

# **TEXAS HIGHER EDUCATION COORDINATING BOARD**

## **COMMITTEE ON AFFORDABILITY, ACCOUNTABILITY AND PLANNING**

1200 EAST ANDERSON LANE, ROOM 1.170  
AUSTIN, TEXAS  
September 23, 2015  
9 a.m.

CHAIR  
Robert "Bobby" Jenkins  
VICE CHAIR  
Janelle Shepard  
Fred Farias  
Syed Javaid Anwar  
Student Representative, Ex-Officio  
Christina Delgado

### **AGENDA**

*PUBLIC TESTIMONY: The presiding chair shall designate whether public testimony will be taken at the beginning of the meeting, at the time the related item is taken up by the Board after staff has presented the item, or any other time as determined by the presiding chair. For procedures on testifying, please go to <http://www.theccb.state.tx.us/public-testimony>.*

- I. Welcome and Committee Chair's meeting overview
- II. Consideration of approval of the minutes from the June 24, 2015, Committee meeting
- III. Consideration of approval of the Consent Calendar
- IV. Public Testimony on Agenda Items Relating to the Committee on Affordability, Accountability and Planning
- V. Matters relating to the Committee on Affordability, Accountability and Planning
  - A. Consideration of adopting the Commissioner's recommendation to the Committee relating to the report on Financial Aid for College Students in Texas, Fiscal Year 2014 (*H.B. 1, 84th Texas Legislature General Appropriations Act, Rider 30, page III-49*)
  - B. Consideration of adopting the Commissioner's recommendation to the Committee relating to the report on Student Loan Default Prevention and Financial Aid Literacy Pilot Program (*S.B. 680, 83rd Texas Legislature*)
  - C. Consideration of adopting the staff recommendation to the Committee for approval of nominated members of the Financial Aid Advisory Committee
  - D. Report on 60x30TX Communications Plan
  - E. Report on Data Highlight: 8th grade cohort
  - F. Report on activities of the competency-based education (CBE) workgroup
  - G. Report on studies required by the 84th Texas Legislature
  - H. Report on facilities projects that were submitted to the Coordinating Board

Note: Highlighted items in gray are on the Consent Calendar

I. Proposed Rules:

- (1) Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter P, concerning the Loan Repayment Program for Mental Health Professionals (S.B. 239, 84th Texas Legislature)
- (2) Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter R, concerning the Dental Education Loan Repayment Program (H.B. 1, 84th Texas Legislature General Appropriations Act, page III-41)

J. Adjournment

*NOTE: The Board will not consider or act upon any item before the Committee on Affordability, Accountability and Planning at this meeting. This meeting is not a regular meeting of the full Board. Because the Board members who attend the committee meeting may create a quorum of the full Board, the meeting of the Committee on Affordability, Accountability and Planning is also being posted as a meeting of the full Board.*

Committee on Affordability, Accountability and Planning

AGENDA ITEM I

Welcome and Committee Chair's meeting overview

Mr. Bobby Jenkins, Chair of the Committee on Affordability, Accountability and Planning, will provide the Committee an overview of the items on the agenda.

Committee on Affordability, Accountability and Planning

AGENDA ITEM II

Consideration of approval of the minutes from the June 24, 2015, Committee meeting

RECOMMENDATION:     Approval

**TEXAS HIGHER EDUCATION COORDINATING BOARD**  
**MINUTES**  
**Committee on Affordability, Accountability and Planning**  
**á**  
**1200 East Anderson Lane, Room 1.170**  
**Austin, Texas**  
**June 24, 2015, 9:00 a.m.**  
**DRAFT Minutes**

The Texas Higher Education Coordinating Board *Committee on Affordability, Accountability and Planning* convened at 9:05 a.m. on *June 24, 2015*, with the following members present: Bobby Jenkins, Chair, presiding; Janelle Shepard; Sada Cumber; Fred Farias; Dora Alcalá; Javaid Anwar; and Harold Hahn, Ex-Officio.

