

By: Howard

H.B. No. 1489

A BILL TO BE ENTITLED

AN ACT

relating to measures to enhance graduate medical education in this state.

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

SECTION 1. Chapter 58A, Education Code, is amended by adding Subchapters D, E, and F to read as follows:

SUBCHAPTER D. CRITICAL SHORTAGE PHYSICIAN GRANT PROGRAM

Sec. 58A.101. DEFINITIONS. In this subchapter:

(1) "Center" means the comprehensive health professions resource center established under Chapter 105, Health and Safety Code.

(2) "Graduate medical residency training program" means a residency or other postgraduate medical training program:

(A) participation in which may be counted toward certification in a medical specialty or subspecialty; and

(B) that:

(i) is accredited by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association; or

(ii) demonstrates eligibility to apply for and receive an accreditation described by Subparagraph (i).

(3) "Program" means the critical shortage physician grant program established under this subchapter.

(4) "Teaching hospital" means a teaching hospital

1 affiliated with a medical school that is described as a medical and
2 dental unit under Section 61.003.

3 Sec. 58A.102. ESTABLISHMENT OF PROGRAM. The board shall
4 establish the critical shortage physician grant program to provide
5 grants to teaching hospitals for graduate medical residency
6 training programs to increase the number of physicians in the
7 medical specialties and subspecialties that are determined by the
8 board to be at a critical shortage level in this state.

9 Sec. 58A.103. RULES. (a) The board shall adopt rules to
10 administer the program, including rules regarding:

- 11 (1) a grant application process;
12 (2) reporting requirements for grant recipients; and
13 (3) requirements and benchmarks for grant recipients
14 to satisfy regarding the granting of additional program funding
15 under Section 58A.106.

16 (b) The rules adopted under Subsection (a) must require
17 grant recipients to submit reports at least quarterly, based on
18 outcome measures established by the board in consultation with the
19 Legislative Budget Board.

20 Sec. 58A.104. ELIGIBILITY. To be eligible to receive a
21 grant under this subchapter, a teaching hospital must:

- 22 (1) provide a number of graduate medical residency
23 positions in excess of both the cap on the number of positions
24 funded by direct graduate medical education payments made under
25 Section 1886(h), Social Security Act (42 U.S.C. Section 1395ww(h)),
26 and the cap on the number of positions funded by indirect medical
27 education payments made under Section 1886(d)(5)(B), Social

1 Security Act (42 U.S.C. Section 1395ww(d)(5)(B)); and

2 (2) offer or seek to offer one or more graduate medical
3 residency training programs in a specialty described by Section
4 58.008(a) or in any other medical specialty or subspecialty
5 determined by the board to be at a critical shortage level in this
6 state.

7 Sec. 58A.105. USE OF FUNDS. In each state fiscal year, the
8 board shall award grants for establishing new accredited graduate
9 medical residency training programs or increasing the number of
10 residency positions in existing accredited graduate medical
11 residency training programs in specialties described by Section
12 58.008(a) or in any other medical specialties or subspecialties
13 determined by the board to be at a critical shortage level in this
14 state.

15 Sec. 58A.106. ADDITIONAL USE: START-UP COSTS. (a) If in a
16 state fiscal year excess program funds remain after funds are
17 granted under Section 58A.105, the board may grant additional
18 program funding to teaching hospitals to pay any start-up costs
19 associated with establishing and seeking accreditation for a new
20 graduate medical residency training program in a specialty
21 described by Section 58.008(a) or in any other medical specialty or
22 subspecialty determined by the board to be at a critical shortage
23 level in this state, provided that no other federal or state funding
24 is available for that program.

25 (b) To be eligible for funding under this section, start-up
26 costs must be directly related to the establishment or
27 accreditation of the new program.

1 (c) The board may grant program funding under this section
2 to pay a percentage of the total amount of applicable start-up costs
3 for the teaching hospital, not to exceed 20 percent.

