THIN
Texas Health Improvement Network

# Strengthening Texas' Primary Care, Nursing and Behavioral Health Workforces

## Summary

An adequate and well-trained health care workforce is critical to improving the overall health of Texas. To address this issue, the Texas Health Improvement Network (THIN) researched and developed policy and regulatory recommendations to strengthen the primary care, nursing, and behavioral health workforces in Texas. THIN convened representatives from Texas academic and health science institutions, state agencies, and policy institutes in December 2023. Based on the workgroup's input, THIN conducted 20 key informant interviews related to Texas' health workforce challenges and possible solutions. A follow-up day-long convening was held on July 10, 2024, to further explore ideas discussed in these interviews including workforce adequacy, pipeline for health workforce, rural health, and integrated health. This report summarizes key issues identified in the interviews and panels and provides recommendations for policymakers and others committed to strengthening Texas' primary care, nursing, and behavioral health workforces.

*Suggested citation:*

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# Recommendations

1. Recognizing that Texas has and is projected to continue to have significant workforce shortages in primary care, nursing, and behavioral health, Texas should use a data-informed strategy to guide state policy in these key health care areas.

   **Texas should:**
   - Establish an ongoing cross-agency structure to assess Texas' health care workforce needs and develop an integrated plan to address workforce shortages.
   - Expand the role and resources of the Health Professions Resource Center at the Department of State Health Services (DSHS).
   - Leverage existing Statewide Behavioral Health Coordinating Council (SBHCC) workforce efforts to coordinate mental health and substance use workforce action items.

2. Texas needs to strengthen its pipeline for health care careers.

   **Texas should:**
   - Increase awareness of health care careers in middle and high school (especially in rural and other high-needs areas).
   - Streamline training and create career ladders through pathway and apprentice programs.
   - Support community college and university curricula that allow students to obtain stackable certifications by graduation for entry level health care positions and work experience while they earn their degree.
   - Improve advising for health professions students in colleges.
   - Support innovative models of education.

     Strategies:
     - Partner with and fund Texas' four Area Health Education Centers (AHECs) to strengthen Texas' high school-to-college pipeline programs to expose high school students to health care careers specific to the needs of each region.
     - Equalize opportunities for high school training in health care pathways in rural/underserved areas.
     - Provide funding to craft, replicate, and scale community college and university curricula that allow students to obtain stackable certifications (upon completion of programming or at graduation) for entry level health care positions and potential career pathways.

3. Incentivize Texans to train and stay in jobs where Texas has a shortage and that are impactful for improving health (e.g., primary care, nursing, behavioral health), especially in community-based settings and rural and other high-needs areas.

**Texas should:**

- Increase (or at least maintain) 2024-25 levels of funding for Texas' existing financial incentive programs.
- Fund the evaluation of the Texas Higher Education Coordinating Board's (THECB's) existing health care workforce financial incentive programs, including design and infrastructure, to determine their effectiveness and how best to target future investments.
- Fund HB 400 (Psychiatric and Behavioral Health Innovation Grants) that passed during the 88th Regular Legislative Session but was not funded in the budget.
- Increase the ratio of first-year residency positions to medical school graduates from 1.1:1 to 1.4:1.
- Prioritize primary care and psychiatry graduate medical education (GME) slots (areas where Texas has critical shortages), along with slots that serve rural and other high-needs areas, including maternal care deserts.
- Reward medical schools and GME programs that produce greater numbers of primary care physicians.
- Increase the medical education funding formula to offset the increased cost of educating medical residents.
- Continue to fund the Federally Qualified Health Center (FQHC) Incubator Program.
- Reduce red tape to become an FQHC and expedite Medicaid FQHC credentialing.

4. Advocate for federal proposals that would help address Texas' workforce shortages.

**Texas should**:

- Advocate for revisions to the Conrad 30 program.
- Advocate for revisions in the Medicare GME program to better serve Texas rural and other high-needs areas.
- Advocate for new federal grants that would assist in training allied health professionals in rural and other high-needs communities.

5. Increase clinical training capacity for community-based primary care, nursing and behavioral health.

**Texas should:**

- Implement a physician residency rotation in community health clinics like the Community Psychiatry Workforce Expansion (CPWE) program, which is a component of the Texas Child Mental Health Care Consortium (TCMHCC).

- Expand master's level training for social work and licensed professional counseling training like those implemented through the pilot Workforce Initiatives under the TCMHCC using American Rescue Plan Act (ARPA) funds. This could include creating opportunities for behavioral health providers to receive internship stipends, paid clinical supervision, and paid licensing fees for working therein, specifically within the public mental health and substance use system or in underserved areas.
- Regarding mental health internship supervision, facilitate ways for interns and supervisors to find each other and provide financial incentives for qualified supervisors to take on this role.
- Allow Licensed Master Social Workers (LMSWs), Licensed Professional Counselor (LPC)-Associates and Licensed Marriage and Family Therapist (LMFT)-Associates working toward their clinical license the ability to bill for Medicaid psychotherapy and other diagnostic and assessment services as appropriate. (Included in HB 1879 filed in the 88th Regular Legislative Session.)
- Fund SB 25's Nursing Education and Training Grants for nursing clinical site capacity and innovation that passed during the 88th Regular Legislative Session but did not get funded in the budget.

6. Support innovative care models, including leveraging technology, to make the best use of Texas' existing workforce, optimize care access and quality, and reduce burnout.

**Texas should:**

- Support the statutory changes included in HB 1073 from the 88th Regular Legislative Session to enable Texas Department of Insurance (TDI)-regulated preferred provider organizations (PPOs) and exclusive provider organizations (EPOs) to enter into value-based and capitated payment arrangements with primary care physicians and primary care physician groups.
- Explore funding options, including leveraging federal funds, to support primary care practices' transition to value-based care.
- Take additional steps to incentivize the use of integrated primary/behavioral health care, including by preparing the workforce to deliver care under these models effectively.
- Explore opportunities to build on successful models underway in Texas to optimize Texas' health care workforce. (e.g., Expand the Child Psychiatry Access Network [CPAN] to also support mental health care for non-pregnant adults; Modeled on CPAN and the Perinatal Psychiatry Access Network [PeriPAN], create a network of medical specialists to consult with primary care teams, especially in underserved and rural areas.)
- Explore opportunities to leverage technology, including telehealth, robots, and artificial intelligence to optimize care access and quality, and reduce burnout.

# Background

The Texas Health Improvement Network (THIN) was established by the 84th Texas Legislature to address urgent health care challenges and improve health and health care in Texas. This initiative has brought together a diverse, multi-institutional, cross-sector group of leaders focused on catalyzing population health improvement and health equity. See Appendices B & C for THIN's Strategic Map and a list of THIN Advisory Council members. The THIN Advisory Council identified strengthening the adequacy of Texas' health care workforce, and specifically primary care, nursing, and behavioral health workforces, as essential to this work.

Recruiting, training, and retaining a health care workforce to meet growing population and health care needs is a challenge in Texas and nationally, and this challenge was exacerbated by the COVID-19 public health emergency. Texas has made significant investments to strengthen its health care workforce, including adding hundreds of millions of state dollars in the 2024-2025 biennial budget to scholarship programs, loan repayment programs, the GME Expansion Program, the Texas Children's Mental Health Care Consortium, and the FQHC Incubator Program. Three new programs funded in the 2024-2025 budget were the Rural Residency Physician Grant Program, Forensic Psychiatry Program, and Nursing Innovation Grant Program. However, shortages in our primary care, nursing, and behavioral health care workforces still are projected to grow in the next decade, particularly in rural and other high-needs areas of the state. Texas can build strategically on many existing state and local initiatives as it strives to strengthen these essential workforce areas.

**Background on Workforce Adequacy Trends in the U.S. and Texas**

Texas does not have enough health care workers to meet its current needs, let alone the expected increased demand as Texas grows. Texas' population has grown faster than most states during the past 10 years, from about 27 million in 2014 to about 31 million in 2024. Texas covers 268,596 square miles (an area the size of Spain or France) and has 254 counties, of which 177 are rural. Over 6 million Texans live in Primary Care Health Professional Shortage Areas and over 13 million live in Mental Health Care Health Professional Shortage Areas. Further complicating the situation, Texas, like the rest of the country, has an aging population with greater health care needs. Finally, many of our health care workers are either retiring or burned out and opting to leave direct practice, particularly after the stress of the COVD-19 public health emergency. The combination of these factors has resulted in a critical shortage of many of the health care professionals we all rely upon.

