BILL ANALYSIS

Senate Research Center 86R5307 KJE-D

H.B. 826 By: Zerwas et al. (Huffman) Higher Education 4/14/2019 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The last medical school to be established in Houston was established in 1972, and since then, the Houston metropolitan area has grown by more than four million people.

Although the population is growing, physician supply in the state has not kept up with demand.

During the 84th Legislature, physician shortage was deemed such an important issue that legislators passed S.B. 18, which requires the Department of State Health Services (DSHS) to submit a report on physician demand and shortage across the state on a biennial basis.

In last year's report, DSHS reported that in Public Health Region 6/5S, where Houston is located, the shortage of primary physicians is projected to grow by 254 percent by the year 2030.

According to the United States Health Resources and Service Administration, much of the Houston metropolitan area is considered a "medically underserved area," and much of the same area is a "medical professional shortage area."

H.B. 826 amends current law relating to the creation of the University of Houston College of Medicine at the University of Houston.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the board of regents of the University of Houston System in SECTION 1 (Section 111.153, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 111, Education Code, by adding Subchapter K, as follows:

SUBCHAPTER K. UNIVERSITY OF HOUSTON COLLEGE OF MEDICINE

Sec. 111.151. DEFINITIONS. Defines "board" to mean the board of regents of the University of Houston System (board) and defines "college" to mean the University of Houston College of Medicine (college) for purposes of this subchapter:

Sec. 111.152. THE UNIVERSITY OF HOUSTON COLLEGE OF MEDICINE. Provides that the college is a college of the University of Houston (UH) and is under the management and control of the board with degrees offered under the name and authority of UH.

Sec. 111.153. COURSES AND DEGREES. Authorizes the board to prescribe courses leading to customary degrees and to adopt rules for the operation, control, and management of the college as necessary for conducting a college of medicine of the first class.

Sec. 111.154. AFFILIATION AGREEMENTS. Authorizes the dean of the college, on behalf of the board, to execute and carry out an affiliation or coordinating agreement with any other entity or institution in the college's region.

Sec. 111.155. GIFTS AND GRANTS. Authorizes the board to solicit, accept, and administer gifts and grants from any public or private source for the use and benefit of the college.

Sec. 111.156. OTHER FACILITIES. Authorizes the board, in addition to the college's facilities, to enter into agreements under which additional facilities used in the college's teaching and research programs, including libraries, auditoriums, research facilities, and medical education buildings, may be provided by a public or private entity.

Sec. 111.157. TEACHING HOSPITAL. Provides that a teaching hospital considered suitable by the board may be provided by a public or private entity. Prohibits the hospital from being constructed, maintained, or operated with state funds.

SECTION 2. Amends Sections 59.01(1) and (3), Education Code, as follows:

- (1) defines "medical staff or students" to mean medical doctors, doctors of osteopathy, dentists, veterinarians, and podiatrists appointed to the faculty or professional medical staff employed for student health services by certain institutions of higher education, including the college, either full time or who, although appointed less than full time (including volunteers), either devote their total professional service to such appointment or provide services to patients by assignment from the department chairman; and interns, residents, fellows, and medical or dental students, veterinary students, and students of osteopathy participating in a patient-care program in certain institutions of higher education, including the college.
- (3) defines "board" to mean the board of regents of certain institutions of higher education, including the college.

SECTION 3. Amends Sections 59.02(a) and (c), Education Code, as follows:

- (a) Authorizes each board to establish a separate self-insurance fund (fund) to pay any damages adjudged in a court of competent jurisdiction or a settlement of any medical malpractice claim against a member of the medical staff or students arising from the exercise of the member's appointment, rather than from the exercise of his appointment, duties, or training with certain institutions of higher education, including the college.
- (c) Requires money in the fund to be deposited in any of the approved depository banks of certain institutions of higher education, including the college.

SECTION 4. Amends Section 59.06, Education Code, as follows:

Sec. 59.06. LIMITATION ON APPROPRIATED FUNDS. Prohibits funds appropriated by the legislature to certain institutions of higher education, including the college, from being used to establish or maintain the fund, to purchase insurance, or to employ private legal counsel.

SECTION 5. Amends Section 61.003(5), Education Code, to redefine "medical and dental unit" to include the college.

SECTION 6. Amends Section 61.501(1), Education Code, to redefine "medical school" to include the college.

SECTION 7. Amends Section 63.002(c), Education Code, to authorize the amount available for distribution from the fund to be appropriated only for programs that benefit medical research, health education, or treatment programs at certain health-related institutions of higher education, including the college.

SECTION 8. Effective date: upon passage or September 1, 2019.