

## **BILL ANALYSIS**

Senate Research Center

S.B. 239  
By: Schwertner et al.  
Higher Education  
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Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The state of Texas has a shortage of medical professionals and the shortage of mental health medical professionals is even more pronounced. Specifically, a report required by H.B. 1023 (83R) on mental health workforce shortage issues noted that as of September 2013, only 1,933 psychiatrists were actively licensed and offering direct care in Texas. Additionally, five of Texas' most populous counties had 63 percent of the state's psychiatrists but only 43 percent of the total population. Furthermore, as of January 1, 2015, 199 of Texas' 254 counties were designated as Mental Health Professional Shortage Areas.

S.B. 239 seeks to alleviate this issue by establishing a program that offers student loan repayment assistance for certain mental health professionals. To be eligible for loan repayment assistance, the mental health professional must:

- Provide services in a designated mental health professional shortage area, and
- Provide care to Medicaid and CHIP clients; or
- Provide care to persons committed to certain state-operated correctional facilities.

S.B. 239 amends current law relating to student loan repayment assistance for certain mental health professionals.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 61.608, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 61, Education Code, by adding Subchapter K, as follows:

#### **SUBCHAPTER K. REPAYMENT OF CERTAIN MENTAL HEALTH PROFESSIONAL EDUCATION LOANS**

Sec. 61.601. DEFINITION. Defines “mental health professional.”

Sec. 61.602. REPAYMENT AUTHORIZED. Requires the Texas Higher Education Coordinating Board (THECB), if the legislature appropriates funds for purposes of this subchapter, to establish a program to provide, in accordance with this subchapter and rules of THECB, assistance in the repayment of student loans for mental health professionals who apply and qualify for the assistance.

Sec. 61.603. ELIGIBILITY. (a) Requires a mental health professional, to be eligible to receive repayment assistance under this subchapter, to:

(1) apply to THECB;

(2) have completed one, two, three, four, or five consecutive years of practice in a mental health professional shortage area designated by the Department of State Health Services; and

(3) provide mental health services in this state to:

(A) recipients under the medical assistance program authorized by Chapter 32 (Medical Assistance Program), Human Resources Code;

(B) enrollees under the child health plan program authorized by Chapter 62 (Child Health Plan for Certain Low-Income Children), Health and Safety Code; or

(C) persons committed to a secure correctional facility operated by or under contract with the Texas Juvenile Justice Department or persons confined in a secure correctional facility operated by or under contract with any division of the Texas Department of Criminal Justice.

(b) Requires a licensed physician, in addition to satisfying the requirements under Subsection (a), for the physician to be eligible to receive repayment assistance under this subchapter after the physician's third consecutive year of practice described under Subsection (a)(2), to be certified in psychiatry by:

(1) the American Board of Psychiatry and Neurology; or

(2) the American Osteopathic Board of Neurology and Psychiatry.

Sec. 61.604. LIMITATIONS. (a) Authorizes a mental health professional to receive repayment assistance under this subchapter for not more than five years.

(b) Prohibits more than 10 percent of the number of repayment assistance grants paid under this subchapter each year to be awarded to mental health professionals providing mental health services described by Section 61.603(3)(C).

(c) Prohibits more than 30 percent of the number of repayment assistance grants paid under this subchapter each year to be awarded to mental health professionals in any one of the professions listed in Section 61.601.

Sec. 61.605. ELIGIBLE LOANS. (a) Requires THECB to provide repayment assistance under this subchapter for the repayment of any student loan for education at an institution of higher education, a private or independent institution of higher education, or a public or private out-of-state institution of higher education accredited by a recognized accrediting agency, including loans for undergraduate education, received by an eligible person through any lender.

(b) Prohibits THECB from providing repayment assistance for a student loan that is in default at the time of the person's application.

(c) Requires THECB, in each state fiscal biennium, to attempt to allocate all funds appropriated to THECB for the purpose of providing loan repayment assistance under this subchapter.

Sec. 61.606. REPAYMENT. (a) Requires THECB to deliver any repayment under this subchapter in a lump sum payable:

(1) to both the lender or other holder of the loan and the mental health professional; or

(2) directly to the lender or other holder of the loan on the mental health professional's behalf.

(b) Authorizes a repayment under this subchapter to be applied to any amount due in connection with the loan.

Sec. 61.607. AMOUNT OF REPAYMENT ASSISTANCE. (a) Authorizes a mental health professional to receive repayment assistance under this subchapter for each year the mental health professional establishes eligibility for the assistance in an amount determined by applying the following applicable percentage to the maximum total amount of assistance allowed for the mental health professional under Subsection (b):

- (1) for the first year, 10 percent;
- (2) for the second year, 15 percent;
- (3) for the third year, 20 percent;
- (4) for the fourth year, 25 percent; and
- (5) for the fifth year, 30 percent.

(b) Prohibits the total amount of repayment assistance received by a mental health professional under this subchapter from exceeding:

- (1) \$160,000, for assistance received by a licensed physician;
- (2) \$80,000, for assistance received by:
  - (A) a psychologist;
  - (B) a licensed clinical social worker, if the social worker has received a doctoral degree related to social work; or
  - (C) a licensed professional counselor, if the counselor has received a doctoral degree related to counseling;
- (3) \$60,000, for assistance received by an advanced practice registered nurse; and
- (4) \$40,000, for assistance received by a licensed clinical social worker or a licensed professional counselor who is not described by Subdivision (2).

(c) Prohibits the total amount of repayment assistance provided under this subchapter from exceeding the sum of:

- (1) the total amount of gifts and grants accepted by THECB for the repayment assistance;
- (2) legislative appropriations for the repayment assistance; and
- (3) other funds available to THECB for the repayment assistance.

(d) Authorizes THECB to adjust in an equitable manner the distribution amounts that mental health professionals would otherwise receive under Subsection (a) for a year as necessary to comply with Subsection (c).

Sec. 61.608. RULES. (a) Requires THECB to adopt rules necessary to administer this subchapter.

(b) Requires THECB to distribute to each institution of higher education or private or independent institution of higher education and to any appropriate state

agency and professional association copies of the rules adopted under this section and other pertinent information relating to this subchapter.

Sec. 61.609. SOLICITATION AND ACCEPTANCE OF FUNDS. Authorizes THECB to solicit and accept gifts and grants from any public or private source for the purposes of this subchapter.

SECTION 2. Requires THECB to adopt the rules for repayment assistance under Subchapter K, Chapter 61, Education Code, as added by this Act, no later than December 1, 2015.

SECTION 3. Effective date: upon passage or September 1, 2015.