Health care also plays an important role in Texas' economy, with almost 1.5 million Texans working in health care jobs as of May 2023 (excluding self-employed workers), representing 11% of Texas' total workforce.[1] The Health Care and Social Services sector is now the largest industrial sector as measured by the number of employees in Texas and its percentage of Texas

[1] KFF analysis of Bureau of Labor Statistics, State Occupational Employment Statistics Survey, May 2023. https://www.kff.org/other/state-indicator/total-health-care-employment/

employees is expected to grow over the next decade. As Texas' population grows and ages, the health care workforce must keep up with increased needs.

Recognizing the importance of this issue, in April 2024, Governor Greg Abbott directed the Texas Higher Education Coordinating Board (THECB) to create a task force to address Texas' health care workforce shortages. The Texas Health Care Workforce Task Force issued its report on October 1, 2024, and it focuses on three areas: expanding the pipeline, modernizing the nursing production model, and bolstering faculty and preceptors.[2] This THIN report complements the work of the task force, and the recommendations of this report were presented to the task force as part of its process.

**Efforts to Strengthen Texas' Health Care Workforce from the 88th Legislative Session**

Texas invests hundreds of millions of dollars in health care workforce initiatives, including significant increases in state funding in the 2024-25 Texas budget. Much of this funding flows through THECB, but there also are initiatives through the Texas Workforce Commission (TWC), the Texas Department of State Health Services (DSHS), other state and local agencies, and public/private partnerships.

THECB-funded health care workforce initiatives from the 88th Regular Legislative Session can be found in Appendix F. Additionally, the budget (HB 1) increased Medicaid payment rates by 6% for physicians treating children and for labor and delivery services, and the supplemental budget (SB 30) included $40 million for DSHS to make awards for the FQHC Incubator Program.

Other notable health care workforce-related legislation from the 88th Legislative Session includes the following:

- Broadened eligibility for the Nurse Faculty Loan Repayment Program and Loan Repayment Program for Mental Health Professionals (SB 25, SB 532 and HB 1211).
- Expanded telehealth and telemonitoring (HB 617 and HB 2727).
- Doulas and community health workers added as Medicaid providers for targeted case management services for pregnant women (HB 1575).
- Measures to reduce workplace violence, including in hospitals (SB 240 and SB 840).
- Funding for community colleges tied to measurable student-focused outcomes, including certificates and degrees (such as Certified Nurse Assistant [CNA] or Licensed Vocational Nurse [LVN]) that position graduates for well-paying jobs and potential career pathways (HB 8).

Furthermore, two health care workforce-related bills from the 88th Regular Legislative Session were enacted into law but were not funded.

SB 25 established four new nursing grant programs:

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[2] Texas Health Care Workforce Task Force Final Report, October 2024. *Building Texas' Future Health Care Workforce*. https://gov.texas.gov/uploads/files/press/2024.10.01_-_Healthcare_Workforce_Report_FINAL_v4_.pdf

- Clinical Site Nurse Preceptor Grant Program — Creates a grant program for clinic sites that support the use of nurse preceptors for nursing students.
- Clinical Site Innovation and Coordination Program — Supports innovative pilot programs for initiatives including increasing the number of nurses, improving the work environment or addressing workplace safety.
- Nurse Faculty Grant Program — Part time positions: Supports nursing schools to help with the cost of having part-time nursing faculty who also work at clinic sites.
- Nursing Faculty Grant Program — Creates grant program for clinic sites who provide on-site work and training to part-time nursing school faculty.

HB 400 established two incentive grant programs at THECB related to psychiatric and behavioral health. The first incentivizes institutions of higher education that run innovative programs to recruit, train, and produce physicians who specialize in psychiatric care for pediatrics or adults. The second incentivizes medical schools that run innovative programs for behavioral health professionals (including psychiatrists, psychologists, advanced practice registered nurses [APRNs], licensed professional counselors [LPCs], and licensed clinical social workers [LCSWs]). The two grant programs are to prioritize awards for programs that serve rural or underserved areas.

Although SB 25 and HB 400 passed, because their new grant programs were not funded, these programs have not been implemented.

**Primary Care and Psychiatry Physician Workforce Adequacy in Texas**

According to a 2021 consensus study report published by the National Academies of Science, Engineering, and Medicine, high-quality primary care is the foundation of a high-functioning health care system and is the only health care component where an increased supply is associated with better population health and more equitable outcomes. The benefits of primary care are supported by many studies,[3] including a 2019 study that showed that between 2005 and 2015, life expectancy increased by 51.5 days in the U.S. for every 10 additional primary care doctors per 100,000 people.[4] Based on data published in 2024, Texas ranks 47th out of 50 states in professionally active primary care physicians per 100,000 population.[5]

Unfortunately, nationally and in Texas, the supply of primary care physicians has not kept up with growing demand. While Texas' overall physician numbers have grown substantially in recent years, financial incentives (compensation rates and student loan debt) make it more attractive for new physicians to go into specialty practice rather than primary care.

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[3] Starfield B, Shi L, Macinko J. Contribution of primary care to health systems and health. Milbank Q. 2005;83(3):457-502. doi:10.1111/j.1468-0009.2005.00409.x. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2690145/

[4] Vogel L. Life expectancy grows with supply of primary care doctors. CMAJ. 2019;191(12):E347. doi:10.1503/cmaj.109-5729. https://pmc.ncbi.nlm.nih.gov/articles/PMC6435370/

[5] Emerson, Jakob. *States ranked by primary care physicians per 100K people in 2024*. Updated February 22, 2024. https://www.beckershospitalreview.com/rankings-and-ratings/states-ranked-by-total-primary-care-physicians-in-2024.html

Administrative burden, burnout, and physician retirements are other contributing factors to the growing shortage in the primary care physician workforce.

Recent Texas-specific projections released by the Texas Department of State Health Services' Health Professions Resource Center (DSHS HPRC) are consistent with national trends, reflecting that Texas' shortage of primary care physicians is expected to grow in the coming years. The specialties included in the DSHS primary care category are family medicine, general internal medicine, geriatrics, obstetrics and gynecology (OB-GYNs), pediatrics, and psychiatry. For all physicians, Texas' shortage is projected to decrease from 16% in 2022 to 11% in 2036. However, for primary care physicians, the shortage is projected to grow from 37% to 42%.

Some regions of Texas have even greater primary care physician shortages. By 2036, the Rio Grande Valley and East Texas are projected to experience shortages of 58% and 52%, respectively. DSHS classifies physician specialties with 40% unmet demand or greater as "critical shortages." Statewide, this includes General Internal Medicine (unmet demand of 48% in 2022 projected to grow to 57% in 2036); Geriatrics (71% unmet demand projected to grow to 80%); and Pediatrics (44% unmet demand projected to grow to 47%). Unmet demand for Psychiatrists statewide is expected to be 51% in 2036, with higher unmet demand in the Rio Grande Valley (71%), West Texas (60%) and East Texas (58%). Not surprisingly, non-metropolitan counties and Texas-Mexico border counties have higher unmet demand for primary care physicians than metropolitan and non-border counties.

DSHS's projections show a lesser statewide shortage of OB-GYNs in 2022 at 5%, which is expected to persist through 2036. Although OB-GYN shortages are not classified as critical shortages (>40%) statewide, they are of particular concern for certain regions, especially rural Texas where maternal care deserts result in less access and worse outcomes. OB-GYN shortages are expected to grow from 2022 to 2036 in the public health regions of greatest need: Rio Grande Valley (from 31% to 45% shortage) and the Panhandle (23% to 35%). The shortages are starkest in non-metropolitan counties, projected to grow from 41% to 50% from 2022 to 2036 in non-metro/non-border counties and from 52% to 79% from 2022 to 2036 in non-metro/border counties.[6]

While this report focuses on primary care physician adequacy, there are many other team members that make up the primary care workforce, including advanced practice providers, nurses, social workers, aides, pharmacists, and community health workers. The final recommendation of this report relates to ways to optimize the health care workforce by advancing value-based care, team-based care, and integrated care, and leveraging technology.

