

# MEMORANDUM

DATE	May 4, 2017
то	Policy and Advocacy Committee
FROM	Cherise Burns Central Services Manager
SUBJECT	Agenda Item #6(c)(4) – AB 148 (Mathis) California Physician Corps Program: Practice Setting

## **Background:**

Existing law establishes the Steven M. Thompson Physician Corps Loan Repayment Program in the California Physician Corps Program within the Health Professions Education Foundation, which provides financial incentives, including repayment of educational loans, to a physician and surgeon who practices in a medically underserved area. Existing law defines "practice setting," for these purposes, to include a community clinic, a clinic owned or operated by a public hospital and health system, or a clinic owned and operated by a hospital that maintains the primary contract with a county government to fulfill the county's role to serve its indigent population. This bill would instead require that the clinic or the physician owned and operated medical practice setting serve at least 30 percent of patients, if the area is rural, or at least 50 percent of patients, if the area is urban, who are indigent. The new lower limit for rural participants would apply to participants who enroll in the program on or after January 1, 2018.

**Location**: Senate Committee on Rules

**Status:** 4/20/2017 In Senate, read first time. To Assembly Committee on Rules for

assignment.

**Votes:** 4/20/2017 Assembly Floor (74-0-6)

4/5/2017 Assembly Committee on Appropriations (17-0-0)

3/21/2017 Assembly Committee on Health (15-0-0)

### **Action Requested:**

No action is required at this time. Staff will continue to watch AB 148 (Mathis) for potential impacts on other Health Professions Education Foundation programs.

Attachment A: AB 148 (Mathis) Text



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### AB-148 California Physician Corps Program: practice setting. (2017-2018)

#### SECTION 1. Section 128552 of the Health and Safety Code is amended to read:

128552. For purposes of this article, the following definitions shall apply:

- (a) "Account" means the Medically Underserved Account for Physicians established within the Health Professions Education Fund pursuant to this article.
- (b) "Foundation" means the Health Professions Education Foundation.
- (c) "Fund" means the Health Professions Education Fund.
- (d) "Medi-Cal threshold languages" means primary languages spoken by limited-English-proficient (LEP) population groups meeting a numeric threshold of 3,000, eligible LEP Medi-Cal beneficiaries residing in a county, 1,000 Medi-Cal eligible LEP beneficiaries residing in a single ZIP Code, or 1,500 LEP Medi-Cal beneficiaries residing in two contiguous ZIP Codes.
- (e) "Medically underserved area" means an area defined as a health professional shortage area in Part 5 of Subchapter A of Chapter 1 of Title 42 of the Code of Federal Regulations or an area of the state where unmet priority needs for physicians exist as determined by the California Healthcare Workforce Policy Commission pursuant to Section 128225.
- (f) "Medically underserved population" means the Medi-Cal program, Healthy Families Program, and uninsured populations.
- (g) "Office" means the Office of Statewide Health Planning and Development (OSHPD).
- (h) "Physician Volunteer Program" means the Physician Volunteer Registry Program established by the Medical Board of California.
- (i) "Practice setting," for the purposes of this article only, means either of the following:
- (1) A community clinic as defined in subdivision (a) of Section 1204 and subdivision (c) of Section 1206, a clinic owned or operated by a public hospital and health system, or a clinic owned and operated by a hospital that maintains the primary contract with a county government to fulfill the county's role pursuant to Section 17000 of the Welfare and Institutions Code, which is located in a medically underserved area and at least 50 percent of whose patients are from a medically underserved population. meets the following conditions:
- (A) For program participants who enrolled in the program before January 1, 2018, and who continue to participate in the program on or after that date, the clinic has at least 50 percent of patients who are from a medically underserved population.
- (B) For program participants who enroll in the program on or after January 1, 2018, the clinic has at least 30 percent of patients, if the area is rural, or at least 50 percent of patients, if the area is urban, who are from a medically underserved population.
- (2) A physician owned and operated medical practice setting that provides primary care located in a medically underserved area and meets the following conditions:
- (2) (A) A physician owned and operated medical practice setting that provides primary care located in a medically underserved area and. For program participants who enrolled in the program before January 1, 2018, and who continue to participate in the program on or after that date, the medical practice setting has a

minimum of 50 percent of patients who are uninsured, Medi-Cal beneficiaries, or beneficiaries of another publicly funded program that serves patients who earn less than 250 percent of the federal poverty level.

- (B) For program participants who enroll in the program on or after January 1, 2018, the medical practice setting has at least 30 percent of patients, if the area is rural, or at least 50 percent of patients, if the area is urban, who are uninsured, Medi-Cal beneficiaries, or beneficiaries of another publicly funded program that serves patients who earn less than 250 percent of the federal poverty level.
- (j) "Primary specialty" means family practice, internal medicine, pediatrics, or obstetrics/gynecology.
- (k) "Program" means the Steven M. Thompson Physician Corps Loan Repayment Program.
- (I) "Selection committee" means a minimum three-member committee of the board, that includes a member that was appointed by the Medical Board of California.