SENATE AMENDMENTS

2nd Printing

	By: Oliverson, Perez of El Paso, Campos, H.B. No. 2038 Harris Davila, Lalani, et al.
	A BILL TO BE ENTITLED
1	AN ACT
2	relating to the issuance by the Texas Medical Board of certain
3	licenses to practice medicine and the authority of an insured to
4	select certain license holders under the insured's health policy;
5	requiring an occupational license; authorizing fees.
6	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
7	ARTICLE 1. SHORT TITLE
8	SECTION 1.001. This Act shall be known as the Decreasing
9	Occupational Certification Timelines, Obstacles, and Regulations
10	(DOCTOR) Act.
11	ARTICLE 2. MILITARY VETERANS
12	SECTION 2.001. Subchapter A, Chapter 155, Occupations Code,
13	is amended by adding Section 155.012 to read as follows:
14	Sec. 155.012. ISSUANCE OF LICENSE TO CERTAIN MILITARY
15	VETERANS. (a) In this section, "active duty" and "armed forces of
16	the United States" have the meanings assigned by Section 55.001.
17	(b) On application, the board shall issue a license to
18	practice medicine to an applicant who:
19	(1) is licensed in good standing as a physician in
20	another state;
21	(2) is a veteran of the armed forces of the United
22	States who retired from or otherwise left military service not more
23	than three years before the application date for a license under
24	this section;

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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;
15 16	<pre>professional dereliction; (2) holds a medical license or a license to prescribe,</pre>
16	(2) holds a medical license or a license to prescribe,
16 17	(2) holds a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that:
16 17 18	(2) holds a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that: (A) is currently under active investigation; or
16 17 18 19	(2) holds a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that: (A) is currently under active investigation; or (B) is or was subject to a disciplinary order or
16 17 18 19 20	(2) holds a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that: (A) is currently under active investigation; or (B) is or was subject to a disciplinary order or action or to denial by another jurisdiction; or
16 17 18 19 20 21	(2) holds a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that: (A) is currently under active investigation; or (B) is or was subject to a disciplinary order or action or to denial by another jurisdiction; or (3) has been convicted of, is on deferred adjudication
16 17 18 19 20 21 22	(2) holds a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that: (A) is currently under active investigation; or (B) is or was subject to a disciplinary order or action or to denial by another jurisdiction; or (3) has been convicted of, is on deferred adjudication community supervision or deferred disposition for, or is under
16 17 18 19 20 21 22 23	<pre>(2) holds a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that:</pre>
16 17 18 19 20 21 22 23 24	<pre>(2) holds a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that:</pre>

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1	is amended by adding Section 155.1015 to read as follows:
2	Sec. 155.1015. ISSUANCE OF PROVISIONAL LICENSE TO CERTAIN
3	FOREIGN MEDICAL LICENSE HOLDERS WITH OFFERS OF EMPLOYMENT. (a) On
4	application, the board shall issue an initial provisional license
5	to practice medicine to an applicant who:
6	(1) has been granted a degree of doctor of medicine or
7	a substantially similar degree by a program of medical education
8	that meets eligibility requirements for the applicant to apply for
9	certification by the Educational Commission for Foreign Medical
10	<u>Graduates;</u>
11	(2) has been licensed in good standing to practice
12	medicine in another country and is not the subject of any pending
13	disciplinary action before the licensing body;
14	(3) either:
15	(A) has completed a residency or a substantially
16	similar postgraduate medical training required by the applicant's
17	country of licensure and has practiced medicine as a licensed
18	physician in that country or another country in which the applicant
19	is licensed as a physician for at least five years after the
20	completion of the required postgraduate medical training; or
21	(B) if the applicant's country of licensure does
22	not require postgraduate medical training, has practiced medicine
23	as a licensed physician in that country or another country in which
24	the applicant is licensed as a physician for at least 10 years after
25	<pre>completing medical school;</pre>
26	(4) passes the Texas medical jurisprudence
27	examination;