Looking more broadly at the primary care workforce, federal Health Resources and Services Administration (HRSA) projections (which include primary care physicians [other than hospitalists], nurse practitioners, and physician assistants) show that in 2021 Texas' primary care workforce met 79% of demand while the primary care workforce in the U.S. met 82% of

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[6] Texas Department of State Health Services. Health Workforce Supply and Demand Projections 2022-2036. https://healthdata.dshs.texas.gov/dashboard/health-care-workforce/hprc/workforce-supply-and-demand-projections

demand. HRSA projects that primary care workforce adequacy in the U.S. will drop to 78% by 2035, and Texas' will drop to 73%.[7]

**Nursing Workforce Adequacy in Texas**

Adequate nursing staffing is critical in providing high-quality health care. Nurses are often the care team members with the most direct patient interactions; they play essential roles in administering care, educating and advocating for patients, and coordinating care.

Expanding Texas' nursing workforce to keep up with Texas' growing population and health care needs is challenging for many reasons including a dearth of faculty and preceptors for nurse clinical training, lack of mentoring and early career opportunities for first-year graduates to transition successfully into the workforce, nurse retirements, and burnout of both seasoned and new nurses who decide to leave direct care.

Recent Texas-specific projections released by DSHS' Texas Center for Nursing Workforce Studies show that Texas currently has a shortage of registered nurses (RNs) and Certified Nurse Midwives (CNMs) (in 2022, 44,678 and 395, respectively), with continuing shortages through 2036 (56,370 for RNs and 277 for CNMs). Beginning in 2034, the demand for licensed vocational nurses (LVNs) will outpace the projected supply. Inpatient hospitals have and will continue to have the greatest demand for RNs and LVNs, but other sites, and nursing facilities in particular, have a growing demand as well.[8]

**Behavioral Health Workforce Adequacy in Texas**

Behavioral health is another key workforce area where there are major shortages nationally and in Texas. There were not enough providers before the COVID-19 public health emergency, which exacerbated mental health issues among both adults and youth.

As of April 1, 2024, per HRSA data, about 13.4 million Texans (over 43%) lived in Mental Health Care Health Professional Shortage areas, which is based on the number of psychiatrists available to serve an area's population. In these areas, only 31.4% of psychiatry need was met. In addition, 2.2 million Texans are living with a substance use disorder.[9] In the past couple of years, over 5,600 Texans died by overdose per year, the majority attributed to opioids.[10] Buprenorphine is the first medication to treat opioid use disorder (OUD) that can be prescribed or dispensed in physician offices. Texas has the greatest number of people more than 10 miles

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[7] US Health Resources & Services Administration. Health Workforce Projections. March 2024. https://bhw.hrsa.gov/data-research/projecting-health-workforce-supply-demand

[8] Texas Center for Nursing Workforce Studies, DSHS. *2022-2036 Nursing Supply and Demand Projection Executive Summary*, March 2024. https://www.dshs.texas.gov/sites/default/files/chs/cnws/2023_SupplyDemandReport_ExecutiveSummary.pdf

[9] Substance Abuse and Mental Health Services Administration, 2021-2022 NSDUH: Model-Based Estimated Totals For States (In Thousands). 2024, SAMHSA: samhsa.gov

[10] Ahmad FB, Cisewski JA, Rossen LM, Sutton P. Provisional drug overdose death counts. National Center for Health Statistics. 2024

from the closest buprenorphine provider[11] and as of 2021-2022, there were only 5.46 buprenorphine providers per 100,000 Texans (the lowest in the U.S.).[12]

Recent DSHS projections show that unmet demand for behavioral health professions (addiction counselors, marriage and family therapists, mental health counselors, psychologists, and social workers) will grow from 16% in 2022 (11,449 more FTEs needed) to 28% in 2036 (33,558 more FTEs needed).[13] Unmet demand varies across the state, with the greatest need in East Texas (43% unmet demand in 2022, 44% projected for 2036), the Rio Grande Valley (44% unmet demand in 2022, 40% projected for 2036), and West Texas (38% unmet demand both in 2022 and projected for 2036). Like other health professions, non-metropolitan counties and Texas-Mexico border counties have higher unmet demand for behavioral health professions than metropolitan and non-border counties.

# Project Overview

THIN convened a workforce workgroup with representation from Texas academic and health science institutions, state agencies, and policy institutes in December 2023. Based on the workgroup's input, THIN conducted 20 key informant interviews related to these health workforce areas and team-based care. In July 2024, THIN convened a day-long meeting with expert panels focused on 1) workforce adequacy; 2) pipeline for health workforce; 3) rural health; and 4) integrated health. (See Appendices C-E for lists of the THIN workforce interviewees, expert panelists, and meeting agenda.) The panels included 8-12 minutes of prepared remarks by each panelist followed by audience questions and discussion.

This report summarizes key issues identified through this process and provides a set of actionable recommendations for policymakers and others committed to strengthening Texas' primary care, nursing and behavioral health care workforces.

# Summary of Findings

1. **Texas' workforce shortages are expected to grow in primary care, nursing, and behavioral health, and are most severe in rural and other high-needs areas.**

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[11] Langabeer, J.R., et al., *Geographic proximity to buprenorphine treatment providers in the US* Drug and Alcohol Dependence, 2020. **213**: p. 108131.

[12] SAMHSA, *Key substance use and mental health indicators in the United States: Results from the 2022 National Survey on Drug Use and Health (HHS Publication No. PEP23-07-01-006, NSDUH Series H-58)*, ed. S. Center for Behavioral Health Statistics and Quality. 2023.

[13] More information on Texas' social work workforce is available in a report released in October 2024 by the THECB and the UT Austin Steve Nicks School of Social Work to comply with a 2023 budget rider (HB 1, 88th Regular Legislature, 2023, Article III, Rider 59). *Texas Social Work Workforce Study: Understanding the Social Work Workforce*, October 2024. https://reportcenter.highered.texas.gov/reports/social-work-workforce-study-oct-2024pdf/

These workforce areas are important for Texans' health, including health equity and health care access. State policy levers to help address these shortages include licensing, bolstering education programs, provider credentialing, leveraging technology, and monetary incentives including scholarships, loan repayment programs, and increased Medicaid reimbursement. Rural Texas has greater workforce shortages in primary care, nursing and behavioral health than urban areas of the state.

**2. A data-informed strategy is essential to guide Texas' health care workforce investments.**

Texas makes significant investments in health care workforce-related initiatives, including through funding to THECB, DSHS, and TWC. However, there is not a single entity responsible for assessing, researching, and supporting integrated health care workforce capacity for Texas, including both didactic and clinical capacity. Challenges around nursing clinical training slots, mental health preceptors, and community-based physician training are obstacles to strengthening Texas' health care workforce. These issues should be included in the assessment of Texas' health care workforce needs.

Texas should take advantage of opportunities to increase data collection, analytics and research to better understand our health care workforce needs and challenges and develop strategies to address them. In 2003, HB 3126 established the Texas Center for Nursing Workforce Studies within the DSHS Health Professions Resource Center to describe and forecast the supply and demand of the changing nursing workforce in Texas. This work has been essential to our understanding of the Texas nursing workforce, and similar investments are now needed for other targeted health care workforce areas, including allied health and frontline aides and technicians. These individuals provide essential patient care services and are a first step in health care career ladders. Texas also should evaluate its current workforce initiatives to determine which are the most effective and why they are effective. Examples of other states that have taken a strategic, cross-agency approach to addressing health care workforce shortages are Indiana, Colorado, and Ohio.[14] [15]

Cross-agency coordination to address high-priority health care issues is a proven strategy in Texas. The Statewide Behavioral Health Coordinating Council (SBHCC) was established in 2015 to coordinate behavioral health services across state agencies.[16] Based on the work of its subcommittee on behavioral health workforce, which remains active today, in December 2020, the SBHCC released a report with recommendations to strengthen Texas' behavioral health

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[14] National Academy for State Health Policy, State Agencies Partner to Address Health Care Workforce Shortages, May 15, 2018. https://nashp.org/state-agencies-partner-to-address-health-care-workforce-shortages/; National Governors Association, Next Generation of the Healthcare Workforce Project, September 7, 2022. https://www.nga.org/projects/next-generation-of-the-healthcare-workforce-learning-collaborative/

[15] Falkner, Rebecca, NASHP. Health Care Workforce Investment: How States Are Leading the Way. https://nashp.org/health-care-workforce-investment-how-states-are-leading-the-way/

[16] HB 1, 84th Leg, Regular Session, 2015 (Article IX, Section 10.04). https://www.lbb.texas.gov/Documents/GAA/General_Appropriations_Act_2016-2017.pdf

workforce across six major areas including pipeline and licensing and regulation.[17] Similarly, Texas could establish a health care workforce coordinating council responsible for assessing, researching, and supporting integrated health care workforce capacity. In coordination with existing efforts such as the SBHCC, this new entity could be charged with developing a state workforce plan to lay out Texas' health care workforce needs and identify state policy levers to address these needs.

