

1-1 By: Oliverson, et al. (Senate Sponsor - Schwertner) H.B. No. 2556  
1-2 (In the Senate - Received from the House April 19, 2023;  
1-3 April 20, 2023, read first time and referred to Committee on Health  
1-4 & Human Services; May 21, 2023, reported favorably by the following  
1-5 vote: Yeas 9, Nays 0; May 21, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to the licensing and regulation of physician graduates and  
1-20 the authority of an insured to select a physician graduate under the  
1-21 insured's health insurance policy; requiring an occupational  
1-22 license; authorizing fees.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Chapter 155, Occupations Code, is amended by  
1-25 adding Subchapter E to read as follows:

1-26 SUBCHAPTER E. PHYSICIAN GRADUATE

1-27 Sec. 155.201. DEFINITIONS. In this subchapter:

1-28 (1) "Physician graduate" means an individual issued a  
1-29 limited license under this subchapter to practice medicine under a  
1-30 supervising practice agreement with a sponsoring physician.

1-31 (2) "Sponsoring physician" means a physician who  
1-32 enters into a supervising practice agreement with a physician  
1-33 graduate.

1-34 (3) "Supervising practice agreement" means an  
1-35 agreement between a sponsoring physician and a physician graduate  
1-36 regarding the supervision by the sponsoring physician of the  
1-37 physician graduate's practice of medicine.

1-38 Sec. 155.202. RULES. The board shall adopt rules in  
1-39 accordance with this subchapter relating to the licensing and  
1-40 regulation of physician graduates, including rules relating to:

1-41 (1) procedures and fees for the issuance, term, and  
1-42 renewal of a license under this subchapter, including continuing  
1-43 medical education requirements for renewal of the license;

1-44 (2) practices and requirements for the supervision of  
1-45 physician graduates; and

1-46 (3) any other matter necessary to ensure protection of  
1-47 the public, including disciplinary procedures.

1-48 Sec. 155.203. LICENSE ISSUANCE. On application, the board  
1-49 shall issue a limited license to practice medicine under this  
1-50 subchapter to an applicant who:

1-51 (1) is a resident of this state and is:

1-52 (A) a United States citizen or a legal permanent  
1-53 resident; or

1-54 (B) otherwise authorized under federal law to  
1-55 work in the United States;

1-56 (2) has proficiency in the English language;

1-57 (3) has graduated:

1-58 (A) in the two years preceding the date that the  
1-59 applicant initially applies for a physician graduate license, from:

1-60 (i) a board-recognized accredited medical  
1-61 school or osteopathic medical school in the United States or

2-1 Canada; or  
2-2 (ii) a medical school located outside of  
2-3 the United States and Canada that is recognized by the board as  
2-4 acceptable; or  
2-5 (B) if the applicant is licensed in good standing  
2-6 to practice medicine in another country, from a medical school  
2-7 located outside of the United States and Canada that is recognized  
2-8 by the board as acceptable;  
2-9 (4) has passed the first and second components of the  
2-10 United States Medical Licensing Examination or equivalent  
2-11 components of another board-approved licensing examination  
2-12 described by Section 155.0511;  
2-13 (5) is not enrolled in a board-approved postgraduate  
2-14 residency program; and  
2-15 (6) meets any other requirement prescribed by board  
2-16 rule.

2-17 Sec. 155.204. FEES. The amount of a fee for the issuance or  
2-18 renewal of a license under this subchapter may not exceed the amount  
2-19 of a fee for the issuance or renewal of a physician assistant  
2-20 license under Chapter 204.

2-21 Sec. 155.205. SPONSORING PHYSICIAN. (a) A physician is  
2-22 eligible to enter into a supervising practice agreement as a  
2-23 sponsoring physician if the physician:

2-24 (1) holds a full and unrestricted license to practice  
2-25 medicine issued under this subtitle;  
2-26 (2) has not been and is not currently the subject of  
2-27 disciplinary action by the board or the medical licensing authority  
2-28 of any other jurisdiction;  
2-29 (3) is certified by a medical specialty member board  
2-30 of:

2-31 (A) the American Board of Medical Specialties; or  
2-32 (B) the American Osteopathic Association Bureau  
2-33 of Osteopathic Specialists; and  
2-34 (4) practices medicine in the specialty for which the  
2-35 physician is certified under Subdivision (3).

2-36 (b) A sponsoring physician who enters into a supervising  
2-37 practice agreement with a physician graduate shall comply with all  
2-38 board rules related to the supervision of physician graduates.

2-39 (c) The board by rule shall establish the maximum number of  
2-40 physician graduates that a sponsoring physician may supervise under  
2-41 supervising practice agreements.

2-42 Sec. 155.206. SUPERVISING PRACTICE AGREEMENT REQUIRED. (a)  
2-43 A physician graduate shall enter into a supervising practice  
2-44 agreement with a sponsoring physician.

2-45 (b) A physician graduate who has not entered into a  
2-46 supervising practice agreement may not practice or attempt to  
2-47 practice medicine.

