

BILL ANALYSIS

H.B. 2420
By: Chavez
Border and International Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The passage of the Balanced Budget Act of 1997 by the United States Congress placed limits on the number of residency training slots that would be paid for under Medicare. The state chose to adopt those same limits for its Medicaid program and provide payments to teaching hospitals through the Graduate Medical Education program. Such limits constrain hospitals located in rapidly growing medically underserved areas from delivering acceptable health care. Altering the Medicaid reimbursement formula for certain teaching hospitals would increase the likelihood that a community would be able to retain medical residents in these areas since a majority of physicians practice within 75 miles of their residency training site.

House Bill 2420 establishes a priority reimbursement formula to support certain graduate medical education and medical residency training sites near the Texas-Mexico border.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

This bill amends Section 32.0315, Human Resources Code, by adding Subsections (a-1) and (a-2) and amending Subsection (b).

The bill requires the Department of Human Services (Department) to establish a separate formula for funds used to support the training of resident physicians in an accredited residency program for a primary care field of allopathic or osteopathic medicine. The program must be sponsored by or affiliated with a public university in this state, which includes clinical training of resident physicians in a federally qualified health center and a hospital located within 20 miles of the international border with Mexico that serves patients residing in a rural area.

The Department may not place a limit on the number of physician residency training slots and must recognize the medical expenditures of the residency program eligible for reimbursement under the medical assistance program to the same extent those expenditures are recognized under the Medicare program.

This bill also requires that the Department give primary emphasis to graduate medical education in primary care specialties and is required to give emphasis to certain graduate medical education in a residency program.

EFFECTIVE DATE

September 1, 2005