

## **BILL ANALYSIS**

Senate Research Center  
77R115 JAT-D

S.B. 126  
By: Madla  
Intergovernmental Relations  
1/30/2001  
Committee Report (Amended)

### **DIGEST AND PURPOSE**

Currently, rural areas of Texas are experiencing a great shortage of health care professional practices. As proposed, S.B. 126 establishes the Rural Communities Health Care Investment Program. This program provides for loan repayment assistance and financial stipends for health care professionals who relocate or initiate their practices in rural areas.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the executive committee of the Center for Rural Health Initiatives in SECTION 1 (Section 106.306, Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 106, Health and Safety Code, by adding Subchapter H, as follows:

#### **SUBCHAPTER H. RURAL COMMUNITIES HEALTH CARE INVESTMENT PROGRAM**

Sec. 106.301. DEFINITIONS. Defines “health professional” and “medically underserved community.”

Sec. 106.302. ADVISORY PANEL. Requires the Center for Rural Health Initiatives (center) to appoint an advisory panel to assist in the center’s duties under this subchapter, and requires the advisory panel to consist of certain individuals.

Sec. 106.303. LOAN REIMBURSEMENT PROGRAM. Requires the executive committee of the center to establish a program to provide loan reimbursement for health professionals who agree to serve in medically underserved communities.

Sec. 106.304. STIPEND PROGRAM. Requires the executive committee to establish a program to provide a stipend for health professionals who agree to serve in medically underserved communities.

Sec. 106.305. CONTRACT REQUIRED. Authorizes a health care professional to receive assistance under this subchapter only if the health professional signs a contract agreeing to provide health care services in a medically underserved community, and authorizes a student in a degree program preparing to become a health professional to contract with the center prior to obtaining a health professional license in order to participate in the loan reimbursement program. Authorizes the center to contract with a health professional for part-time services under the stipend program, and provides that a health professional who participates in any loan reimbursement program is not eligible for a stipend. Requires the contract under this section to provide that a health professional who does not provide the required services to the community or provides those services for less than the required time is personally liable to the state for certain reimbursements.

Sec. 106.306. POWERS AND DUTIES OF CENTER. Requires the executive committee to

adopt rules necessary for the administration of this subchapter that must include certain guidelines. Authorizes the executive committee by rule to designate areas of the state as medically underserved communities, and requires the executive committee to make reasonable efforts to contract with health professionals from a variety of different health professions.

Sec. 106.307. TRUST FUND. Provides that the rural communities health care investment program trust fund is created with the state comptroller, and requires the trust fund to be administered by the center as trustee on behalf of medically underserved communities. Authorizes the center to accept and administer gifts and grants, as the trust fund trustee, from any public or private person or entity for the use and benefit of any program described or created under this chapter.

SECTION 2. Amends Chapter 61C, Education Code, by adding Section 61.0899, as follows:

Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN FORGIVENESS PROGRAMS. Requires the Texas Higher Education Coordinating Board (board), in cooperation with the center and the center's advisory panel established under Section 106.302, Health and Safety Code, to develop a program that requires the board and any institution of higher education to seek and obtain the maximum amount of funds from any source, including federal funds, to support the loan reimbursement and stipend program.

SECTION 3. Effective date: upon passage or September 1, 2001.

#### **SUMMARY OF COMMITTEE CHANGES**

Committee Amendment No. 1

Committee Report (Amended), SECTION 1, Section 106.301, Health and Safety Code, differs from the original by redefining "medically underserved community," removing rulemaking authority expressly granted to the Center for Rural Health Initiatives in the original.