

Date of Hearing: April 29, 2025

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

AB 730 (Arambula) – As Amended March 28, 2025

SUBJECT: Public postsecondary education: University of California, Merced: medical education.

SUMMARY: Appropriates \$15 million from the General Fund (GF) to the Regents of the University of California (UC) on or before July 1, 2026, and each July 1 thereafter, for allocation to the UC Merced (UCM) Medical Education Collaborative, and requires UCM Medical Education Collaborative, as a condition of receiving the appropriation, to develop a program, consistent with its mission, and in conjunction with the health facilities of its medical residency programs, to identify eligible medical residents and to assist those medical residents in applying for physician retention programs. Specifically, **this bill:**

1) Finds and declares, in part, the following of the Legislature:

- a) California's supply of primary care physicians is below what is considered sufficient to meet patient needs;
- b) In the rapidly growing and ethnically diverse area of California's San Joaquin Valley (SJV), the shortage of primary care physicians is particularly severe, with just 47 primary care physicians per 100,000 patients, which is far fewer than the recommended range of 60 to 80 primary care physicians per 100,000 patients;
- c) Black, Latinx, and Native Americans are vastly underrepresented in the physician workforce;
- d) According to statistics published by the Association of American Medical Colleges, California lags substantially in the number of medical school students per capita, having just 21.1 students per 100,000 persons, compared to the United States average of 37.9 students per 100,000 persons. California ranks number 43 out of 46 states for medical student enrollment per capita;
- e) According to the California Health Care Foundation, 72% of California's 58 counties have an undersupply of primary care physicians, with primary care physicians making up just 34% of California's physician workforce;
- f) UCM has launched the SJV Valley PRIME+ bachelor of science (BS) degree to medical doctor degree (MD) pathway (SJVPP);
- g) In 2023, the inaugural class of SJVPP students entered the Bachelor of Science degree program at UCM. The first combined SJVPP class will enter medical school at the UCM Medical Education Collaborative in 2027, and graduate in 2031;

- h) The UCM Medical Education Collaborative allows UC Merced to immediately start training the future physicians that the San Joaquin Valley needs;
 - i) As a community-based medical school with a public mission to expand and diversify the San Joaquin Valley's physician workforce and to improve the health of people living in the SJV, the UC Merced Medical Education Collaborative has made a commitment to underserved patient populations; and,
 - j) UCM Medical Education Collaborative's strategies include, but are not limited to, all of the following: (1) developing student pipeline programs, such as SJVPP, that inspire more young people in the San Joaquin Valley to pursue careers in medicine and other allied health professions and recruiting them to the UCM Medical Education Collaborative; (2) using a holistic review of medical school applicants that takes into account diverse life experiences in addition to academic performance; (3) teaching a curriculum that emphasizes key competencies for primary care medicine, including wellness and prevention, evidence-based medicine, and chronic disease management; (4) creating new residency training programs in primary care medicine and those short-supply specialties that are most needed in the San Joaquin Valley; and, (5) continuing UCM's commitment to the recruitment, retention, and advancement of talented students, faculty, and staff from historically excluded populations who are currently underrepresented in medical education and the practice of medicine.
- 2) Appropriates, on or before July 1, 2026, and each July 1 thereafter, the sum of \$15 million from the GF to the UC Regents for allocation to the UCM Medical Education Collaborative.
 - 3) Stipulates that as a condition of receiving an appropriation, the UCM Medical Education Collaborative must develop a program, consistent with its mission, and 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, including, but not limited to, the Steven M. Thompson Physician Corps Loan Repayment Program.
 - 4) Defines the following terms:
 - a) "SJVPP" to mean the San Joaquin Valley PRIME+;
 - b) "UCM" to mean the UC Merced;
 - c) "UCM Medical Education Collaborative" to mean the medical school at the UCM, which is a branch campus of the UCSF School of Medicine; and,
 - d) "UCSF" to mean the University of California, San Francisco.

EXISTING LAW:

- 1) Establishes the UC as a public trust to be administered by the Regents of the UC; and, grants the Regents full powers of organization and government, subject only to such legislative control as may be necessary to insure security of its funds, compliance with the terms of its

endowments, statutory requirements around competitive bidding and contracts, sales of property and the purchase of materials, goods and services (Article IX, Section (9)(a) of the California Constitution).

