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H.B. No. 2038

A BILL TO BE ENTITLED

AN ACT

relating to the issuance by the Texas Medical Board of certain
licenses to practice medicine and the authority of an insured to
select certain license holders under the insured's health policy;
requiring an occupational license; authorizing fees.

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

ARTICLE 1. SHORT TITLE

SECTION 1.001. This Act shall be known as the Decreasing
Occupational Certification Timelines, Obstacles, and Regulations
(DOCTOR) Act.

ARTICLE 2. MILITARY VETERANS

SECTION 2.001. Subchapter A, Chapter 155, Occupations Code,
is amended by adding Section 155.012 to read as follows:

Sec. 155.012. ISSUANCE OF LICENSE TO CERTAIN MILITARY
VETERANS. (a) In this section, "active duty" and "armed forces of
the United States" have the meanings assigned by Section 55.001.

(b) On application, the board shall issue a license to
practice medicine to an applicant who:

(1) is licensed in good standing as a physician in
another state;

(2) is a veteran of the armed forces of the United
States who retired from or otherwise left military service not more
than three years before the application date for a license under
this section;

1 (3) was, at the time of retiring from or leaving
2 military service:

3 (A) serving on active duty; and

4 (B) authorized as a physician to treat persons
5 enlisted in or veterans of the armed forces of the United States;
6 and

7 (4) has passed the Texas medical jurisprudence
8 examination.

9 (c) The board may not issue a license under this section to
10 an applicant who:

11 (1) was discharged or separated from the armed forces
12 of the United States:

13 (A) on the basis of substandard conduct; or

14 (B) for any act of misconduct or moral or
15 professional dereliction;

16 (2) holds a medical license or a license to prescribe,
17 dispense, administer, supply, or sell a controlled substance that:

18 (A) is currently under active investigation; or

19 (B) is or was subject to a disciplinary order or
20 action or to denial by another jurisdiction; or

21 (3) has been convicted of, is on deferred adjudication
22 community supervision or deferred disposition for, or is under
23 active investigation for the commission of:

24 (A) a felony; or

25 (B) a misdemeanor involving moral turpitude.

26 ARTICLE 3. FOREIGN LICENSE HOLDERS

27 SECTION 3.001. Subchapter C, Chapter 155, Occupations Code,

is amended by adding Section 155.1015 to read as follows:

Sec. 155.1015. ISSUANCE OF PROVISIONAL LICENSE TO CERTAIN FOREIGN MEDICAL LICENSE HOLDERS WITH OFFERS OF EMPLOYMENT. (a) On application, the board shall issue an initial provisional license to practice medicine to an applicant who:

(1) has been granted a degree of doctor of medicine or a substantially similar degree by a program of medical education that meets eligibility requirements for the applicant to apply for certification by the Educational Commission for Foreign Medical Graduates;

(2) has been licensed in good standing to practice medicine in another country and is not the subject of any pending disciplinary action before the licensing body;

(3) either:

(A) has completed a residency or a substantially similar postgraduate medical training required by the applicant's country of licensure and has practiced medicine as a licensed physician in that country or another country in which the applicant is licensed as a physician for at least five years after the completion of the required postgraduate medical training; or

(B) if the applicant's country of licensure does not require postgraduate medical training, has practiced medicine as a licensed physician in that country or another country in which the applicant is licensed as a physician for at least 10 years after completing medical school;

(4) passes the Texas medical jurisprudence examination;

1 (5) has proficiency in the English language;

2 (6) is authorized under federal law to work in the
3 United States;

4 (7) has been offered employment in this state as a
5 physician by a person who provides health care services in the
6 normal course of business in a facility-based or group practice
7 setting, including a health system, hospital, hospital-based
8 facility, freestanding emergency facility, or urgent care clinic;
9 and

10 (8) meets any other requirement the board prescribes
11 by rule.

12 (b) A provisional license issued under Subsection (a)
13 expires on the second anniversary of the date the provisional
14 license was issued.