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H.B. No. 2038 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 normal course of business in a facility-based or group practice 6 setting, including a health system, hospital, hospital-based 7 facility, freestanding emergency facility, or urgent care clinic; 8 and 9 10 (8) meets any other requirement the board prescribes b<u>y rule.</u> 11 12 (b) A provisional license issued under Subsection (a) expires on the second anniversary of the date the provisional 13 license was issued. 14 (c) The holder of a provisional license issued under 15 16 Subsection (a) may practice only in: 17 (1) a facility-based or group practice setting with: (A) an Accreditation Council for Graduate 18 19 Medical Education residency program; or 20 (B) an American Osteopathic Association 21 residency program; (2) an Accreditation Council for Graduate Medical 22 Education-affiliated setting; or 23 24 (3) an American Osteopathic Association-affiliated 25 setting. 26 (d) On application, the board shall renew a provisional license to practice medicine issued under Subsection (a) if the 27

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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	<u>(c).</u>
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

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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

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1	graduate's practice of medicine.
2	Sec. 155.202. RULES. The board shall adopt rules in
3	accordance with this subchapter relating to the licensing and
4	regulation of physician graduates, including rules relating to:
5	(1) procedures and fees for the issuance, term, and
6	renewal of a license under this subchapter, including continuing
7	medical education requirements for renewal of the license;
8	(2) practices and requirements for the supervision of
9	physician graduates; and
10	(3) any other matter necessary to ensure protection of
11	the public, including disciplinary procedures.
12	Sec. 155.203. LICENSE ISSUANCE. On application, the board
13	shall issue a limited license to practice medicine under this
14	subchapter to an applicant who:
15	(1) is a resident of this state and is:
16	(A) a United States citizen;
17	(B) a legal permanent resident of the United
18	States; or
19	(C) otherwise authorized under federal law to
20	work in the United States;
21	(2) has proficiency in the English language;
22	(3) has graduated:
23	(A) in the two years preceding the date that the
24	applicant initially applies for a physician graduate license, from:
25	(i) a board-recognized accredited medical
26	school or osteopathic medical school in the United States or
27	Canada; or

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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	<u>rule.</u>
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;

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1	(3) is certified by a medical specialty member board
2	<u>of:</u>
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

1	of the physician graduate under the delegation and supervision of
2	the other physician in a written document that identifies the other
3	physician by name; and
4	(2) the other physician is:
5	(A) part of the sponsoring physician's physician
6	group or facility; and
7	(B) certified in the same specialty as the
8	sponsoring physician by a medical specialty member board of:
9	(i) the American Board of Medical
10	Specialties;
11	(ii) the American Osteopathic Association
12	Bureau of Osteopathic Specialists;
13	(iii) the American Board of Oral and
14	Maxillofacial Surgery; or
15	(iv) any other medical specialty member
16	organization recognized by the board.
17	(d) The physician profile under Section 154.006 of a
18	sponsoring physician or physician graduate must indicate in the
19	manner prescribed by board rule that the sponsoring physician or
20	physician graduate has entered into a supervising practice
21	agreement.
22	Sec. 155.207. LIMITED PRACTICE BY LICENSE HOLDER. (a) A
23	physician graduate may:
24	(1) practice only in a county with a population of less
25	than 100,000; and
26	(2) provide only medical services in the specialty in
27	which the physician graduate's sponsoring physician is certified as

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H.B. No. 2038 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 treatment, consultation, or other medical service, the license 4 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. Sec. 155.208. LIABILITY OF SPONSORING PHYSICIAN. 9 Α 10 sponsoring physician who enters into a supervising practice agreement with a physician graduate retains legal responsibility 11 12 for a physician graduate's patient care activities, including the provision of care and treatment to a patient in a health care 13 facility. 14 15 Sec. 155.209. IDENTIFICATION REQUIREMENTS; USE OF TITLE. (a) The holder of a license issued under this subchapter shall at 16 17 all times while practicing as a physician graduate display a personal identification document identifying the license holder as 18 19 a physician graduate. 20 (b) A physician graduate may use the following titles or abbreviations: 21 22 (1) "doctor"; or (2) "Dr." or "doc." 23 24 Sec. 155.210. STATUS OF PHYSICIAN GRADUATE. A physician graduate license holder is considered a general practitioner for 25 26 purposes of regulations of the federal Centers for Medicare and Medicaid Services. 27

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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	<u>rule.</u>
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

H.B. No. 2038 1 by this Act, applies only to a health insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2 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 following provisions of the Occupations Code, as added by this Act: 7 (1) Sections 155.012 and 155.1015; and 8 (2) Subchapter E, Chapter 155. 9 ARTICLE 6. EFFECTIVE DATE 10 11 SECTION 6.001. This Act takes effect September 1, 2025.

