
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 546

Session of
1975

INTRODUCED BY MESSRS. SHANE, HAMMOCK, MRS. KELLY, MESSRS.
DiCARLO, BELLOMINI, IRVIS, VANN, GALLAGHER, SHUPNIK, LINCOLN,
COHEN, O'DONNELL, RHODES, COWELL, PANCOAST, DeMEDIO, WAGNER,
M. E. MILLER, JR., LAUGHLIN, GEORGE, BERLIN,
MISCEVICH, MILANOVICH, REED, LINCOLN, ZORD, MISS SIRIANNI,
MRS. TOLL, MESSRS. PARKER, LETTERMAN, DREIBELBIS, DOYLE,
MORRIS, VALICENTI, HOPKINS, HASKELL, MUSTO, WARGO, WANSACZ,
FLAHERTY, TRELLO, GEISLER, MRS. GILLETTE, MR. WALSH,
MRS. KERNICK, MESSRS. NOYE, R. W. WILT, ZWIKL, GOODMAN,
MRKONIC, PETRARCA, KOLTER, A. K. HUTCHINSON, SALOOM, BRUNNER,
YAHNER, STOUT, GREEN, BRADLEY, McLANE, OLIVER, RUGGIERO,
BARBER, DiDONATO, KNEPPER, CESSAR, FEE, FISCHER, FISHER,
USTYNOSKI, GRIECO, TAYLOR, GARZIA, POLITE, SCHMITT, LAUDADIO,
AND PRATT, FEBRUARY 19, 1975

SENATOR COPPERSMITH, PUBLIC HEALTH AND WELFARE, IN SENATE,
AS AMENDED, JUNE 15, 1976

AN ACT

1 Creating the Pennsylvania Physician Education Council;
2 establishing the powers and duties of such council; creating
3 Regional Advisory Boards to such council; regulating certain
4 appropriations to medical schools and schools of osteopathy;
5 and making an appropriation.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Short Title.--This act shall be known and may be
9 cited as the "Pennsylvania Physician Education Planning Act."

10 Section 2. Legislative Findings.--~~The Commonwealth of~~ <—
11 ~~Pennsylvania is fortunate in the number and quality of medical~~
12 ~~schools located therein. However, there is no integrated system~~

1 ~~of education for physicians covering the entire State which~~
2 ~~assures an appropriate distribution of physicians throughout the~~
3 ~~Commonwealth. The lack of such an integrated system results in a~~
4 ~~loss to both the medical schools and the community at large. The~~
5 ~~medical schools are unable to take advantage of the various~~
6 ~~medical facilities and the talents of individuals located~~
7 ~~throughout the Commonwealth. Many parts of the community at~~
8 ~~large are without sufficient health care while those parts which~~
9 ~~do have health care cannot take advantage of the advanced~~
10 ~~knowledge available at the medical schools. It is essential that~~
11 ~~an integrated Statewide education plan for physicians be~~
12 ~~developed for the benefit of both the medical schools and the~~
13 ~~community at large.~~ THE COMMONWEALTH OF PENNSYLVANIA IS <—

14 FORTUNATE IN THE NUMBER AND QUALITY OF MEDICAL SCHOOLS LOCATED
15 THEREIN. HOWEVER, THERE IS NO INTEGRATED SYSTEM OF EDUCATION FOR
16 PHYSICIANS APPLICABLE TO THE ENTIRE STATE WHICH WOULD ASSURE AN
17 APPROPRIATE STATEWIDE DISTRIBUTION OF PHYSICIANS.

18 THE LACK OF SUCH AN INTEGRATED SYSTEM RESULTS IN A LOSS TO
19 BOTH THE MEDICAL SCHOOLS AND THE COMMUNITY AT LARGE. MEDICAL
20 SCHOOLS ARE UNABLE TO UTILIZE THE VARIOUS MEDICAL FACILITIES AND
21 THE TALENTS OF INDIVIDUALS LOCATED THROUGHOUT THE COMMONWEALTH.
22 MANY SEGMENTS OF THE GENERAL POPULACE ARE WITHOUT ADEQUATE
23 HEALTH CARE WHILE OTHERS WHO DO HAVE AVAILABLE HEALTH CARE
24 CANNOT UTILIZE THE ADVANCED KNOWLEDGE OBTAINABLE AT THE MEDICAL
25 SCHOOLS. IT IS ESSENTIAL THAT AN INTEGRATED STATEWIDE EDUCATION
26 PLAN FOR PHYSICIANS BE DEVELOPED TO INCLUDE THE ESTABLISHMENT OF
27 SUBSIDIZED RESIDENCY PROGRAMS IN COMMUNITY HOSPITALS AND OTHER
28 ALTERNATIVE SETTINGS IN ORDER TO BENEFIT BOTH THE MEDICAL
29 SCHOOLS AND THE COMMUNITY AT LARGE.

