

Family Practice Residency Advisory Committee
Texas Higher Education Coordinating Board

1200 East Anderson Lane
Austin, Texas

June 19, 2013
10:00 am

A G E N D A

1. Welcome and Introductions – *Dr. Roland Goertz, Chair*
2. Consideration and Approval of Summary Notes for February 27, 2013 meeting – *Dr. Goertz*
3. Update on the Physician Education Loan Repayment Program – *Lesa Moller, Coordinating Board Staff*
4. Report on Legislative Appropriation – *Elizabeth Mayer, Coordinating Board Staff*
5. Consideration of Fiscal Year 2014 Funding Recommendation – *Dr. Goertz*
6. Discuss and Consider Future Agenda Items and Meeting Dates – *Dr. Goertz*
7. Adjournment

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Summary Notes

Members present: Roland Goertz, Chair (TAFP), Clare Hawkins, Vice Chair (TX Org of FP Program Directors), Timothy Benton (TX Org of FP Program Directors), Idolina Araceli Davis (Governor's Office), Troy Fiesinger (TAFP), Damon Schranz (TX Osteopathic Medical Association), and Bruce Becker (THA)

Attended by phone: Lewis Foxhall (TMA)

Members absent: Michael D. Reis (THA), Janet Meyers (Governor's Office), R. Michael Ragain (TAFP), and Linda Vega (Governor's Office)

Staff present: Stacey Silverman, Ernest Jacquez, Elizabeth Mayer, Suzanne Pickens, Lesa Moller

1. Welcome and Introductions – *Dr. Roland Goertz, Chair*

Dr. Roland Goertz, Chair of the Advisory Committee convened the meeting and welcomed the members and guests. After his opening remarks Dr. Goertz invited the Advisory Committee members and audience to introduce themselves.

→ Informational Item: No Action Taken

3. Consideration and Approval of Summary Notes for February 27, 2013 meeting – *Dr. Goertz*

→ Action Item: The Advisory Committee unanimously approved the Summary Notes from the February 27, 2013 meeting.

2. Update on Physician Education Loan Repayment Program – Lesa Moller, *Coordinating Board Staff*

Presentation:

Ms. Moller provided an overview of the history and current status of the Physician Education Loan Repayment Program. She began by explaining that prior to 2009 approximately one million dollars per year were appropriated to this

program. By 2009, the \$9000 annual loan repayment award was outdated and no longer competitive with similar programs throughout the country. The same year, the legislature passed House Bill 2154 which allowed for expansion of the program. The bill provided for up to \$160,000 per physician in student loan repayment over a period of four years. Legislature appropriated \$22 million for the biennium.

In Fiscal Year (FY) 2010, 103 people were enrolled in the program and the first disbursements were made in FY 2011. Ms. Moller explained that due to budget cuts, by June of 2011, the Department of State and Health Services had stopped enrolling new physicians into the program. The 82nd Legislature appropriated 5.6 million dollars, 25 percent of the previous appropriation, for 2012-2013.

Currently there are 130 people in the program. Ms. Moller reported very strong support during the 83rd Legislative Session, and that the program received \$33.8 million for the 2014-2015 biennium as requested. On Friday May 24, 2013, a notice of the appropriation and a program application was posted on the website. The first cohort application deadline is August 31. Ms. Moller stated that 40 applications have already been received.

→ Informational Item: No Action Taken

4. Report on Legislative Appropriation – *Ms. Mayer*

Ms. Mayer provided an overview of the six new grant programs established by the legislature this session. There were two bills that passed, House Bill (HB) 2550 and HB1025. The Planning Grants program, which was in both bills, is a competitive grant program that will provide one time awards to assist in establishing new first year graduate medical education (GME) programs. The appropriation for Planning Grants was \$1.875 million.

The Unfilled Position Grants and New/Expanded Program Grants were also in both HB2550 and HB1025. Together, these grants received approximately \$7.3 million. Unfilled Position Grants will fill currently approved but unfilled first-year residency positions in existing accredited GME programs. Program Expansion Grants will support expansion of the number of approved first-year residency positions or to establish new first-year residency positions.

The grants for additional residency years will have no appropriation before FY 2016. These grants will fund residents who have completed at least three years of residency and whose residency program is in a field in which the state has less than 80% of the national average of physicians per 100,000 population, as determined by the Coordinating Board.

HB2550 established the Resident Physician Expansion program, which received an appropriation of \$5 million. The intent of this program is to encourage

the creation of new GME positions through community collaboration and innovative funding.

HB 2550 also established the Primary Care Innovation program and appropriated \$2.1 million. The grant awards are intended to be incentive payments to medical schools that administer innovative programs designed to increase the number of primary care physicians in the state.

Dr. Fiesinger asked if an existing program in a new hospital can still access planning grant funds. Ms. Mayer and Ms. Pickens responded that the hospital has to be eligible for Medicare funding.

