



CERTIFICATE OF INDEBTEDNESS

Mark D. Nellerhoe, DPM
5216 N 49th St
Ruston, WA 98407
Ref: 50106431/2

Total debt due to the United States of America as of March 17, 2011: \$79,909.40 (principal \$79,034.50, interest \$874.90, administrative costs \$0.00).

I certify that the Department of Health and Human Services records show that the debtor named above is indebted to the United States in the amount stated above, plus additional interest on the principal balance of \$79,034.50 from March 17, 2011, at the rate of 3.25%. Interest accrues on the principal amount of this debt at the rate of \$7.02 per day. Interest is computed at a variable rate and is adjusted quarterly. Due to the semi-annual compounding of interest, the current principal amount is greater than the original amount borrowed.

<u>Account</u>	<u>Lender</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Daily Rate</u>
50106431	PHEAA	\$63,750.47	\$62,996.93	\$ 753.54	\$5.60
50106432	SLMA	<u>\$16,158.93</u>	<u>\$16,037.57</u>	<u>\$ 121.36</u>	<u>\$1.42</u>
Totals as of 05/11/10		\$79,909.40	\$79,034.50	\$874.90	\$7.02

The claims arose in connection with a Government-insured Health Education Assistance Loans (HEAL) made by private lenders and assigned to the United States.

50106431 - Pennsylvania Higher Education Assistance Agency (PHEAA)

As a student at the University of Osteopathic Medicine & Health Sciences, you applied for and were granted the following Health Education Assistance Loans (HEAL), Section 701-720 of the Public Health Service Act (42 U.S.C. 292 f-p).

<u>Amount of Promissory Note</u>	<u>Amount Disbursed</u>
\$16,000.00	\$15,185.00
\$20,000.00	\$18,697.00

You signed promissory notes agreeing to repay the loans at a variable rate of interest beginning the first day of the tenth month after ceasing to be a full-time student or completing a residency program.

Upon your leaving the University of Osteopathic Medicine & Health Sciences, you were granted deferments and forbearance agreements for the period of July 1, 1991, to July 31, 1995, with payments to begin August 15, 1995. Between October 11, 1994, and November 7, 1994, you made two (2) payments, totaling \$813.20.

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On October 20, 1995, in the United States Bankruptcy Court, Western District of Washington, you filed a petition for relief under Title 11 U.S.C. Chapter 7 (Case No. 95-35098). On August 13, 1996, you filed an adversary complaint (Case No. 96-35185). The adversary was terminated on December 10, 1999, however, your HEAL debt was not dischargeable under bankruptcy.

Due to your adversary complaint, the Pennsylvania Higher Education Assistance Agency (PHEAA) filed an insurance claim with the Department of Health and Human Services (HHS). The claim in the amount of \$51,503.00 was paid on January 21, 1997, and an assignment of the notes was received.

50106432- Student Loan Marketing Association (SLMA)

As a student at the University of Osteopathic Medicine & Health Sciences, you applied for and were granted the following HEAL, Section 701-720 of the Public Health Service Act (42 U.S.C. 292 f-p).

<u>Amount of Promissory Note</u>	<u>Amount Disbursed</u>
\$10,000.00	\$10,000.00
\$ 8,500.00	\$ 8,500.00

You signed promissory notes agreeing to repay the loans at a variable rate of interest beginning the first day of the tenth month after ceasing to be a full-time student or completing a residency program. The Student Loan Marketing Association (SLMA) purchased your notes and received an assignment.

Upon your leaving the University of Osteopathic Medicine & Health Sciences, you were granted deferment and forbearance agreements for the period of April 1, 1991, to February 5, 1996, with payments to begin thereafter. Between February 8, 1994, and October 28, 1994, you made six (6) payments, totaling \$6,933.67.

On October 20, 1995, in the United States Bankruptcy Court, Western District of Washington, you filed a petition for relief under Title 11 U.S.C. Chapter 7 (Case No. 95-35098). On August 13, 1996, you filed an adversary complaint (Case No. 96-35188). The adversary was terminated on December 10, 1999, however, your HEAL debt was not dischargeable under bankruptcy.

Due to your adversary complaint, the SLMA filed an insurance claim with the HHS. The amount due was \$21,249.00. The lender's claim was paid on January 3, 1997, and an assignment of the notes was received.

50106431/2 - Department of Health and Human Services

The HHS notified you by letter dated January 28, 1997, that the previous holders of your promissory notes submitted insurance claims and assigned your notes to the U.S. Government.

In a letter dated April 7, 2000, you were notified that although payments on your HEAL debt had been suspended during your bankruptcy proceedings, your debt was not subject to cancellation by bankruptcy discharge. You were provided instructions for entering into a repayment agreement (RA) with notice that it must be completed and returned within thirty (30) days along with a good faith payment. You did not comply.

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By letter dated July 3, 2000, you were notified that your account had been referred to OSI Collection Services for collection. You were advised that your account would be referred to the U.S. Department of Justice (DOJ) if you failed to either remit payment in full or enter into an RA. You did not comply.

On June 12, 2002, you were notified that you had sixty (60) days in which to resolve your delinquent debt. You were advised that if you were unwilling to establish an RA, your case would be immediately referred to the Office of the Inspector General (OIG) for exclusion from participation in the Medicare/Medicaid Programs. The letter also informed you that in the event you did not enter into an RA, your debt would be referred to the DOJ for enforced collection. You did not comply.

In a letter dated June 20, 2002, you were notified of the HHS' intent to refer your HEAL debt to other Federal agencies for the purpose of administrative offset under the Debt Collection Improvement Act of 1996. You were advised that a written response, an RA, or payment in full received within sixty (60) days from the date of the letter would terminate administrative offset action. You did not comply.

On July 18, 2002, you were sent an RA which was to be signed, notarized, and returned along with your first payment by August 15, 2002. You were advised that failure to comply would result in your debt being referred to the DOJ for enforced collection.

On March 4, 2003, you were sent an RA which was to be signed, notarized, and returned along with your first payment by April 1, 2003. You were advised that failure to comply would result in your debt being referred to the DOJ for enforced collection.

On October 7, 2005, April 25, 2008, November 19, 2009, and January 28, 2010, you were notified that you had sixty (60) days in which to resolve your delinquent debt. You were advised that if you were unwilling to establish an RA, your case would be immediately referred to the OIG for exclusion from participation in the Medicare/Medicaid Programs. The letter also informed you that in the event you did not enter into an RA, your debt would be referred to the DOJ for enforced collection. You did not comply.

The following provides a breakdown of payments applied to your account:

8 Payments to Lenders	02/08/94 to 11/07/94	\$ 7,746.87
Payments to HHS	08/28/00 to 12/23/10	<u>\$69,450.25</u>
Total Amount Applied		\$77,197.12

Repeated attempts by HHS have been unsuccessful in establishing an acceptable repayment schedule for your debt. Because of your lack of cooperation the federal government is exercising its option and declaring your note due and payable. Accordingly, your debt has now been referred to the DOJ for enforced collection.

The amount due should be remitted by check, draft or money order(s) payable to the "U.S. Department of Justice" and mailed directly to the United States Attorney, Western District of Washington, 700 Stewart St, Ste 5220, Seattle, WA 98101-1271.

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CERTIFICATION: Pursuant to 28 U.S.C. 1746, I certify under penalty of perjury that the foregoing is true and correct.

3/18/11

Date

Barry M. Blum

Barry M. Blum
Chief, Referral Control Section
Debt Management Branch