- 2) Creates the UCSF, San Joaquin Valley Regional Campus Medical Education Endowment Fund. Stipulates that upon appropriation by the Legislature, moneys in the endowment fund must be allocated to the UC to support the annual operating costs for the development, operation, and maintenance of a branch campus of the UCSF School of Medicine in the San Joaquin Valley;
- 3) Requires, upon appropriation by the Legislature and a determination by the Controller of sufficient funds in the endowment fund, moneys in the fund to be used to cover the UC's estimated costs of applying for and obtaining approval and accreditation from the Liaison Committee on Medical Education (LCME) as provided; and,
- 4) Requires moneys in the endowment fund to initially be invested with the goal of achieving capital appreciation to create a balance of \$500 hundred million to generate ongoing earnings to cover the estimated annual operating costs associated with the development, operation, and maintenance of the branch campus, and, upon the determination of the Controller that the endowment fund balance is \$500 hundred million, requires moneys in the endowment fund to be invested to generate earnings to fund annual operating costs associated with the development, operation, and maintenance of the branch campus (Education Code Section 92162, et seq.).
- 5) Establishes the UC Kern County Medical Education Endowment Fund for the purposes of supporting the operating costs associated with establishing a branch campus of an existing UC Medical School in Kern County. Stipulates that moneys in the endowment fund must be allocated to the UC, upon appropriation by the Legislature, to support the annual operating costs for the development, operation, and maintenance of a branch campus of an existing UC School of Medicine in the County of Kern, to conduct a feasibility study related to that branch campus, and to generate funding through investment earnings for the support of medical education in the San Joaquin Valley. Further, existing law requires that any funds public or private, received for or generated by the endowment fund shall supplement, not supplant, any current or future funding. Any funds allocated from the endowment fund shall supplement, not supplant, the UC budget allocations for any fiscal year (EC Section 92168, et seq.).

FISCAL EFFECT: Unknown

COMMENTS: *Need for the measure.* According to the author, "California has a primary care physician shortage, with the rapidly growing Central Valley experiencing particularly severe consequences as a result. Establishing a world-class medical school in the Central Valley will help address the long-standing shortage of physicians in the region."

Further, the author states that, "due to limited opportunities to complete medical education in largely rural communities like the Central Valley, only 1.1% of medical students reported a plan to practice in rural areas after graduating. As a result, [Central] Valley residents often experience

longer wait times and travel longer distances for care if they don't forgo it entirely. I saw this firsthand as an emergency room physician and later as a medical director who struggled to recruit enough doctors to come to the Valley."

Lastly, the author contends that, "despite Latinx comprising almost 18% of the U.S. population, only 6.3% of physicians in the country are Latinx, and Latinas make up a mere 2.4% of the physician population. Alarming, in California, where Latinx make up 39% of the population, only 6.4% of physicians are Latinx, and Latinas represent just 2.7% of the physician population."

This measure, on or before July 1, 2026, and each July 1 thereafter, appropriates \$15 million from the GF to the UC Regents for allocation to the UCM Medical Education Collaborative, as defined. Further, this measure requires the UCM Medical Education Collaborative, as a condition of receiving the appropriation, to develop a program, consistent with its mission, and in conjunction with the health facilities of its medical residency programs, to identify eligible medical residents and to assist those medical residents in applying for physician retention programs, as specified.

San Joaquin Valley (SJV). The SJV is defined as encompassing the Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties. According to a report by the UC, entitled, *Improving Health Care Access in the San Joaquin Valley – A Regional Approach through Collaboration and Innovation*, the SJV has long-standing shortages of physicians and other health care professionals. A health workforce assessment of the SJV conducted by the UC found that the region has the lowest ratios of licensed MDs, DOs, NPs, RNs, marriage and family therapists, licensed counselors, and licensed social workers per 100,000 population in California and the second lowest ratios of PAs, CNs, and psychologists per capita. These and other findings show that action will be needed to ensure that the SJV has sufficient supplies of health professionals for meeting its future needs.

Further, according to an article entitled, "A UC Merced Medical Program is Slowly Taking Shape," published by *CalMatters* on July 8, 2024, the SJV is home to approximately 4.3 million people. The area is also known for having terrible air quality, high levels of chronic disease, like diabetes and obesity, and insufficient medical providers. It is found that the SJV has 47 primary care doctors for every 100,000 residents. Comparing that data point to the San Francisco Bay Area as a whole, it is found that said area has 80 primary care physicians for every 100,000 people; and, when it comes to specialty care, 81 specialists per 100,000 people work in SJV, but the Bay Area has more than twice that number. The article also found that some residents of the SJV schedule medical appointments over a year in advance because of the lack of doctors available to see them.