**Recommendation #1 based on findings 1 & 2: Recognizing that Texas has and is projected to continue to have significant workforce shortages in primary care, nursing, and behavioral health professions, THIN recommends that Texas use a data-informed strategy to guide policy in these key health care areas.**

**Texas should:**

- Establish an ongoing cross-agency structure to assess Texas' health care workforce needs and develop an integrated plan to address workforce shortages.
    - Example: Statewide Behavioral Health Coordinating Council
- Expand the role and resources of the DSHS Health Professions Resource Center.
    - Example: Texas Center of Nursing Workforce Studies
- Leverage existing Statewide Behavioral Health Coordinating Council (SBHCC) workforce efforts to coordinate mental health and substance use workforce action items.

3. **Opportunities exist to strengthen current pipeline initiatives that inform young Texans about possible health care careers and career ladders, especially in rural and other high-needs communities. Young people from these communities are more likely to want to continue to live and work there.**

Many partnerships throughout the state work to educate young Texans about health care training and careers. For example, programs in Midland, Northeast, and Southeast Texas reach into high schools (and sometimes middle schools) to guide and mentor students regarding health professions. Some schools offer certifications (e.g., certified nurse aide, patient care tech, phlebotomy tech) to give students possible health career pathways and others offer admission to college programs (e.g., nursing school admission) right out of high school.

TWC has many programs to support job training. For example, since 2016 the TWC Jobs & Education for Texans (JET) program has provided grants to buy and install equipment for career and technical education (CTE) courses that lead to a license, certificate, or post-secondary degree in an eligible occupation. A high school or community college may receive a grant from between $40,000 to $350,000 to help outfit a lab, etc., with required matching funds of 5% of

[17] Statewide Behavioral Health Coordinating Council. *Strong Families, Supportive Communities: Moving Our Behavioral Health Workforce Forward,* December 2020. https://mentalhealthtx.org/wp-content/uploads/2024/04/behavioral-health-workforce-workgroup-report-dec-2020.pdf

the grant, which is not out of reach for schools. Health care is TWC's 2$^{nd}$ highest area for JET grants awarded.

In addition, Texas has four Area Health Education Centers (AHECs) that cover the state to serve as resources for students, communities, and health care providers. They offer programs to help students explore health care careers, provide professional support, and offer accredited continuing education. AHECs also focus on meeting the needs of health care professionals in rural and underserved areas. HRSA administers the AHEC Program and is a source of funding along with state and local resources. Currently only 10% of funds from HRSA may go toward pipeline programs.

4. **Many creative initiatives across the state have proven their ability to create career pathways for health care students, streamline and accelerate training, offer apprenticeships, and help new graduates smoothly transition into the workforce. Mentoring and early clinical experience is critical.**

The TWC Office of Apprenticeship supports apprenticeship programs that help employers build their current and future talent and workers progress in their careers and move into better-paying jobs, including funding for statewide Registered Apprentice (RA) projects in the health care industry. Funding supports the health care industry to increase the number of career pathway opportunities for registered nurses (RN) and other health care professionals in the state. For example, South Texas College in McAllen was approved by the U.S. Department of Labor for such a program in 2023, in collaboration with TWC. While students work toward their associate degree in nursing, they have access to paid training through a local hospital with a preceptor to mentor them. This experience acclimates the student to the hospital setting, minimizes needed training post-graduation, and helps fill a needed position.[18]

Midland Memorial Hospital has two innovative programs in partnership with local colleges to help nurses succeed in their education and as they transition to the workforce. The Nurse Internship program allows nursing students to gain comfort in the acute care environment while in school by looping through the different areas of the hospital, participating in simulation-based learning experiences to enhance knowledge and skills, and narrowing their focus on an area(s) of most interest. Upon graduation, an LVN or RN can apply for the Nursing Residency program, which consists of 25% classroom instruction and 75% hands-on training at the bedside. This program includes instructor-led courses on current and emerging clinical guidelines and standards, clinical preceptors providing personalized bedside training, mentors offering personal support and career development guidance, and debriefing sessions to create a forum for exchange among residents.[19]

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[18] South Texas College, *STC first in nation to offer registered nurse apprenticeship*, July 31, 2023, https://news.southtexascollege.edu/stc-first-in-nation-to-offer-registered-nurse-apprenticeship/

[19] Midland Health Nurse Internship Program. https://www.midlandhealth.org/careers/nursing-residency-program

The University of Texas Medical Branch (UTMB) has a long history of developing innovative career preparation programs, especially in rural areas. UTMB nursing students may apply for the Student Nurse Acclimation Program (SNAP) with UTMB Health, allowing them to gain paid hands-on clinical experience, mentorship and potential employment opportunities upon graduation. Furthermore, UTMB offers apprenticeship programs for key workforce areas, including certified nurse assistants (CNA) and MRI technologists and is developing apprenticeships for surgical technologists and RNs. Finally, UTMB has programs that emphasize rural health, including its Rural Telehealth Certificate Program and its Bachelor of Science in Nursing (BSN) to Doctor of Nursing Practice (DNP) dual Family Nurse Practitioner (FNP) & Adult Gerontology Acute Care Nurse Practitioner (AGACNP) track, which is the only of its kind in Texas and emphasizes improving access to quality care and health equity for diverse populations.[20]

The Family Medicine Accelerated Track (FMAT) at Texas Tech is a novel 3-year accelerated medical school curriculum that culminates in an M.D. degree and matching to a standard 3-year family medicine residency in Lubbock, Amarillo, or the Permian Basin. Students thereby have a faster route to pursuing their interests and getting their services into the field, while graduating with approximately half the debt they would have had due to one fewer year and scholarship support from Texas Tech. Many FMAT graduates choose to practice in West Texas and other areas of rural Texas.

**Recommendation #2 based on findings 3 & 4: Texas should strengthen its pipeline for needed health care careers, including by increasing awareness of health care careers in middle and high school (especially in rural and other high-needs areas); streamlining training and creating career ladders through pathway and apprentice programs; supporting community college and university curricula that allow students to obtain stackable certifications by graduation for entry level health care positions and work experience while they earn their degree; improving advising for health professional students in colleges; and supporting innovative models of education.**

**Texas should:**

- Partner with and fund Texas' four Area Health Education Centers (AHECs) to strengthen Texas' high school-to-college pipeline programs to expose high school students to health care careers specific to the needs of each region.
- Equalize opportunities for high school training in health care pathways in rural/underserved areas.
- Provide funding to craft, replicate, and scale community college and university curricula that allow students to obtain stackable certifications (upon completion of programming or at graduation) for entry level health care positions and potential career pathways.

[20] UTMB Health Doctor of Nursing Practice – BSN to DNP Pathway. https://nursing.utmb.edu/Academics/Programs/Doctoral/DNP/BSN

5. **Texas has many programs that offer financial incentives for individuals to train and stay in health care jobs for which Texas currently has and is projected to have a future shortage and that are impactful for improving health.**

Monetary incentives include scholarships and loan repayment programs. Current Texas programs include the following:

*Primary Care*

- **The Family Practice Residency Program —** The FPRP is a THECB program designed to increase access to primary care by providing direct funding to family medicine residency programs. The program, which has suffered from inconsistent funding for the past seven budget cycles, received a 73.7% increase to $16.5 million for the 2024-25 biennium.
- **The Physician Education Loan Repayment Program —** The PELRP pays up to $180,000 of student loans for physicians who agree to practice in a Health Professional Shortage Area in Texas for four consecutive years. The program received a 20.3% increase to $35.5 million for the 2024-25 biennium.
- **The Texas Primary Care Preceptorship Program —** The TPCPP aims to increase student interest in primary care by placing first- and second-year medical students in primary care practices for two- to four-week rotations. It received a 70% increase to $4.85 million for the 2024-25 biennium.
- **The Rural Resident Physician Grant Program (new) —** The RRPGP will award grants for the creation of new graduate medical education positions in rural and nonmetropolitan areas. This new program will get $3 million for its initial biennium in 2024-25.
- **The Joint Admission Medical Program —** JAMP seeks to recruit economically disadvantaged undergraduate and high school students to pursue careers in medicine by offering scholarships, internships, mentorship, and other support. It received a 20.6% increase to $11.7 million for the 2024-25 biennium.

