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H.B. No. 2996

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of a rural resident physician grant program.

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

SECTION 1. Chapter 58A, Education Code, is amended by adding Subchapter E to read as follows:

SUBCHAPTER E. RURAL RESIDENT PHYSICIAN GRANT PROGRAM

Sec. 58A.081. RURAL RESIDENT PHYSICIAN GRANT PROGRAM. (a)

The board shall administer the Rural Resident Physician Grant Program as a competitive grant program to encourage the creation of new graduate medical education positions in rural and nonmetropolitan areas, with particular emphasis on the creation of rural training tracks. The board shall award grants to new or expanded physician residency programs at teaching hospitals and other appropriate health care entities according to the program criteria established under this section.

(b) The board shall establish criteria for the grant program in consultation with one or more physicians, including a physician who practices in a rural area of this state, teaching hospitals, medical schools, and independent physician residency programs, and with other persons considered appropriate by the board. The program criteria must take into account whether a rural or nonmetropolitan area has the resources sufficient to support a physician residency program in a manner that would satisfy

1 applicable residency program accreditation requirements.

2 (c) The board may provide grants only to support a physician
3 residency program:

4 (1) that provides the level of medical care that is
5 most needed in a rural or nonmetropolitan area; and

6 (2) until the program becomes eligible for federal
7 grant funding.

8 (d) Grant funds awarded under this section may be used only
9 to pay direct costs associated with creating or maintaining a
10 residency position, including the salary of the resident physician.

11 (e) Each grant application must:

12 (1) specify the number of residency positions expected
13 to be created or maintained with the grant money;

14 (2) specify the grant amount requested for each year;

15 (3) include documentation of infrastructure and
16 staffing to satisfy applicable residency program accreditation
17 requirements;

18 (4) include documentation that the residency program
19 will set a primary goal of producing physicians who are prepared for
20 practice in a rural area; and

21 (5) include evidence of support for residency training
22 by sponsoring institutions and the community.

23 (f) The board shall award grants for all residency positions
24 awarded a grant under this section in the preceding year before
25 awarding a grant for a residency position that did not receive a
26 grant in the preceding year, provided that the applicable grant
27 recipient from the preceding year complies with all conditions of

1 the grant as described by Subsection (g) and satisfies the grant
2 eligibility requirements.

3 (g) The board shall monitor physician residency programs
4 receiving grants as necessary to ensure compliance with the grant
5 program and shall require the return of any unused grant money by,
6 or shall decline to award additional grants to, a residency program
7 that receives a grant but fails to:

8 (1) create and fill, within a reasonable period, the
9 number of residency positions proposed in the program's grant
10 application; or

11 (2) satisfy any other conditions of the grant imposed
12 by the board.

13 (h) The board shall use money forfeited under Subsection (g)
14 to award grants to other eligible applicants. With respect to the
15 physician residency program forfeiting the grant, the board may
16 restore grant money or award additional grants, as applicable, to
17 the program as soon as practicable after the program satisfies all
18 conditions of the grant.

19 (i) The board shall adopt rules for the administration of
20 the grant program. The rules must include:

21 (1) administrative provisions governing:
22 (A) eligibility criteria for grant applicants;
23 (B) grant application procedures;
24 (C) guidelines relating to grant amounts;
25 (D) guidelines relating to the number of grants
26 to be awarded each year, subject to available funds;
27 (E) procedures for evaluating grant

1 applications;
2 (F) procedures for monitoring the use of grants;
3 and
4 (G) reporting requirements for grant recipients;
5 (2) methods for tracking the effectiveness of grants;
6 and
7 (3) any conditions relating to the receipt and use of a
8 grant as considered appropriate by the board.

9 SECTION 2. (a) As soon as practicable after the effective
10 date of this Act, the Texas Higher Education Coordinating Board
11 shall adopt rules for the implementation and administration of the
12 grant program established under Subchapter E, Chapter 58A,
13 Education Code, as added by this Act. The board may adopt the
14 initial rules in the manner provided by law for emergency rules.

15 (b) Not later than October 1, 2017, the Texas Higher
16 Education Coordinating Board shall establish the grant program
17 required by Subchapter E, Chapter 58A, Education Code, as added by
18 this Act, and shall begin to award grants under that program not
19 later than January 1, 2018.

20 SECTION 3. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2017.