

**SUBJECT:** Student loan repayment for certain mental health professionals

**COMMITTEE:** Public Health — committee substitute recommended

**VOTE:** 7 ayes — Crossover, Naishtat, Blanco, R. Miller, Sheffield, Zedler, Zerwas

0 nays

4 absent — Coleman, Collier, S. Davis, Guerra

**SENATE VOTE:** On final passage, April 27 — 23-7 (Birdwell, Burton, Fraser, Hall, Hancock, Huffines, V. Taylor)

**WITNESSES:** For — Phyllis Peterson, Texas Academy of Physician Assistants; (*Registered, but did not testify*: Anne Dunkelberg, Center for Public Policy Priorities; Vicki Perkins, CHRISTUS Health; Tanya Lavelle, Easter Seals Central Texas; Eric Woomer, Federation of Texas Psychiatry; Coby Chase, Meadows Mental Health Policy Institute; Bill Kelly, Mental Health America of Greater Houston; Greg Hansch, National Alliance of Mental Illness-Texas; Will Francis, National Association of Social Workers-Texas Chapter; Eric Wright, Signature Healthcare; Eileen Garcia, Texans Care for Children; Olga Rodriguez, Texas Association of Community Health Centers; Sarah Crockett, Texas CASA; Lee Johnson, Texas Council of Community Centers; Jan Friese, Texas Counseling Association; Douglas Smith, Texas Criminal Justice Coalition; Charles Bailey, Texas Hospital Association; Dan Finch, Texas Medical Association; Kathy Hutto, Texas Occupational Therapy Association, Coalition for Nurses in Advanced Practice; David Reynolds, Texas Osteopathic Medical Association; Clayton Travis, Texas Pediatric Society; Max Jones, The Greater Houston Partnership; Casey Smith, United Ways of Texas; Knox Kimberly, Upbring: The New Lutheran Social Services of the South; and 15 individuals )

Against — None

On — (*Registered, but did not testify*: Lesa Moller, Texas Higher Education Coordinating Board; Royce Myers, Texas Juvenile Justice Department)

**BACKGROUND:** The 83rd Legislature in 2013 passed HB 1023 by Burkett, which charged the Health and Human Services Commission with making recommendations regarding the state's mental health workforce shortage. The September 2014 report included increasing the size and improving the distribution of the mental health workforce among its key policy themes.

**DIGEST:** CSSB 239 would establish a program, subject to legislative funding, to provide student loan repayment assistance for certain mental health professionals who agreed to practice in underserved areas.

**Eligibility.** The program would be administered by the Texas Higher Education Coordinating Board (THECB) and would be available to the following mental health professionals:

- a licensed physician who was a graduate of an accredited psychiatric residency training program or was board certified in psychiatry;
- a psychologist;
- a licensed professional counselor;
- an advanced practice registered nurse who held a nationally recognized board certification in psychiatric or mental health nursing; and
- a licensed clinical social worker.

To be eligible, a mental health professional would have to apply to THECB; have completed one to five consecutive years of practice in a mental health professional shortage area designated by the Department of State Health Services; and provide services to Medicaid recipients, enrollees in the Children's Health Insurance Program, or individuals in state juvenile or adult correctional facilities.

A mental health professional could receive repayment assistance for no

more than five years.

No more than 10 percent of the number of repayment grants could be awarded each year to mental health professionals working in state correctional facilities. No more than 30 percent of the number of repayment grants could be awarded each year to any one of the eligible professions.

For a licensed physician to remain eligible for repayment assistance after the physician's third consecutive year of practice in an underserved area, the physician would have to be certified in psychiatry by the American Board of Psychiatry and Neurology or the American Osteopathic Board of Neurology and Psychiatry.

**Repayments.** Repayment assistance could be provided for student loans received for education at a Texas public or private institution of higher education as well as an accredited public or private out-of-state institution. Assistance would not be available for a loan that was in default at the time of application.

The bill would establish the following schedule for repayment assistance:

- for the first year, 10 percent;
- for the second year, 15 percent;
- for the third year, 20 percent;
- for the fourth year, 25 percent; and
- for the fifth year, 30 percent.

The total amount of assistance could not exceed:

- \$160,000 for a licensed physician;
- \$80,000 for a psychologist, licensed clinical social worker with a doctoral degree related to social work, or a licensed professional counselor with a doctoral degree related to counseling;
- \$60,000 for an advanced practice registered nurse; and
- \$40,000 for a licensed clinical social worker or licensed

professional counselor.

The total amount of repayment assistance would not exceed the sum of legislative appropriations, gifts and grants, and other available funds. THECB could adjust in an equitable manner the distribution amounts for a year as necessary to meet available funding.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS  
SAY:**

CSSB 239 could help alleviate the state's serious shortage of mental health professionals by establishing a program to offer student loan repayments for professionals who agreed to practice in underserved areas and serve Texans enrolled in Medicaid or the Children's Health Insurance Program (CHIP) or who are incarcerated.

As of January, 199 of the state's 254 counties were designated as mental health professional shortage areas, defined as an area with as few as one psychiatrist for 30,000 people. An additional 12 counties were designated as partial shortage areas. Five populous counties with 43 percent of the state's total population had 63 percent of the state's psychiatrists.

Individuals with untreated mental illness often end up being treated in hospital emergency rooms or being incarcerated. The bill would save tax dollars in the long run by ensuring those with mental illness received appropriate treatment.

Many of the mental health professionals eligible for student loan repayments would have obtained undergraduate and advanced degrees. Some of these professionals are not highly paid, leaving them struggling to make ends meet and pay off their loans. The bill could help them financially while also providing increased services for rural areas and the border.

The reimbursement rates for mental health professionals who serve

Medicaid and CHIP populations often are below what professionals could earn serving other populations. Keeping experienced mental health professionals as providers for Medicaid and CHIP patients would help preserve the continuum of care for some of the state's most vulnerable residents.

The program is contingent on legislative funding. It is an appropriate role for government to help those suffering from severe mental illness to access care. The Legislature has recognized that responsibility by increasing mental health funding in recent sessions. Student loan repayment programs are not a new concept, and the state has used such programs for many years to help address physician shortages in the state.

**OPPONENTS  
SAY:**

CSSB 239 would increase spending and expand government intervention in education by offering financial incentives for mental health professionals to practice in certain areas designated by the federal government as underserved. Student debt is a serious problem but the solution should not be to create additional loan repayment programs with taxpayer money. The bill could circumvent market forces that determine where mental health professionals choose to practice their professions.

**NOTES:**

The Legislative Budget Board estimates that CSSB 239 would have a negative impact of \$3 million to general revenue through fiscal 2016-17. The Senate-passed budget includes \$5 million in general revenue and general revenue dedicated funds in Art. 11 as a contingency for the loan repayment program.

CSSB 239 differs from the Senate engrossed version in that in the House substitute, a mental health professional would include a licensed physician who was certified in psychiatry by the American Osteopathic Board of Neurology and Psychiatry.