30 Section 3. Pennsylvania Physician Education Council.--There

1 is hereby created an independent council to be known as the
2 Pennsylvania Physician Education Council which shall consist of
3 the following persons: the Secretary of Health and the Secretary
4 of Education, or their respective designees; the chief executive
5 officers, or their designees, of the colleges or universities in
6 Pennsylvania of which each accredited medical school or school
7 of osteopathy is a part; two physicians licensed to practice in
8 Pennsylvania who are professionally qualified in a field of
9 primary care appointed by the Governor; one representative from
10 a Pennsylvania teaching hospital appointed by the Governor from
11 a list of at least three names submitted by the Council of
12 Teaching Hospitals; two members of the House of Representatives,
13 one from each political party, selected by the Speaker of the
14 House; and two members of the Senate, one from each political
15 party selected by the President pro tempore of the Senate. The
16 council shall select a chairman from among its members. Members
17 shall receive no compensation, but shall be reimbursed for
18 actual expenses incurred. The Secretary of Health shall provide
19 the necessary administrative personnel and services. A quorum
20 shall consist of a majority of the total membership of the
21 council and a majority vote of those present shall be sufficient
22 in the resolution of any matter.

23 Section 4. Powers and Duties of the Council.--The council
24 shall have the following powers and duties:

25 (1) Develop an integrated Statewide education plan for
26 physicians which shall include the establishment of residency
27 programs in community hospitals AND ALTERNATIVE SETTINGS SUCH
28 AS, BUT NOT LIMITED TO MODEL OR GROUP PRACTICES AND HEALTH
29 MAINTENANCE ORGANIZATIONS by the medical schools with the
30 cooperation of the medical profession, hospitals, and clinics

<—

1 throughout the Commonwealth. THE COUNCIL SHALL SUBMIT THE <—
2 STATEWIDE EDUCATION PLAN FOR PHYSICIANS TO THE STATEWIDE HEALTH
3 COORDINATING COUNCIL ESTABLISHED PURSUANT TO PUB.L.93-641 FOR
4 APPROVAL AND INTEGRATION WITH THE STATE HEALTH PLAN.

5 (2) Divide the Commonwealth into regions ~~and determine which~~ <—
6 ~~medical schools will operate in each region relative to the~~
7 ~~implementation of such integrated Statewide plan.~~ WHICH SHALL BE <—
8 COMPATIBLE BUT NOT NECESSARILY COTERMINOUS WITH HEALTH SERVICE
9 AREAS DEVELOPED PURSUANT TO PUB.L.93-641.

10 (3) Give priority in the development of such an integrated
11 plan to those areas of the Commonwealth which have been
12 designated as medically deprived by the Secretary of Health.

13 (4) Cooperate with any agency or political subdivision of
14 the Commonwealth or any other public or private agency in the
15 development of such an integrated plan including the right to
16 enter into contracts with such agencies and to receive monetary
17 aid or grants.

18 (5) Cooperate with the office of the Governor or any
19 designated agency in the establishment of a Statewide
20 communication system which will enable the medical profession,
21 hospitals, and clinics throughout the Commonwealth to have a
22 direct tie line and instantaneous communication with computer
23 banks and specialists at the medical schools and medical
24 centers.

25 (6) Contract with such consultants as may be deemed
26 necessary to carry out the provisions of this act.

27 (7) SUBMIT THE PROPOSED STATEWIDE EDUCATION PLAN FOR <—
28 PHYSICIANS TO EACH REGIONAL ADVISORY BOARD FOR REVIEW AND
29 COMMENT.

30 (8) DEVELOP AND IMPLEMENT INCENTIVE MECHANISMS DESIGNED TO

1 ATTRACT PRIMARY CARE PHYSICIANS TO MEDICALLY UNDERSERVED AREAS.
2 THIS MAY INCLUDE BUT NEED NOT BE LIMITED TO INCOME GUARANTEE
3 PROGRAMS.