4 Sec. 58A.107. REDUCTION IN FUNDING. The board shall limit
5 or withhold funding from grant recipients that do not comply with
6 reporting requirements or that use grant funds for a purpose not
7 authorized by this subchapter. The board shall seek reimbursement
8 with respect to any grant funds that are not used for purposes
9 authorized by this subchapter.

10 Sec. 58A.108. CRITERIA FOR DETERMINING CRITICAL SHORTAGE
11 LEVELS. (a) For purposes of this subchapter, the board shall
12 determine critical shortage levels for medical specialties and
13 subspecialties in this state according to criteria used by the
14 United States Department of Health and Human Services Health
15 Resources and Services Administration to designate health
16 professional shortage areas.

17 (b) In its methodology for determining critical shortage
18 levels under this section, the board shall include the results of
19 the research conducted by the center under Section 105.009(a)(1),
20 Health and Safety Code, and similar research performed by other
21 appropriate entities.

22 SUBCHAPTER E. TEXAS TEACHING HEALTH CENTER

23 GRADUATE MEDICAL EDUCATION GRANT PROGRAM

24 Sec. 58A.121. DEFINITIONS. In this subchapter:

25 (1) "Graduate medical residency training program"
26 means a residency or other postgraduate medical training program:

27 (A) participation in which may be counted toward

1 certification in a medical specialty or subspecialty; and

2 (B) that:

3 (i) is accredited by the Accreditation
4 Council for Graduate Medical Education or the American Osteopathic
5 Association; or

6 (ii) demonstrates eligibility to apply for
7 and receive an accreditation described by Subparagraph (i).

8 (2) "Primary care residency program" means a graduate
9 medical residency training program in a specialty described by
10 Section 58.008(a).

11 (3) "Program" means the Texas teaching health center
12 graduate medical education grant program established under this
13 subchapter.

14 (4) "Teaching health center" means a community-based,
15 ambulatory patient care center that operates a primary care
16 residency program. The term includes:

17 (A) a federally qualified health center, as
18 defined by Section 1905(1)(2)(B), Social Security Act (42 U.S.C.
19 Section 1396d(1)(2)(B));

20 (B) a community mental health center, as defined
21 by Section 1861(ff)(3)(B), Social Security Act (42 U.S.C. Section
22 1395x(ff)(3)(B));

23 (C) a rural health clinic, as defined by Section
24 1861(aa)(2), Social Security Act (42 U.S.C. Section 1395x(aa)(2));

25 (D) a health center operated by the Indian Health
26 Service, an Indian tribe or tribal organization, or an urban Indian
27 organization, as defined by Section 4, Indian Health Care

1 Improvement Act (25 U.S.C. Section 1603); and

2 (E) an entity receiving funds under Title X,
3 Public Health Service Act (42 U.S.C. Section 300 et seq.).

4 Sec. 58A.122. ESTABLISHMENT OF PROGRAM. The board shall
5 establish the Texas teaching health center graduate medical
6 education grant program to award grants to teaching health centers
7 for the purpose of establishing new primary care residency programs
8 or increasing the number of residency positions in existing primary
9 care residency programs.

10 Sec. 58A.123. RULES. (a) The board shall adopt rules to
11 administer the program, including rules regarding:

12 (1) a grant application process;

13 (2) reporting requirements for grant recipients under
14 Section 58A.128; and

15 (3) the amount of the payments for direct expenses and
16 indirect expenses, as defined by and calculated in the same manner
17 as those expenses are calculated under the federal rules described
18 by Subsection (b).

19 (b) The rules adopted under this subchapter must be based as
20 nearly as possible on the rules adopted under the federal teaching
21 health centers development grant program established under Section
22 5508, Patient Protection and Affordable Care Act of 2010 (Pub. L.
23 No. 111-148).