*The meeting is available at the following link: <http://www.theccb.state.tx.us/apps/Events/>*

AGENDA ITEM	ACTION
I. Welcome and Committee Chair's meeting overview	Mr. Bobby Jenkins called the meeting to order and advised that the meeting was being broadcast. Mr. Jenkins introduced new Board member, Mr. Javaid Anwar.
II. Consideration of approval of the minutes from the March 25, 2015, meeting of the Committee on Affordability, Accountability and Planning.	On motion by Ambassador Sada Cumber, seconded by Ms. Janelle Shepard, the Committee approved this item.
III. Consideration of approval of the Consent Calendar	Mr. Jenkins stated that there are no items on the Consent Calendar for consideration.
IV. Public Testimony on Items Relating to the Committee on Affordability, Accountability and Planning meeting	Mr. Bobby Jenkins stated that there is no public testimony.

<p>V. Matters relating to the Committee on Affordability, Accountability and Planning</p> <p>A. Consideration of adopting the Commissioner’s recommendation to the Committee relating to approval of the nominated members of the Formula Funding Advisory Committees for the 2018 – 2019 biennium</p> <p>B. Consideration of adopting the Commissioner’s recommendation to the Committee relating to approval of the <i>Closing the Gaps by 2015</i> Progress Report</p> <p>C. Consideration of adopting the Commissioner’s recommendation to the Committee relating to approval of the Texas Higher Education Strategic Plan <i>60x30TX</i></p> <p>D. Report on facilities projects that were submitted to the Coordinating Board</p>	<p>David Young, Senior Director for Special Projects, Strategic Planning and Funding, was available to answer questions. He explained the process to select members for the Formula Funding Advisory Committee.</p> <p>David Gardner, Deputy Commissioner, Academic Planning and Policy, gave an overview of the Formula Funding process for new Board members.</p> <p>On motion by Mr. Fred Farias, seconded by Ms. Janelle Shepard, the Committee approved the recommendation.</p> <p>Julie Eklund, Interim Assistant Commissioner for Strategic Planning and Funding, provided a presentation on the progress report.</p> <p>Following questions and discussion of the progress report, Julie Eklund provided a presentation on the HB 2550 schools, which must be addressed in the progress report, including a proposed new methodology to identify schools with low college-going rates for institutions to target for assistance.</p> <p>Ms. Janelle Shepard moved to approve the <i>Closing the Gaps</i> progress report. Her motion was seconded and then approved by the Committee unanimously. Pursuant to HB 2550, 83rd Texas Legislature. Committee approval included a list of high schools with low college-going rates for institutions to target for assistance as well as the methodology for updating that list going forward.</p> <p>David Gardner, Deputy Commissioner, Academic Planning and Policy, presented the plan.</p> <p>On motion by Ambassador Sada Cumber, seconded by Ms. Janelle Shepard, the Committee approved the Commissioner’s recommendation.</p> <p>Julie Eklund, Interim Assistant Commissioner for Strategic Planning and Funding, was available to answer questions.</p> <p>This item was for information only.</p>
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<p>E. Summary of the 84th Texas Legislature</p> <p>F. Adjournment</p>	<p>John Wyatt, Director of External Relations, provided an update on the outcome of pertinent legislation, and Linda Battles, Deputy Commissioner for Agency Operations and Communications/COO, provided a summary of the Board’s budget priorities in House Bill 1, 84th Texas Legislature.</p> <p>This item was for information only.</p> <p>On motion by Ms. Janelle Shepard, seconded by Mr. Fred Farias, the Committee approved adjourning at 11:00 a.m.</p>

Committee on Affordability, Accountability and Planning

AGENDA ITEM III

Consideration of approval of the Consent Calendar

RECOMMENDATION:     Approval

Background Information:

In order to save institutions time and travel costs to attend the Committee on Affordability, Accountability and Planning meetings in Austin, the Committee made the decision to establish a Consent Calendar for items that are noncontroversial. Any item can be removed from the Consent Calendar by a Board member.



