

BILL ANALYSIS

Senate Research Center
82R21947 KEL-F

C.S.S.B. 1648
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Higher Education
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas has a shortage of physicians and other health professionals, and the shortage is expected to worsen over the next decade. According to the consensus statement issued by the Texas Medical Association (TMA) to the 82nd Legislature, Texas ranks 42nd out of 50 states in the ratio of patient care physicians per 100,000 people. In addition, Texas ranks last among the five most populous states in the number of physicians per 100,000 people. According to Arthur Garson, Jr., senior vice president at The University of Texas Health Science Center, to meet the health needs of its growing, aging population, the United States needs to add up to one million nurses and up to 150,000 physicians in the next 15 years. Texas medical schools would need to double their output over the next four years and nursing schools would need to double their output over the next 14 years.

The bill also requires THECB to evaluate whether the system meets the criteria set forth in the bill.

C.S.S.B. 1648 amends current law relating to the establishment of a system health center by a university system.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 51, Education Code, by adding Subchapter I, as follows:

SUBCHAPTER I. SYSTEM HEALTH CENTERS

Sec. 51.451. DEFINITIONS. Defines, in this subchapter, "coordinating board," "general academic teaching institution," "governing board," "institution of higher education," and "university system."

Sec. 51.452. SYSTEM HEALTH CENTER. Provides that a system health center (center) integrates biomedical and clinical research, patient care services, and predoctoral and postdoctoral teaching provided by multiple participating institutions, schools, and programs.

Sec. 51.453. ESTABLISHMENT. (a) Authorizes the governing board of a university system to establish a center consisting of institutions of higher education under the board's control and direction if the system meets the criteria provided by this subchapter, as determined by the Texas Higher Education Coordinating Board (THECB).

(b) Requires that the educational programs of a center be offered primarily by a single institution of higher education and, together with patient care services, be provided primarily within the geographic region designated by the governing board.

(c) Requires that each of the following offer substantial educational programs through the center:

(1) one or more allopathic or osteopathic medical schools, each of which must administer residency programs in not fewer than three medical specialties within the center;

(2) two or more health professional schools or programs, such as nursing, public health, or pharmacy schools or programs;

(3) one or more undergraduate degree programs of a general academic teaching institution; and

(4) one or more graduate degree programs of a general academic teaching institution.

Sec. 51.454. DEMONSTRATION OF NEED AND SUPPORT. (a) Requires THECB to approve the establishment of a center under Section 51.453, if THECB finds that the university system seeking to establish the center has demonstrated:

(1) a need for the center based on applicable statewide and regional factors, including:

(A) demographic factors such as:

(i) age, income, and health condition; and

(ii) rate of persons without health care coverage; and

(B) present or predicted physician-to-population ratios or physician shortages in identified specialties;

(2) the center's access to a teaching hospital and other facilities adequate to support the center's research, education, and clinical activities, considering the proximity and availability of existing complementary facilities and programs;

(3) the center's capacity to expend in the aggregate a minimum of \$50 million annually in federally sponsored or privately sponsored research, as evidenced by the research contracts of participating institutions, provided that programs of the center will participate in those contracts;

(4) community support for the center from a combination of state and local governments, charities, chambers of commerce, hospitals, and medical societies, as evidenced by commitments of financial and other resources with an aggregate value of at least \$35 million; and

(5) a well-defined business plan that includes identified financial resources estimated to be sufficient for the ongoing support of the center, including support for medical residencies.

(b) Authorizes health condition information considered under Subsection (a)(1)(A)(i) to include health condition information relating to rates of disabilities, infant mortality, obesity, or diabetes or other chronic conditions.

Sec. 51.455. EFFECT ON FORMULA FUNDING. Provides that, for purposes of the appropriation formulas recommended by THECB under Section 61.059 (Appropriations), a student of an educational program offered by a center is considered to be a student of a health-related institution to the extent that formula funding of health-related institutions applies to the discipline in which the student is enrolled.

SECTION 2. Effective date: upon passage or September 1, 2011.