

By: Oliverson, Morales of Maverick, Harless,
et al.

H.B. No. 2556

A BILL TO BE ENTITLED

AN ACT

relating to the licensing and regulation of physician graduates and
the authority of an insured to select a physician graduate under the
insured's health insurance policy; requiring an occupational
license; authorizing fees.

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

SECTION 1. Chapter 155, Occupations Code, is amended by
adding Subchapter E to read as follows:

SUBCHAPTER E. PHYSICIAN GRADUATE

Sec. 155.201. DEFINITIONS. In this subchapter:

(1) "Physician graduate" means an individual issued a
limited license under this subchapter to practice medicine under a
supervising practice agreement with a sponsoring physician.

(2) "Sponsoring physician" means a physician who
enters into a supervising practice agreement with a physician
graduate.

(3) "Supervising practice agreement" means an
agreement between a sponsoring physician and a physician graduate
regarding the supervision by the sponsoring physician of the
physician graduate's practice of medicine.

Sec. 155.202. RULES. The board shall adopt rules in
accordance with this subchapter relating to the licensing and
regulation of physician graduates, including rules relating to:

(1) procedures and fees for the issuance, term, and

renewal of a license under this subchapter, including continuing medical education requirements for renewal of the license;

(2) practices and requirements for the supervision of physician graduates; and

(3) any other matter necessary to ensure protection of the public, including disciplinary procedures.

Sec. 155.203. LICENSE ISSUANCE. On application, the board shall issue a limited license to practice medicine under this subchapter to an applicant who:

(1) is a resident of this state and is:

(A) a United States citizen or a legal permanent resident; or

(B) otherwise authorized under federal law to work in the United States;

(2) has proficiency in the English language;

(3) has graduated:

(A) in the two years preceding the date that the applicant initially applies for a physician graduate license, from:

(i) a board-recognized accredited medical school or osteopathic medical school in the United States or Canada; or

(ii) a medical school located outside of the United States and Canada that is recognized by the board as acceptable; or

(B) if the applicant is licensed in good standing to practice medicine in another country, from a medical school located outside of the United States and Canada that is recognized

1 by the board as acceptable;

2 (4) has passed the first and second components of the
3 United States Medical Licensing Examination or equivalent
4 components of another board-approved licensing examination
5 described by Section 155.0511;

6 (5) is not enrolled in a board-approved postgraduate
7 residency program; and

8 (6) meets any other requirement prescribed by board
9 rule.

10 Sec. 155.204. FEES. The amount of a fee for the issuance or
11 renewal of a license under this subchapter may not exceed the amount
12 of a fee for the issuance or renewal of a physician assistant
13 license under Chapter 204.

14 Sec. 155.205. SPONSORING PHYSICIAN. (a) A physician is
15 eligible to enter into a supervising practice agreement as a
16 sponsoring physician if the physician:

17 (1) holds a full and unrestricted license to practice
18 medicine issued under this subtitle;

19 (2) has not been and is not currently the subject of
20 disciplinary action by the board or the medical licensing authority
21 of any other jurisdiction;

22 (3) is certified by a medical specialty member board
23 of:

24 (A) the American Board of Medical Specialties; or

25 (B) the American Osteopathic Association Bureau
26 of Osteopathic Specialists; and

27 (4) practices medicine in the specialty for which the

1 physician is certified under Subdivision (3).

2 (b) A sponsoring physician who enters into a supervising
3 practice agreement with a physician graduate shall comply with all
4 board rules related to the supervision of physician graduates.

5 (c) The board by rule shall establish the maximum number of
6 physician graduates that a sponsoring physician may supervise under
7 supervising practice agreements.

8 Sec. 155.206. SUPERVISING PRACTICE AGREEMENT REQUIRED. (a)
9 A physician graduate shall enter into a supervising practice
10 agreement with a sponsoring physician.

11 (b) A physician graduate who has not entered into a
12 supervising practice agreement may not practice or attempt to
13 practice medicine.