*Nursing*

- **Nursing Shortage Reduction Program —** A THECB program for public and independent institutions of higher education that have eligible nursing programs that demonstrate an increase in the total number of nursing graduates at the associate, baccalaureate, master's, and doctoral degree levels from the previous academic year. Awards are based upon each qualifying institution's increase in graduates as a percentage share of the total increased number of graduates reported by qualifying institutions. It received a 248% increase to $46.8 million for the 2024-25 biennium.
- **Nursing Innovation Grant Program (new) —** This new program received $6 million for its initial biennium. Funding will be used to support the development of innovative nursing education programs, evaluation of these and other innovative nursing programs, and research on methods to increase the state's nursing workforce pipeline.

- **Nursing, Allied Health, and Other (NIGP) —** Funds from the Tobacco Settlement are used to support the Nursing Innovation Grant Program, which was established by the 76th Legislature in 1999 to help relieve the state's nursing shortage. Continued to receive funding of $3.7 million for the 2024-25 biennium.
- **Emergency and Trauma Care Education Partnership Program (ETEP) —** Graduate nursing programs partnering with hospitals to increase training opportunities in emergency and trauma care. Approximately $1.5 million for the 2024-25 biennium.
- **Nursing Faculty Loan Repayment Program** — Increased by $4 million for the 2024-25 biennium.

*Mental Health*

- **Texas Child Mental Health Care Consortium (TCMHCC)** — $162 million increase in the 2024-25 biennium, including for the Child Psychiatry Access Network (CPAN), Texas Child Access Through Telemedicine (TCHATT), workforce expansion, fellowships, and coordinated research. (Also $57 million in supplemental budget – SB 30.)
- **Mental Health Educational Loan Repayment Program** — Increased by almost $26 million for the 2024-25 biennium.
- **Forensic Psychiatry Fellowship (new)** — $5 million for this new program for the 2024-25 biennium.
- Texas has leveraged American Rescue Plan Act (ARPA) dollars through the TCMHCC to implement master's level training for social work and licensed professional counseling training.

6. **Currently, Texas institutions generally are not incentivized or rewarded for producing more primary care physicians for Texas.**

Access to primary care is foundational to Texans' health, and while DSHS projects overall physician shortages to decrease, primary care physician shortages are expected to increase. Only 31% of the 63,126 physicians who completed GME in Texas between 2000 and 2019 trained in primary care. Of those who train in primary care, their training locations and financial incentives indicate that many go on to work in hospitals rather than become community-based physicians.[21] Some medical schools in Texas do a better job of producing primary care physicians than others. For instance, 41.3% of the graduates from the University of North Texas Health Science Center at Fort Worth Medical School practice in primary care.[22]

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[21] Milbank Memorial Fund, *The Health of US Primary Care: 2024 Scorecard Report – No One Can See You Now*. February 28, 2024. https://www.milbank.org/publications/the-health-of-us-primary-care-2024-scorecard-report-no-one-can-see-you-now/

[22] US News & World Report, Medical Schools with the Most Graduates Practicing in Primary Care, 2024. https://www.usnews.com/best-graduate-schools/top-medical-schools/graduates-practicing-primary-care-rankings

While Medicare is the largest funding source for GME, Texas' GME Expansion Grant Program received an appropriation of $233 million in the 2024-25 biennial budget. This funds 2,361 GME first-year residency positions, with the goal of having at least a 1.1:1 ratio of first-year residency positions to Texas medical school graduates. In comparison, the U.S. ratio of first-year residency positions to U.S. medical school graduates was 1.4:1 in 2023.[23] Texas' base GME formula funding per resident, which is essential for supporting physicians who teach residents, has increased by less than 6% since 2008.[24]

7. **Federally Qualified Health Centers (FQHCs) play a critical role in primary care access in Texas' rural and other high-needs areas.**

FQHCs provide comprehensive primary health care services to underserved communities regardless of insurance status or ability to pay. In Texas, 35% of FQHC patients are uninsured and 35% have Medicaid coverage. There are over 650 FQHC clinic sites in 127 Texas counties serving over 1.8 million patients and 44% of FQHCs are headquartered in rural areas. They are essential to Texas' primary care safety net.

In 2003, the Texas Legislature passed SB 610 to establish the FQHC Incubator Program. This program provided funding to enhance staffing, expand services, support capital projects, and provide technical assistance for new and existing FQHCs. The program was funded from 2004-2011 until funding was cut due to budget reductions.

During the Third Special Session of the 87th Legislature in Fall 2021, legislators restarted the program by allocating $20 million in one-time funds from the American Rescue Plan Act. DSHS awarded 35 projects across the state. The awards supported a broad range of community-driven projects to expand access to cost-saving primary care services, including projects related to women's health, mental health, and dental services. In 2023, the Texas Legislature appropriated an additional $40 million for the program in the 2024-25 budget. DSHS awarded this funding to 56 entities, including for eight new clinic locations and many service expansion and capacity projects, including adding new physicians and other care team members and increasing pharmacy access.

**Recommendation #3 based on findings 5-7: Incentivize Texans to train and stay in jobs where Texas has a shortage and that are impactful for improving health (e.g., primary care, nursing, behavioral health), especially in community-based settings and rural and other high-needs areas.**

**Texas Should:**

- Increase (or at least maintain) 2024-25 levels of funding for Texas' existing financial incentive programs.

[23] National Resident Matching Program 2023
[24] Texas Legislative Budget Board, state biennial appropriation acts, 2006-25 (Prepared by: Texas Medical Association, March 2024)

- Fund the evaluation of THECB's existing health care workforce financial incentive programs, including design and infrastructure, to determine their effectiveness and how best to target future investments.
- Fund HB 400's Psychiatric and Behavioral Health Innovation Grants that passed during the 88$^{th}$ Regular Legislative Session but were not funded in the budget.
- Increase the ratio of first-year residency positions to medical school graduates from 1.1:1 to 1.4:1.
- Prioritize primary care and psychiatry GME slots (areas where Texas has critical shortages), along with slots that serve rural and high-needs areas, including maternal care deserts.
- Reward medical schools and GME programs that produce greater numbers of primary care physicians.
- Increase the medical education funding formula to offset the increased cost of educating medical residents.
- Continue to fund the FQHC Incubator Program.
- Reduce red tape to become an FQHC and expedite Medicaid FQHC credentialing.

8. **Federal policy and funding, including related to Medicare GME and immigration, has a major impact on the health care workforce in all states.**

Federal proposals currently under consideration would likely benefit Texas' primary care physician workforce, especially in rural and other high-needs areas. Examples include:

- *Allowing unused waivers in the Conrad 30 visa waiver program to be used by states like Texas that use their maximum number of waivers* — The Conrad 30 waiver program exempts foreign-born medical school graduates who came to the United States on the J-1 Visa Exchange Visitor Program from the requirement that they return to their country of origin after their visa expires. Each state is allocated 30 waivers per year under the program distributed if recipients agree to practice medicine for three years in a Health Professional Shortage Area, Medically Underserved Area, or Medically Underserved Population. In 2021, only 24 states used their maximum 30 allocated waivers, with 376 waivers going unused. In January 2024, Texas Congressman Troy Nehls and co-sponsors introduced H.R. 6980 (Directing our Country's Transfer of Residency Slots), which would amend the Immigration and Nationality Act to provide for the reallocation of unused waivers from the Conrad 30 visa waiver program to states like Texas that use their maximum number of waivers.
- *Leverage Medicare GME to increase primary care physicians and psychiatrists, particularly in rural and underserved communities* — Medicare is the largest funding source for GME. Most GME training is offered in a hospital setting and teaching hospitals are largely devoted to complex specialty care. About half of the training takes place in hospitals affiliated with a medical school, while the remainder occurs in community-based sites including hospitals, clinics, and health care offices. Other

providers, like community health centers, can offer GME training, though funding can be limited for these settings.[25] Eight members of the U.S. Senate Finance Committee, including Senator John Cornyn, released a bipartisan policy framework on May 28, 2024, to improve the Medicare GME program. The proposals are intended "to address physician workforce shortages across the country, primarily related to primary care and psychiatry," and "improve the distribution of physicians to rural and underserved communities."