ADOPTED

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By: Deals	<u>Н</u> .в.	No.	2038
Substitute the following for <u>H</u> .B. No. <u>2038</u> : By:			
By: thing	с.s. <u>Н</u> .в.	No.	2038
v –			

A BILL TO BE ENTITLED

1 AN ACT 2 relating to the issuance by the Texas Medical Board of certain licenses to practice medicine and the authority of an insured to 3 4 select certain license holders under the insured's health policy; requiring an occupational license; authorizing fees. 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 6 7 ARTICLE 1. SHORT TITLE 8 SECTION 1.001. This Act shall be known as the Decreasing 9 Occupational Certification Timelines, Obstacles, and Regulations (DOCTOR) Act. 10 11 ARTICLE 2. FOREIGN LICENSE HOLDERS 12 SECTION 2.001. Subchapter C, Chapter 155, Occupations Code, 13 is amended by adding Section 155.1015 to read as follows: 14 Sec. 155.1015. ISSUANCE OF PROVISIONAL LICENSE TO CERTAIN FOREIGN MEDICAL LICENSE HOLDERS WITH OFFERS OF EMPLOYMENT. (a) 15 Subject to Subsection (b), on application, the board shall issue an 16 initial provisional license to practice medicine to an applicant 17 18 who: 19 (1) has been granted a degree of doctor of medicine or 20 a substantially similar degree by a program of medical education 21 that meets eligibility requirements for the applicant to apply for 22 certification by the Educational Commission for Foreign Medical Graduates; 23 24 (2) has been licensed in good standing to practice

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1 medicine in another country and is not the subject of any pending disciplinary action before the licensing body; 2 (3) either: 3 4 (A) has completed a residency or a substantially similar postgraduate medical training required by the applicant's 5 country of licensure and has practiced medicine as a licensed 6 7 physician in that country or another country in which the applicant is licensed as a physician for at least five years after the 8 completion of the required postgraduate medical training; or 9 (B) if the applicant's country of licensure does 10 not require postgraduate medical training, has practiced medicine 11 as a licensed physician in that country or another country in which 12 the applicant is licensed as a physician for at least 10 years after 13 completing medical school; 14 15 (4) passes the Texas medical jurisprudence 16 examination; 17 (5) has proficiency in the English language; is authorized under federal law to work in the 18 (6) 19 United States; (7) has been offered employment in this state as a 20 21 physician by a person who provides health care services in the normal course of business in a facility-based or group practice 22 setting, including a health system, hospital, hospital-based 23 facility, freestanding emergency facility, or urgent care clinic; 24 25 and 26 (8) meets any other requirement the board prescribes 27 by rule.

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1	(b) The board may not issue a provisional license under
2	Subsection (a) to an applicant who is a citizen of a country:
3	(1) identified by the United States Director of
4	National Intelligence as a country that poses a risk to the national
5	security of the United States in the most recent Annual Threat
6	Assessment of the U.S. Intelligence Community issued pursuant to
7	Section 108B, National Security Act of 1947 (50 U.S.C. Section
8	<u>3043b); or</u>
9	(2) identified as a country subject to prohibitions in
10	the International Traffic in Arms Regulations (22 C.F.R. Part
11	126.1).
12	(c) A provisional license issued under Subsection (a)
13	expires on the second anniversary of the date the provisional
14	license was issued.
15	(d) The holder of a provisional license issued under
16	Subsection (a) may practice only in:
17	 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	(e) On application, the board shall renew a provisional
27	license to practice medicine issued under Subsection (a) if the

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1 applicant: 2 (1) has passed the first and second steps of the examination described by Section 155.0511(7) in accordance with 3 Section 155.056(a); and 4 (2) holds a valid certificate issued by the 5 6 Educational Commission for Foreign Medical Graduates. 7 (f) The holder of a provisional license renewed under Subsection (e): 8 9 (1) may practice only in a rural community or 10 medically underserved area or health professional shortage area, as designated by the United States Department of Health and Human 11 12 Services, that has a current shortage of physicians; and 13 (2) is not subject to the restrictions of Subsection 14 (d). (g) Subject to Subsection (h), the board on application 15 shall issue a license under this subtitle to the holder of a 16 17 provisional license under this section if the provisional license 18 holder: 19 (1) at the time the license under this subtitle will be issued, will have practiced under the provisional license for at 20 21 least four of the preceding seven years; and 22 (2) satisfies the examination requirements of Section 23 155.051. (h) The board may not issue as provided by Subsection (g) a 24 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