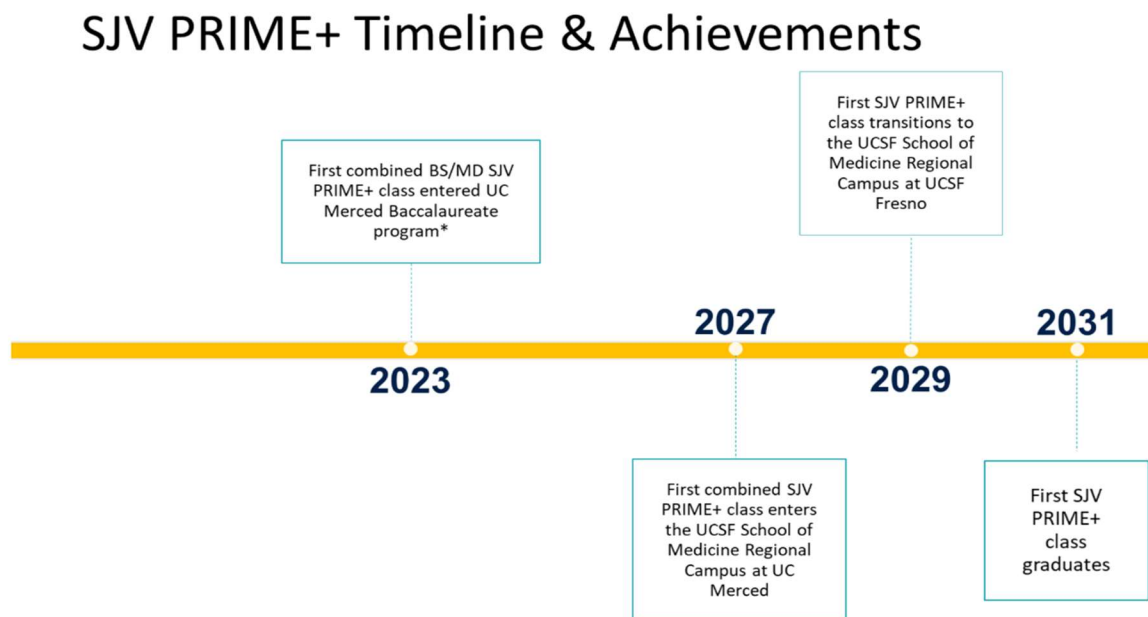
San Joaquin Valley PRIME+ (SJVPP) BS to MD pathway in 2023. According to UCM, to meet the healthcare needs of the patient population of the SJV, it is UCM's long-term goal to develop an independent medical school. However, launching a medical school requires substantial time, financial support, faculty development, and a strong foundation of clinical partnerships for student rotations. Starting off as a branch campus of UC San Francisco (UCSF) School of Medicine allows UCM to immediately start training the future physicians that the SJV needs. In the meantime, as branch campus of UCSF School of Medicine, UCM will gain expertise in medical education, begin hiring expert medical education faculty, build clinical partnerships, and

start laying the foundation to someday increase class size and become an independent medical school.

In September 2023, UCM launched the SJVPP BS to MD pathway. This pathway will have approximately 12-15 new students per year. The inaugural class of SJVPP students will enter medical school at UCM in 2027. They will be supported by medical education faculty and mentors, have access to medical library services, and have a new medical education building. The goal is for the first class of SJV doctors to graduate by 2031. UCM aspires that the SJVPP will truly help establish UCM as an outstanding institution for pre-health careers. As a pipeline program, that SJVPP will help attract diverse students from all areas of the SJV, provide mentors and role models, and inspire their interest in health care.

The chart below from UCM, provides a timeline of the first medical education cohort at UCM.

Timeline of First Medical Education Cohort at UC Merced



Committee comments. The 2019-20 Budget Act authorized the UC to pursue a medical school project at UC Merced. Then the 2020-21 Budget Act established \$15 million in ongoing funding for the UC Merced Medical Education Collaborative. However, additional funding is needed to increase class sizes and allow UC Merced to become an independent medical school. While this measure appears to fulfill the next necessary steps for UC Merced to be home to an independent medical school, by appropriating an additional \$15 million from the GF to the UC Regents on or before July 1, 2026, and each July 1 thereafter, for allocation to the UCM Medical Education Collaborative, with the existing condition of the State's budget, it is unclear where the moneys to implement this measure would come from.

Committee Staff understands that the author did not submit a budget request to correspond with the fiscal earmark contained in this measure.

Related legislation. AB 58 (Soria), which is scheduled to be heard by this Committee on April 29, 2025, in part, requests the UC to submit a report to the Legislature, on or before August 31, 2026, on the financial requirements necessary to expand the current UCSF and UCM medical education collaboration, the San Joaquin Valley PRIME+ program, and to transition the program into a fully independent medical school operated by the UCM.

AB 1361 (Bains), which unanimously passed out of this Committee on April 8, 2025, and, as of April 23, 2025, is currently on the Suspense File in the Assembly Committee on Appropriations, in part, establishes the County of Kern Grow Our Own Medical School Feasibility Study Act. The Act, in part, requires the UC, on or before January 1, 2027, to complete a feasibility study, as specified, to determine the steps necessary to establishing a branch campus of an existing UC medical school in Kern County.

Prior legislation. AB 2357 (Bains), Chapter 959, Statutes of 2024, in part, establishes the UC San Joaquin Valley Regional Campus Medical Education Endowment Fund.

AB 3081 (Arambula), of the 2023-24 Legislative Session, which was held on the Suspense File in the Assembly Committee on Appropriations, was substantially similar in nature to this measure.

Prior legislation. AB 2202 (Gray), Chapter 756, Statutes of 2018, which, in part, established the UCSF San Joaquin Valley Regional Campus Medical Education Endowment Fund to support the annual operating costs of a branch campus of UCSF School of Medicine in the SJV.

AB 2232 (Gray) of 2014, AB 174 (Gray) of 2015, SB 841 (Cannella) of 2014, and SB 131 (Cannella) of 2015, all of which appropriated funds for the SJV PRIME Program, were held on the Suspense File in the Senate Committee on Appropriations.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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