

July 26, 2022

The Honorable Tom O'Halleran
United States House of Representatives
318 Cannon House Office Building
Washington, DC 20515

The Honorable Diana Harshbarger
United States House of Representatives
167 Cannon House Office Building
Washington, DC 20515

Dear Representatives O'Halleran and Harshbarger:

The undersigned organizations strongly support the House introduction of The Rural Physician Workforce Production Act of 2022.

Medicare accounts for two-thirds of public funding for residency training and program requirements influencing physician workforce distribution. Many rural areas lack access to primary care physicians and other specialties compared to urban and suburban areas. While 20% of the U.S. population lives in rural communities, only an estimated 10% of physicians practice in those communities. Physician distribution is influenced by training and most practice within one hundred miles of their residency program. Unfortunately, rural hospitals typically cannot afford to create residency programs because they operate on narrow margins and require a predictable source of funding. Moreover, caps on the number of Medicare funded GME residents created by the Balanced Budget Act of 1997 have limited the growth of GME in rural areas and not kept pace with the 27% rise in residents since enactment.

For the above reasons, we appreciate your leadership in introducing the House version of S. 1893. This bipartisan, budget-neutral bill tackles the geographic maldistribution of physicians in rural areas stemming from the current structure of Medicare-funded GME. The bill's provisions would help rural teaching hospitals through changes such as: lifting the caps and removing Medicare limits on rural resident training growth; extending equitable federal funding to rural hospitals for residency training, such as Sole Community Hospitals and Critical Access Hospitals; increasing support for Medicare reimbursement of urban hospitals that send residents to train in rural healthcare facilities; and establishing an elective per resident payment initiative to ensure rural hospitals have the resources to bring on additional residents.

This bill is the best means to resolve the geographic maldistribution of primary care physicians in the United States and complements other GME initiatives already introduced. The current COVID-19 pandemic has exacerbated the situation, demonstrating the increased need in rural areas for an adequate physician workforce and health care infrastructure. A key solution to this problem is increasing physician training in rural areas. We look forward to working with you on this important issue.

Sincerely,

American Academy of Family Physicians
American Association of Colleges of Osteopathic Medicine
American College of Osteopathic Family Physicians
American Osteopathic Association
Council of Academic Family Medicine
GME Initiative
National Rural Health Association