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(2) has been convicted of, is on deferred adjudication 1 2 community supervision or deferred disposition for, or is under active investigation for the commission of: 3 4 (A) a felony; or 5 (B) a misdemeanor involving moral turpitude. 6 (i) The board shall adopt rules for the issuance of a provisional license under Subsection (a), the renewal of a 7 provisional license under Subsection (e), and the issuance of a 8 9 license under this subtitle as provided by Subsection (g), 10 including rules establishing eligibility for and fees applicable to the licenses. The board may adopt rules for the reporting of board 11 specialty certification requirement information as requested by a 12 13 board specialty organization. ARTICLE 3. PHYSICIAN GRADUATES 14 SECTION 3.001. Chapter 155, Occupations Code, is amended by 15 16 adding Subchapter E to read as follows: 17 SUBCHAPTER E. PHYSICIAN GRADUATES Sec. 155.201. DEFINITIONS. In this subchapter: 18 19 (1) "Physician graduate" means an individual issued a limited license under this subchapter to practice medicine under a 20 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 agreement between a sponsoring physician and a physician graduate 26 27 regarding the sponsoring physician's supervision of the physician

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graduate's practice of medicine. 1 2 Sec. 155.202. RULES. The board shall adopt rules in accordance with this subchapter relating to the licensing and 3 4 regulation of physician graduates, including rules relating to: 5 (1) procedures and fees for the issuance, term, and renewal of a license under this subchapter, including continuing 6 7 medical education requirements for renewal of the license; 8 (2) practices and requirements for the supervision of physician graduates; and 9 10 (3) any other matter necessary to ensure protection of the public, including disciplinary procedures. 11 Sec. 155.203. LICENSE ISSUANCE. On application, the board 12 13 shall issue a limited license to practice medicine under this subchapter to an applicant who: 14 15 (1) is a resident of this state and is: 16 (A) a United States citizen; (B) a legal permanent resident of the United 17 18 States; or 19 (C) otherwise authorized under federal law to work in the United States; 20 21 (2) has proficiency in the English language; 22 (3) has graduated: 23 (A) in the two years preceding the date that the 24 applicant initially applies for a physician graduate license, from: 25 (i) a board-recognized accredited medical 26 school or osteopathic medical school in the United States or 27 Canada; or

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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 recognizes as acceptable; 7 8 (4) has passed the first and second components of the 9 United States Medical Licensing Examination or equivalent components of another board-approved licensing examination 10 described by Section 155.0511; 11 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 of a fee for the issuance or renewal of a physician assistant 18 19 license under Chapter 204. 20 Sec. 155.205. SPONSORING PHYSICIAN. (a) A physician is eligible to enter into a supervising practice agreement as a 21 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;

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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 (D) any other medical specialty member 8 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. (c) The board by rule shall establish the maximum number of 15 physician graduates that a sponsoring physician may supervise under 16 17 supervising practice agreements. Sec. 155.206. SUPERVISING PRACTICE AGREEMENT REQUIRED. (a) 18 19 A physician graduate shall enter into a supervising practice 20 agreement with a sponsoring physician. (b) A physician graduate who has not entered into a 21 supervising practice agreement may not practice or attempt to 22 23 practice medicine. 24 (c) A physician graduate who enters into a supervising practice agreement may practice under the delegation and 25 supervision of another physician if: 26 27 (1) the sponsoring physician authorizes the practice

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1 of the physician graduate under the delegation and supervision of 2 the other physician in a written document that identifies the other physician by name; and 3 (2) the other physician is: 4 5 (A) part of the sponsoring physician's physician 6 group or facility; and 7 (B) certified in the same specialty as the 8 sponsoring physician by a medical specialty member board of: 9 (i) the American Board of Medical 10 Specialties; 11 (ii) the American Osteopathic Association 12 Bureau of Osteopathic Specialists; 13 (iii) the American Board of Oral and 14 Maxillofacial Surgery; or 15 (iv) any other medical specialty member 16 organization recognized by the board. 17 (d) The physician profile under Section 154.006 of a sponsoring physician or physician graduate must indicate in the 18 manner prescribed by board rule that the sponsoring physician or 19 20 physician graduate has entered into a supervising practice 21 agreement. 22 Sec. 155.207. LIMITED PRACTICE BY LICENSE HOLDER. (a) A 23 physician graduate may: 24 (1) practice only in a county with a population of less 25 than 100,000; and 26 (2) provide only medical services in the specialty in which the physician graduate's sponsoring physician is certified as 27