- *New federal grant program proposed to train allied health professionals, especially in rural and underserved communities* — On August 1, 2024, Senator Ron Wyden, D-Ore., and Senator Marsha Blackburn, R-Tenn., introduced the Health Workforce Innovation Act, a bipartisan bill to provide federal support for innovative, community-led partnerships to educate and train more health care workers, especially in rural and underserved communities. To address expected shortages for allied health professionals, which make up over 60% of the health care workforce, the act would establish a new federal grant program to support FQHCs and rural health clinics to carry out innovative, community-driven models to train and develop a pipeline of a wide range of allied health professionals such as medical assistants and pharmacy technicians, including through partnerships with high schools, community colleges, and other entities. The grants could be used to support new and existing health care ladder programs.[26]

**Recommendation #4 based on finding 8 — Advocate for federal proposals that would help address Texas' workforce shortages.**

**Texas should:**

- Advocate for revisions to the Conrad 30 program.
- Advocate for revisions in the Medicare GME program to better serve Texas rural and underserved areas.
- Advocate for new federal grants that would assist in training allied health professionals in rural and underserved communities.

9. **Across primary care, nursing, and behavioral health care professions, clinical training is essential to educating a capable workforce and clinical training slots are becoming harder to find.**

The Teaching Hospitals of Texas (THOT) identified nurse clinical education as key policy area as it advocated for increased clinical nurse training funding during the 88th Legislative Session. THOT cites insufficient numbers of nurse faculty and insufficient clinical training capacity as the

[25] https://www.ncsl.org/health/graduate-medical-education-funding

[26] US Senate Committee on Finance, *Wyden, Blackburn Introduce Bipartisan Legislation to Tackle Health Care Workforce Shortages*, August 1, 2024. https://www.finance.senate.gov/chairmans-news/wyden-blackburn-introduce-bipartisan-legislation-to-tackle-health-care-workforce-shortages

primary obstacles to growing Texas' nursing workforce. SB 25 passed, but the associated funds for its new nursing education and training grant programs weren't included in the budget.

Mental health master's graduates must find preceptors for supervised clinical training as interns before they obtain their license. However, some providers don't want to provide this supervision due to liability, not enough time, cost ($5,200-$10,400 per year for approximately two years), and opportunity cost in lost client time. Texas has a database of supervisors across the state, but many of these licensees may not actually be providing supervision. There also may be a generational disconnect between where young people go to look for supervisors and where older supervisors may be "findable."[27]

For primary care residents, community-based preceptors are getting more difficult to find. Many states offer financial incentives for preceptors, including in rural and other high-needs areas.[28]

**10. To meet Texans' health care needs, primary care teams need to train where people live and work.**

This includes 1) expanding and diversifying the primary care workforce, particularly in areas that have shortages; and 2) increasing funding/expanding settings for community-based training.

In 2021, only 9.3% of Texas' primary care residents spent a majority of their time training in community settings (outside of hospitals and academic health centers) where most people receive their care, and only 3% of primary care residents spent a majority of their training with the most underserved communities in Texas.[29] Students from underserved communities and residents who train in community-based and safety net settings are more likely to go on to practice in those communities and settings.

An example of successful community-based family medicine training in rural Texas is East Texas Community Clinic (ETCC) with locations in Athens and Gun Barrel City. East Texas Community Clinic opened in May 2020 and is now an FQHC. This partnership between local physicians, hospitals, and UT Northeast has been a win-win locally. ETCC now has over 13,000 patients and for non-emergencies, patients can go to the clinic rather than the hospital, which has greatly reduced the hospital's percentage of non-paying patients. ETCC has 12 family medicine residents. Its first class of four residents recently graduated (after having delivered over 100 babies); two are staying in the area to work, one is going back to Arkansas to work at a clinic

[27] Simpson, Stephen, The Texas Tribune. *How a lack of supervisors keeps new mental health workers from entering the field*. August 5, 2024. https://www.texastribune.org/2024/08/05/texas-mental-health-supervisors-training-students/

[28] DiMarco, Chase, Tax Incentives for Medical Preceptors: A Complete State-by-State Guide. November 26, 2023. https://findarotation.com/tax-incentives-for-medical-preceptors/

[29] Milbank Memorial Fund, The Health of US Primary Care: 2024 Scorecard Data Dashboard. https://www.milbank.org/primary-care-scorecard/

there, and one has a fellowship in obstetrics in another state, but plans to keep her home in East Texas.

11. **Early clinical experience is important. Clinicians who train and have strong mentors in rural and community-based settings often choose to stay in these settings after training.**

Over the years, Texas has recognized the unique challenges of recruiting and retaining the necessary health care workforce in rural areas.

The Texas A&M Rural and Community Health Institute (ARCHI) was established in 2003 under the leadership of Dr. Nancy Dickey to support academic programs and strengthen community outreach and research programs with the goal of reducing the shortage of health care professionals in rural communities and the disparity in health status between rural and urban communities.[30] ARCHI continues to serve as a bridge for health care professionals and their organizations with academic centers, policymakers, and researchers to improve the quality and safety of patient care. Additional programs include opportunities for continuing medical and nursing education.[31]

In the 2024-25 Texas budget, the 88th Legislature funded a new Rural Resident Physician Grant Program administered by THECB. THECB finalized rules in July 2024 for this $3 million program. This type of program is consistent with a framework currently being discussed by U.S. Senate Finance Committee members regarding prioritizing GME for areas with the greatest need.

Rural curricula and training tracks are one way to expose health professions students to what it would be like to live and practice in rural Texas. Several medical schools in Texas offer rural training tracks. Texas A&M has two-week rural rotations for all medical school students and rural tracks for nursing and pharmacy students. UTMB offers a Rural Health Scholarly Concentration for students interested in working in rural areas. The Texas College of Osteopathic Medicine at UNTHSC Fort Worth offers the Rural Osteopathic Medical Education of Texas (ROME) program, which prepares students to practice in rural environments and serve under-resourced communities.

FQHCs help train and expand the health care workforce in Texas. Recognizing that providers are likely to practice close to where they are trained, some Texas FQHCs have partnerships with medical school residency programs to provide learning opportunities for medical and nursing residents.

Waco Family Medicine is an example of an FQHC with robust workforce training programs. They have 36 family medicine residents (three cohorts of 12) who train both in their clinics and community hospitals. They also have a dental residency program and partner with Baylor University's Primary Care Clinical Social Work Fellowship Program to offer clinical training for social workers to practice in an integrated care model. "Workforce training for the

[30] Texas A&M, Rural and Community Health Institute Established at Health Science Center. June 9, 2003. https://vitalrecord.tamhsc.edu/rural-and-community-health-institute-established-at-health-science-center/
[31] Texas A&M Rural and Community Health Institute. https://architexas.org/about/index.html

interdisciplinary care team is critical for population health, especially in safety net settings... but you need funding certainty to become a teaching health center." (Dr. Jackson Griggs)

**Recommendation #5 based on findings 9-11: Increase clinical training capacity for community-based primary care, nursing, and behavioral health.**

**Texas should:**

- Implement a physician residency rotation in community health clinics like the Community Psychiatry Workforce Expansion (CPWE) program, which is a component of the Texas Child Mental Health Care Consortium (TCMHCC).
- Expand master's level training for social work and licensed professional counseling training like those implemented under the pilot workforce initiatives under the TCMHCC funded using the American Rescue Plan Act (ARPA). This could include creating opportunities for behavioral health providers to receive internship stipends, paid clinical supervision, and paid licensing fees for working in the public mental health and substance use system or in underserved areas.
- Regarding mental health internship supervision, facilitate ways for interns and supervisors to find each other and provide financial incentives for qualified supervisors to take on this role.
- Allow Licensed Master Social Workers (LMSWs), LPC-Associates, and LMFT-Associates working toward their clinical license the ability to bill for Medicaid psychotherapy and other diagnostic and assessment services as appropriate. (Included in HB 1879 filed in 88th Regular Legislative Session.)
- Fund SB 25's Nursing Education and Training Grants for nursing clinical site capacity and innovation that passed during the 88th Regular Legislative Session but did not get funded in the budget.