14 (c) A physician graduate who enters into a supervising
15 practice agreement may practice under the delegation and
16 supervision of another physician if:

17 (1) the sponsoring physician authorizes the practice
18 of the physician graduate under the delegation and supervision of
19 the other physician in a written document that identifies the other
20 physician by name; and

21 (2) the other physician is:

22 (A) part of the sponsoring physician's physician
23 group or facility; and

24 (B) certified in the same specialty as the
25 sponsoring physician by a medical specialty member board of:

26 (i) the American Board of Medical
27 Specialties; or

1 (ii) the American Osteopathic Association
2 Bureau of Osteopathic Specialists.

3 (d) The physician profile under Section 154.006 of a
4 sponsoring physician or physician graduate must indicate in the
5 manner prescribed by board rule that the sponsoring physician or
6 physician graduate has entered into a supervising practice
7 agreement.

8 Sec. 155.207. LIMITED PRACTICE BY LICENSE HOLDER. (a) A
9 physician graduate may provide only medical services in the
10 specialty in which the physician graduate's sponsoring physician is
11 certified as described by Section 155.205(a)(3) under supervision
12 in accordance with a supervising practice agreement.

13 (b) Before a license holder under this subchapter provides a
14 treatment, consultation, or other medical service, the license
15 holder must disclose to the patient:

16 (1) that the license holder is a physician graduate;
17 and

18 (2) if asked, that the license holder has not
19 completed any formal specialized postgraduate or resident
20 training.

21 (c) A physician graduate may not prescribe a Schedule II
22 controlled substance.

23 Sec. 155.208. LIABILITY OF SUPERVISING PHYSICIAN. A
24 sponsoring physician who enters into a supervising practice
25 agreement with a physician graduate is responsible at all times for
26 the oversight of and is liable for any medical act performed or the
27 omission of any medical act by the physician graduate in the

provision of medical services.

Sec. 155.209. IDENTIFICATION REQUIREMENTS; USE OF TITLE.

(a) The holder of a license issued under this subchapter shall at all times while practicing as a physician graduate display a personal identification document identifying the license holder as a physician graduate.

(b) A physician graduate may use the following titles or abbreviations:

(1) "doctor"; or

(2) "Dr." or "doc."

Sec. 155.210. STATUS OF PHYSICIAN GRADUATE. A physician graduate license holder is considered a general practitioner for purposes of regulations of the federal Centers for Medicare and Medicaid Services.

Sec. 155.211. LICENSE RENEWAL. The board may not renew a license issued under this subchapter unless:

(1) the board verifies that the license holder has practiced in accordance with this subchapter under a supervising practice agreement with a sponsoring physician in the license term preceding the application for renewal; and

(2) the license holder satisfies the continuing medical education requirements established by board rule.

Sec. 155.212. DENIAL, SUSPENSION, OR REVOCATION OF LICENSE. The board may deny an application for licensure or suspend or revoke a license issued under this subchapter:

(1) for any ground provided by Chapter 164 or board rule; and

1 (2) in the manner provided by Chapter 164 and board
2 rule.

3 SECTION 2. Section 1451.001, Insurance Code, is amended by
4 adding Subdivision (16-a) to read as follows:

5 (16-a) "Physician graduate" has the meaning assigned
6 by Section 155.201, Occupations Code.

7 SECTION 3. Subchapter C, Chapter 1451, Insurance Code, is
8 amended by adding Section 1451.129 to read as follows:

9 Sec. 1451.129. SELECTION OF PHYSICIAN GRADUATE. An insured
10 may select a physician graduate to provide the services scheduled
11 in the health insurance policy that are within the scope of the
12 physician graduate's license under Subchapter E, Chapter 155,
13 Occupations Code.

14 SECTION 4. Not later than January 1, 2024, the Texas Medical
15 Board shall adopt rules as necessary to implement Subchapter E,
16 Chapter 155, Occupations Code, as added by this Act.

17 SECTION 5. Section 1451.129, Insurance Code, as added by
18 this Act, applies only to a health insurance policy that is
19 delivered, issued for delivery, or renewed on or after January 1,
20 2024.

21 SECTION 6. This Act takes effect September 1, 2023.