### **BILL ANALYSIS**

Senate Research Center 79R973 JRJ-D

S.B. 67 By: Shapleigh S/C on Higher Education 3/10/2005 As Filed

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

In the lower Rio Grande Valley, the ratio of health service professionals to residents is only 119 per 100,000, and in the upper Rio Grande Valley, it is only 110 per 100,000. All of the 43 Texas-Mexico border counties are federally designated as medically under-served areas. Current programs to attract health care professionals to the border do not adequately serve border communities.

As proposed, S.B. 67 creates a Border Health Corps, which would provide for education loan repayment assistance for doctors and nurses for each year of service along the Texas-Mexico border. S.B. 67 changes the Texas Health Service Corps, a stipend program, to the Border Health Corps, a loan repayment program, to redirect scarce resources to the border, where the greatest access-to-care issues exist. Other health professional shortage areas in the state will continue to be served by the Physician Education Loan Repayment Program.

# **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 61.552, Education Code) of this bill.

# **SECTION BY SECTION ANALYSIS**

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

### SUBCHAPTER J-1. BORDER HEALTH CORPS

Sec. 61.551. DEFINITIONS. Defines "health professional shortage area" and "Texas-Mexico border region."

Sec. 61.552. BORDER HEALTH CORPS. (a) Requires the Texas Higher Education Coordinating Board (board) to establish a program to encourage the training, recruitment, and retention of health care professionals and practitioners in health professional shortage areas in the Texas-Mexico border region. Authorizes individuals participating in the program to be referred to as the Border Health Corps. Requires the board to adopt rules as necessary to administer the program.

- (b) Provides that practitioners in medicine, dentistry, and nursing are eligible to participate in the program, including specialists and subspecialists. Authorizes the board to include other health care professions in the program as the board determines appropriate to address a shortage of practitioners in that profession in the Texas-Mexico border region.
- (c) Requires the board to give priority to health professional shortage areas with the highest health professional shortage area scores or rankings and individuals in fields and areas of practice for which the greatest need exists in health professional shortage areas in the Texas-Mexico border region in granting loan repayment assistance or other benefits to individuals in the program.

Sec. 61.553. EDUCATION LOAN REPAYMENT ASSISTANCE. (a) Requires the board, to the extent funding is available, to provide assistance in the repayment of education loans to individuals in the program. Requires an individual to agree to practice

for at least two years in the individual's field or area of practice in a health professional shortage area in the Texas-Mexico border region in order to receive loan repayment assistance.

- (b) Prohibits an individual from receiving more than \$10,000 in loan repayment assistance under the program in any year. Prohibits the amount of loan repayment assistance an individual receives from exceeding the amount of principal and interest due on the loan during the period of service for which the assistance is provided.
- (c) Requires the board to pay the loan repayment assistance directly to the entity to which the loan obligation is due. Requires the board to make the payments periodically during the period of the individual's practice and authorizes the board to make the payments in advance of that practice. Requires the board to take action as necessary to recover any amount for which the promised practice is not performed, subject to any exception for hardship as the board considers appropriate.
- (d) Requires the board to make loan repayment assistance awards to allow individuals in the program to qualify for matching federal loan repayment assistance, to the extent consistent with the purposes of the program.
- Sec. 61.554. FUNDING. (a) Provides that the program is funded by appropriations, including gifts and grants, and other money available for purposes of the program. Authorizes the board to solicit and accept gifts and grants from any public or private source for the program.
  - (b) Requires the board to take any action necessary, including applying for waivers of applicable requirements or restrictions, to permit federal funds available for loan repayment assistance under the program to be available to individuals in the program who are in private practice.
- SECTION 2. (a) Repealer: Subchapter G, Chapter 487, Government Code (Texas Health Service Corps Program for Medically Underserved Areas).
  - (b) Authorizes the Office of Rural Community Affairs (office) to continue to administer the Texas Health Service Corps (THSC) as provided by former Subchapter G, Chapter 487, Government Code, with respect to a person awarded or paid a stipend under the program before the repeal of that subchapter by this Act. Prohibits the office from awarding a stipend under the program on or after the effective date of this Act.
  - (c) Provides that it is the intent of the legislature that the Border Health Corps be funded primarily from revenue that would have been appropriated to fund the THSC, if that program had not been abolished by this Act. Provides that all money and appropriations available or designated to administer the THSC on the effective date of this Act are reallocated or reappropriated, as appropriate, to the board to administer the Border Health Corps, except as necessary to permit the office to comply with Subsection (b) of this section.

SECTION 3. Effective date: September 1, 2005.