loan recipient shall be notified in writing.

5.08.1.2 The osteopathic medical school in Arkansas shall immediately notify the State Medical Board of such a determination.

6.00 DISPUTE RESOLUTION

6.01 The following may appeal any decision or action by the Osteopathic Rural Medical Practice Student Loan and Scholarship Board relating to the application for a loan or income incentive or relating to a loan or income incentive granted by the board under the dispute resolution procedure:

6.01.1 Any applicant for a loan or income incentive issued by the board;

6.01.2 Any person who has been granted a loan or has been granted income incentives by the board; or

6.01.3 Any party to an osteopathic rural medical practice or community match loan or income incentive established under these rules.

6.02 The board shall establish and follow procedures, as required per § 6-81-1803(b)(1), used by a loan or income incentive recipient, the board, or a qualified

rural community, to resolve any dispute arising out of or relating to an osteopathic rural medical practice or community match loan or income incentive contract, including the validity or interpretation of a contract term, contract enforcement or defenses, the occurrence of an event of default or breach, loan repayment, the assessment or imposition of contract damages or civil money penalties, or other related disputes.

6.03 The dispute resolution procedure established by the board shall be followed before the initiation of any litigation related to:

6.03.1 An osteopathic rural medical practice or community match loan; or

6.03.2 Income incentive contract.

6.04 These rules do not prohibit informal disposition by:

6.04.1 Stipulation;

6.04.2 Settlement; or

6.04.3 Consent.

7.00 COMMUNITY MATCH CONTRACTS—ELIGIBILITY

7.01 The Osteopathic Rural Medical Practice Student Loan and Scholarship Board shall administer the Community Match Rural Physician Recruitment Program.

7.01.1 Interested rural communities may apply to the board to participate in the program as a qualified rural community.

7.01.2 The board shall approve a designated representative of the qualified rural community to assist the board in matters relating to any community match contracts entered into by the board and the qualified rural community.

7.02 The board, in conjunction with a qualified rural community, may grant community match income incentives to applicants, each incentive being expressly made subject to section 8 of these rules, if it finds that:

7.02.1 The applicant is a graduate of:

7.02.1.1 An accredited osteopathic medical school in the United States;
or

7.02.1.2 A foreign medical school if the applicant:

7.02.1.2.1 Was a resident of Arkansas and citizen of the United States prior to enrollment in foreign medical school; and

7.02.1.2.2 Has been licensed by the State Medical Board;

7.02.2 The applicant satisfies one (1) of the following criteria:

7.02.2.1 Enrollment in a residency or other training program in an area of primary care medicine; or

7.02.2.2 No more than two (2) years before the date of the application, he or she completed a residency or other training program in an area of primary care medicine;

7.02.3 The applicant desires to practice medicine in the qualified rural community; and

7.02.4 The designated representative approve the applicant.

8.00 COMMUNITY MATCH CONTRACTS—OBLIGATIONS & CONDITIONS

8.01 The Osteopathic Rural Medical Practice Student Loan and Scholarship Board and the qualified rural community shall enter a joint community match income incentive contract with the applicant.

8.01.1 The community match contract shall be approved by the Attorney General and signed by the following:

8.01.1.1 The Chair of the board;

8.01.1.2 The Secretary of the board;

8.01.1.3 The designated representative of the qualified rural community; and

8.01.1.4 The applicant.

8.02 Each applicant granted a community match income incentive by the board shall execute a written contract incorporating the following obligations and conditions:

8.02.1 The recipient agrees to practice primary care medicine full time in the contracting qualified rural community for a period of four (4) years.

8.02.1.1 The recipient shall receive the community match funds according to a disbursement schedule acceptable to the board, the qualified rural community, and the recipient to the contract.

8.02.1.2 For each three-month period of full-time medical practice by the recipient, according to the terms of the contract, the board and the qualified rural community shall award one-fourth ($\frac{1}{4}$) of the income incentive for the year of service;

8.02.2 If any recipient does not begin, or ceases the full-time practice of medicine in breach of contract, or otherwise breaches the contract, the recipient shall pay:

8.02.2.1 Twenty thousand dollars (\$20,000) for each uncompleted full year of the four-year contract term; and

8.02.2.2 Any civil money penalties that apply.

8.02.2.2.1 The board may impose civil money penalties of up to fifty percent (50%) of the principal amount of the income incentive under the terms of the contract because of breach; and

8.02.3 Neither interest nor the obligation to repay the principal sums accrued shall accrue during any one (1) period of time that the recipient involuntarily serves on active duty in the United States Armed Forces.

8.03 Section 8.02 of this rule does not prohibit the board from considering and entering into a negotiated settlement with the recipient involving the terms of repayment of amounts paid under the terms of the contract.

8.04 Contracts may be amended at any time before the income incentive has been paid in full or terms and conditions of the contract are satisfied.

9.00 MEDICAL SCHOOL ALTERNATES — RURAL MEDICAL PRACTICE LOANS

9.01 If an alternate on the waiting list for acceptance to an osteopathic medical school in Arkansas demonstrates a willingness to enter into an osteopathic rural medical practice loan contract and meets the requirements of 4.04, the applicant shall be moved to the top of the waiting list upon entering into an osteopathic rural medical practice student loan contract.

9.01.1 The priority on the waiting list for an alternate who enters into a loan contract shall be determined by the date and time such an alternate enters into the contract.

9.02 An osteopathic medical school in Arkansas shall:

9.02.1 Track graduates who were recipients of loans under this rule for the length of their contractual obligations; and

9.02.2 Report to the Legislative Council by October 1 of each even-numbered year regarding the compliance of those graduates with the terms of their contracts.

