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## SENATE COMMITTEE ON EDUCATION

Senator Benjamin Allen, Chair

2017 - 2018 Regular

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**Bill No:** AB 2597 **Hearing Date:** June 27, 2018  
**Author:** Arambula  
**Version:** May 25, 2018  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Jennifer Chase

**Subject:** Programs in Medical Education

### SUMMARY

This bill appropriates \$9.35 million from the General Fund (GF) to the University of California (UC) Regents to support the Programs in Medical Education (PRIME) and requests that the UC submit a report to the Legislature, on or before January 1, 2020, that assesses the feasibility of future full-time student enrollment growth in PRIME.

### BACKGROUND

Existing law:

- 1) Establishes the UC, 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 (California Constitution Article IX, § 9(a)).
- 2) Grants the UC Regents regulatory authority over the UC (Education Code § 92440, et seq.).

### ANALYSIS

This bill appropriates \$9.35 million from the GF to the UC Regents to support the PRIME and requests the UC to submit a report to the legislature on or before January 1, 2020, about how it can increase PRIME enrollment. The bill requires that the PRIME enrollment for the 2018-19 academic year be the baseline to report on how the university can increase PRIME enrollment and deems the reporting request inoperable on January 1, 2024.

### STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, “Rural residents experience barriers to healthcare that limit their ability to get the care they need. Physician shortages will only increase as the Valley’s diverse population continues to grow and age and existing physicians retire. Currently the PRIME program is not funded to full levels and can be expanded. The UC PRIME programs are one way to address the shortages in underserved areas of our state.” This bill seeks funding for the UC PRIME program in order to expand the number of physicians that can serve

the state and address the need of quality health care in underserved areas of the state.

- 2) **Background on Programs in Medical Education (PRIME).** In January 2007, the University of California (UC) system completed a multiyear comprehensive health sciences planning effort. The plan called for the development of new programs that will increase enrollment.

The UC Programs in Medical Education (PRIME) is an innovative training program focused on meeting the needs of California's underserved populations in both rural communities and urban areas by combining specialized coursework, structured clinical experiences, advanced independent study, and mentoring. These activities are organized and structured to prepare highly motivated, socially conscious students as future clinicians, leaders, and policymakers. Each new program has an area of focus that is selected based upon faculty expertise, the populations served by each school and its medical center, and other local considerations. Each continues to develop and improve its guidelines for admission and recruitment of students and its new curriculum designed to educate and train future physician leaders, researchers and advocates for the communities they will serve.

UC PRIME program trains medical students at six campuses: Davis, Irvine, Los Angeles, Merced, San Diego and San Francisco. The first PRIME program was launched at UC Irvine in 2004 to address the growing needs of the Latino community. Davis, San Diego and San Francisco admitted their first classes in 2007 and in 2008 UC Los Angeles (UCLA) launched their program to proactively address the needs of diverse disadvantaged communities. Finally, the sixth PRIME program was launched in 2011 at UC Merced to focus on the health needs of the San Joaquin Valley. The curriculum highlights the specific needs of the valley like the region's high rates of obesity and diabetes and students will acquire skills to reduce health disparities and care for the area's diverse population.

- 3) **Students in PRIME.** According to the UC, systemwide, 361 students were enrolled in PRIME programs during the 2017-18 academic year. Of the 361 students enrolled in PRIME, 113 students (or approximately 31 percent) are funded by the state. The UC contends that by utilizing the current estimated marginal cost support of approximately \$35,000 per UC medical student (which does not fully cover the cost per student), an estimated \$9,350,000 would be needed to fully fund PRIME at the size and enrollment levels originally planned (393 systemwide) in 2004.
- 4) **Projected physician shortage.** According to a UC San Francisco report released on August 15, 2017, California is expected to face a potential shortfall of 4,700 primary care physicians by 2025. The researchers found that the Central Valley and Central Coast region and the Southern Border regions are projected to have the worst shortages. The shortages are projected at 18 percent and 17 percent, respectively, by 2030. The study recommends multiple strategies to fill this gap, which include actively recruiting primary care physicians, expanding

primary care residency programs and improving retention of physicians, particularly younger physicians.

- 5) **State investment in medical education?** A recently-released University of California (UC) report, "Improving Health Care Access in the San Joaquin Valley (SJV)" notes that the most significant barrier to expanding UC-sponsored residency positions in the SJV is obtaining additional funding from the state and/or from hospital resources, to cover residency salaries and benefits in addition to the costs of faculty and related infrastructure needs. Notably, AB 2597 seeks \$9.35 million in funding, which matches the UC estimate to fully fund the UC Programs in Medical Education (PRIME) program at the originally planned size and enrollment levels. The UC report also notes that the two strongest predictors of where physicians will practice are (a) where the physician finishes their residency training and (b) where the individual was raised. Therefore state investment in this program could also help with future retention of physicians in the Central Valley.

An objective of the PRIME program is to widen the pipeline for students from diverse backgrounds interested in pursuing careers in healthcare. This bill requests that the UC report back to the Legislature on how it can increase PRIME enrollment. This information could be useful if the state considers future planning on how to reduce the projected primary physician shortage in the Central Valley.

- 6) **Fiscal effect.** According to the Assembly Appropriations Committee:
- a) \$9.4 million one-time General Fund (GF) to the UC to fund PRIME student enrollments in the 2018-19 academic year.
  - b) One-time GF cost pressures to the UC, likely in the high tens-of-thousands to low hundreds-of-thousands of dollars to submit a report to the Legislature.

Staff notes that this appropriation was not included in the 2018 Budget Act.

- 7) **Related legislation.** AB 2202 (Gray), provides an unspecified amount of GF to establish and construct a branch campus of the UC San Francisco (UCSF) School of Medicine, in partnership with the University of California, Merced (UCM) and UCSF Fresno Medical Education Program. The bill currently is pending before this committee.

AB 133 (Assembly Committee on Budget, Chapter 2, Statutes of 2016) amended the Budget Act of 2015, to provide \$1.9 million to expand total enrollment in the SJV PRIME program to 48 students (12 students per year across the four-year curriculum).

SB 131 (Cannella, 2015-16 Session) appropriates \$1.855 million annually from the General Fund (GF) to the UC Regents to support the expansion of the SJV PRIME. SB 131 was held in the Senate Appropriations Committee.

AB 174 (Gray, 2015-16 Session) appropriated \$1.255 million annually from the GF to

the University of California Regents from the General Fund for the San Joaquin Valley (SJV) Programs in Medical Education (PRIME) program. AB 174 was held in the Senate Appropriations Committee.

SB 841 (Canella, 2013-14 Session) was identical to SB 131. SB 841 was held in the Senate Appropriations Committee.

AB 2232 (Gray, 2013-14 Session) was identical to AB 174. AB 2232 was held in the Senate Appropriations Committee.

AB 2458 (Bonilla, 2013- 14 session) establishes the Graduate Medical Education Fund to fund grants to graduate medical education residency programs at California hospitals and teaching health centers. AB 2458 was held in Assembly the Appropriations Committee.

**SUPPORT**

Union of American Physicians and Dentists/AFSME-Local 206 (Sponsor)  
American Federation of State, County and Municipal Employees (AFSCME)  
Association of California Healthcare Districts  
California Academy of Family Physicians  
California Chapter of the American College of Emergency Physicians  
California Health+ Advocates

**OPPOSITION**

None received

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