

By: Lucio

S.B. No. 1500

A BILL TO BE ENTITLED

AN ACT

relating to the allocation of federal funds directed to be used to support graduate medical education in connection with the state Medicaid program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 32.0315, Human Resources Code, is amended by amending Subsection (b) and adding Subsections (a-1) and (a-2) to read as follows:

(a-1) For purposes of allocating funds to a teaching hospital under this section, the department shall 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 that:

(1) is sponsored by or affiliated with a public university in this state; and

(2) includes clinical training of resident physicians in:

(A) a federally qualified health center, as defined by 42 U.S.C. Section 1395x(aa)(4); and

(B) a hospital that:

(i) is located within 20 miles of the international border with Mexico; and

(ii) serves patients residing in a rural area, as defined by 42 U.S.C. Section 1395ww(d)(2)(D).

1 (a-2) In establishing the formula required by Subsection
2 (a-1), the department:

3 (1) may not place a limit on the number of physician
4 residency training slots; and

5 (2) must recognize direct and indirect medical
6 expenditures of the residency program eligible for reimbursement
7 under the medical assistance program to the same extent those
8 direct and indirect medical expenditures are recognized under the
9 Medicare program.

10 (b) The department shall allocate the funds in the manner
11 the department determines most effectively and equitably achieves
12 the purposes for which those federal funds are received, consistent
13 with the needs of this state for graduate medical education and the
14 training of resident physicians in accredited residency programs in
15 appropriate fields and specialties, taking into account other money
16 available to support graduate medical education. In determining
17 the needs of this state for graduate medical education, the
18 department shall give primary emphasis to graduate medical
19 education in primary care specialties and shall also give emphasis
20 to graduate medical education in a residency program described by
21 Subsection (a-1).

22 SECTION 2. If before implementing any provision of this Act
23 a state agency determines that a waiver or authorization from a
24 federal agency is necessary for implementation of that provision,
25 the agency affected by the provision shall request the waiver or
26 authorization and may delay implementing that provision until the
27 waiver or authorization is granted.

1 SECTION 3. This Act takes effect September 1, 2005.