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described by Section 155.205(a)(3) under supervision in accordance 1 2 with a supervising practice agreement. 3 (b) Before a license holder under this subchapter provides a treatment, consultation, or other medical service, the license 4 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 sponsoring physician who enters into a supervising practice 10 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. (a) The holder of a license issued under this subchapter shall at 16 17 all times while practicing as a physician graduate display a 18 personal identification document identifying the license holder as a physician graduate. 19 20 (b) A physician graduate may use the following titles or 21 abbreviations: 22 (1) "doctor"; or 23 "Dr." or "doc." (2)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.

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Sec. 155.211. LICENSE RENEWAL. The board may not renew a 1 2 license issued under this subchapter unless: (1) the board verifies that the license holder has 3 practiced in accordance with this subchapter under a supervising 4 5 practice agreement with a sponsoring physician in the license term preceding the application for renewal; and 6 7 (2) the license holder satisfies the continuing 8 medical education requirements established by board rule. Sec. 155.212. DENIAL, SUSPENSION, OR REVOCATION OF LICENSE. 9 The board may deny an application for licensure or suspend or revoke 10 11 a license issued under this subchapter: 12 (1) for any ground provided by Chapter 164 or board 13 rule; and (2) in the manner provided by Chapter 164 and board 14 15 <u>rule.</u> SECTION 3.002. Section 1451.001, Insurance Code, is amended 16 17 by adding Subdivision (16-a) to read as follows: (16-a) "Physician graduate" has the meaning assigned 18 19 by Section 155.201, Occupations Code. SECTION 3.003. Subchapter C, Chapter 1451, Insurance Code, 20 is amended by adding Section 1451.129 to read as follows: 21 Sec. 1451.129. SELECTION OF PHYSICIAN GRADUATE. An insured 22 may select a physician graduate to provide the services scheduled 23 in the health insurance policy that are within the scope of the 24 physician graduate's license under Subchapter E, Chapter 155, 25 26 Occupations Code. 27 SECTION 3.004. Section 1451.129, Insurance Code, as added

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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 4. RULEMAKING 5 SECTION 4.001. Not later than January 1, 2026, the Texas 6 Medical Board shall adopt rules as necessary to implement the following provisions of the Occupations Code, as added by this Act: 7 8 (1) Section 155.1015; and 9 (2) Subchapter E, Chapter 155. 10 ARTICLE 5. EFFECTIVE DATE 11 SECTION 5.001. This Act takes effect September 1, 2025.

89R30902 BEE-F

ADOPTED

MAY 2 6 2025

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BY:

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FLOOR AMENDMENT NO.

5. J. B.

1	Amend C.S.H.B. No. 2038 (senate committee report) in SECTION
2	2.001 of the bill as follows:
3	(1) In added Section 155.1015, Occupations Code, strike
4	added Subsections (a) and (b) of that section (page 1, line 34,
5	through page 2, line 21) and substitute the following:
6	(a) Subject to Subsection (b), on application, the board
7	shall issue an initial provisional license to practice medicine to
8	an applicant who:
9	(1) has been granted a degree of doctor of medicine or
10	a substantially similar degree by a program of medical education
11	that meets eligibility requirements for the applicant to apply for
12	certification by the Educational Commission for Foreign Medical
13	Graduates;
14	(2) has been licensed in good standing to practice
15	medicine in another country and is not the subject of any pending
16	disciplinary action before the licensing body;
17	(3) has completed a residency or a substantially
18	similar postgraduate medical training required by the applicant's
19	<pre>country of licensure;</pre>
20	(4) passes the Texas medical jurisprudence
21	examination;
22	(5) has proficiency in the English language;
23	(6) is authorized under federal law to work in the
24	United States;
25	(7) has been offered employment in this state as a
26	physician by a person who provides health care services in the
27	normal course of business in a facility-based or group practice
28	setting, including a health system, hospital, hospital-based
29	facility, freestanding emergency facility, or urgent care clinic;