24 (c) The rules adopted in relation to the reporting
25 requirements under Section 58A.128 must also:

26 (1) authorize the board to conduct audits of grant
27 recipients to the extent necessary to ensure the accuracy and

1 completeness of their annual reports; and

2 (2) specify a mandatory amount of reduction in grant
3 funds under Section 58A.127 for a failure to submit an accurate or
4 complete report.

5 Sec. 58A.124. AMOUNT AND DURATION OF GRANT. Subject to
6 Section 58A.127, the board may award grants under this subchapter
7 for a term of not more than three years, and the maximum award to a
8 recipient may not exceed \$500,000 during each state fiscal year.

9 Sec. 58A.125. RELATIONSHIP OF GRANTS TO OTHER FEDERAL
10 PAYMENTS FOR GRADUATE MEDICAL EDUCATION. A grant awarded by the
11 board under this subchapter is in addition to any payments for:

12 (1) direct graduate medical education costs under
13 Section 1886(h), Social Security Act (42 U.S.C. Section 1395ww(h));

14 (2) indirect medical education costs under Section
15 1886(d)(5)(B), Social Security Act (42 U.S.C. Section
16 1395ww(d)(5)(B)); and

17 (3) direct costs of medical education under Section
18 1886(k), Social Security Act (42 U.S.C. Section 1395ww(k)).

19 Sec. 58A.126. USE OF FUNDS. A grant awarded under this
20 subchapter may be used only to cover the costs of establishing a new
21 primary care residency program at a teaching health center or the
22 costs of increasing the number of residency positions in an
23 existing primary care residency program, including costs
24 associated with:

25 (1) curriculum development;

26 (2) recruitment, training, and retention of residents
27 and faculty;

1 (3) obtaining accreditation by the Accreditation
2 Council for Graduate Medical Education or the American Osteopathic
3 Association; and

4 (4) faculty salaries during the development phase.

5 Sec. 58A.127. REDUCTION IN FUNDING. The board shall limit
6 or withhold funding from grant recipients that do not comply with
7 reporting requirements or that use grant funds for a purpose not
8 authorized by this subchapter. The board shall seek reimbursement
9 with respect to any grant funds that are not used for purposes
10 authorized by this subchapter.

11 Sec. 58A.128. REPORTING. (a) A grant recipient shall
12 submit an annual report that fully accounts for the use of a grant
13 awarded under this subchapter.

14 (b) The annual report must be made in the form and manner
15 specified by the board and must include the following information
16 for the most recent residency academic year completed immediately
17 before the applicable state fiscal year:

18 (1) the types of primary care residency programs that
19 the grant recipient provided for residents;

20 (2) the number of approved training positions in those
21 programs for part-time or full-time residents;

22 (3) the number of part-time or full-time residents
23 who:

24 (A) completed their residency training in those
25 programs at the end of the residency academic year; and

26 (B) care for vulnerable populations living in
27 underserved areas; and

1 (4) any other information considered appropriate by
2 the board.

3 SUBCHAPTER F. GRADUATE MEDICAL EDUCATION

4 PARTNERSHIP GRANT PROGRAM

5 Sec. 58A.151. DEFINITIONS. In this subchapter:

6 (1) "Graduate medical education partnership" means a
7 partnership entered into by a teaching health center and an
8 accredited graduate medical residency training program offered by a
9 hospital or medical school.

10 (2) "Graduate medical residency training program"
11 means a residency or other postgraduate medical training program:

12 (A) participation in which may be counted toward
13 certification in a medical specialty or subspecialty; and

14 (B) that:

15 (i) is accredited by the Accreditation
16 Council for Graduate Medical Education or the American Osteopathic
17 Association; or

18 (ii) demonstrates eligibility to apply for
19 and receive an accreditation described by Subparagraph (i).

20 (3) "Primary care residency program" means a graduate
21 medical residency training program in a specialty described by
22 Section 58.008(a).

