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BUSINESS REPORT



The Doctor Shortage

TAB leads effort to close the gap.

Texas is facing a severe shortage of doctors and nurse practitioners. Texas has benefited from a powerful economy and strong growth, but one of the downsides of that growth is this extreme shortage.

There are other factors at play as well. The sheer size of Texas has always been an obstacle to finding enough health care providers to care for our rural residents and those who live close to the Texas/Mexico border. According to the U.S. Department of Health and Human Services, 126 out of Texas' 254 counties are designated Health Professional Shortage Areas, defined as areas with a doctor-patient ratio less than one doctor per 3,000 patients. Most of those counties are rural.

Texas must increase the number of residency positions. Currently, some doctors leave the state to do their residency, and many never return to practice here. Senator Jane Nelson, R-Flower Mound, explained it best, telling the *Texas Tribune*: "If they are forced to do their residency training outside of Texas because we don't have enough slots, they take that investment with them." Taxpayers

already spend \$168,000 educating each of the state's medical students. For graduated medical students, the state will pay \$32.8 million to finance nearly 6,500 medical residency positions in 2014-2015. Beginning this year, however, there are at least 63 medical school graduates in Texas who will have to go out of state to enter a residency program. By 2016, at current funding levels, that will grow to 180. Texas must have enough residency positions to, not only keep all of our doctors in Texas to complete their residency, but we also must have positions to attract out-of-state doctors to complete their residency in Texas. We know if out-of-state doctors come to Texas to complete their residency, 85 percent will stay here.



Texas faces a shortage of primary care practitioners.

WORKFORCE Q&A

We have an employee who was let go, and after two months, we rehired him. Does his FMLA start after the second hire date, or do we go back to the original date?

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TAB MISSION

*To make the Texas
business climate the
best in the world.*

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WORKFORCE Q&A



Gerald G. Howard
Kemp Smith LLP, El Paso

We have an employee who was let go, and after two months, we rehired him. Does his FMLA start after the second hire date, or do we go back to the original date?

Short Answer: The employee's eligibility for Family and Medical Leave Act (FMLA) leave would be determined based on the original hire date.

Discussion: The FMLA allows eligible employees job-protected leave for 12 or 26 weeks, depending on the reason for the need for leave. To be eligible, an employee must be employed by an employer with at least 50 employees working within 75 miles of the location where the employee works. The employee must also have worked for a total of at least 12 months for the employer, and must have worked at least 1,250 hours during the 12 months immediately preceding the start date of the leave.

The FMLA does not require that the employee work for the employer for 12 consecutive months to be eligible for FMLA leave. If an employee has a break in service for seven years or less, the employee's service prior to the break is included. Service before a break of seven years or more may be included in determining the 12 months of service for the employer if the break was due to service covered by the Uniformed Services Employment and Reemployment Rights Act (USERRA), or if a contract between the employee and the employer or a collective bargaining agreement so provide. Accordingly, in your case both the employee's pre-break and post-break service is considered in determining whether or not the employee has worked for the employer for the required total of not less than 12 months.

Of course, during the break in service, the employee presumably worked no hours for the employer, so that time would be lost for determining the 1,250 hours worked requirement. However, if the employee worked at least 1,250 hours during the 12 months immediately preceding the leave, even though he had a break in service during those 12 months, if he is otherwise eligible for FMLA leave, then he is entitled to it.

Note: Different rules apply to airline flight crew members to determine eligibility and entitlement.

Employment Relations questions?

***Don't forget to call TAB's Employment Relations Hotline
for your next HR Question
1.800.856.6721, ext. 164 or E-mail smcgee@txbiz.org***

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Getting Smart on Crime

Working for a more just and cost effective system.

A few months ago you read about the TAB led Smart-On-Crime initiative for the upcoming legislative session. The coalition was made public at a Capitol news conference on Sept. 17. With the announcement, the website that will fuel our effort also went live with new information about the goals of the coalition. The address is Smart-OnCrimeTexas.com.

The Texas Smart-On-Crime Coalition is bringing together groups of varying political backgrounds, but there is one goal: to advocate for reforms that will provide punishment that actually fits the crime, protection for the innocent and a path to redemption for those convicted of non-violent crimes, so that they can get back to work and be productive members of society.

“We have tried locking people up and throwing away the key, and that isn’t always the best answer,” said Texas Association of Business CEO Bill Hammond. “For people convicted of non-violent crime, one answer is making a path for them to return to productive society, whether that means rehabilitation programs, education or job training.”

The Coalition will focus on reforming both the adult and juvenile criminal justice systems, advocating for a wide range of issues. Some of the Coalition’s goals include decriminalizing failure to attend school in the juvenile justice system and reforming the state jail system by allowing certain individuals charged with felonies to serve probation terms rather than going into a state jail. The Coalition also supports measures that would improve probation outcomes and require pre-release job training and

education initiatives for those about to get out of prison.

Marc Levin, Director of the Center for Effective Justice at the Texas Public Policy Foundation, adds: “Texas can still do more to reduce crime and its cost to taxpayers, and we look forward to working with the other members of the Smart-On-Crime Coalition to bring about these improvements.”