Dr. Fesinger also asked if a geriatric fellowship position would qualify for fourth/fifth year resident funds. Ms. Pickens and Ms. Mayer responded that fellowships generally would not qualify because support is restricted to additional years related to a residency program with first-year positions.

Dr. Goertz commented that when looking at the total cost per year of a resident in comparison to the funding allocated, the entire new program could fail because the residency program still must find significant extra dollars to cover the actual costs of the resident. He stated that money to fill in the difference is becoming harder and harder to obtain and clinical dollars have been stretched as far as possible by most programs already.

Another comment was made concerning Dr. Fiesinger's previous question on geriatric fellowship positions. The comment centered on the need for funding to include geriatrics and rural residencies. Ms. Pickens reiterated the stated purpose of HB2550 and HB1025 is to increase the number of first-year residency positions.

Members of the advisory committee then asked for clarification on the pathway for hospitals who have never received Medicare GME money to apply for and receive GME funding. Dr. Goertz and Ms. Mayer provided clarification.

Members of the advisory committee expressed concern that with these new programs and hospital support cuts, the only funds for expansion would have to come from money that is raised from charitable foundations. This raised concerns about not being able to solicit sufficient funds to fill the gap in funding and being unable to support residents should funding disappear. Ms. Mayer clarified that two of the programs (unfilled positions and the program expansion grants) may be used to fund residents for three years. Ms. Pickens further clarified that the appropriation is to the Coordinating Board for two years, and the Coordinating Board is required to disburse those funds within two years, but it can also allow an extension to timeframe in which the grantees are allowed to expend the funds.

Dr. Goertz asked for clarification on how the advisory committee will be involved in any of the grant programs and how the grant programs will be administered. Ms. Mayer responded that is still to be determined.

Dr. Foxhall asked about a possible stakeholders meeting to gather stakeholder input. Ms. Pickens responded that this would take place but details have yet to be determined.

Dr. Goertz asked about the best method to keep interested parties updated on the grants. Ms. Mayer directed interested parties to THECB website. Ms. Pickens listed herself as the contact person.

→ Action Item: No Action Taken

5. Consideration of Fiscal Year 2014 Funding Recommendation – *Dr. Goertz*

Ms. Mayer provided a brief summary of funding received. She stated the total appropriation received for the biennium was \$12.78 million. Of that \$5 million came from Senate Bill 1 and \$7.78 million came from the supplemental appropriations bill HB1025. The appropriation will provide roughly \$6.4 million for each year of the biennium. Ms. Mayer also noted that the bill pattern rider, which limits the amount money that can be spent on the public health and rural rotations, is \$119,955 for each year of the biennium.

Dr. Goertz briefly explained why the rider contains \$119,955. He also pointed out that the funding levels per resident for the previous two years (\$3,840 last year) have doubled for this year but also noted that last year's funding was the lowest he could remember. He also detailed how the three different options were put together. Ms. Mayer then recapped the three options.

An observation was made that the purpose of this funding is to encourage graduates of residency programs to consider working in rural areas. It was pointed out that certain residency programs require all of their residents to do a rural rotation but the majority of residencies do not and do not use these funds. Ms. Mayer commented that around 6-7 programs are using these funds consistently. A committee member asked if residents who do these rotations opt for rural careers. Ms. Mayer commented that she would need to pull the information.

The advisory committee debated whether money was an enticement for students to participate in the rural rotation.

Dr. Goertz asked if the \$119,000 would be lost if the entire fund is not used. Ms. Mayer responded yes but reported no difficulty with spending past funds. Ms. Pickens clarified that if the money isn't used for rural rotation, the remaining funds would be reallocated to the family practice residency programs.

The advisory committee then discussed the history and options for administering the rural rotations. Following the discussion, Dr. Goertz recapped the two selected options. Dr. Fiesinger suggested increasing the funding per position per rotation. Dr. Hawkins suggested funding as many residents as possible which would reduce funding per resident.

Dr. Foxhall asked if there was any change in the number of participants when funding was reduced in the last session. He questioned whether the money provided per participant seemed to make any difference in the number of people who applied and participated. Ms. Mayer confirmed that fewer people applied but mentioned it could be due to using a lottery system. There was no limit to the number who could apply but only 25 received funding.

Dr. Hawkins formally motioned for Option Three and Dr. Fiesinger seconded the motion.

Dr. Becker then motioned for a modified version of the option that would include 44 rural rotation slots at \$2500 and 3 public health at \$2500.

The advisory committee then debated between the two options.

→ Action Item: The Advisory Committee passed Option 3 as a recommendation to the Coordinating Board.

6. Discuss and Consider Future Agenda Items and Meeting Dates – *Dr. Goertz*

Dr. Goertz stated he does not see a reason to change the current meeting format of two meetings a year. The advisory committee voted unanimously to keep the current meeting format.

7. Adjournment

There being no further business, Dr. Goertz adjourned the meeting.