Committee on Affordability, Accountability and Planning

AGENDA ITEM IV

Public Testimony on Agenda Items Relating to the Committee on Affordability, Accountability and Planning

RECOMMENDATION:           No action required

Background Information:

PUBLIC TESTIMONY: The presiding chair shall designate whether public testimony will be taken at the beginning of the meeting, at the time the related item is taken up by the Board after staff has presented the item, or any other time as determined by the presiding chair.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-A

Consideration of adopting the Commissioner's recommendation to the Committee relating to the report on Financial Aid for College Students in Texas, Fiscal Year 2014 (H.B. 1, 84th Texas Legislature General Appropriations Act, Rider 30, page III-49)

Recommendation:    Approval

Background Information:

Rider 30, page III-48, of the 2016-2017 General Appropriations Act, 84th Texas Legislature, directs the Coordinating Board to prepare an annual report concerning student financial aid at Texas public and independent institutions of higher education. Following Board adoption, the report will be forwarded to the Legislative Budget Board no later than November 1, 2015. The report provides a comprehensive analysis of the financial aid awarded to students in Texas.

Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Programs, will provide a brief report on the significant findings.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-B

Consideration of adopting the Commissioner's recommendation to the Committee relating to the report on Student Loan Default Prevention and Financial Aid Literacy Pilot Program (S.B. 680, 83rd Texas Legislature)

Recommendation:     Approval

Background Information:

S.B. 680, 83rd Texas Legislature, directs the Coordinating Board to submit an annual report regarding the outcomes of the Student Loan Default Prevention and Financial Aid Literacy Pilot Program to the governor, the lieutenant governor, and the speaker of the house of representatives regarding the outcomes of the pilot program, as reflected in the federal student loan default rates reported for the participating institutions, no later than January 1 2016.

Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Programs, will provide a brief report on the significant findings.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-C

Consideration of adopting the staff recommendation to the Committee for approval of the nominated members of the Financial Aid Advisory Committee

Recommendation: Appoint Members

Background Information:

Coordinating Board staff are requesting new member appointments for the Financial Aid Advisory Committee (FAAC). Board staff will seek confirmation of these appointments at the October 2015 Board meeting.

In accordance with Texas Education Code, Section 61.0776, and Texas Government Code, Section 2110.0012, the FAAC was created to make recommendations regarding the development, implementation, and evaluation of state financial aid programs for college students. To strengthen student access to higher education, the committee also advises the Board regarding strategies for communicating financial aid information to students, parents, secondary school counselors, and others.

The FAAC consists of individuals representing public and private institutions of higher education, public school counselors, and other stakeholders. All members of the advisory committee have student financial aid, admissions, or enrollment background experience. The FAAC meets quarterly, and most members serve for a term of three years.

The appointments are needed to replace outgoing members whose terms have expired and to expand representation within certain institutional sectors. Members of the current FAAC reviewed the nominations submitted by institutional chancellors and presidents and other stakeholders. The current members recommended final candidates based on a variety of factors. A list of the candidates recommended for appointment to the FAAC appears on the following page.

Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Programs, will be available to answer questions.

**Recommended new members:**

Doris Constantine, Associate Vice President for Student Financial Services, St Edwards University

Shannon Crossland, Director of Financial Aid, Texas Tech University

Zelma De Leon, Director of Financial Aid, University of North Texas

Jeannie Gage, Director of Financial Aid, Texas A&M University Corpus Christi

Sandi Jones, Associate Director of Financial Aid, McClennan Community College

Lyn Kinyon, Assistant Vice President for Student Financial Aid, Baylor University

Cathy Sanchez, Financial Aid Counselor, University of North Texas Health Science Center

George Torres, Senior Advisor to the CEO, TG

Becky Wilson, Managing Director for Financial Aid and Scholarships, Texas Tech University

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-D

Report on 60x30TX Communications Plan

RECOMMENDATION: No action required

Background Information:

Texas has a window of opportunity to launch the state's newly approved higher education strategic plan, *60x30TX*. The intention is to create a 60x30TX brand that resonates with a wide range of stakeholders. A long-range informational campaign that includes internal and external engagement is being developed to strategically communicate, and ultimately attain, the *60x30TX* goals.

Kelly Carper Polden, Assistant Director of Communications, will present the proposed 60x30TX communications plan/brand campaign.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-E

Report on Data Highlight: 8th grade cohort

RECOMMENDATION: No action required

Background Information:

The Coordinating Board tracks cohorts of eighth grade students from Texas public schools through high school and into higher education. The most recent cohort began the 8th grade in fall 2003 and was followed for 11 years through August 2014, allowing six years after high school graduation for tracking college participation and completion results. In response to a recent data request, outcomes for the eighth grade cohort that were disaggregated by region, economic status, and race/ethnicity were tabulated to show specific degree completion categories for these population.

