

BILL ANALYSIS

Senate Research Center

S.B. 2077
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Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

This legislation seeks to establish resident physician training programs in severely medically underserved communities in Texas. The bill encourages resident physicians to practice where there are shortages of medical specialty areas and areas that have been medically underserved. Many times where a physician completes his or her residency impacts where he or she eventually practices medicine. Using previous research such as "Code Red" which identified the need for these medical specialty areas and medically underserved communities, the Physician Shortage Residency Advisory Committee will identify areas of the state that are suffering from a physician shortage and recommend the establishment of a residency training program. A medical school, licensed hospital, or nonprofit corporation can operate the program.

Physicians who are in residency would help provide services to the approximately five million Texans who live in medically underserved areas. In 2008, there were 26 counties in Texas which had no primary care physicians, according to the Texas Department of State Health Services.

Entities that decide to establish and operate a program are given compensation, authorized by the Texas Higher Education Coordinating Board. Compensation is based on the number of resident physicians in the training program. Funding for programs is determined based on the ability to expand training opportunities for medical specialty areas where shortages exist in Texas and where medically underserved communities will benefit. The fund will utilize excess funds paid to the medical licensing board by doctors.

As proposed, S.B. 2077 relates to physician shortage residency programs.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 61.513, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 61, Education Code, by adding Subchapter II, as follows:

SUBCHAPTER II. CONTRACTS FOR PHYSICIAN SHORTAGE RESIDENCY PROGRAMS

Sec. 61.511. DEFINITIONS. Defines "medical school" and "approved physician shortage residency training program."

Sec. 61.512. CONTRACTS. Authorizes the Texas Higher Education Coordinating Board (THECB) to contract with a medical school, licensed hospital, or nonprofit corporation for the purpose of establishing and operating an approved physician shortage residency training program and to compensate the medical school, licensed hospital, or nonprofit corporation on a formula approved by THECB based upon the number of resident physicians in the training program.

Sec. 61.513. RULES. Authorizes THECB to adopt rules to implement this subchapter.

Sec. 61.514. DISBURSEMENTS. (a) Authorizes THECB, pursuant to a contract, to disburse through the designated project director to a medical school, licensed hospital, or

nonprofit corporation funds for the purpose of the graduate training of physicians in an approved physician shortage residency training program. Requires the project director of the residency program to, in accordance with such rules as THECB may adopt, make timely reports directly to THECB concerning the development and progress of the residency training program.

(b) Authorizes THECB to establish by contract the method or manner of disbursement to the project director.

Sec. 61.515. **ADVISORY COMMITTEE.** (a) Provides that the Physician Shortage Residency Advisory Committee (advisory committee) is created and is required to consist of nine certain members.

(b) Requires that the terms of office of each member be for three years. Requires each member to serve until a replacement has been appointed to the advisory committee.

(c) Provides that the members of the advisory committee serve without compensation, but are required to be reimbursed by THECB for actual expenses incurred in the performance of duties as members of the advisory committee.

(d) Requires the advisory committee to meet at least annually and so often as requested by THECB or called into meeting by the chairman.

(e) Requires the chairman to be elected by the members of the advisory committee for one year.

(f) Requires the committee to:

(1) review data from the Statewide Health Coordinating Council and other resources to determine the physician shortages in Texas;

(2) review for THECB applications for approval and funding of residency training programs and related support programs;

(3) make recommendations to THECB relating to the disbursement of funds under this subchapter based on residency programs which would expand training opportunities in medical specialty areas in which there is a shortage in Texas, residency programs which would be located in medically underserved communities in Texas, residency programs in specialty areas in which a substantial number of graduates of Texas medical schools have left the state of Texas to pursue such training, or residency programs which would undertake innovative approaches to residency training, include extensive use of ambulatory facilities or the creation of medical homes for patients; and

(4) perform such other duties as may be directed by THECB.

Sec. 61.516. **FUNDING.** Authorizes THECB to receive and expend appropriations for purposes of this subchapter, including funds generated by fees under Chapter 153 (Powers and Duties), Occupations Code, in excess of the funds needed for the purposes authorized by Section 153.052 (Deposit and Expenditure of Receipts), Occupations Code; and accept gifts, grants, and donations of real or personal property from any entity, subject to limitations or conditions set by law, for purposes of this subchapter.

SECTION 2. Amends the heading to Subchapter I, Chapter 61, Education Code, to read as follows:

SUBCHAPTER I. CONTRACTS FOR FAMILY PRACTICE RESIDENCY PROGRAMS.

SECTION 3. Requires THECB to adopt rules to implement Subchapter II, Chapter 61, Education Code, as added by this Act, not later than January 1, 2010.

SECTION 4. Effective date: upon passage or September 1, 2009.