1 (8) has passed the first and second steps of the 2 examination described by Section 155.0511(7) in accordance with 3 Section 155.056(a); and 4 (9) meets any other requirement the board prescribes 5 by rule. 6 (b) Unless the applicant is a citizen of the United States 7 or has been issued a visa to legally work in the United States, the board may not issue a provisional license under Subsection (a) to an 8 9 applicant who is a citizen of a country: (1) identified by the United States Director of 10 11 National Intelligence as a country that poses a risk to the national security of the United States in the most recent Annual Threat 12 Assessment of the U.S. Intelligence Community issued pursuant to 13 Section 108B, National Security Act of 1947 (50 U.S.C. Section 14 3043b); or 15 16 (2) identified as a country subject to prohibitions in the International Traffic in Arms Regulations (22 C.F.R. Part 17 18 126.1). 19 (2)In added Section 155.1015, Occupations Code, strike added Subsection (g) of that section (page 2, lines 52 through 60), 20 21 and substitute the following: (g) Subject to Subsection (h), the board on application 22 shall issue a license under this subtitle to the holder of a 23 provisional license under this section if the provisional license 24 holder satisfies the examination requirements of Section 155.051. 25

LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 28, 2025

TO: Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2038 by Oliverson (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.), As Passed 2nd House

Estimated Two-year Net Impact to General Revenue Related Funds for HB2038, As Passed 2nd House: a positive impact of \$39,170 through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2026	\$19,585
2027	\$19,585
2028	\$19,585
2029	\$19,585
2030	\$19,585

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Change in Number of State Employees from FY 2025
2026	(\$173,690)	\$193,275	2.0
2027	(\$173,690)	\$193,275	2.0
2028	(\$173,690)	\$193,275	2.0
2029	(\$173,690)	\$193,275	2.0
2030	(\$173,690)	\$193,275	2.0

Fiscal Analysis

The bill would amend the Texas Occupations Code to require the Texas Medical Board (TMB) to issue provisional licenses to practice medicine to certain foreign applicants who have been granted a medical degree, or a similar degree, and have been licensed in good standing in another country. TMB would have the choice to issue either a standard license or another provisional license to a provisional license holder if the licensee meets certain criteria. TMB would not be allowed to issue a license if the foreign applicant is a citizen of a country that is identified as either a national security risk or subject to prohibitions in the International Traffic in Arms Regulations. The provisional licenses would expire two years after the issuance of the provisional

license.

The bill would require TMB to issue limited licenses to practice medicine to medical school graduates who have no matched into a residency program and authorizes a fee. these graduates would be able to practice a limited scope of medicine under a supervising practice agreement with a sponsoring physician in counties with a population of less than 100,000.

The bill would take effect September 1, 2025.

Methodology

Based upon analysis provided by the Texas Medical Board (TMB), this estimate assumes that the agency will require 2.0 additional License and Permit Specialist positions (\$57,851 each year with \$17,309 in estimated benefits) to address the increased amount of licensure applications while maintaining current licensing processing times. This estimate assumes an additional annual cost of \$23,370 for equipment and operating expenses related to the additional staffing position.

Based upon analysis provided by TMB and the Comptroller of Public Accounts, this estimate assumes that 200 individuals would apply each year for the foreign applicant provisional license and will pay a one-time application fee of \$552 per applicant, resulting in \$110,400 in annual revenue to the credit of the General Revenue Fund. Additionally, this estimate assumes that 170 individuals would apply each year for the graduate limited license and would pay a \$220 application fee and a \$267.50 registration fee for a license term of two years, resulting in annual revenue of \$82,875 to the credit of the General Revenue Fund. This estimate assumes there will be no renewal applications and that all graduate limited licensees will enter into a residency program before they would need to renew their limited license.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 503 Texas Medical Board **LBB Staff:** JMc, NPe, BFa, GDZ

LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 22, 2025

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2038 by Oliverson (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.), Committee Report 2nd House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB2038, Committee Report 2nd House, Substituted: a positive impact of \$39,170 through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

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Fiscal Analysis

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in Arms Regulations. The provisional licenses would expire two years after the issuance of the provisional license.

The bill would require TMB to issue limited licenses to practice medicine to medical school graduates who have no matched into a residency program and authorizes a fee. these graduates would be able to practice a limited scope of medicine under a supervising practice agreement with a sponsoring physician in counties with a population of less than 100,000.

The bill would take effect September 1, 2025.

Methodology

Based upon analysis provided by the Texas Medical Board (TMB), this estimate assumes that the agency will require 2.0 additional License and Permit Specialist positions (\$57,851 each year with \$17,309 in estimated benefits) to address the increased amount of licensure applications while maintaining current licensing processing times. This estimate assumes an additional annual cost of \$23,370 for equipment and operating expenses related to the additional staffing position.

