# Regular Session, 2014

#### HOUSE CONCURRENT RESOLUTION NO. 134

#### BY REPRESENTATIVE LEGER

FUNDS/FUNDING: Creates the Medical Education & Research Finance Work Group to provide findings and recommendations to the legislature relative to a formula-based financing model for the funding of Louisiana's public institutions for graduate and professional medical education and biomedical and health-related research

1	A CONCURRENT RESOLUTION
2	To establish the Medical Education & Research Finance Work Group to provide the
3	legislature with findings and recommendations for a formula-based financing model
4	for the funding of Louisiana's public institutions for graduate and professional
5	medical education and biomedical and health-related research.
6	WHEREAS, the Louisiana Legislature, business community, and the public at-large
7	have increasing expectations relating to the role of Louisiana's public institutions for
8	graduate and professional medical education and biomedical and health-related research,
9	hereinafter referred to as "institutions for medical education and research", as a consistent
10	and reliable source for graduates necessary to meet the workforce needs of the state, as well
11	as, for the development of innovative biomedical technologies and medical treatments to
12	contribute to the health of all Louisianians; and
13	WHEREAS, Louisiana currently ranks in the bottom quartile among other states in
14	terms of the supply of healthcare professionals according to surveys by the Kaiser Family
15	Foundation and the American Association of Medical Colleges, as follows: forty-third in
16	the number of primary care physicians, fortieth in the number of dentists, thirty-seventh in
17	the number of nurse practitioners, and forty-fourth in the number of physician assistants; and
18	WHEREAS, the LSU Health Sciences Centers provide the majority of the graduate
19	and professional degrees in health fields awarded by the state's institutions for medical
20	education and research as evidenced by the fact that seventy percent of Louisiana's actively

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1	practicing physicians and over seventy-five percent of actively practicing dentists have
2	trained at a Louisiana State University institution; and
3	WHEREAS, biomedical and health-related research is considered to be a mission
4	critical component of an institution for medical education and research, and as such is a
5	mandatory requirement for accreditation by the accrediting bodies governing health-related
6	educational institutions; and
7	WHEREAS, biomedical and health research is critical to addressing the financial and
8	social burden of chronic disease in Louisiana's citizens; and
9	WHEREAS, Louisiana State University Agricultural Center, through multiple
10	disciplines, contributes research vital to the health, well-being, and prosperity of all
11	Louisianians; and
12	WHEREAS, Article VIII, Section 5(D) of the Constitution of Louisiana directs the
13	Board of Regents to prepare and maintain a master plan for the state's public institutions of
14	postsecondary education, which includes a formula for the equitable distribution of funding
15	among those institutions; and
16	WHEREAS, no funding formula exists that accounts for the educational and research
17	mission of the state's institutions for medical education and research; and
18	WHEREAS, the exclusion of the institutions for medical education and research from
19	the formula used to fund the state's two-year and four-year degree-granting institutions
20	makes it difficult to equitably balance the needs for financial support of all of the state's
21	institutions; and
22	WHEREAS, the formula used for the funding of institutions which grant four-year
23	and two-year degrees includes a large component that is based upon costs, enrollment, and
24	performance measure statistics for each institution; and
25	WHEREAS, the cost of educating and training medical professionals is considerably
26	higher than that for the education and training of professionals in other fields, with the cost
27	of training physicians and dentists being particularly high, ranging from seventy-two
28	thousand dollars to eighty thousand dollars per student, per year; and
29	WHEREAS, the tuition bases for the Louisiana State University Health Sciences
30	Centers, Louisiana State University Pennington Biomedical Research Center, and the

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Louisiana State University Agricultural Center are all relatively small or nonexistent as
compared to the size of their overall operations, which means that fluctuations in funding
through the state general fund and other sources have dramatic effects on the financial
viability of those institutions; and

5 WHEREAS, despite Louisiana's low rankings when compared to other states, 6 enrollment at the LSU Health Sciences Centers since 2008 has increased an average of 7 seventeen percent, without any increases in state funding to provide for the increases in 8 student population; and

9 WHEREAS, a comprehensive formula for the funding of institutions of medical 10 education and research may allow for better decisions with respect to the finance of all of 11 the state's public institutions of postsecondary education when the legislature considers the 12 Board of Regent's budget recommendations.

13 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby 14 create the Medical Education & Research Finance Work Group, hereinafter referred to as 15 "work group", to provide the legislature and the Board of Regents with findings and 16 recommendations for a formula based financing model for the funding of Louisiana's public 17 institutions for graduate and professional medical education and biomedical and health-18 related research.

BE IT FURTHER RESOLVED that the work group shall be composed of thefollowing members:

21 (1) A representative of the Board of Regents.

22 (2) The president of Louisiana State University, or his designee.

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3 (3) A representative of the Louisiana State Medical Society.

24 (4) Four persons designated by the president of Louisiana State University who are

25 employed by the Louisiana State University Health Sciences Center, including at least one

26 employee of the Louisiana State University Pennington Biomedical Center, and at least one

- 27 employee of Louisiana State University Agricultural Center.
- 28 (5) The commissioner of administration, or his designee.
- 29 (6) The chair of the Louisiana Health Works Commission, or his designee.

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BE IT FURTHER RESOLVED that the work group shall collect and analyze data 2 related to the cost and delivery of medical education and biomedical and health-related 3 research in Louisiana and other states.

4 BE IT FURTHER RESOLVED that the work group shall prepare findings and 5 recommendations on a formula-based financing model, or components of such a model, to 6 be used to provide funding for Louisiana's public institutions for graduate and professional medical education and biomedical and health-related research. 7

8 BE IT FURTHER RESOLVED that the work group shall submit the findings and 9 recommendations to the members of the House Committee on Education, the Senate Committee on Education, the House Committee on Appropriations, and the Senate 10 11 Committee on Finance no later than January 31, 2015.

- 12 BE IT FURTHER RESOLVED that the Board of Regents shall be responsible for
- designating staff to assist the work group in performing its duties. 13
- 14 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
- 15 Board of Regents which shall be responsible for transmitting a copy to each of the offices,
- 16 institutions, or organizations from which the members of the Medical Education and
- 17 Research Finance Work Group are being selected or designated.

## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

## Leger

HCR No. 134

Creates the Medical Education & Research Finance Work Group to provide the legislature and the Board of Regents with findings and recommendations for a formula-based financing model for the funding of public institutions for graduate and professional medical education and biomedical and health-related research. Provides for membership of the work group as follows:

- A representative of the Board of Regents. (1)
- (2)The president of La. State University, or his designee.
- A representative of the La. State Medical Society. (3)
- Four persons designated by the president of La. State University who are employed (4) by the La. State University Health Sciences Center, including at least one employee of the La. State University Pennington Biomedical Center, and at least one employee of La. State University Agricultural Center.

- (5) The commissioner of administration, or his designee.
- (6) The chair of the La. Health Works Commission, or his designee.

Requires the Board of Regents to be responsible for designating staff to assist the work group in performing its duties.

Requires the work group to submit its findings and recommendations to the House and Senate education committees and the House Committee on Appropriations and the Senate Committee on Finance no later than Jan. 31, 2015.

## Summary of Amendments Adopted by House

- Committee Amendments Proposed by <u>House Committee on Education</u> to the <u>original</u> resolution.
- 1. Removes speaker of the House and president of the Senate from the membership of the work group.

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