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       first time and referred to Committee on Higher Education; May 11, 2009, reported adversely, with favorable Committee Substitute by the following vote: Yeas 4, Nays 0; May 11, 2009,
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       sent to printer.)
       COMMITTEE SUBSTITUTE FOR S.B. No. 2077
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                                                                            By: Duncan
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                                    A BILL TO BE ENTITLED
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                                             AN ACT
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       relating to physician shortage residency programs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
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               SECTION 1. Chapter 61, Education Code, is amended by adding
       Subchapter I-1 to read as follows:
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            SUBCHAPTER I-1. CONTRACTS FOR PHYSICIAN SHORTAGE RESIDENCY
                                            PROGRAMS
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                               DEFINITIONS. As used in this subchapter:
                      (1) "Medical school" means a medical school that
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       part of The University of Texas System, the Texas Tech University
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       System, The Texas A&M University System, the University of
       Texas System, or the Baylor College of Medicine.

(2) "Approved physician shortage residency training
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       program"
                   means a graduate medical education program that is
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       operated by a medical school, licensed hospital, or nonprofit
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       corporation and that has been approved for training physicians in a shortage area identified by the Physician Shortage Residency
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       Advisory Committee.
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               Sec. 61.512.
                                CONTRACTS.
                                                 The board may contract with
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       medical school, licensed hospital, or nonprofit corporation for the
       purpose of establishing and operating an approved physician shortage residency training program and may compensate the medical
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       school, licensed hospital, or nonprofit corporation on a formula
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       approved by the board based upon the number of resident physicians
       in the training program.

Sec. 61.513. RULES implement this subchapter.
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                                             The board shall adopt rules to
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                                RULES.
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               Sec. 61.514. DISBURSEMENTS. (a) Pursuant to a contract,
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       the board may disburse through the designated project director to a
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       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. The
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       project director of the residency program shall, in accordance with
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       such rules as the board may adopt, make timely reports directly to the board concerning the development and progress of the residency
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       training program.
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               (b) The board may establish by contract the method or manner
       of the disbursement to the project director.
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               Sec. 61.515. ADVISORY COMMITTEE.
                                                                  (a)
                                                                       The
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       Shortage Residency Advisory Committee is created and shall consist
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       of nine members, as follows:
(1) one member shall be a licensed physician appointed
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       by the Texas Osteopathic Medical Association;
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                      (2) two members shall be administrators of hospitals
       and shall be appointed by the Texas Hospital Association;
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                            two members shall be licensed physicians appointed
       by the Texas Medical Association;

(4) three members of the public shall be appointed to
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       the committee by the governor; and
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                      (5) one member representing the statewide
                                                                                 health
       coordinating council as determined by the chair of the council.

(b) The terms of office of each member shall be for three
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                 Each member shall serve until a replacement has been
       appointed to the committee.
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(In the Senate - Filed March 13, 2009; March 31, 2009, read

S.B. No. 2077

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By: Uresti

(c) The members

of the committee serve without

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2-1 compensation, but shall be reimbursed by the board for actual
2-2 expenses incurred in the performance of duties as members of the
2-3 committee.
2-4 (d) The committee shall meet at least annually and so often

(d) The committee shall meet at least annually and so often as requested by the board or called into meeting by the chairman.

(e) The chairman shall be elected by the members of the committee for one year.

(f) The committee shall:

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(1) review data from the statewide health coordinating council and other resources to determine the physician shortages in Texas;

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

(3) make recommendations to the board relating to the disbursement of funds under this subchapter based on the following criteria:

(A) residency programs which would expand training opportunities in medical specialty areas in which there is a shortage in Texas;

(B) residency programs which would be located in medically underserved communities in Texas;

(C) 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

(D) residency programs which would undertake innovative approaches to residency training, including extensive use of ambulatory facilities or the creation of medical homes for patients; and

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

Sec. 61.516. FUNDING. The board may:

(1) receive and expend appropriations for purposes of this subchapter, including funds generated by fees under Chapter 153, Occupations Code, in excess of the funds needed for the purposes authorized by Section 153.052, Occupations Code; and

(2) accept gifts, grants, and donations of real or personal property from any entity, subject to limitations or conditions set by law, for the purposes of this subchapter.

SECTION 2. The heading to Subchapter I, Chapter 61, Education Code, is amended to read as follows:

SUBCHAPTER I. CONTRACTS FOR FAMILY PRACTICE [MEDICAL] RESIDENCY PROGRAMS

SECTION 3. The Texas Higher Education Coordinating Board shall adopt rules to implement Subchapter I-1, Chapter 61, Education Code, as added by this Act, not later than January 1, 2010.

SECTION 4. This Act does not make an appropriation. A provision in this Act that creates a new governmental program, creates a new entitlement, or imposes a new duty on a governmental entity is not mandatory during a fiscal period for which the legislature has not made a specific appropriation to implement the provision.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

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