15 (c) The holder of a provisional license issued under
16 Subsection (a) may practice only in:

17 (1) a facility-based or group practice setting with:

18 (A) an Accreditation Council for Graduate
19 Medical Education residency program; or

20 (B) an American Osteopathic Association
21 residency program;

22 (2) an Accreditation Council for Graduate Medical
23 Education-affiliated setting; or

24 (3) an American Osteopathic Association-affiliated
25 setting.

26 (d) On application, the board shall renew a provisional
27 license to practice medicine issued under Subsection (a) if the

1 applicant:

2 (1) has passed the first and second steps of the
3 examination described by Section 155.0511(7) in accordance with
4 Section 155.056(a); and

5 (2) holds a valid certificate issued by the
6 Educational Commission for Foreign Medical Graduates.

7 (e) The holder of a provisional license renewed under
8 Subsection (d):

9 (1) may practice only in a rural community or
10 medically underserved area or health professional shortage area, as
11 designated by the United States Department of Health and Human
12 Services, that has a current shortage of physicians; and

13 (2) is not subject to the restrictions of Subsection
14 (c).

15 (f) Subject to Subsection (g), the board on application
16 shall issue a license under this subtitle to the holder of a
17 provisional license under this section if the provisional license
18 holder:

19 (1) at the time the license under this subtitle will be
20 issued, will have practiced under the provisional license for at
21 least four of the preceding seven years; and

22 (2) satisfies the examination requirements of Section
23 155.051.

24 (g) The board may not issue as provided by Subsection (f) a
25 license under this subtitle to an applicant who:

26 (1) is subject to board investigation or discipline
27 for conduct that occurred while holding the provisional license; or

1 (2) has been convicted of, is on deferred adjudication
2 community supervision or deferred disposition for, or is under
3 active investigation for the commission of:

4 (A) a felony; or

5 (B) a misdemeanor involving moral turpitude.

6 (h) The board shall adopt rules for the issuance of a
7 provisional license under Subsection (a), the renewal of a
8 provisional license under Subsection (d), and the issuance of a
9 license under this subtitle as provided by Subsection (f),
10 including rules establishing eligibility for and fees applicable to
11 the licenses. The board may adopt rules for the reporting of board
12 specialty certification requirement information as requested by a
13 board specialty organization.

14 ARTICLE 4. PHYSICIAN GRADUATES

15 SECTION 4.001. Chapter 155, Occupations Code, is amended by
16 adding Subchapter E to read as follows:

17 SUBCHAPTER E. PHYSICIAN GRADUATES

18 Sec. 155.201. DEFINITIONS. In this subchapter:

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

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

25 (3) "Supervising practice agreement" means an
26 agreement between a sponsoring physician and a physician graduate
27 regarding the sponsoring physician's supervision 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;

(B) a legal permanent resident of the United States; or

(C) 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

1 (ii) a medical school located outside of
2 the United States and Canada that the board recognizes as
3 acceptable; or

4 (B) if the applicant is licensed in good standing
5 to practice medicine in another country, from a medical school
6 located outside of the United States and Canada that the board
7 recognizes as acceptable;

8 (4) has passed the first and second components of the
9 United States Medical Licensing Examination or equivalent
10 components of another board-approved licensing examination
11 described by Section [155.0511](#);

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

14 (6) meets any other requirement prescribed by board
15 rule.

16 Sec. 155.204. FEES. The amount of a fee for the issuance or
17 renewal of a license under this subchapter may not exceed the amount
18 of a fee for the issuance or renewal of a physician assistant
19 license under Chapter [204](#).