DRAFT

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEPARTMENT _____
BOARD/COMMISSION _____
PERSON COMPLETING THIS STATEMENT _____
TELEPHONE NO. _____ **EMAIL** _____

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

TITLE OF THIS RULE _____

1. Does this proposed, amended, or repealed rule have a financial impact?
Yes No

2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?
Yes No

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If no, please explain:

(a) how the additional benefits of the more costly rule justify its additional cost;

(b) the reason for adoption of the more costly rule;

(c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

(d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:
(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.



Division of Higher Education

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Jacob Oliva
Secretary

Ken Warden, Ed.
Commissioner

September 11, 2024

Dr. Jim Carr
Secretary

Proposed Rules Governing the Osteopathic Rural Medical Practice Student Loan and Scholarship Board

**Higher Education
Coordinating
Board**

**Mrs. Graycen
Bigger**
*Academic/Finance
Committees
Chair*

Dr. Jerry Cash
*Academic
Committee*

**Dr. Katherine
Dudley**
*Academic
Committee*

Mr. Chad Hooten
Finance Committee

**Mrs. Heather
Maxey**
Finance Committee

Dr. Kyle Miller
Finance Committee

Mr. Lucas Pointer
Finance Committee

**Mrs. Carolyn
Rhinehart**
*Academic
Committee*

PURPOSE

The Division of Higher Education is seeking the Governor's review of proposed Rules Governing Osteopathic Rural Medical Practice Student Loan and Scholarship Board.

BACKGROUND

Pursuant to Act 857 of 2019 and Act 725 of 2023, the Division is charged with promulgating the Rules Governing the Osteopathic Rural Medical Practice Student Loan and Scholarship Board, codified at Ark. Code Ann. § 6-81-1801 et al. The Board is currently being appointed by the Governor and as such, rules are being promulgated to provide board duties and responsibilities. Additionally, the rule details the criteria for allocating scholarships and loans to students within Arkansas, the dispute resolution process, community match programs and contracts, and the medical school alternates on waiting lists, for which the Department believes that rulemaking is required.

KEY POINTS

- Creates the Osteopathic Rural Medical Practice Student Loan and Scholarship Board.
- Establishes the board duties and responsibilities.
- Details the criteria for allocating scholarships and loans to students within Arkansas, the dispute resolution process, community match programs and contracts, and the medical school alternates on waiting lists.

DISCUSSION

Act 857 of 2019 and Act 725 of 2023 create and establish guidelines governing the Rules Governing the Osteopathic Rural Medical Practice Student Loan and Scholarship Board, codified at Ark. Code Ann. § 6-81-1801 et al.

Act 857 of 2019 provide board duties and responsibilities. It also details the criteria for allocating scholarships and loans to students within Arkansas, the dispute resolution process, community match programs and contracts, and the medical school alternates on waiting lists.

Act 725 of 2023 cleans up language pertaining to members of the board.

RECOMMENDATION

The Division of Higher Education recommends Governor's Office approval of this rule.

Notice of Rulemaking
Public Comment Period: September 13 – October 13

Pursuant to Arkansas Code Annotated § 25-15-201 et seq., notice is hereby given that the Division of Higher Education is considering new administrative rules. Public comment hearings will be held for the following rules:

- DHE Rule Governing the Osteopathic Rural Medical Practice Student Loan and Scholarship Program;
- DHE Rule Governing the Arkansas Geographical Critical Needs Scholarship Program;
- DHE Rule Governing Emergency Response Equipment at Institutions of Higher Education;
- DHE Rule Governing the Student Undergraduate Research Fellowship Program;
- DHE Rule Governing the Arkansas Academic Challenge Scholarship;
- DHE Rule Governing the Graduate Medical Education Residency Expansion Board.

All hearings will be held October 8, 2024, at 10 a.m. at the Arkansas Department of Education, Arch Ford Building, Four Capitol Mall, Little Rock, AR, 72201. The public comment period for these rules ends on October 13, 2024. Written comments regarding these proposed rules may be mailed to ADE Legal Services, Four Capitol Mall, Room 302A, Little Rock, AR, 72201.

Comments may be emailed to ADE.RulesComments@ade.arkansas.gov. A copy of the proposed rules can be found on the Division of Higher Education's website at: <https://adhe.edu/data-publications/pending-policies>. Copies also may be obtained by contacting ADE's Office of Legal Services at the above address, via phone at (501) 683-1390, or via email at legal@ade.arkansas.gov.

From: [Legal Ads](#)
To: [Alisha N. Price \(ADE\)](#)
Subject: Re: ADHE Rules for Public Comment
Date: Tuesday, September 10, 2024 8:36:07 AM
Attachments: [image001.png](#)

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Will run Fri 9/13, Sat 9/14, and Sun 9/15. Sunday will be billed separately.

Thank you,

Gregg Sterne, Legal Advertising
Arkansas Democrat-Gazette
legalads@arkansasonline.com

From: "Alisha N. Price, ADE" <Alisha.Price@ade.arkansas.gov>
To: "legalads" <legalads@arkansasonline.com>
Cc: "LaBria Brown, ADE" <LaBria.Brown@ade.arkansas.gov>
Sent: Monday, September 9, 2024 1:52:32 PM
Subject: ADHE Rules for Public Comment

Good afternoon,

Please see the attached list of Arkansas Division of Higher Education rules that we would like to run a notice for public comment on. We request that the attached notice run this Friday, September 13, 2024, through Sunday, September 15, 2024.

Please let me know if you have any questions or need anything else from us.

Thanks, and have a great day!



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