



February 23, 2021

The Honorable Jane Nelson, Chair  
Senate Finance Committee  
P.O. Box 12068 - Capitol Station  
Austin, Texas 78711  
**Sent via email to Members, Senate Finance Committee**

Dear Chair Nelson,

On behalf of the Texas Medical Association and the Texas Pediatric Society thank you for the opportunity to comment on the Texas Higher Education Coordinating Board (THECB). Together, our organizations represent more than 55,000 physicians and medical students, who practice in diverse settings across the state. Through our collective voice, we write to you in strong support of continued funding for the state's pipeline programs for building and maintaining the physician workforce that are funded through the THECB. Well before the current SARS-CoV-2 pandemic, Texas needed more physicians. This was a result of many years of physician shortages combined with decades of population growth, ranking as the nation's highest levels of net growth. As a state, Texas is unique in having large numbers of both population groups that utilize the most medical resources, the very young and older residents. For some time, our state legislators have made a commitment to building and expanding the state's physician workforce pipeline through the generous support of a variety of state programs. We certainly recognize the current challenges of maintaining that level of support in the midst of a national pandemic. We understand the necessity for prioritizing the use of available public dollars. On behalf of all Texans, to the extent possible, we urge the state's continued financial support of our physician pipeline programs.

#### **State GME Expansion Grant Program**

Texas needs an additional **250 first year GME positions by 2024** to maintain the state's target ratio of 1.1 to 1 for the number of first-year residency positions per Texas medical school graduate. We heartily agree with the recent findings of the Texas Higher Education Coordinating Board from October 2020, as follows:

“Texas must maintain the important increases it has made in the number of its first-year residency positions and add more positions to accommodate future graduates. Otherwise, the state must recognize it will be educating medical school graduates who will have to leave Texas for residency training. While some medical school graduates who enter residency training in other states may eventually return to Texas to practice, others will not. To achieve the goal of having 10% more first-year entering residency positions, the state will need to provide additional ongoing funding to maintain the residency positions. If GME expansion funding is not increased, the substantial progress the state has made will not be sustained.”

*(Source: The Graduate Medical Education Report: An Assessment of Opportunities for Graduates of Texas Medical Schools to Enter Residency Programs in Texas, THECB, October 2020, pages 16 and 17.)*

### **Family Practice Residency Program**

THECB's LAR has two recommendations for the funding of this program in 2022-23. Initially, a reduction of \$500,000 (5%), and secondarily a recommendation for full base funding. TMA strongly recommends full base funding for this program. Family physicians are the largest specialty among primary care physicians practicing in the state and are the biggest providers of primary care in rural Texas. During the pandemic, their role remains critical to access to primary care services. This program was reduced by 40% in the 2018-19 state budget and family medicine residency programs cannot absorb an additional budget cut.

Family medicine residents are more likely to train outside of large teaching hospitals, given the nature of the medical care they provide. For this reason, family medicine residency programs often have less access to the funding support for GME that is provided by Medicare to hospitals.

### **State Physician Education Loan Repayment Program**

This program shines as one of the state's most valuable for affecting the geographic maldistribution of physicians that leaves many rural and isolated Texas communities without an adequate physician supply. Loan repayment serves as a critical tool for the recruitment and retention of physicians to hard-to-recruit areas of the state. The program is not able to take applications at this time due to limited funding which further threatens our most underserved areas.

### **Child Mental Health Care Consortium**

This new and innovative program could not have been established at a better time for meeting the spike in demand for pediatric psychiatric services and TMA is in strong support of sustained funding for this program. This would enable full implementation of the program in the state.

### **Other Physician Pipeline Programs**

As noted in the attached TMA 2021 legislative one-pager, TMA also supports adequate funding for the other important physician pipeline programs: Primary Care Preceptorship and the Joint Admission Medical Program.

TMA is grateful for this opportunity to provide input in the state budget development process. Should you have any questions, please do not hesitate to contact Michelle Romero, Director of Legislative Affairs, at (512) 743-8665.

Sincerely,



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Seth D. Kaplan, MD  
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