Date of Hearing: March 19, 2013

ASSEMBLY COMMITTEE ON HIGHER EDUCATION Das Williams, Chair AB 27 (Medina) – As Amended: March 13, 2013

<u>SUBJECT</u>: University of California: UC Riverside Medical School: funding.

<u>SUMMARY</u>: Appropriates \$15 million annually from the General Fund (GF) to the Regents of the University of California for allocation to the School of Medicine at the University of California, Riverside (UCR).

FISCAL EFFECT: Annual appropriation of \$15 million (GF).

<u>COMMENTS</u>: <u>Background</u>. The foundation of the School of Medicine at UCR dates to 1974, when the UCR/UCLA Thomas Haider Program in Biomedical Sciences was established. This program has enabled approximately 700 students to complete their first two years of medical school at UCR and their last two years at the David Geffen School of Medicine at UCLA, which confers their medical degrees.

<u>Timeline of events</u>. In May 2006, UCR proposed to establish an independent four-year School of Medicine that would serve the medically underserved in the Inland Empire. In July 2008, the UC Board of Regents officially approved establishment of a School of Medicine at UCR, which paved the road for the state's first new public medical school in more than four decades. In the summer of 2011, UCR failed to gain accreditation for an independent four-year medical school from the Liaison Committee on Medical Education (LCME), the national accrediting body for educational programs leading to the Medical Doctor degree in the United States and Canadian medical schools. LCME withheld preliminary accreditation due to a lack of recurring state funding support for the school.

In April 2012, after securing substantial new funding from a variety of non-state funding sources, UCR submitted a second accreditation application. In June 2012, a second accreditation site visit took place and in October 2012, UCR received notification that its planned medical school received "preliminary accreditation." Preliminary accreditation from LCME enables prospective students to begin applying to the UCR School of Medicine in order to potentially enroll in the inaugural class in August 2013.

<u>Purpose of this bill</u>. According to the author "Studies show that the highest indicator of where a physician practices is where he or she attends medical school. The region [Inland Empire] trails behind much of the state in several key health indicators, including coronary heart disease and diabetes." The establishment of a medical school in the Inland Empire will help to ensure more physicians are trained and remain in the Inland Empire. The author contends that one of the areas that will aid in the UCR School of Medicine receiving final accreditation from LCME and meeting the medical needs of the Inland Empire is for the School to receive a steady funding source; this bill seeks to fulfill that need.

<u>Need for the bill</u>. According the Public Policy Institute of California, the Inland Empire is the fastest-growing region of the state. The Inland Empire of Riverside and San Bernardino Counties has a population larger than the state of Oregon. With the expectation of the

Affordable Care Act to be fully implemented in 2014, it is estimated that more than 300,000 residents of the Inland Empire will have health insurance coverage extended to them. However, the coverage does not necessarily translate into care.

The Association of American Medical Colleges estimates that in 2015 the country will have 62,900 fewer doctors than needed; that number will more than double by 2025 as the expansion of insurance coverage and the aging of the baby boomers drive up the demand for care. In the Inland Empire, the shortage of doctors is already severe. The U.S. Department of Health and Human Services' Council on Graduate Medical Education recommends that a given region have 60 to 80 primary care physicians per 100,000 residents and 85 to 105 specialists. The Inland Empire has about 40 primary care doctors and 70 specialists per 100,000 residents – the worst shortage in California, in both cases.

The UCR School of Medicine plans to enroll its first students in August 2013, and is planning a number of policies to encourage its graduates to remain in the Inland Empire and practice primary care medicine.

<u>Urgency clause</u>. The author intends to request the committee to adopt an urgency clause.

<u>Related legislation</u>. SB 21 (Roth), pending in the Senate Education Committee, is identical to this bill.

Several budget bills in the last few years initially contained funding for the UCR School of Medicine but failed to secure passage. Most recently, AB 1309 (Miller, 2012) would have appropriated \$15 million of an expected settlement to the UC for the UCR School of Medicine. This measure was held on the Suspense File in the Senate Appropriations Committee.

REGISTERED SUPPORT / OPPOSITION:

Support Support

California Department of Insurance California Medical Association City of Riverside Enterprise Media Riverside County Superintendent of Schools, Kenneth M. Young Southwest California Legislative Council University of California at Riverside UCR Alumni Association UCR Board of Trustees Two Individuals

Opposition

None on file.

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