23 (4) "Program" means the graduate medical education
24 partnership grant program established under this subchapter.

25 (5) "Teaching health center" means a community-based,
26 ambulatory patient care center that operates a primary care
27 residency program. The term includes:

1 (A) a federally qualified health center, as
2 defined by Section 1905(1)(2)(B), Social Security Act (42 U.S.C.
3 Section 1396d(1)(2)(B));

4 (B) a community mental health center, as defined
5 by Section 1861(ff)(3)(B), Social Security Act (42 U.S.C. Section
6 1395x(ff)(3)(B));

7 (C) a rural health clinic, as defined by Section
8 1861(aa)(2), Social Security Act (42 U.S.C. Section 1395x(aa)(2));

9 (D) a health center operated by the Indian Health
10 Service, an Indian tribe or tribal organization, or an urban Indian
11 organization, as defined by Section 4, Indian Health Care
12 Improvement Act (25 U.S.C. Section 1603); and

13 (E) an entity receiving funds under Title X,
14 Public Health Service Act (42 U.S.C. Section 300 et seq.).

15 Sec. 58A.152. ESTABLISHMENT OF PROGRAM. The board shall
16 establish the graduate medical education partnership grant program
17 to allow a teaching health center that is establishing and seeking
18 accreditation for a new primary care residency program to partner
19 with an accredited graduate medical residency training program
20 offered by a hospital or medical school.

21 Sec. 58A.153. RULES. The board shall adopt rules to
22 administer the program, including rules regarding a grant
23 application process and reporting requirements for grant
24 recipients.

25 Sec. 58A.154. USE OF FUNDS. The board shall award grants to
26 each participant in a graduate medical education partnership to:

27 (1) facilitate a mentoring relationship between

1 partners that will provide information and guidance for the
2 participating teaching health center during the accreditation
3 process; and

4 (2) assist the partners in building a collaborative
5 working relationship for the future.

6 Sec. 58A.155. REDUCTION IN FUNDING. The board shall limit
7 or withhold funding from grant recipients that do not comply with
8 reporting requirements or that use grant funds for a purpose not
9 authorized by this subchapter. The board shall seek reimbursement
10 for any grant funds that are not used for purposes authorized by
11 this subchapter.

12 SECTION 2. Chapter 105, Health and Safety Code, is amended
13 by adding Section 105.009 to read as follows:

14 Sec. 105.009. RESEARCH REGARDING GRADUATE MEDICAL
15 EDUCATION SYSTEM. (a) The comprehensive health professions
16 resource center shall conduct research:

17 (1) to identify:

18 (A) the ratio of primary care to non-primary care
19 physicians that is necessary and appropriate to meet the current
20 and future health care needs of this state; and

21 (B) all medical specialties and subspecialties
22 that are at critical shortage levels in this state, together with
23 the geographic location of the physicians in those specialties and
24 subspecialties; and

25 (2) regarding the overall supply of physicians in this
26 state and any other issues that are relevant to the status of the
27 state's graduate medical education system and the ability of that

1 system to meet the current and future health care needs of this
2 state.

3 (b) Not later than August 31 of each even-numbered year, the
4 council shall report the results of the center's research to the
5 Legislative Budget Board, the Texas Higher Education Coordinating
6 Board, the office of the governor, and the standing committees of
7 each house of the legislature with primary jurisdiction over state
8 finance or appropriations.

9 SECTION 3. (a) Not later than December 31, 2015, the Texas
10 Higher Education Coordinating Board shall adopt rules for the
11 critical shortage physician grant program, the Texas teaching
12 health center graduate medical education grant program, and the
13 graduate medical education partnership grant program established
14 under Subchapters D, E, and F, Chapter 58A, Education Code,
15 respectively, as added by this Act.

16 (b) The board shall award grants under the programs
17 described by Subsection (a) of this section beginning with the
18 state fiscal year ending August 31, 2016.

19 SECTION 4. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2015.