**12. Nationally and in Texas, there is a growing movement toward integrated care, team-based care, and value-based care to achieve cost-effective care and improve health outcomes. Additional support would enable more providers, including primary care practices, to transition to and be successful in these new models.**

U.S. health care costs per person have more than doubled over the past 20 years (from $6,114 per person in 2003 to $13,493 per person in 2022).[32] While there have been improvements in U.S. life expectancy and disease burden during this period, gains for money spent have not kept up with peer countries around the world.[33] This has led to a push for value-based care both nationally and in Texas — an effort to incentivize and reward cost-efficient care that delivers good health outcomes and leads to a healthier American population. Nationally, the Health Care Payment Learning & Action Network formed in 2015 as a public-private collaboration to

[32] https://www.cms.gov/data-research/statistics-trends-and-reports/national-health-expenditure-data/historical
[33] https://www.healthsystemtracker.org/brief/a-generation-of-healthcare-in-the-united-states-has-value-improved-in-the-last-25-years/#:~:text=Between%201991%20and%202016%2C%20life,DALYs)%20improved%20by%2012%25.

accelerate the adoption of alternative payment models (APMs) in Medicare, Medicaid, and commercial insurance.[34] The Centers for Medicare & Medicaid's Innovation Center has developed and piloted more than 50 alternative payment and care delivery models to improve patient care, lower costs, and promote patient-centered care.[35] Many providers in Texas now participate in value-based care and Texas Medicaid has a framework to incentivize value-driven care and APMs in its managed care programs. Increasingly, health-related institutions are training students to help them succeed in team-based, value-based care models.

There is a growing awareness post-COVID that fee-for-service reimbursement based on billable encounters is not the best way to pay for primary care. To enable primary care practices to provide longitudinal, population health management both for prevention and chronic condition management (and stay in business), hybrid or prospective payment models are preferable. Practices also need funding and assistance to transform to team-based care and payment models, including for workflow efficiency, delegation, and leveraging new roles, allowing all team members to "practice at the top of their license" and incorporating non-licensed roles where appropriate, including community health workers and peer support specialists.

There is a barrier to such payment arrangements for some health insurance plans in Texas statute. HB 1073 introduced in the 88th Regular Legislative Session would have allowed value-based and capitated payment arrangements between Texas Department of Insurance (TDI)-regulated preferred provider organizations (PPOs) and exclusive provider organizations (EPOs) and primary care physicians and primary care physician groups. Current statute allows these arrangements with health maintenance organizations (HMOs) but does not provide this authority for PPOs and EPOs.

13. **While Texas has taken steps to enable integrated primary/behavioral health care, such as by adding Collaborative Care codes as Medicaid payable benefits, more uptake of these models would be beneficial.**

One type of value-based care is the integration of behavioral health care and primary care. Historically, these services were siloed. One integrated model is Certified Community Behavioral Health Clinics (CCBHCs), which integrates primary care screenings and substance use disorder care into mental health care settings such as Texas' community mental health centers. Other models that are gaining traction are Collaborative Care (CoC) and Primary Care Behavioral Health (PCBH). Both of these models seek to provide whole-person care by integrating behavioral health care into the primary care setting.

Issues like the need for more education and training (both for the primary care and behavioral health workforces) and reimbursement likely have limited how many practices have implemented integrated models.

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[34] https://hcp-lan.org/

[35] https://www.cms.gov/priorities/innovation/about

One example of a very promising model to strengthen integrated care is the Integrated Behavioral Health supervision model at Baylor University's Garland School of Social Work. With foundation support, licensed master social workers (fellows) receive premium clinical supervision to equip them to practice in primary care settings effectively.

14. **Many innovative models are underway in Texas to maximize the capacity of Texas' existing health care workforce and increase access to care. These include telehealth, the Texas Child Mental Health Care Consortium, and Project ECHO. There are opportunities to build on these successful models to optimize Texas' health care workforce**.

These highly successful templates address workforce shortages, reduce barriers to access, identify and treat individuals early in the illness process, and result in positive frontline cascade effects in both urban and rural geographic locations.

**Recommendation #6 based on findings 12-14 — Support innovative care models, including leveraging technology, to make the best use of Texas' existing workforce, optimize care access and quality, and reduce burnout.**

**Texas should:**

- Support the statutory changes included in HB 1073 (88R) to enable TDI-regulated PPOs and EPOs to enter into value-based and capitated payment arrangements with primary care physicians and primary care physician groups.
- Explore funding options, including leveraging federal funds, to support primary care practices' transition to value-based care.
- Take additional steps to incentivize the use of integrated primary/behavioral health care, including by preparing the workforce to deliver care under these models effectively.
- Explore opportunities to build on successful models underway in Texas to optimize Texas' health care workforce. (e.g., Expand CPAN to also support mental health care for non-pregnant adults; Modeled on PeriPAN and CPAN, create a network of medical specialists to consult with primary care teams, especially in underserved and rural areas.)
- Explore opportunities to leverage technology, including telehealth, robots, and artificial intelligence to optimize care access and quality and reduce burnout.

# Conclusions and Next Steps

Texas needs to take bold steps to meet both current and expected health care demands. Expanding our health care workforce will not only improve the health of our population but is also essential for our economic success. Health care is already the largest economic sector in Texas, and it is expected to continue to grow. By taking the steps outlined above, Texas can position itself well to meet these demands and thus improve the lives of our residents. The

three focus areas outlined in this report (primary care, nursing, and behavioral health) are the key areas the state should address, as they are essential to the basic provision of health care and are the workforce sectors with the most critical shortages.

A special thank you to all the experts who provided their wisdom and time to identify these strategies and participate in this work.

## Appendix A: Glossary

88R – 88th Regular Texas Legislative Session (2023)

AHEC – Area Health Education Center

APM – Alternative Payment Model

APRN – Advance Practice Registered Nurse

ARPA – American Rescue Plan Act

BSN – Bachelor of Science in Nursing

CNA – Certified Nurse Aide/Certified Nurse Assistant

CNM – Certified Nurse Midwife

CPAN – Child Psychiatry Access Network

CPWE - Community Psychiatry Workforce Expansion

DNP – Doctor of Nursing Practice

DSHS – Texas Department of State Health Services

EPO – Exclusive Provider Organization

ETCC – East Texas Community Clinic

FMAT – Family Medicine Accelerated Track

FQHC – Federally Qualified Health Center

FTE – Full-Time Equivalent

GME – Graduate Medical Education

HB – House Bill

HMO – Health Maintenance Organization

HPRC – Health Professions Resource Center

H.R. – House of Representatives

HRSA – US Health Resources & Services Administration

LMFT – Licensed Marriage and Family Therapist

LMSW – Licensed Master Social Worker

LPC – Licensed Professional Counselor

LVN – Licensed Vocational Nurse

MRI – Magnetic Resonance Imaging

OB-GYN – Obstetrics/Gynecology

OUD – Opioid Use Disorder

PeriPAN – Perinatal Psychiatry Access Network

PPO – Preferred Provider Organization

RA – Registered Apprentice

RN – Registered Nurse

SB – Senate Bill

SBHCC – Statewide Behavioral Health Coordinating Council

TCMHCC – Texas Child Mental Health Care Consortium

TDI – Texas Department of Insurance

THECB – Texas Higher Education Coordinating Board

THIN – Texas Health Improvement Network

THOT - Teaching Hospitals of Texas

TWC – Texas Workforce Commission

UNTHSC – University of Texas Health Science Center

UTMB – University of Texas Medical Branch

# Appendix B: Texas Health Improvement Network Strategic Map

## Appendix C: Texas Health Improvement Network Advisory Workgroup

### Advisory Council Executive Officers

David Lakey, UT System

Lewis Foxhall, MD Anderson Cancer Center

### Advisory Council Members

Ann Barnes, Episcopal Health Foundation

Karen Batory, Texas Medical Association

Eric Boerwinkle, UTHealth Science Center, Houston

Brooke Boston, Texas Department of Housing and Community Affairs

Nora Cox, Texas e-Health Alliance

Lynn Crismon, University of Texas at Austin

Katrina Daniel, Teacher Retirement System of Texas

Natasha Dixon, Health and Human Services Commission

Jamie Dudensing, Texas Association of Health Plans (TAHP)

