SUBJECT:	Increasing the medical services fee cap at the University of North Texas
COMMITTEE:	Higher Education — favorable, without amendment
VOTE:	6 ayes — F. Brown, Farabee, J. Jones, Morrison, Uher, West
	0 nays
	3 absent — Rangel, Goolsby, E. Reyna
WITNESSES:	For — None
	Against — None
	On — <i>Registered but did not testify:</i> Bonita C. Jacobs, Norval F. Pohl, Daniel S. Forrer, and Phil Diebel, University of North Texas
BACKGROUND:	Education Code, sec. 54.5081 caps the student fee for medical services at the University of North Texas at \$25 per student for each regular semester or 12-week summer session and at \$12.50 for each six-week or shorter term of the summer session.
DIGEST:	HB 462 would authorize the University of North Texas board of regents to increase the student fee for medical services. The fee could not exceed \$75 per student for each regular semester or 12-week summer session, nor could it exceed \$37.50 per student in each six-week or shorter term of the summer session. The board could not increase the fee by more than 10 percent in any academic year unless students approved the increase in a general election.
	The maximum fee amounts and the prohibition against increasing the fee more than 10 percent annually without student approval would not apply to the 2001 fall semester. For the 2001 fall semester, the board could not increase the medical services fee to an amount more than \$30. This authorization would expire January 1, 2002.
	HB 462 would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect

HB 462 House Research Organization page 2

	September 1, 2001. It would apply beginning with the fees charged for the 2001 fall semester.
SUPPORTERS SAY:	HB 462 would allow University of North Texas regents to increase the cap on the medical services fee at the university. This increase would allow the university to keep pace with the rising cost of health care.
	While health care costs have risen, the university's medical services fee has been frozen at the cap for the past five and one-half years. The university health center funded by the fee has had to curtail hours of operation because it lacked funds to support needed staff. Budgetary constraints also have forced the center to defer purchase of some capital equipment and to rely on senior psychiatric residents to provide mental health counseling and medication intervention, once provided by board-certified psychiatrists.
	Increasing the fee would benefit operation of the university's health center and would help to control fees for ancillary services, such as for prescription and X-ray services. It would help the medical center cover other increased expenses, such as utility costs, which have increased by 30 to 40 percent.
	HB 462 would bring the university's medical services fee into line with fees at other Texas universities. The Texas A&M University System has a \$75 cap and University of Texas System components can raise their cap from \$55 to \$75 with student approval. Other universities, such as Texas Tech University and Texas Woman's University, have a higher cap on medical services fees but fewer students than the University of North Texas has.
OPPONENTS SAY:	Raising the student fee for medical services, as HB 462 would allow, would increase the cost of an education at the University of North Texas. Some students already find it difficult to pay for their education, and all would have to pay the new fee regardless of whether they would use medical services at the university.