2-48 (c) A physician graduate who enters into a supervising  
2-49 practice agreement may practice under the delegation and  
2-50 supervision of another physician if:

2-51 (1) the sponsoring physician authorizes the practice  
2-52 of the physician graduate under the delegation and supervision of  
2-53 the other physician in a written document that identifies the other  
2-54 physician by name; and

2-55 (2) the other physician is:

2-56 (A) part of the sponsoring physician's physician  
2-57 group or facility; and  
2-58 (B) certified in the same specialty as the  
2-59 sponsoring physician by a medical specialty member board of:

2-60 (i) the American Board of Medical  
2-61 Specialties; or  
2-62 (ii) the American Osteopathic Association  
2-63 Bureau of Osteopathic Specialists.

2-64 (d) The physician profile under Section 154.006 of a  
2-65 sponsoring physician or physician graduate must indicate in the  
2-66 manner prescribed by board rule that the sponsoring physician or  
2-67 physician graduate has entered into a supervising practice  
2-68 agreement.

2-69 Sec. 155.207. LIMITED PRACTICE BY LICENSE HOLDER. (a) A

3-1 physician graduate may provide only medical services in the  
3-2 specialty in which the physician graduate's sponsoring physician is  
3-3 certified as described by Section 155.205(a)(3) under supervision  
3-4 in accordance with a supervising practice agreement.

3-5 (b) Before a license holder under this subchapter provides a  
3-6 treatment, consultation, or other medical service, the license  
3-7 holder must disclose to the patient:

3-8 (1) that the license holder is a physician graduate;  
3-9 and

3-10 (2) if asked, that the license holder has not  
3-11 completed any formal specialized postgraduate or resident  
3-12 training.

3-13 (c) A physician graduate may not prescribe a Schedule II  
3-14 controlled substance.

3-15 Sec. 155.208. LIABILITY OF SUPERVISING PHYSICIAN. A  
3-16 sponsoring physician who enters into a supervising practice  
3-17 agreement with a physician graduate is responsible at all times for  
3-18 the oversight of and is liable for any medical act performed or the  
3-19 omission of any medical act by the physician graduate in the  
3-20 provision of medical services.

3-21 Sec. 155.209. IDENTIFICATION REQUIREMENTS; USE OF TITLE.

3-22 (a) The holder of a license issued under this subchapter shall at  
3-23 all times while practicing as a physician graduate display a  
3-24 personal identification document identifying the license holder as  
3-25 a physician graduate.

3-26 (b) A physician graduate may use the following titles or  
3-27 abbreviations:

3-28 (1) "doctor"; or

3-29 (2) "Dr." or "doc."

3-30 Sec. 155.210. STATUS OF PHYSICIAN GRADUATE. A physician  
3-31 graduate license holder is considered a general practitioner for  
3-32 purposes of regulations of the federal Centers for Medicare and  
3-33 Medicaid Services.

3-34 Sec. 155.211. LICENSE RENEWAL. The board may not renew a  
3-35 license issued under this subchapter unless:

3-36 (1) the board verifies that the license holder has  
3-37 practiced in accordance with this subchapter under a supervising  
3-38 practice agreement with a sponsoring physician in the license term  
3-39 preceding the application for renewal; and

3-40 (2) the license holder satisfies the continuing  
3-41 medical education requirements established by board rule.

3-42 Sec. 155.212. DENIAL, SUSPENSION, OR REVOCATION OF LICENSE.  
3-43 The board may deny an application for licensure or suspend or revoke  
3-44 a license issued under this subchapter:

3-45 (1) for any ground provided by Chapter 164 or board  
3-46 rule; and

3-47 (2) in the manner provided by Chapter 164 and board  
3-48 rule.

3-49 SECTION 2. Section 1451.001, Insurance Code, is amended by  
3-50 adding Subdivision (16-a) to read as follows:

3-51 (16-a) "Physician graduate" has the meaning assigned  
3-52 by Section 155.201, Occupations Code.

3-53 SECTION 3. Subchapter C, Chapter 1451, Insurance Code, is  
3-54 amended by adding Section 1451.129 to read as follows:

3-55 Sec. 1451.129. SELECTION OF PHYSICIAN GRADUATE. An insured  
3-56 may select a physician graduate to provide the services scheduled  
3-57 in the health insurance policy that are within the scope of the  
3-58 physician graduate's license under Subchapter E, Chapter 155,  
3-59 Occupations Code.

3-60 SECTION 4. Not later than January 1, 2024, the Texas Medical  
3-61 Board shall adopt rules as necessary to implement Subchapter E,  
3-62 Chapter 155, Occupations Code, as added by this Act.

3-63 SECTION 5. Section 1451.129, Insurance Code, as added by  
3-64 this Act, applies only to a health insurance policy that is  
3-65 delivered, issued for delivery, or renewed on or after January 1,  
3-66 2024.

3-67 SECTION 6. This Act takes effect September 1, 2023.

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