Jana Eubank, Texas Association of Community Health Centers

Sonja Gaines, Health and Human Services Commission

Kay Ghahremani, Texas Association of Community-based Health Plans

Deanna Hoelscher, UT School of Public Health, Austin

Ginny Lewis, Texas Association of Regional Councils

Elena Marks, Rice University

Octavio N. Martinez, Jr., Hogg Foundation for Mental Health

Charles Mathias, Texas Consortium for the Non-Medical Drivers of Health

Billy Philips, Texas Tech Health Sciences Center

Jennifer Potter, UT Health San Antonio

Olga Rodriguez, Texas A&M University

Eduardo Sanchez, American Heart Association

Ankit Sanghavi, Texas Health Institute

Lee Spangler, UT Health Houston

Anna Stelter, Texas Hospital Association

Alan Stevens, Texas A&M College of Medicine

Jaime Wesolowski, Methodist Healthcare Ministries

Jamie Williams, It's Time Texas

Stephen Williams, Houston Department of Health

## Appendix D: Agenda for THIN Workforce Expert Panels

# THIN Workforce Policy Panels

**July 10, 2024**

**Meeting Objective:**
- Define the status of primary care, mental health and nursing workforce in Texas
- Identify critical workforce issues and shortage
- Share promising practices to support the workforce
- Identify and discuss specific recommendations and their feasibility
- Identify priority policy recommendations for the upcoming legislative session

**AGENDA**

**09:00-09:20 Introductions**
David Lakey, MD – Presiding Officer THIN / Vice Chancellor & Chief Medical Officer, UT System
Lewis Foxhall, MD – Presiding Officer THIN / Vice President for Health Policy – UT MD Anderson
Lisa Kirsch, MPAff – THIN Consultant / Senior Policy Director, Dell Medical School

**09:20-10:50 Background on Workforce Adequacy**

**Moderator:** Lisa Kirsch, MPAff

**09:20–10:00 Physician Workforce Adequacy in Texas (40-minutes)**
**(Primary Care and Psychiatry)**

1. Lissette Curry, PhD - Team lead of the Health Professions Resource Center and coordinator of the Statewide Health Coordinating Council, Department of State Health Services (DSHS)
2. Elizabeth Mayer - Assistant Commissioner of Academic and Health Affairs, Texas Higher Education Coordinating Board
3. Marcia Collins - Associate Vice President for Medical Education, Texas Medical Association (TMA)
4. Sue Bornstein, MD, MACP - Executive Director, Texas Medical Home Initiative Co-Lead, Texas Primary Care Consortium

**10:00 –10:30 Nursing Workforce Adequacy in Texas (30-minutes)**

1. Pamela Lauer, MPH - Manager, Health Care Workforce Branch, Center for Health Statistics, DSHS
2. Jack Frazee, JD – Director of Government Affairs and General Council, Texas Nurses Association
3. Maureen Milligan, PhD – President and CEO of the Teaching Hospitals of Texas

**10:30 –10:50 Behavior Health Workforce Adequacy in Texas (20-minutes)**
**(Psychologists, LPCs, LMFTs, LCSWs)**

1. Lissette Curry, PhD - Team lead of the Health Professions Resource Center and coordinator of the Statewide Health Coordinating Council, DSHS
2. Kara Hill, MHA, BSSW – Senior Director of Health Integration, Texas Health Institute

**10:50-10:55 Break**

**10:55–12:25 Pipeline for Health Workforce (1.5 hours)**

- Recruitment
- Retention
- Training
- Creative Models

**Moderator:** Helen Kent Davis, Founder and Principal of HKD & Associates / Senior Associate on Health Policy with the Texas Primary Care Consortium

1. Bryan Daniel – Chairman and Commissioner of the Texas Workforce Commission
2. Kit Bredimus DNP, RN, CNML, NE-BC, CENP, NEA-BC, FACHE, FAONL, FNAP– Vice President and Chief Nursing Officer of Midland Health
3. Rodney Young, MD, FAAFP – Regional Chair/Professor of the Department of Family and Community Medicine, Texas Tech University Health Science Center, TMA Board of trustees
4. Adrienne Lindsey, MA, DBH - Assistant Professor in the Department of Psychiatry and Behavioral Sciences and Director of the Center for Substance Use Training & Telementoring at UT Health San Antonio

**12:25 – 12:50 Lunch (25-min)**

**12:50-2:20 Rural Health (1.5 hours)**

- Recruiting clinicians
- Retention
- Training
- Creative Models

**Moderator:** Kia Parsi, MD - Physician and Executive Director of the A&M Rural and Community Health Institute, Texas A&M Health

1. Deborah Jones, PhD, MSN, RN, FAAN – Senior Vice President and Dean of the School of Nursing / Chief Integration Officer, University of Texas Medical Branch (UTMB)
2. Jackson Griggs, MD, FAAFP - Associate Editor of The Waco Guide and the Chief Executive Officer of Waco Family Medicine
3. Tomiko Fisher, MBA - Director of Texas Area Health Education Centers (AHEC) East & Center for Global Community Health, UTMB

**02:20 – 03:50 Integrated Health (1.5 hours)**

- Primary/physical health and MH
- Team-based Care Approach
- Creative Models

**Moderator:** Kara Hill, MHA, BSSW

1. Becky Scott, PhD, LCSW - Senior Lecturer, Diana R. Garland School of Social Work, Baylor University
2. Jana Eubank - Chief Executive Officer Texas Association of Community Health Centers
3. Hani Talebi, PhD – Chief Clinical Officer and Senior Vice President of Health System Integration, Meadows Mental Health Policy

**03:50 – 04:00 Closing Remarks - David Lakey, Lewis Foxhall, Lisa Kirsch**

## Appendix E: Texas Health Improvement Network Key Informant Interviews and Workforce Expert Panelists

**Key Informant Interviews**

| | |
|---|---|
| Tom Banning, Texas Academy of Family Physicians | Dr. Jackson Griggs, Waco Family Medicine |
| Kit Bredimus, Midland Health | Kara Hill, Texas Health Institute |
| Dr. Sue Bornstein, Texas Primary Care Consortium | Dean Deborah Jones, UTMB |
| Marcia Collins, Texas Medical Association | Adrienne Lindsey, UT Health San Antonio |
| Dr. Lynn Crismon, UT Austin, REACH Institute | Dr. Octavio Martinez & Alison Mohr Boleware, Hogg Foundation |
| Dr. Roxana Cruz & Aniela Brown, Texas Association of Community Health Centers | Dr. Kia Parsi, A&M Rural & Community Health Institute |
| Dr. Doug Curran, UT Health East Texas, East Texas Community Clinic | Dr. Julie Philley, UT Health East Texas |
| Amy Daher, UMC El Paso | Dr. Jennifer Rockett, Texas Psychological Association |
| Chairman Bryan Daniel, Texas Workforce Commission | Dr. Becky Scott, Baylor University |
| Jack Frazee, Texas Nurses Association | Dr. Rodney Young, Texas Tech University HSC |

**Panelist Organizations for the July 10, 2024, Convening**

| | |
|---|---|
| Texas Department of State Health Services | Texas Tech University Health Sciences Center |
| Texas Higher Education Coordinating Board | UT Health San Antonio |
| Texas Medical Association | A&M Rural & Community Health Institute |
| Texas Primary Care Consortium | UTMB |
| Texas Nurses Association | Waco Family Medicine |
| Teaching Hospitals of Texas | Area Health Education Centers (AHEC) East |
| Texas Health Institute | Baylor University |
| Texas Workforce Commission | Texas Association of Community Health Centers |
| Midland Health | Meadows Mental Health Policy Institute |

## Appendix F: THECB Funding in the 2024-25 State Budget to Support Texas' Health Care Workforce

In addition to legislative initiates discussed in the report, the 2024-25 state budget included the following new funding to the THECB to support Texas' workforce:

- $162 million increase for the Child Mental Health Care Consortium, including for the Child Psychiatry Access Network (CPAN), Texas Child Access Through Telemedicine (TCHATT), workforce expansion, fellowships, and coordinated research. (also $57 million in supplemental budget – SB 30)
- $36 million increase for the Educational Loan Repayment Program, including increasing: $6 million for Physician Education Loans; almost $26 million for Mental Health Education Loans; and $4 million for Nursing Faculty Loans.
- Increase of Family Medicine Residency Grant by $7 million, and $2 million each for the Preceptorship program, Trauma Care Program, and Joint Admission Grants.
- $28 million increase for the Professional Nursing Shortage Reduction Program
- $34 million increase for GME Expansion Grant Program (GME funding maintains a 1.1 to 1.0 ratio for residency slots)
- $25 million increase for Nursing Scholarship funding
- $5 million in new Forensic Psychiatry Fellowship
- $3 million in new Rural Resident Physician Program (primary care training program)
- $6 million in new Nursing Innovation Grant Program funding