Julie Eklund, Interim Assistant Commissioner for Strategic Planning and Funding, will present highlights from this new analysis of eighth grade cohort data.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-F

Report on activities of the competency-based education (CBE) workgroup

RECOMMENDATION: No action required

Background Information:

At least 20 institutions in Texas, both public and independent, have developed, or are currently developing, competency-based education (CBE) programs. Competency-based education is an innovative approach to learning in which student progress is based on demonstration of proficiency and/or mastery as measured through assessments or through application of credit for prior learning.

In an effort to share activities, ideas, and resources across institutions, in spring 2015 Texas Higher Education Coordinating Board (THECB) staff organized an informal group of representatives from interested institutions. The group interacts online and convenes by phone once a month; speakers, both internal and external, are invited to share information.

CBE programs often are seen as effective pathways for adult students working toward degree completion because they generally offer flexibility of location, accelerated time-to-degree, workforce alignment, and affordability. These programs are growing in Texas (and the U.S.), with much of the growth thus far attributable to Western Governors University Texas, founded in 2011, which offers CBE degrees exclusively. In 2014, the THECB jointly developed the Texas Affordable Baccalaureate program with Texas A&M University–Commerce and South Texas College. The program was the first CBE program at the bachelor's level offered at public institutions in the state.

Judith Sebesta, Director of Innovation, will provide a brief overview of the activities of the group.



Committee on Affordability, Accountability and Planning

AGENDA ITEM V-G

Report on studies required by the 84th Texas Legislature

RECOMMENDATION: No action required

Background Information:

The Texas Higher Education Coordinating Board (THECB) was directed by the 84th Texas Legislature, Regular Session, to conduct several studies. THECB staff will present an overview of four studies, including background information and implementation considerations. The studies to be discussed include:

- A study of sequent course outcomes for students who scored a 1, 2, 3, 4, or 5 on Advanced Placement (AP) courses, mandated by House Bill (H.B.) 1992, with a required progress report due to the Legislature by August 1, 2017, and a final report due by January 1, 2019;
- An ongoing collection of data and study related to postsecondary and employment outcomes for students with intellectual and developmental disabilities, and a study of recruitment of the same population, mandated by Senate Bill (S.B.) 37, with a report on the recruitment activities due to the Legislature by November 1 in even years, beginning in 2016;
- A study of the effectiveness of high school college prep courses (as required by H.B.5, 83rd Texas Legislature), based on success in the first college-level course in a related content area, mandated by Senate Bill (S.B.) 1776. This study requires a report to the Legislature but does not specify a due date; and
- A study on the feasibility of providing off-campus employment positions through the Texas college work-study program, mandated by Senate Bill (S.B.) 947, with a final report due by December 1, 2016.

Rex Peebles, Assistant Commissioner for Academic Quality and Workforce; Julie Eklund, Interim Assistant Commissioner for Strategic Planning and Funding; Kristen Kramer, Deputy Assistant Commissioner for College Readiness and Success; and Chad Puls, Deputy Assistant Commissioner for Student Financial Aid Programs, will present.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-H

Report on facilities projects that were submitted to the Coordinating Board

RECOMMENDATION:           No action required

Background Information:

Senate Bill 215, 83rd Texas Legislature, Regular Session shifted the authority to approve capital projects from the Texas Higher Education Coordinating Board (THECB) to the Boards of Regents. However, it requires that institutions continue to report projects to the Board and that THECB staff continue to review facilities projects. Additional information is provided for projects that do not meet one or more standards. The Board must submit a report to the governor, lieutenant governor, speaker of the house, and Legislative Budget Board on all projects that do not meet standards.

Julie Eklund, Interim Assistant Commissioner for Strategic Planning and Funding, will be available to answer questions.

