Graduate Medical Education Update

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The ACA

Patient Protection & Affordable Care Act

- Passed March 23, 2010
- Most extensive health care overhaul since Medicare was enacted
- Implementation anticipated to extend over next 5-10 years
Implementation

Centers for Medicare & Medicaid Services
  - Final rule - 75 Fed. Reg. 72133 (11/24/10)

Health Resources & Services Administration
  - Primary care expansion grants
  - Teaching Health Center funding program
  - National Center for Workforce Analysis
Medicare GME Rules

Good News

- Nonhospital Training
- Didactic Time
- Slots from Closed Teaching Hospitals

Not-So-Good News

- Resident Redistribution Pool
Nonhospital Training

Effective July 1, 2010, changes current requirements for counting residents in nonhospital settings

- DGME – all time regardless of setting if hospital pays resident stipends & benefits
- IME – all time in patient care activities if hospital pays resident stipends & benefits
Nonhospital Training

- Residents from more than 1 hospital can train in the same setting if the hospitals share the costs & divide resident time proportionally per a written agreement.

- Hospitals must submit data on amount of time residents spend in nonhospital settings compared with base year.
Didactic Time

- **DGME** – all time spent in didactic activities in nonhospital setting “primarily engaged in furnishing patient care” – effective for cost reporting periods beginning on or after 7/1/09

- **IME** – all time spent in didactic activities in a hospital or provider-based outpatient department – effective for cost reporting periods beginning on or after 1/1/1983
Didactic Time

- No more “one workday” rule, effective January 1, 2011
- Time spent in educational conferences or seminars in non-patient care settings (hotels, medical schools) cannot be counted for IME purposes
- Exception – Conferences held in medical school clinical areas
Didactic Time

- Can’t count time spent in research not associated with treatment or diagnosis of a particular patient (for either DGME or IME)

- Can count time spent on vacation, sick leave or other approved leave that doesn’t extend training time
Closed Teaching Hospitals

- CMS must establish process for distributing resident positions of teaching hospital that close on or after March 23, 2008
- Priority given to hospitals in the same or contiguous geographic areas
- First application process includes closures from March 23, 2008 – August 3, 2010
Closed Teaching Hospitals

- Hospitals closing after August 3 will be included in subsequent application cycle
- First application deadline – April 1, 2011
- Threshold: Must show “demonstrated likelihood” of filling slots within 3 years
- Applications prioritized by proximity & evaluated on 7 criteria
Resident Redistribution Pool

- Pools 65% of slots unused over last 3 years
- Exemptions for rural hospitals < 250 beds, new teaching hospitals, slots awarded in earlier pool
- Medicare contractors must determine hospitals that lose slots by May 16, 2011
- Separate determinations for DGME and IME purposes
Recipients must maintain current # of primary care residents (averaged over 3 years) + at least 75% of new slots in primary care & general surgery over next 5 years.

- Primary care = family medicine, general internal medicine, general pediatrics, preventive medicine, geriatric medicine or osteopathic general practice.
Resident Redistribution Pool

- Compliance with maintenance of effort requirement must be documented each year
- Failure to maintain risks loss of positions
- Here’s the not-so-good part: Per the statute, recipients must be located in certain geographic areas
Resident Redistribution Pool

70% → to hospitals located in states with lowest resident-to-population ratios

- MT, ID, AK, WY, NV, SD, ND, MS, FL, PR, IN, AZ, GA

30% → to rural hospitals & hospitals in states with highest ratios of population in health profession shortage areas to total population

- LA, MS, PR, NM, SD, DC, MT, ND, WY, AL
Resident Redistribution Pool

- Deadline for applications - January 21, 2011 (March 1 for hospitals undergoing cap audit)
- Threshold: “Demonstrated likelihood” of filling slots within 3 years
- Applications evaluated by preferences, priority categories & evaluation criteria
- Redistribution effective July 1, 2011
Primary Care Expansion

Primary Care Residency Expansion Grants

- $168 M to increase # of residents in primary care training (FM, general IM & general peds)
- Open to public & not-for-profit hospitals, COMs, medical schools
- Funding for 5 years at $80K/resident/year for a total of 3 years per resident
- Awards announced September 30
Teaching Health Centers

Teaching Health Center Graduate Medical Education Program

- $230 M, 5 year program to increase # of primary care residents & dentists training in community-based ambulatory patient care settings
- Includes FQHCs, community mental health centers, rural health clinics, IHS facilities
Teaching Health Centers

- Primary care = FM, IM, peds, IM/peds, OB-GYN, psychiatry, general dentistry, pediatric dentistry & geriatrics
- THC or a consortium in which it plays a central role has to be the program’s “sponsor”
- AOA Board approved changes to Basic Standards allowing OPTIs to sponsor THC programs
Teaching Health Centers

- 11 THC funded in first funding cycle, including 3 with osteopathic or dually accredited programs ($1.9M/50 positions/9 months)
- Agency must promulgate regs & determine IME payment
- Annual funding and # of THC & residents expected to increase in subsequent cycles
Other GME Issues

- Breaking the Caps
- Resident Work Hours
- Specialty Mix
- Geographic Distribution
- IME, DGME Cuts?
- “New” GME Programs
- DGME Payment Equity
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