



**COUNCIL
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United for Excellence in Medical Education, Research, and Health Care

Ensuring an Adequate Physician Workforce: The Critical Role of GME

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Council of Florida Medical School Deans

For the Florida State University System

Board of Governors

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Dr. Alma Littles, Terry Meek, Dr. John Fogarty, Dr. Tim Flynn, Dr. Lisa Dixon, and the FSU Instructional Design team helped to generate many of the data, graphics and materials presented.

Representatives from each Florida medical school contributed updates on their GME initiatives for inclusion in this presentation.

I have no industry relationships or conflicts of interest to disclose.

THE PROBLEM

There are **TOO FEW** residency training positions in the state of Florida to ensure an adequate physician workforce.



**RESIDENT
PHYSICIAN**



PATIENTS

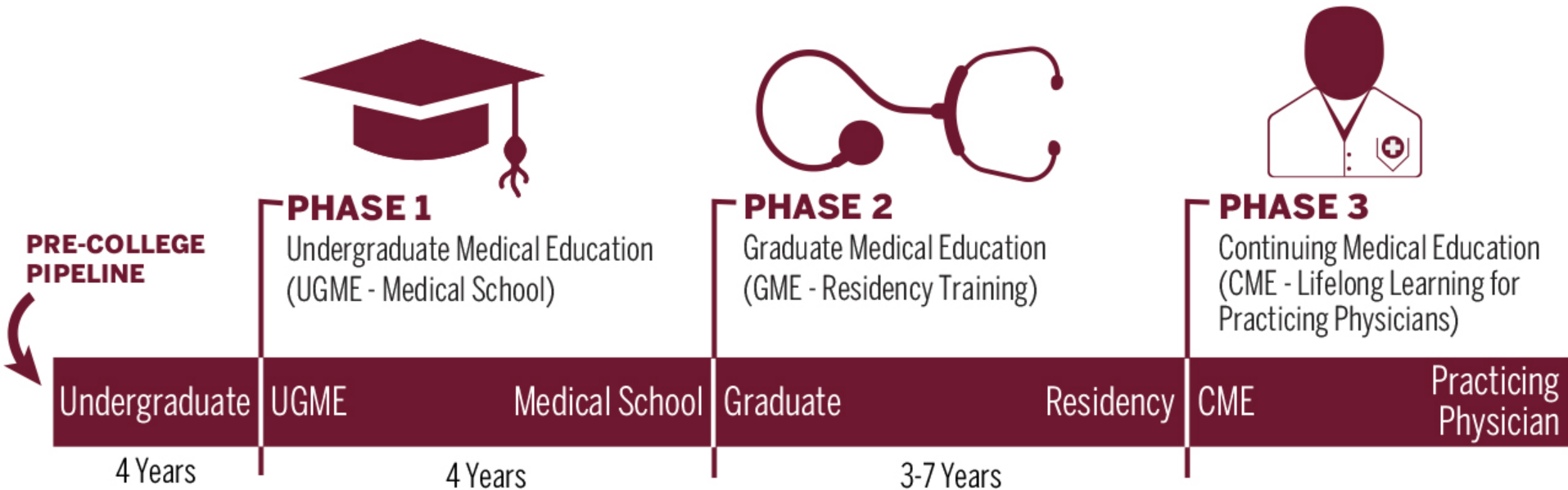


The Problem

- With the rapid growth of the population in Florida over the past 15 years, the state now has a physician workforce problem in both primary and specialty care areas.
- Florida needs approximately 3350 more residency positions to meet the average national ratio of medical residents per 100,000 state population.
- GME provides a pipeline for both medical students from Florida schools and for bringing additional doctors to the state who are likely to stay and practice in Florida.