4 Section 5. Regional Advisory Boards.--In each region
5 established by the council pursuant to clause (2) of section 4
6 of this act, there is hereby created a Regional Advisory Board
7 to the Pennsylvania Physician Education Council. Each such board
8 shall consist of seven persons appointed by the ~~Governor; Four~~ <—
9 HEALTH SYSTEMS AGENCY ESTABLISHED PURSUANT TO PUB.L.93-641: <—
10 THREE of whom shall be involved with the delivery of health
11 care; and ~~three~~ FOUR of whom shall not be involved with the <—
12 delivery of health care and shall be consumer representatives.
13 Members of the board shall serve for a ~~four~~ FIVE year term <—
14 except those first appointed in which case; ~~three shall be~~ <—
15 ~~appointed for a three year term; and four shall be appointed for~~
16 ~~a four year term.~~ TWO SHALL BE APPOINTED FOR A THREE YEAR TERM; <—
17 TWO SHALL BE APPOINTED FOR A FOUR YEAR TERM AND THREE SHALL BE
18 APPOINTED FOR A FIVE YEAR TERM. Vacancies shall be made in the
19 manner of the original appointments for the remainder of the
20 unexpired term. ~~The members of the board shall also represent a~~ <—
21 ~~geographical balance of the region.~~ IN THOSE REGIONS WHICH MAY <—
22 HAVE MORE THAN ONE HEALTH SYSTEMS AGENCY, THE COMPOSITION OF THE
23 ADVISORY BOARD SHALL BE DECIDED ON A PRO RATA POPULATION BASIS
24 FROM THE REGIONS INVOLVED. Members of each board shall select a
25 chairman from among its members and a majority of the members
26 shall constitute a quorum. A majority vote of those present
27 shall be sufficient in the resolution of any matter. The
28 advisory boards shall meet at least twice during each year.
29 Members shall receive no compensation but shall be reimbursed
30 for actual expenses incurred.

1 The function of each board shall be to act in an advisory
2 capacity to the council relative to the unique problems existing
3 in the board's region AND TO REVIEW AND ADVISE THE COUNCIL ON <—
4 THE STATEWIDE EDUCATION PLAN FOR PHYSICIANS to enable the
5 council to have the best available information in the
6 performance of the council's duties.

7 ~~Section 6. Regulation of Certain Appropriations to Medical <—~~
8 ~~Schools and Schools of Osteopathy. Whenever any Commonwealth~~
9 ~~appropriation is made to any medical school or school of~~
10 ~~osteopathy on a student per capita basis, such appropriation~~
11 ~~shall be expended in the following manner unless otherwise~~
12 ~~specifically designated in the act making such appropriation:~~

13 ~~(1) Eighty per cent of such appropriation may be used at the~~
14 ~~discretion of the medical school or school of osteopathy;~~

15 ~~(2) Twenty per cent of the first such appropriation made~~
16 ~~after the effective date of this act shall be used by the~~
17 ~~medical school or school of osteopathy to create a fund from~~
18 ~~which loans are made to students. For each year thereafter, such~~
19 ~~percentage of an appropriation shall first be used in an amount~~
20 ~~which shall maintain such loan fund at an amount equal to twenty~~
21 ~~per cent of the total appropriation for that year. Any amount~~
22 ~~remaining after such maintenance of the loan fund may be used at~~
23 ~~the discretion of the medical school or school of osteopathy.~~
24 ~~This loan program shall be administered either by the medical~~
25 ~~school or school of osteopathy, or in the alternative, the~~
26 ~~medical school or school of osteopathy shall have the power to~~
27 ~~enter into an agreement with the Pennsylvania Higher Education~~
28 ~~Assistance Agency for the purpose of the administration of such~~
29 ~~loan program. Such agreement may provide for the payment of~~
30 ~~costs of administration to such agency from the loan fund. The~~

1 ~~Pennsylvania Higher Education Assistance Agency is hereby~~
2 ~~authorized to enter into such agreements and to administer such~~
3 ~~loan programs in accordance with the terms of such agreements~~
4 ~~and the provisions of this act. Such loan program shall provide~~
5 ~~that for each year a graduate practices in any area of the~~
6 ~~Commonwealth designated as medically deprived by the Secretary~~
7 ~~of Health twenty per cent of the total of such loan shall be~~
8 ~~forgiven.~~

9 SECTION 6. TERMINATION OF COUNCIL.--THE PHYSICIAN EDUCATION <—
10 COUNCIL AND ITS REGIONAL ADVISORY BOARDS SHALL CEASE TO EXIST
11 FIVE YEARS FROM THE EFFECTIVE DATE OF THIS ACT. HOWEVER, COUNCIL
12 POWER TO CONTRACT SHALL REMAIN EFFECTIVE FOR THREE YEARS
13 FOLLOWING DISSOLUTION.

14 Section 7. Appropriation.--The sum of \$350,000, or as much
15 thereof as may be necessary, is hereby appropriated to the
16 Pennsylvania Physician Education Council for the purposes of
17 this act. Every year thereafter, the General Assembly shall
18 appropriate that amount of funds as it deems necessary to carry
19 out the purposes of this act.

20 Section 8. Effective Date.--This act shall take effect
21 immediately. ~~except section 6, paragraph (2), shall take effect~~ <—
22 ~~September 1, 1976.~~