

Summary of Legislation

Beginning in the FY 2019-20 academic year, the bill requires that the University of Colorado (CU) School of Medicine provide educational support services and scholarships to students participating in the rural track program, and cover housing expenses of rural track students while located in rural or frontier areas.

Educational support services. The CU School of Medicine must provide educational support services to participating students and preceptors. Preceptors are licensed physicians who teach, supervise, and evaluate a medical student as part of the student's curriculum. Educational support services must include identifying rural and frontier areas where students may complete their clinical training, establishing relationships between students and preceptors, and providing instructional support and administrative resources.

Scholarships. To be eligible for a scholarship, students must be participating in the rural track program and completing clinical studies in a rural or frontier area, demonstrate financial need, and have committed in writing to serving as a generalist physician in a rural or frontier area for at least four years following completion of residency. Scholarships are at least \$10,000 per year, renewable for up to four years, and must be paid back if the student does not serve for four years in the rural area.

An entity in a rural or frontier shortage area may offer its own scholarships to students who serve in the area. The CU School of Medicine must give priority to applicants who have been awarded a scholarship from an entity in a rural or frontier shortage area in which the student has committed to serve.

Reporting. On July 1, 2020, and each year thereafter, the CU School of Medicine must submit a report to the General Assembly with data and information specified in the bill.

Rural and frontier areas. For the purposes of the bill, a rural area is defined as a county located in a nonmetropolitan area of the state that either has no municipality with a population of at least 50,000, or that meets criteria established by the federal office of management and budget. A frontier area is defined as a county that has a population density of six or fewer individuals per square mile. Rural or frontier shortage areas are those that meet the above definitions and are designated as a healthcare professional shortage area by the state or federal government.

Background

The CU School of Medicine's rural track program provides mentorship, immersion, preceptorships, clerkships, and other experience for students who are interested in practicing in rural areas of the state. In a given year, approximately 80 students who are pursuing their doctorate in medicine participate in the program. The major sources of funding for the CU School of Medicine include state funding for speciality education programs (\$70.6 million in FY 2018-19), revenue from tuition and fees, and public and private gifts, grants, and donations.

State Expenditures

The bill increases state General Fund expenditures by \$884,500 beginning in FY 2019-20 and FY 2020-21. Costs are listed in Table 2 and discussed below.

Table 2
Expenditures Under HB 19-1241

	FY 2019-20	FY 2020-21
CU School of Medicine		
Educational Support Services - 1.0 FTE	\$176,500	\$176,500
Educational Support Services - Supervision	\$200,000	\$200,000
Housing Costs	\$108,000	\$108,000
Scholarships	\$400,000	\$400,000
Total Cost	\$884,500	\$884,500

Educational support services. Educational support services will cover two components: the cost of 1.0 FTE at the CU School of Medicine and the costs for preceptors in rural areas to supervise students in rural areas.

Personal services. The CU School of Medicine requires 0.5 FTE of a program coordinator and 0.5 FTE for a faculty member to provide instruction and support services to rural track students and preceptors in rural area. The instructional services provided include offering some core courses as part of the rural track program. Costs include estimated salary and benefits of \$35,000 for the program coordinator, and \$139,500 for the faculty member, plus \$2,000 for staff travel expenses. The fiscal note assumes that reporting workload can be accomplished within current resources.

Supervision costs. The CU School of Medicine will cover an assumed 20 percent of salary costs for preceptors to supervise participating students at 10 rural sites. Assuming preceptors receive an annual salary of \$100,000, the bill requires \$200,000 per year in supervision costs.

Housing costs. As part of the additional instructional and support services offered as a result of the bill, students will spend a total of nine months in rural areas, an increase of six months compared to the three months that students currently spend in rural areas. The fiscal note estimates that up to \$108,000 per year is required to cover housing costs, based on 20 students spending an additional six months in rural areas, at current costs of \$30 per night.

Scholarships. The total amount provided for scholarships is at the discretion of the General Assembly. For the purposes of this analysis, the fiscal note assumes that up to 40 students, or about half of the students enrolled in the rural track in a given year, will be awarded a minimum scholarship of \$10,000 annually. Alternatively, the CU School of Medicine could award fewer scholarships of larger amounts. As a result, \$400,000 per year is required for scholarships, beginning in FY 2019-20. Actual award amounts will be determined by the CU School of Medicine in order to incentivize serving in rural areas.

In addition, the fiscal note assumes that students will complete the required four years of service in a rural area after completing their residency and that any workload to recoup scholarship funds will be minimal.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2019-20, the bill requires a General Fund appropriation of \$884,500 to the Board of Regents of the University of Colorado.

State and Local Government Contacts

Higher Education