**Reviewed Projects**

<b>Institution Project Name</b>	<b>Project Cost</b>	<b>Space Usage</b>	<b>Space Need</b>	<b>Cost</b>	<b>Building Efficiency</b>
The University of Texas-Pan American <i>Construct Science Building</i>	\$70,000,000	Yes	Yes	Yes	Yes
The University of Texas at Austin <i>Renovate Welch Hall</i>	\$25,000,000	NA	Yes	Yes	Yes

Committee on Affordability, Accounting and Planning

AGENDA ITEM V-I (1)

Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter P, concerning the Loan Repayment Program for Mental Health Professionals (S.B. 239, 84th Texas Legislature)

Recommendation: Approval

Background Information:

SB 239 was passed by the 84th Texas Legislature. Funding for the program is authorized for the 2016-2017 biennium by Contingency Rider 18.60 of the General Appropriations Act. Section 61.608 of the Texas Education Code states that the Coordinating Board shall adopt rules necessary for the administration of the program no later than December 1, 2015.

The 30-day comment period with the *Texas Register* ended on August 31, 2015. Comments were received from the University of Texas at Austin recommending clarification of rule 21.493(e)(1) and 21.496(a) and (b).

We agree with the recommendation to replace "and" with "or" and add "or both", to clarify the requirement that mental health professionals agree to provide mental health services to individuals enrolled in Medicaid or CHIP or both; the proposed rules reflect this clarification. The proposed rules also include recommended language clarifying that loans eligible for repayment must have been made to cover the higher education costs of the mental health professionals, ruling out loans made to parents to pay education costs incurred by their children. Additionally, recommended language is added to clarify that credit card debt incurred to pay for higher education costs is not considered an education loan that is eligible for repayment.

Date approved by the Commissioner for publication in the *Texas Register*: July 20, 2015

Date published in the *Texas Register*: July 31, 2015.

## Chapter 21. Student Services

Subchapter P. Loan Repayment Program for Mental Health ProfessionalsSection21.490. Authority and Purpose.21.491. Definitions.21.492. Eligible Practice Specialties.21.493. Eligibility for Conditional Approval of Applications21.494. Selection of Eligible Applicants and Limitations.21.495. Eligibility for Disbursement of Loan Repayment Assistance.21.496. Eligible Lender and Eligible Education Loan.21.497. Amount of Repayment Assistance.21.498. Dissemination of Information.21.490. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Subchapter K, Repayment of Certain Mental Health Professional Education Loans. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, Sections 61.601 through 61.609.

(b) Purpose. The primary purpose of the Loan Repayment Program for Mental Health Professionals is to encourage qualified mental health professionals to practice in a mental health professional shortage area designated by the U. S. Department of Health and Human Services, and provide mental health care services to recipients under the medical assistance program authorized by the Texas Human Resources Code, Chapter 32, and to enrollees under the child health plan program authorized by the Texas Health and Safety Code, Chapter 62.

21.491. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Board--The Texas Higher Education Coordinating Board.

(2) CHIP--The Children's Health Insurance Program, authorized by the Texas Health and Safety Code, Chapter 62.

(3) Full-time Service--An average of at least 32.5 hours of direct patient or client care per week during the service period at the HPSA practice site.

(4) MHPSAs -- Mental Health Professional Shortage Areas (MHPSAs) are designated by the U. S. Department of Health and Human Services (HHS) as having shortages of mental health providers and may be geographic (a county or service area), demographic (low income population) or institutional (comprehensive health center, federally qualified health center or other public facility). Designations meet the requirements of Sec. 332 of the Public Health Service Act, 90 Stat. 2270-2272 (42 U.S.C. 254e). Texas MHPSAs are recommended for designation by HHS

based on analysis of data by the Department of State Health Services.

(5) Medicaid--The medical assistance program authorized by Chapter 32, Human Resources Code.

(6) Service Period--A period of 12 consecutive months qualifying a mental health professional for loan repayment.

(7) Psychiatrist -- a licensed physician who is a graduate of an accredited psychiatric residency training program.

21.492. Eligible Practice Specialties.

For purposes of this subchapter, the following mental health providers may apply for enrollment in the program:

(a) a psychiatrist;

(b) a psychologist, as defined by Section 501.002, Occupations Code;

(c) a licensed professional counselor, as defined by Section 503.002, Occupations Code;

(d) an advanced practice registered nurse, as defined by Section 301.152, Occupations Code, who holds a nationally recognized board certification in psychiatric or mental health nursing; and

(e) a licensed clinical social worker, as defined by Section 505.002, Occupations Code.