Based upon analysis provided by TMB and the Comptroller of Public Accounts, this estimate assumes that 200 individuals would apply each year for the foreign applicant provisional license and will pay a one-time application fee of \$552 per applicant, resulting in \$110,400 in annual revenue to the credit of the General Revenue Fund. Additionally, this estimate assumes that 170 individuals would apply each year for the graduate limited license and would pay a \$220 application fee and a \$267.50 registration fee for a license term of two years, resulting in annual revenue of \$82,875 to the credit of the General Revenue Fund. This estimate assumes that all graduate limited licenses will enter into a residency program before they would need to renew their limited license.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 503 Texas Medical Board **LBB Staff:** JMc, NPe, BFa, GDZ

LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 19, 2025

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2038 by Oliverson (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.), As Engrossed

Estimated Two-year Net Impact to General Revenue Related Funds for HB2038, As Engrossed: a positive impact of \$39,170 through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

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Fiscal Analysis

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The bill would require TMB to licenses certain military veterans who are licensed in good standing in another state, retired from the military no more than three years before applying for a license, and have passed the Texas medical jurisprudence examination. TMB would not be required to issue a license if the individual was discharged for certain reasons, holds a medical license to prescribe a controlled substance that is under active investigation or subject to denial by another jurisdiction, or has been convicted, on deferred adjudication, or under investigation for a felony or certain misdemeanors.

The bill would require TMB to issue limited licenses to practice medicine to medical school graduates who have no matched into a residency program and authorizes a fee. these graduates would be able to practice a limited scope of medicine under a supervising practice agreement with a sponsoring physician in counties with a population of less than 100,000.

The bill would take effect September 1, 2025.

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Based upon analysis provided by the Texas Medical Board (TMB), this estimate assumes that the agency will require 2.0 additional License and Permit Specialist positions (\$57,851 each year with \$17,309 in estimated benefits) to address the increased amount of licensure applications while maintaining current licensing processing times. This estimate assumes an additional annual cost of \$23,370 for equipment and operating expenses related to the additional staffing position.

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Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 503 Texas Medical Board **LBB Staff:** JMc, NPe, BFa, GDZ

LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 18, 2025

TO: Honorable Gary VanDeaver, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2038 by Oliverson (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.), Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB2038, Committee Report 1st House, Substituted: a positive impact of \$39,170 through the biennium ending August 31, 2027.

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2029	(\$173,690)	\$193,275	2.0
2030	(\$173,690)	\$193,275	2.0

Fiscal Analysis

The bill would amend the Texas Occupations Code to require the Texas Medical Board (TMB) to issue provisional licenses to practice medicine to certain foreign applicants who have been granted a medical degree, or a similar degree, and have been licensed in good standing in another country for five years preceding the application. TMB would have the choice to issue either a standard license or another provisional license to a provisional license holder if the licensee meets certain criteria. The provisional licenses would expire two years after the issuance of the provisional license.

The bill would require TMB to licenses certain military veterans who are licensed in good standing in another state, retired from the military no more than three years before applying for a license, and have passed the Texas medical jurisprudence examination. TMB would not be required to issue a license if the individual was discharged for certain reasons, holds a medical license to prescribe a controlled substance that is under active investigation or subject to denial by another jurisdiction, or has been convicted, on deferred adjudication, or under investigation for a felony or certain misdemeanors.

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Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 503 Texas Medical Board LBB Staff: JMc, NPe, BFa, GDZ

LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 6, 2025

TO: Honorable Gary VanDeaver, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2038 by Oliverson (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.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB2038, As Introduced: a positive impact of \$39,170 through the biennium ending August 31, 2027.

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Fiscal Analysis

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The bill would require TMB to licenses certain military veterans who are licensed in good standing in another state, retired from the military no more than three years before applying for a license, and have passed the Texas medical jurisprudence examination.

The bill would require TMB to issue limited licenses to practice medicine to medical school graduates who have no matched into a residency program and authorizes a fee. these graduates would be able to practice a limited scope of medicine under a supervising practice agreement with a sponsoring physician.

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Local Government Impact

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Source Agencies: 304 Comptroller of Public Accounts, 503 Texas Medical Board LBB Staff: JMc, NPe, GDZ, BFa