

Date of Hearing: March 3, 2015

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Medina, Chair

AB 174 (Gray) – As Amended February 9, 2015

SUBJECT: University of California: medical education

SUMMARY: Would appropriate funding to the University of California (UC) to support the UC Merced Programs in Medical Education Program (PRIME) and a study of the creation of a permanent medical school at UC Merced. Specifically, **this bill:**

- 1) Finds and declares that the federal Patient Protection and Affordable Care Act provides millions of previously uninsured Californians access to health services. A result of this increased demand is a projected physician shortfall of 17,000 by 2015; the San Joaquin Valley faces health care access 31% lower than the rest of the state and many regions are designated Medically Underserved Areas (MUAs); funding the UC Merced Program in Medical Education (PRIME) is key to meeting the region's needs.
- 2) Appropriates \$1,855,000 from the General Fund to UC each fiscal year, commencing with the 2016-17 fiscal year, for allocation to the UC San Joaquin Valley PRIME to admit up to 12 students per year and operate the program with up to 48 participants from across the four-year curriculum.
- 3) Appropriates \$1,000,000 from the General Fund to UC to support a two-year planning effort geared toward the establishment of a traditional medical school at UC Merced. UC would be required to submit a report to the Legislature by March 1, 2019 regarding planning efforts and recommendations for infrastructure, personnel, and funding necessary for creation.

FISCAL EFFECT: Unknown. However, at least \$2,855,000 from the General Fund in direct appropriations to support the programs outlined in this bill.

COMMENTS: *Background on PRIME.* Currently, UC operates the largest health sciences instructional program in the nation, enrolling more than 14,000 students across 17 schools at seven campuses; six are medical schools (Davis, Irvine, Los Angeles, Riverside, San Diego, and San Francisco).

In 2004, UC launched a systemwide medical education initiative, Programs in Medical Education (PRIME), intended to help address state needs and focus on the needs of medically underserved communities. UC Irvine launched the first UC PRIME focusing on the growing needs of California's Latino communities. Three other UC schools (Davis, San Diego and San Francisco) admitted their first classes in fall 2007 in programs focused on rural health and telemedicine (Davis), health equity (San Diego), and the urban underserved (San Francisco). In 2008, UCLA launched its PRIME program, training physicians to proactively address the needs of diverse disadvantaged communities by delivering culturally competent clinical care, providing leadership for health delivery systems and conducting research on health disparities.

UC Merced currently offers degrees in fields that satisfy medical school preparatory requirements and is developing plans intended to lead to a School of Medicine. In 2010, UC

Merced opened a PRIME program in partnership with the UC Davis School of Medicine and UCSF focused the health needs of the San Joaquin Valley. Students admitted to UC Merced PRIME spend their first two years at the UC Davis campus in Sacramento. The groups' third and fourth years are spent conducting clinical rotations at San Joaquin Valley clinics and hospitals.

According to UC, as of the 2014-15 academic year, UC will enroll 333 medical students in PRIME. UC notes, however, that only 78 PRIME positions are currently funded by the state. UC indicates that a permanent funding source must be identified to continue this enrollment level for PRIME. This bill would appropriate \$1,855,000 from the General Fund to UC each fiscal year, commencing with the 2016-17 fiscal year, for allocation to the UC San Joaquin Valley PRIME to admit up to 12 students per year and operate the program with up to 48 participants from across the four-year curriculum.

Background on UC Merced. UC Merced opened with 875 students and 60 faculty in 2005, as the tenth UC campus. As of Fall 2014, enrollment at the Merced campus reached 6,300 students. The UC Office of the President has been providing interim supplemental support for the campus as the campus grows. In order to meet the goal of 10,000 students by 2020, UC Merced has embarked on a major initiative to further expand and develop the campus. The "2020 Project" will require a significant investment of state resources.

This bill appropriates \$1,000,000 from the General Fund to UC to support a two-year planning effort geared toward the establishment of a traditional medical school at UC Merced. Devoting limited state General Fund resources for the long-term planning necessary for a medical school could divert energy and resources from the development of the core infrastructure necessary for the overall campus to grow.

Evaluation of new programs. Prior to 2011, the California Postsecondary Education Commission (CPEC) was charged with reviewing and making recommendations regarding proposals for new programs at California's public colleges and universities. Specifically, CPEC's review was intended to determine whether the costs of a program are justified by societal need and student demand for that program. Since the de-funding of CPEC in 2011, no additional state program reviews have occurred. The Legislature is now placed in the position of examining and reviewing the academic, programmatic, and fiscal implications of new programs.

Purpose of this bill. According to the author, "despite its numerous benefits for the region PRIME lacks an ongoing source of funding for its current enrollment as well as the financial resources to expand capacity to meet the needs of the valley. Additionally, state support is vital to the continued expansion of the campus of UC Merced and to lay the foundation of a new UC Medical School."

UC position. UC has not taken a position on this bill. However, on prior legislation regarding a medical school at UC Merced, UC indicated that it is a higher priority to build the general campus rather than develop a medical program. UC noted that accreditation by the Liaison Committee for Medical Education (LCME) is required for all Doctor of Medicine programs and that the resources required for accreditation standards are considerable. Based on the experience with the UC Riverside medical school, UC did not believe that LCME would accredit UC Merced for a medical program without a significant financial contribution.

Related and prior legislation. SB 131 (Canella) is virtually identical to this bill and is currently pending in the Senate. AB 2232 (Gray) and SB 841 (Cannella), of 2014, as introduced, were identical to this bill but subsequently amended to remove the appropriation and accompanying language in support of planning for a medical school. Both bills were held in the Senate Appropriations Committee. SB 21 (Roth), Chapter 203, Statutes of 2014, requested the School of Medicine at UC Riverside develop a program, consistent with its mission, in conjunction with the health facilities of its medical residency programs, to identify eligible medical residents and to assist those medical residents to apply for physician retention programs, as specified.

REGISTERED SUPPORT / OPPOSITION:**Support**

American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO

Opposition

None on File

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