GME Reform: A Report Card for Congressional Bills
Colorado Commission on Family Medicine

This is a list of items to be addressed in proposed legislation. The +/- grading system is a subjective assessment of draft legislation.

The grading below pertains to the bill proposed by Sen. Bernie Sanders: The Expanding Primary Care Access and Workforce Act

1. Supports existing family medicine residencies

A substantial number of existing residencies run at a significant deficit and are at risk for closure by the sponsoring hospital. Increased funding is needed for existing programs. Bills that only address THCs or new programs do not adequately address the needs of existing programs.

Grade: -

Comments: Does not increase funds to existing programs. There are some provisions in the bill that might be helpful for some existing programs. For example – Section 5(b) has provisions for hospitals receiving GME funds to report on a number of details about how their Medicare GME dollars are being spent. For hospitals with multiple residency programs this may put the primary care residencies in a somewhat more favorable light in the eyes of their sponsoring hospitals. However, for hospitals that sponsor only a single residency family this sort of reporting will likely do little to change the hospital's calculus of whether or not it is economically favorable to continue to support a residency.

2. GME payments are made directly to sponsoring organizations where primary care training occurs

Uncouple GME payments from Medicare payments to hospitals. Payment to a hospital based on their percentage of Medicare does not correlate with the cost of running a residency. Examples are expanding funding for Teaching Health Centers, educational consortia, and/or residency programs rather than teaching hospitals.

Grade: +/-

Comments: Increases funds to Teaching Health Centers; but existing residency programs, and many rural training tracks (both existing and in development) will still be under the current Medicare payment structure.

3. Provides funding that is long-term and sustainable

New funding for residencies should be sustained. The THC pilot program should be expanded and made permanent so it does not require congressional reauthorization periodically. Uncertainty of sustainable funding prevents organizations, such as rural hospitals, from starting new programs.

Grade: -/+

Comments: Funding for THCs extends to 2020 but will need reauthorization. The funding for 2000 new Medicare positions for Family Medicine would likely be sustainable.

4. Increases the number of training positions in primary care

Previous attempts to increase training positions have not targeted primary care or have been ineffective. Additional positions must be reserved for primary care. This will correct the specialty imbalance and promote primary care.

Grade: +
Comments: Adds 2,000 residency positions specifically for family medicine

5. Measures primary care production accurately

The number of physicians in primary care should be counted five years after graduating from medical school, not at the time of entering residency. The resulting data will accurately reflect if residencies are truly producing primary care physicians, as opposed to starting an internal medicine or pediatrics residency and then going on to sub-specialize.

Grade: +
Comments: Requires data on graduates 15 years post-graduation

6. Corrects the geographical maldistribution of GME payments among states

The current GME system has a significant disparity in the amount of money per resident that is paid to program on the east and west coast compared to the West and the Midwest states. This difference does not correlate with the cost of training residents.

Grade: -
Comments: Does not address discrepancies between geographical regions

7. Supports training of primary care in rural locations

There is a chronic need for more primary care physicians in rural areas. GME funding to critical access hospitals is inadequate to develop and run a residency program. The cost-based reimbursement results in substantial deficits for residency training.

Grade: -
Comments: Does not address rural training issues. Changes in GME funding to Critical Access hospitals is not addressed. Full service hospitals in rural areas are disadvantaged in the traditional IME/DME calculations relative to their urban counterparts if they provide obstetrical and newborn services. These services cause their Medicare bed ratio to decrease resulting in lower IME/DME payments.

8. Incentivizes students to choose primary care

Medical student debt is an obstacle to choosing primary care. To build the primary care workforce, incentives are needed for medical students to choose primary care by substantially increasing scholarship and loan repayment programs.

Grade: +
Comments: Increases funds for loan repayment programs. However, we are concerned about the reliability for this funding increase. Section 2(a) authorizes the appropriation "out of any amounts in the Treasury not otherwise appropriated". Is there a way to make these funds more dependable?

9. Corrects the primary care reimbursement differential

The pay differential between primary care physicians and specialists is another obstacle to building a primary care workforce. Decreasing the pay differential between PCPs and sub-specialty physicians needs to be addressed.

Grade: +
Comments: Maintains enhancement to primary care payments. Section 2(i) and 2(j) requires that future Medicare fee schedules for physicians not receive advice from physician organizations that are not at least 50% primary care. These provisions will help address, but not fully correct, the primary care reimbursement differential.

10. Establishes an all-payer system to support GME

Health care insurance companies benefit from having a trained physician workforce. Rather than relying completely on Medicare to fund GME, insurance companies should contribute some of the costs of developing the workforce.

Grade: -
Comments: Does not address this issue

11. Funds the National Health Care Workforce Commission

The Commission has been established but not funded. This body can be very beneficial by assessing health care workforce needs and establishing goals.

Grade: +
Comments: Provides funds for the Commission

12. Sets a goal that primary care physicians should be a minimum of 40% of the total physician workforce

Effective healthcare systems have a physician workforce comprised of at least 40% primary care. The current US physician workforce is 33% primary care. The US GME system currently produces primary care physicians at a rate of 23%. The nation needs an unequivocal policy statement to correct this imbalance.

Grade: +/-
Comments: The bill supports the expansion of 2000 Family Medicine residency positions and for extension of the THC program. It also calls for funding the Workforce Commission. It falls short of setting an actual national physician workforce policy goal.