TAB leading Smart on Crime initiative.

Dr. Ana Yáñez-Correa, Executive Director of the Texas Criminal Justice Coalition (TCJC), agrees: “Together, we will fight for a stronger and safer Texas, where each community member has the tools to live responsibly.”

“There are too many Texans in prison,” said ACLU of Texas Executive Director Terri Burke. “Incarcerating non-violent offenders and people with mental illness destroys lives and wastes taxpayer money without making us safer. As this coalition shows, everyone has an interest in making our criminal justice system smarter.”

Traci Berry, Senior Vice President with Goodwill of Central Texas, added: “We are committed to empowering individuals to work by removing barriers for people with criminal backgrounds and to meeting the employment and training needs of Texas businesses.”

Doctor Shortage

continued from page one

An increase in the number of Advanced Practice Registered Nurses (APRNs), or nurse practitioners, in Texas is helping to fill the primary care physician gap. From 2000 to 2009 the supply of APRN’s increased 87 percent, while the supply of primary care physicians only increased 18 percent. State laws were loosened in 2013 to give APRN’s and physician assistants more prescription drug authority. A study published in 2000 in the *Journal of the American Medical Association* found that APRN’s used a similar amount of diagnostic testing and emergency care as primary care physicians and had similar patient outcomes.

A proposed program from the Texas Higher Education Coordinating Board would spend \$40 million over a two-year period to create an additional 280 first-year residency slots. That would be enough slots for doctors coming out of our medical schools and for those we hope to attract from out of state schools.

Texas also must work toward graduating more APRN’s. Schools currently are not at capacity to graduate the maximum number of APRN’s. We must work to increase faculty and the number of clinical placements to help reach that goal. In order to do that, we will work to include an additional \$20 million in the budget to provide the additional resources needed to expand the number of new graduates.

MEMBER PROFILE

Alert Services Inc. – Talk To The Hand

Alert Services Inc. specializes in meeting the needs of athletic trainers, coaches and athletes. For over 50 years, the Cox family has owned and operated Alert Services with a dedication to going the extra mile to serve the needs of their customers.

Alert Services began in 1958 when John T. Cox and partners first saw a niche that needed to be filled in the sporting industry. The goal was to create a company that would make acquisition of sports medicine products in Central and South Texas a simple one-stop experience. With the growing interest in sports injuries and associated products, Alert Services was born.

The 1970's ushered in a new interest in the athletic training profession. Alert Services, under the direction Lem Cox, capitalized on that interest and business flourished. Today, customer service and product

California, Washington, Oregon and Illinois. Alert has 20 additional support and warehouse team members in their San Marcos headquarters.

Jenny Cox chose to keep Alert Services in the Cox family upon Lem Cox's passing. Jenny currently is on the TAB board. As a former educator with a degree from Texas Tech University, she understands the issues within public education. As an employer, she also sees the challenges of having a qualified workforce.

All of the issues in which TAB is involved, Jenny feels are personal to her. Being a small business owner consumed with the daily responsibilities of running her business, she was unaware of the number of issues that impacted her business until becoming a TAB member. "The

world of politics is hard to keep up with for those of us who aren't in it every day, and I'm glad TAB is there to keep us informed. I like knowing that TAB is there advocating for us and the overall Texas business climate.

The Alert Services website has an extensive selection of everything an athletic trainer, coach or athlete would need to maximize performance and deal with injuries when and if they occur. We would invite all TAB members to visit the website, www.alertservices.com, and see for themselves the incredible inventory and wide range of products Alert Services has to offer. Remember the Alert slogan: "Talk to the hand for your sports medicine needs!"

"I like knowing that TAB is there advocating for us and the overall Texas business climate."
***- Jenny Cox,
Owner
Alert Services Inc.***



Alert Services Sales Staff

availability have become the focus of Alert Services. Since the inception in the 1970's, Alert Services sales force has always been predominantly athletic trainers. The team of exemplary sales staff and internal support staff allows Alert Services to provide exceptional customer service to the sports medicine industry. The sales force now includes 15 outside sales people located across the south,



Alert Services Office Staff

Making The Case For An Educated Workforce

TAB CEO Bill Hammond testified before the Joint Interim Committee to Study Education for a Skilled Workforce. The key, said Hammond, is building a quality and accountable education system and improve the higher education graduation rate.

“We have always been strong supporters of career and technology education that results in skills that employers want,” said Hammond. “I would hasten to add that at the same time these kids coming out of high school need to be post-secondary ready, because most of the jobs are going to require at least a certificate or multiple certificates or an associate’s degree or beyond.”

Hammond adds that the majority of students end up taking remedial courses when they get into a college. “The fact of the matter is 54 percent of Texas students entering a community college have to take remedial courses, and remedial courses today are a dead end for our kids. They are not taught well; they’re not

productive; and there is no relationship between effective learning after they’ve gone through these courses. They don’t work, and they need to work, but we also need to reduce the number of kids who graduate from high school who are not able to pass this test which then requires remedial courses.”