20 Sec. 155.205. SPONSORING PHYSICIAN. (a) A physician is
21 eligible to enter into a supervising practice agreement as a
22 sponsoring physician if the physician:

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

25 (2) is not currently the subject of disciplinary
26 action by the board or the medical licensing authority of any other
27 jurisdiction;

1 (3) is certified by a medical specialty member board
2 of:

3 (A) the American Board of Medical Specialties;

4 (B) the American Osteopathic Association Bureau
5 of Osteopathic Specialists;

6 (C) the American Board of Oral and Maxillofacial
7 Surgery; or

8 (D) any other medical specialty member
9 organization the board recognizes; and

10 (4) practices medicine in the specialty for which the
11 physician is certified under Subdivision (3).

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

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

18 Sec. 155.206. SUPERVISING PRACTICE AGREEMENT REQUIRED. (a)
19 A physician graduate shall enter into a supervising practice
20 agreement with a sponsoring physician.

21 (b) A physician graduate who has not entered into a
22 supervising practice agreement may not practice or attempt to
23 practice medicine.

24 (c) A physician graduate who enters into a supervising
25 practice agreement may practice under the delegation and
26 supervision of another physician if:

27 (1) the sponsoring physician authorizes the practice

of the physician graduate under the delegation and supervision of the other physician in a written document that identifies the other physician by name; and

(2) the other physician is:

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

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

(i) the American Board of Medical Specialties;

(ii) the American Osteopathic Association Bureau of Osteopathic Specialists;

(iii) the American Board of Oral and Maxillofacial Surgery; or

(iv) any other medical specialty member organization recognized by the board.

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

Sec. 155.207. LIMITED PRACTICE BY LICENSE HOLDER. (a) A physician graduate may:

(1) practice only in a county with a population of less than 100,000; and

(2) provide only medical services in the specialty in which the physician graduate's sponsoring physician is certified as

1 described by Section 155.205(a)(3) under supervision in accordance
2 with a supervising practice agreement.

3 (b) Before a license holder under this subchapter provides a
4 treatment, consultation, or other medical service, the license
5 holder must disclose to the patient that the license holder:

6 (1) is a physician graduate; and

7 (2) has not completed any formal specialized
8 postgraduate or resident training.

9 Sec. 155.208. LIABILITY OF SPONSORING PHYSICIAN. A
10 sponsoring physician who enters into a supervising practice
11 agreement with a physician graduate retains legal responsibility
12 for a physician graduate's patient care activities, including the
13 provision of care and treatment to a patient in a health care
14 facility.

15 Sec. 155.209. IDENTIFICATION REQUIREMENTS; USE OF TITLE.
16 (a) The holder of a license issued under this subchapter shall at
17 all times while practicing as a physician graduate display a
18 personal identification document identifying the license holder as
19 a physician graduate.

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

22 (1) "doctor"; or

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

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

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

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

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

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

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

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

16 SECTION 4.002. Section 1451.001, Insurance Code, is amended
17 by adding Subdivision (16-a) to read as follows:

18 (16-a) "Physician graduate" has the meaning assigned
19 by Section 155.201, Occupations Code.

20 SECTION 4.003. Subchapter C, Chapter 1451, Insurance Code,
21 is amended by adding Section 1451.129 to read as follows:

22 Sec. 1451.129. SELECTION OF PHYSICIAN GRADUATE. An insured
23 may select a physician graduate to provide the services scheduled
24 in the health insurance policy that are within the scope of the
25 physician graduate's license under Subchapter E, Chapter 155,
26 Occupations Code.

27 SECTION 4.004. Section 1451.129, Insurance Code, as added

1 by this Act, applies only to a health insurance policy that is
2 delivered, issued for delivery, or renewed on or after January 1,
3 2026.

4 ARTICLE 5. RULEMAKING

5 SECTION 5.001. Not later than January 1, 2026, the Texas
6 Medical Board shall adopt rules as necessary to implement the
7 following provisions of the Occupations Code, as added by this Act:

8 (1) Sections 155.012 and 155.1015; and

9 (2) Subchapter E, Chapter 155.

10 ARTICLE 6. EFFECTIVE DATE

11 SECTION 6.001. This Act takes effect September 1, 2025.