21.493. Eligibility for Conditional Approval of Applications.

To be eligible for the Board to reserve loan repayment funds, a mental health professional must:

(a) ensure that the Board has received the completed application by the established deadline, which will be posted on the program web page;

(b) be a U.S. citizen or a Legal Permanent Resident and have no license restrictions;

(c) not be currently fulfilling another obligation to provide mental health services as part of a scholarship agreement, a student loan agreement, or another student loan repayment agreement;

(d) agree to provide five consecutive years of eligible service in a Mental Health Professional Shortage Area, with the understanding that the professional will be released from the agreement if funding for continued loan repayment is not appropriated;

(e) agree to provide mental health services to:

(1) individuals enrolled in Medicaid ~~or~~ [and] CHIP ~~or both~~ [, if the practice serves children;  
or

(2) persons committed to a secure correctional facility operated by or under contract with the Texas Juvenile Justice Department or persons confined in a secure correctional facility operated by or under contract with any division of the Texas Department of Criminal Justice.

(f) the Board may make financial commitments for service periods ending by August 31 of the two-year period following the biennium for which the program funds are appropriated.

21.494. Selection of Eligible Applicants and Limitations.

(a) Each fiscal year an application deadline will be posted on the program web page;

(b) Not more than 10 percent of the number of repayment assistance grants paid under this subchapter each year may be awarded to mental health professionals providing mental health services to persons committed to a secure correctional facility operated by or under contract with the Texas Juvenile Justice Department or persons confined in a secure correctional facility operated by or under contract with any division of the Texas Department of Criminal Justice;

(c) Not more than 30 percent of the number of repayment assistance grants paid under this subchapter each fiscal year may be awarded to mental health professionals in any one of the eligible practice specialties.

21.495. Eligibility for Disbursement of Loan Repayment Assistance

To be eligible to receive loan repayment assistance, a mental health provider must:

(a) have completed one, two, three, four, or five consecutive years of practice in a Mental Health Professional Shortage Area or a secure correctional facility operated by or under contract with the Texas Juvenile Justice Department or its successor or in a secure correctional facility operated by or under contract with any division of the Texas Department of Criminal Justice or its successor;

(b) after an award is disbursed for a third consecutive year of service, a psychiatrist must have earned certification from the American Board of Psychiatry and Neurology or the American Osteopathic Board of Psychiatry and Neurology to qualify for continued loan repayment assistance.

21.496. Eligible Lender and Eligible Education Loan.

(a) The Board shall retain the right to determine the eligibility of lenders and holders of education loans to which payments may be made. An eligible lender or holder shall, in general, make or hold education loans made to individuals for purposes of undergraduate, graduate, and professional education of the mental health professional and shall not be any private individual. An eligible lender or holder may be, but is not limited to, a bank, savings and loan association, credit union, institution of higher education, secondary market, governmental agency, or private foundation. A credit card debt is not considered an educational loan eligible for repayment.

(b) To be eligible for repayment, an education loan must:

(1) be evidenced by a promissory note for loans to pay for the cost of attendance for the undergraduate, graduate, or professional education of the individual applying for repayment assistance;

(2) not have been made during residency or to cover costs incurred after completion of graduate or professional education;

(3) not be in default at the time of the professional's application;

(4) not have an existing obligation to provide service for loan forgiveness through another program;

(5) not be subject to repayment through another student loan repayment or loan forgiveness program or as a condition of employment; and

(6) if the loan was consolidated with other loans, the applicant must provide documentation of the portion of the consolidated debt that was originated to pay for the cost of attendance for his or her undergraduate, graduate, or medical education.

21.497. Amount of Repayment Assistance.

Loan repayment awards will be disbursed directly to lenders in behalf of eligible mental health professionals and:

(a) repayment assistance for each year of full-time service will be in an amount determined by applying the following applicable percentage to the maximum total amount of assistance allowed for the professional:

(1) for the first year, 10 percent;

(2) for the second year, 15 percent;

(3) for the third year, 20 percent;

(4) for the fourth year, 25 percent; and

(5) for the fifth year, 30 percent.

