

BILL ANALYSIS

Senate Research Center
86R3163 MM-D

H.B. 1065
By: Ashby et al. (Kolkhorst)
Higher Education
4/23/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It has been noted that rural communities continue to experience a shortage of physicians and that rural areas may offer fewer incentives for prospective physicians to complete their graduate medical education for reasons including caseloads, diversity of cases, and residency staffing requirements. H.B. 1065 seeks to address these challenges by creating a state grant program for graduate medical education through rural training tracks as an additional incentive for the development of rural residency training opportunities.

H.B. 1065 amends current law relating to the establishment of a rural resident physician grant program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 58A.081, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 58A, Education Code, by adding Subchapter E, as follows:

SUBCHAPTER E. RURAL RESIDENT PHYSICIAN GRANT PROGRAM

Sec. 58A.081. RURAL RESIDENT PHYSICIAN GRANT PROGRAM. (a) Requires the Texas Higher Education Coordinating Board (THECB) to 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. Requires THECB to 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) Requires THECB to 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 THECB. Requires the program criteria to 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 applicable residency program accreditation requirements.

(c) Authorizes THECB to provide grants only to support a physician residency program that provides the level of medical care that is most needed in a rural or nonmetropolitan area and until the program becomes eligible for federal grant funding.

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

(e) Requires each grant application to:

- (1) specify the number of residency positions expected to be created or maintained with the grant money;
- (2) specify the grant amount requested for each year;
- (3) include documentation of infrastructure and staffing to satisfy applicable residency program accreditation requirements;
- (4) include documentation that the residency program will set a primary goal of producing physicians who are prepared for practice in a rural area; and
- (5) include evidence of support for residency training by sponsoring institutions and the community.

(f) Requires THECB to award grants for all residency positions awarded a grant under this section in the preceding year before awarding a grant for a residency position that did not receive a grant in the preceding year, provided that the applicable grant recipient from the preceding year complies with all conditions of the grant as described by Subsection (g) and satisfies the grant eligibility requirements.

(g) Requires THECB to monitor physician residency programs receiving grants as necessary to ensure compliance with the grant program and to require the return of any unused grant money by, or to decline to award additional grants to, a residency program that receives a grant but fails to:

- (1) create and fill, within a reasonable period, the number of residency positions proposed in the program's grant application; or
- (2) satisfy any other conditions of the grant imposed by THECB.

(h) Requires THECB to use money forfeited under Subsection (g) to award grants to other eligible applicants. Authorizes THECB, with respect to the physician residency program forfeiting the grant, to restore grant money or award additional grants, as applicable, to the program as soon as practicable after the program satisfies all conditions of the grant.

(i) Requires THECB to adopt rules for the administration of the grant program. Requires the rules to include:

- (1) administrative provisions governing:
 - (A) eligibility criteria for grant applicants;
 - (B) grant application procedures;
 - (C) guidelines relating to grant amounts;
 - (D) guidelines relating to the number of grants to be awarded each year, subject to available funds;
 - (E) procedures for evaluating grant applications;
 - (F) procedures for monitoring the use of grants; and
 - (G) reporting requirements for grant recipients;

(2) methods for tracking the effectiveness of grants; and

(3) any conditions relating to the receipt and use of a grant as considered appropriate by THECB.

SECTION 2. (a) Requires THECB, as soon as practicable after the effective date of this Act, to adopt rules for the implementation and administration of the grant program established under Subchapter E, Chapter 58A, Education Code, as added by this Act. Authorizes THECB to adopt the initial rules in the manner provided by law for emergency rules.

(b) Requires THECB, not later than October 1, 2019, to establish the grant program required by Subchapter E, Chapter 58A, Education Code, as added by this Act, and to begin to award grants under that program not later than January 1, 2020.

SECTION 3. Effective date: upon passage or September 1, 2019.