TAB CEO Bill Hammond testifies at the Texas State Capitol.

Again this legislative session, TAB will advocate that a certain percentage of four year college funding be tied to improving outcomes. TAB was a supporter of legislation that passed last session that ties

some community college funding to improving outcomes. “I think as stewards of the taxpayers’ dollars and even beyond the taxpayers as far as the students are concerned, it’s not fair to them that so few kids fail to graduate,” said Hammond. “They go, they take courses, they accumulate debt, and they have nothing to show at the end of the trail other than a monumental debt which they have no hope of paying because they never graduated so they can’t get the job that they need to have.”

QUOTES

“We need to keep the Texas job engine producing at full capacity, and Sen. Davis’ proposal of raising the minimum wage to \$10 per hour is a good way to throw a wrench into a system that is working.”

– TAB CEO Bill Hammond in the *Houston Chronicle*.

“Simply throwing more money at our education system doesn’t make it better without finding a way to deliver education in an efficient and effective manner.”

– TAB CEO Bill Hammond in a story about the latest school finance ruling from *Bloomberg News*.

“We have to have a skilled workforce to attract programs,” he said. “Absent these incentives, they would go elsewhere.”

– TAB CEO Bill Hammond in the *Austin American Statesman* speaking on entertainment industry incentives.

LONGTIME TAB BOARD MEMBER PASSES

Mike Hopkins of Brenham, who owned and operated Mike Hopkins Distributing for close to 30 years, died Monday evening, July 14, 2014.

Hopkins was 69 years old, and had been in ill health for quite some time.

“I first met Mike while he was Executive Director of the Wholesale Beer Distributors of Texas, and I was in the Texas House of Representatives,” said TAB CEO Bill Hammond. “He did amazing work for that group and did amazing work as a member of TAB and for the Brenham community when he became the ‘Bud Man of Brenham’ in 1989. Mike has been a real asset to TAB,

Brenham and the entire State of Texas and will be missed.”

Among his many accomplishments were being named Washington County Man-of-the-Year in 2008. He was a founding member of the Texas Lyceum and Center for Coastal Conservation (CCC). His love of deep sea fishing led him to serve on the Board of Directors for the Coastal Conservation Association (CCA) and the Houston Big Game Fishing Club. Following his philosophy of Pass-It-On, he served on the Executive Committees for the Texas A&M Chancellor’s Council, Volunteer Services Council at the Brenham State Supported Living Center, and the Make-a-Wish Foundation.



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Talk **About** Business

School Finance: The Never Ending Battle



Bill Hammond, TAB CEO

Here we go again. Another fight over the way we fund our schools, and the amount we spend on our students is heading to the Texas Supreme Court.

By the time the issue makes it to the Legislature again, the current funding system will have been in place for 10 years. I guess in terms of a school finance system that is a good run, but I still question the need for wholesale changes.

First, Judge Deitz talks about schools being underfunded, considering they are under more pressure to meet tougher standards. What tougher standards is Judge Deitz talking about? Maybe those standards that were rolled back last year at the behest of Texas superintendents? We also have candidates running for office who promise to eliminate more tests and roll standards back even further this coming legislative session. That undercuts the argument that schools need more money to meet tougher standards.

And, what about the new numbers from the Texas Education Agency? The agency says 90 percent of school districts and 85 percent of campuses are meeting state standards. If we are really that successful, then it would seem that our students are flourishing under the current system.

The constitution talks about a funding system that ensures a general diffusion of knowledge. If 85 percent of schools and the students that go to them are meeting state standards, that says to me “mission accomplished.” Of course, we all know that those numbers are overblown, considering only about 20 to 25 percent of our students graduate career or college ready, which should be the standard to which we hold our schools accountable.

There is also the fact that surprised many lawmakers in a recent hearing: that we have not increased the passing score for the STAAR test in the last four years. To put that another way: we have NEVER increased the passing scores for STAAR, some of which are as low as 37 percent. That also takes away from the argument that schools are struggling to meet tougher standards, because the standards have never gotten tougher.

It's ironic at least and hypocritical at worst that many argue that since schools are struggling to meet standards no one is expected to meet, they need more money. The truth is we have been throwing more money at the system for years and results are still low. Yes, the Legislature made cuts in 2011, but most of those were

restored in 2013. The point is there has to be some other answer out there, because money alone will not solve the problem.

One issue is efficiency. I testified on that issue during this latest school finance trial, but Judge Deitz did not include that issue in his ruling. I am hoping the Supreme Court does, because it is central to answering the question about whether we give our schools enough money to do the job they are constitutionally required to do.

Also, it is my hope that the Supreme Court will not look favorably on this ruling as a whole. I believe we have enough money in the system to educate our children. What we must do is spend it smartly and hold schools accountable for results. That means adopting an accountability system that will give us a true and accurate snapshot of the job we are doing, not turn our campuses into a glorified kid's soccer league where everyone gets a trophy. The future of our economy depends on students who get a great public education and graduate with a diploma that means they are ready for a career or college, not a diploma that might as well be a participation ribbon.