(b) The total amount of repayment assistance received by a mental health professional under this subchapter may not exceed:

(1) \$160,000, for a psychiatrist;

(2) \$80,000, for:

(A) a psychologist;

(B) a licensed clinical social worker, if the social worker has received a doctoral degree related to social work; or

(C) a licensed professional counselor, if the counselor has received a doctoral degree related to counseling;

(3) \$60,000, for assistance an advanced practice registered nurse; and



(4) \$40,000, for a licensed clinical social worker or a licensed professional counselor who has not received a doctoral degree related to social work or counseling.

(c) An eligible professional may receive prorated loan repayment assistance based on the percentage of full-time service provided for each service period, if providing direct patient or client care for a minimum of 20 hours per week for each service period.

(d) Failure to meet the program requirements will result in non-payment for the applicable service period(s) and, except under circumstances determined by the Board to constitute good cause, removal from the program.

21.498.      Dissemination of Information.

The Board shall disseminate information about the Mental Health Professional Education Loan Repayment program to each institution of higher education or private or independent institution of higher education and to any appropriate state agency and professional association.

Committee on Affordability, Accounting and Planning

AGENDA ITEM V-I (2)

Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter R, concerning the Dental Education Loan Repayment Program (H.B. 1, 84th Texas Legislature General Appropriations Act, page III-41)

Recommendation: Approval

Background Information:

The General Appropriations Act passed by the 84th Texas Legislature includes appropriations for the Dental Education Loan Repayment Program for the 2016-2017 biennium. The program had not been funded for two consecutive biennia, and therefore the rules were repealed in January of 2014. Section 61.908 of the Texas Education Code states that the Coordinating Board shall adopt rules necessary for the administration of the program.

The 30-day comment period with the *Texas Register* ended on August 31, 2015. A comment was received from the Texas Dental Association expressing strong support for the program and for the proposed rules. The comment included a suggestion that the Board consider increasing the maximum annual award amount to an amount greater than \$10,000.

We agree that a \$10,000 maximum award amount is not as attractive as it could be. For that reason, the proposed rule provides flexibility for the Commissioner (or his or her designee) to increase the maximum amount if the appropriated funding is sufficient to warrant an increase. Given the \$110,000 appropriation for each year of the current biennium, program staff conferred with staff at the Department of State Health Services and determined that the best use of the limited funds would be to make awards to at least ten qualifying dentists. Should fewer than ten eligible dentists apply for loan repayment assistance, the award amount will be increased accordingly.

Date approved by the Commissioner for publication in the *Texas Register*: July 20, 2015

Date published in the *Texas Register*: July 31, 2015.

CHAPTER 21. Student ServicesSUBCHAPTER R. DENTAL EDUCATION LOAN REPAYMENT PROGRAMSection

- 21.560. Authority and Purpose.
- 21.561. Definitions.
- 21.562. Priorities of Application Acceptance.
- 21.563. Eligible Lender and Eligible Education Loan.
- 21.564. Eligible Dentist.
- 21.565. Amount of Repayment Assistance.
- 21.566. Dissemination of Information.

21.560. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Chapter 61, Subchapter V, Repayment of Certain Dental Education Loans. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, Sections 61.901 through Section 61.910.

(b) The purpose of the Dental Education Loan Repayment Program is to recruit and retain qualified dentists to provide dental services in areas of the state that are underserved with respect to dental care.

21.561. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Underserved Area with Respect to Dental Care – Dental Health Professional Shortage Areas of Texas (Dental HPSAs) designated by the federal Health Resources and Services Administration.

(2) Federally Qualified Health Centers (FQHCs) – organizations receiving grants under Section 330 of the Public Health Service Act (PHS), qualifying for enhanced reimbursement from Medicare, Medicaid, and Children's Health Insurance Program and other benefits. FQHCs must serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, have an ongoing quality assurance program, and have a governing board of directors.

(3) Nonprofit Practice – a clinical practice that is tax-exempt under section 501 (c) (3) of the Internal Revenue Code.

