

- SUBJECT:** Expanding the physician education loan repayment program
- COMMITTEE:** Higher Education — favorable, without amendment
- VOTE:** 10 ayes — C. Turner, Stucky, Frullo, Howard, E. Johnson, Pacheco, Schaefer, Smithee, Walle, Wilson
- 0 nays
- 1 absent — Button
- WITNESSES:** For — Lane Aiena and Hilary Kieffer, Texas Academy of Family Physicians; (*Registered, but did not testify:* Frank McStay, Baylor Scott & White Health; Kelly Barnes, Central Health; Maureen Milligan, Teaching Hospitals of Texas; Mimi Garcia, Texas Association of Community Health Centers; Michelle Romero, Texas Medical Association; Clayton Travis, Texas Pediatric Society)
- Against — (*Registered, but did not testify:* CJ Grisham)
- On — (*Registered, but did not testify:* Charles Puls, Texas Higher Education Coordinating Board)
- BACKGROUND:** Education Code sec. 61.531 establishes the physician education loan repayment program and authorizes the Texas Higher Education Coordinating Board to provide financial assistance for qualifying physicians to help with their educational debt.
- Sec. 61.538 sets yearly limits on the amount of money a physician may receive from the program, beginning with \$25,000 for the first year and increasing to \$55,000 by the fourth year. Total repayment assistance provided by the board to an individual may not exceed \$160,000.
- DIGEST:** HB 2261 would increase the amount of money a physician could receive under the physician education loan repayment program by \$5,000 each year. This would bring the total amount of repayment assistance available

to physicians through the program to \$180,000.

The bill would apply only to physicians who established eligibility for loan repayment assistance on the basis of an application submitted on or after September 1, 2019.

This bill would take effect September 1, 2019.

**SUPPORTERS
SAY:**

HB 2261 would help alleviate the physician shortage in Texas by providing qualifying physicians with greater loan repayment assistance. While the physician education loan repayment program has been successful in attracting doctors to rural areas and addressing the high costs of graduate medical education, an increase in the amount of assistance available is needed to continue attracting physicians to work with underserved populations in the state.

The physician education loan repayment program was designed to address Texas' shortage of primary care physicians by incentivizing them to remain in the state and support them while they practiced in underserved urban and rural areas. Physicians in the United States often graduate with a heavy debt load, and the costs of obtaining a medical degree continue to rise. Many graduate medical students have left Texas upon graduation to pursue more lucrative family practices in other states. Increasing the amount of financial assistance available would provide further incentive for doctors to serve in Texas and to allow rural areas to compete with urban centers for quality physicians.

**OPPONENTS
SAY:**

HB 2261 would allow for the continued use of tax dollars to subsidize educational costs for medical professionals. If individuals choose to take on debt to pay for their education, they should be responsible for repayment.