LEGISLATIVE BILL 152

Approved by the Governor June 10, 1993

Introduced by Dierks, 40; Horgan, 4; Schellpeper, 18; Vrtiska, 1

AN ACT relating to physicians; to amend sections 71-5201, 71-5203, and 71-5206, Reissue Revised Statutes of Nebraska, 1943, and section 71-5647, Revised Statutes Supplement, 1992; to authorize funding for certain family practice residency programs as prescribed; to provide powers and duties for the Office of Rural Health; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 71-5201, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

71-5201. As used in For purposes of sections 71-5201 to 71-5209 and section 4 of this act, unless the context otherwise requires:

(1) Residency program shall mean a residency education program which is approved by the applicable American Medical Association's Residency Review Committee Accreditation Council for Graduate Medical Education;

(2) Model ambulatory practice unit shall mean the facilities or classrooms for the teaching of ambulatory health care skills within a residency program;

(3) Medical profession shall mean medical <u>physicians</u> and osteopathic physicians; and

(4) College of Medicine shall mean the University of Nebraska College of Medicine.

Sec. 2. That section 71-5203, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

71-5203. The Legislature shall provide funding for the residency programs ereated by as provided in sections 71-5201 to 71-5209 and section 4 of this act. Such funding shall be in addition to all other funding of the University of Nebraska, including current sources of funding house officer education and training. The funding for the residency programs shall not be used to supplant funds for other programs under the administration of the College of Medicine or the University of Nebraska Medical Center.

Residency program funding shall include, but not be limited to:

(1) Stipends for the residents in training;

(2) Salaries of appropriate faculty and auxiliary support personnel and operational budget items; and

(3) Initial construction costs and costs to remodel existing facilities to serve as model ambulatory practice units within a residency

program.

Sec. 3. That section 71-5206, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

71-5206. If the College of Medicine of the University of Nebraska is unable to train the number of family practice residents provided for in section 71-5204, the college may, with the approval of the Board of Regents of the University of Nebraska, contract with other associated programs which:

(1) Comply with the essentials for residency training in family practice as specified by the American Medical Association;

(2) Are approved or eligible for approval by the Residency Review Committee for Family Practice of the American Medical Association Accreditation Council for Graduate Medical Education; and

(3) Are affiliated with an accredited medical school.

Sec. 4. The Legislature may provide funding to the Office of Rural Health for the purpose of funding the cost of resident stipends and benefits, which funding may include health insurance, professional liability insurance, disability insurance, medical education expenses, continuing medical education expenses, pension benefits, moving expenses, and meal expenses in family practice residency programs based in Nebraska but which are not under a contract pursuant to section 71-5206. The resident stipends and benefits funded in this section shall apply only to residents who begin family practice residency training at a qualifying institution in years beginning on or after January 1, 1993. The total funding provided in the form of stipend and benefit support per resident to a family practice residency program under this section shall not exceed the total funding provided in the form of stipend and benefit support per resident to a family practice residency program under section 71-5203.

Upon receiving an itemized statement of the cost of stipends and benefits of a family practice residency program from a sponsoring institution, the office may reimburse such institution fifty percent of such cost for each family practice resident in the program. The office may reimburse such institution twenty-five percent of the remaining cost per family practice resident for each year that one of the program's graduates practices family medicine in Nebraska, up to a maximum of three years for each graduate, and an additional twenty-five percent of the remaining cost per resident for each of the program's graduates who practices family medicine in an area of Nebraska classified as of January 1, 1991, by the United States Secretary of Health and Human Services as Medicare Locale 16.

At the end of the third year of the funding under this section, the sponsoring institutions and the office shall report to the Legislature regarding the performance of the residency programs and the placement of residents and physicians for training and practice.

Sec. 5. That section 71-5647, Revised Statutes Supplement, 1992, be amended to read as follows:

71-5647. The Office of Rural Health is hereby created

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within the Department of Health. The office shall have the following powers and duties:

(1) To assist rural residents in obtaining high quality health care which includes the following:

(a) Assist in the recruitment and retention of health care professionals to rural areas, including specifically physicians and nurses;

(b) Assist rural communities in maintaining the viability of hospital services whenever feasible or, for communities in transition, in developing alternative systems to provide equivalent quality care to their residents;

(c) Assist rural communities in planning to meet changes needed due to the changing rural economy and demographics or new technology;

(d) Assist in the development of health care networks or cooperative ventures among rural communities or health care providers;

(e) Assist in promoting or developing demonstration projects to identify and establish alternative health care systems; and

(f) Assist rural communities in developing and identifying leaders and leadership skills among their residents to enable such communities to work toward appropriate and cost-effective solutions to the health care issues that confront them;

(2) To develop a comprehensive rural health policy to serve as a guide for the development of programs of the department aimed at improving health care in rural Nebraska and a rural health action plan to guide implementation of the policy;

(3) To establish liaison with other state agency efforts in the area of rural development and human services delivery to ensure that the programs of the office are appropriately coordinated with these efforts and to encourage use of the comprehensive rural health policy by other agencies as a guide to their plans and programs affecting rural health;

(4) To develop and maintain an appropriate data system to identify present and potential rural health issues and to evaluate the effectiveness of programs and demonstration projects;

(5) To encourage and facilitate increased public awareness of issues affecting rural health care;

(6) To carry out its duties under the Rural Health Systems and Professional Incentive Act; and

(7) To carry out the duties required by section 4 of this act;

and

of Health.

(8) To carry out related duties as directed by the Director

Sec. 6. That original sections 71-5201, 71-5203, and 71-5206, Reissue Revised Statutes of Nebraska, 1943, and section 71-5647, Revised Statutes Supplement, 1992, are repealed.