(4) State Hospital -- a hospital authorized by Title 7, Subtitle B., Chapter 552 of the Texas Health and Safety Code, primarily to provide inpatient care and treatment of persons with mental illness.

(5) State-supported Living Center-- A state-supported and structured facility operated

by the Department of Aging and Disability Services to provide to clients with intellectual disabilities a variety of services, including medical treatment, specialized therapy, and training in the acquisition of personal, social, and vocational skills, pursuant to Title 7, Subtitle A, Chapter 531 or the Texas Health and Safety Code.

(6) Service Period – A twelve-month period of service that qualifies an eligible dentist for an annual education loan repayment, beginning on the date the application is received by the board or the date eligible service began, whichever is later.

(7) Program – The Dental Education Loan Repayment Program.

(8) CHIP – The Children’s Health Insurance Program, authorized by the Texas Health and Safety Code, Chapter 62.

(9) Medicaid – The medical assistance program authorized by Chapter 32, Human Resources Code.

(10) Full-time Service – An average of at least 32.5 hours of direct patient care hours per week during the service period at the Dental HPSA site.

(11) Commissioner -- The Commissioner of Higher Education in Texas.

(12) Board – The Texas Higher Education Coordinating Board.

21.562. Priorities of Application Acceptance.

(a) Each fiscal year, applications received by the deadline posted on the program web page will be ranked according to Dental HPSA scores for the applicants’ practice locations, with the highest scores representing the highest degrees of dental shortages. Dental HPSAs having the same Dental HPSA score will be ranked according to the following criteria, in order of priority:

(1) Federally Qualified Health Center (FQHC);

(2) Nonprofit practice;

(3) State hospital or state-supported living center;

(b) The amount of available funding will determine how many applicants will be selected for conditional application approval.

21.563. Eligible Lender and Eligible Education Loan.

(a) The Board shall retain the right to determine the eligibility of lenders and holders of education loans to which payments may be made. An eligible lender or holder shall, in general, make or hold education loans made to individuals for purposes of undergraduate, graduate, or professional education and shall not be any private individual. An eligible lender or holder may be, but is not limited to, a bank, savings and loan association, credit union, institution or higher education, secondary market, governmental agency, or private foundation.

(b) To be eligible for repayment, an education loan must:

(1) be evidenced by a promissory note for loans to pay for the cost of attendance for undergraduate, graduate, or professional education;

(2) not have an existing obligation to provide service for loan forgiveness through another program;

(3) not be subject to repayment through another student loan repayment program, loan forgiveness program, or as an employment benefit or condition at the time of application and disbursement;

(4) if consolidated with other student loans, be supported by documentation provided by the dentist showing the portion of the consolidated debt that was originated to pay for the cost of attendance for the dentist's undergraduate, graduate, or professional education.

21.564. Eligible Dentist.

(a) To be eligible for conditional approval, contingent upon completion of the service period, an applicant must:

(1) be licensed by the Texas State Board of Dental Examiners and have no disciplinary action against him/her;

(2) agree to provide at least twelve consecutive months of comprehensive, general or pediatric dental services in an area that is underserved with respect to dental care; and

(3) submit a completed application to the Board by the published deadline.

(b) To be eligible for disbursement of a loan repayment award, a dentist whose application was conditionally approved must:

(1) have provided at least twelve consecutive months of comprehensive general or pediatric dental services, for an average of at least 32.5 hours of direct patient care per week, in an area that is underserved with respect to dental care;

(2) during the service period, have provided direct patient care to Medicaid enrollees and CHIP enrollees; and

(3) ensure that the Board has received all required end-of-service period verification forms by the established deadline.

21.565. Amount of Repayment Assistance.

(a) The maximum annual award amount to be disbursed to lenders shall be \$10,000 unless the commissioner or his or her delegate determines that the amount of available funding is sufficient to increase the award amount.

- (b) A dentist may receive prorated loan repayment assistance based on the percentage of full-time service provided for each service period, if providing comprehensive direct patient care for a minimum of 20 hours per week for the service period.

21.566. Dissemination of Information.

The Board shall distribute rules and pertinent information about the Dental Education Loan Repayment Program to each dental school in the state and appropriate state agencies, professional associations, and other entities.