Continuum of

MEDICAL EDUCATION

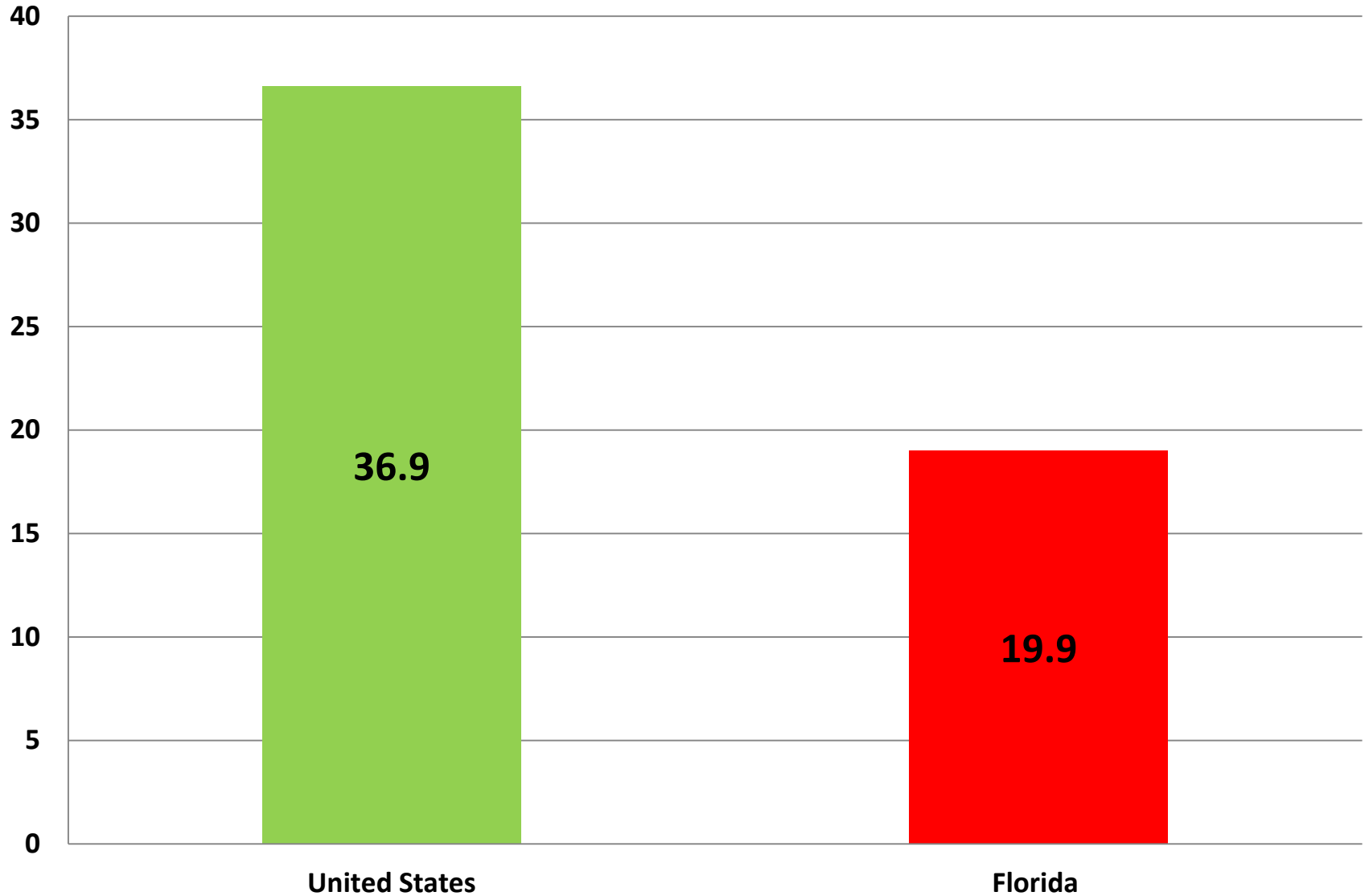


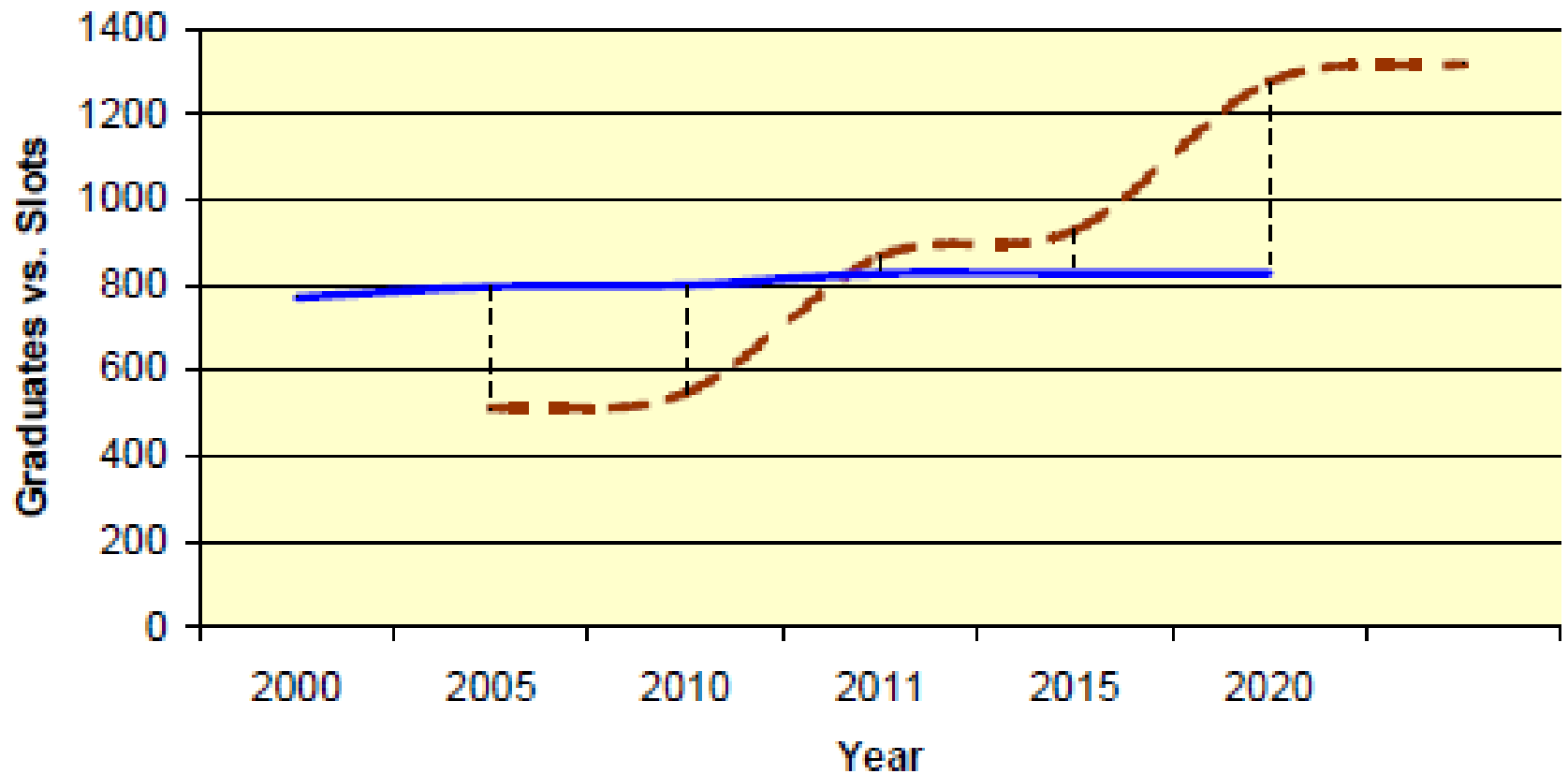
Related terms:

- PGY1 = “post-graduate year 1”
- Intern = first year resident = PGY1

Fellowship – subspecialty training after residency

GME Positions per 100,000 Population

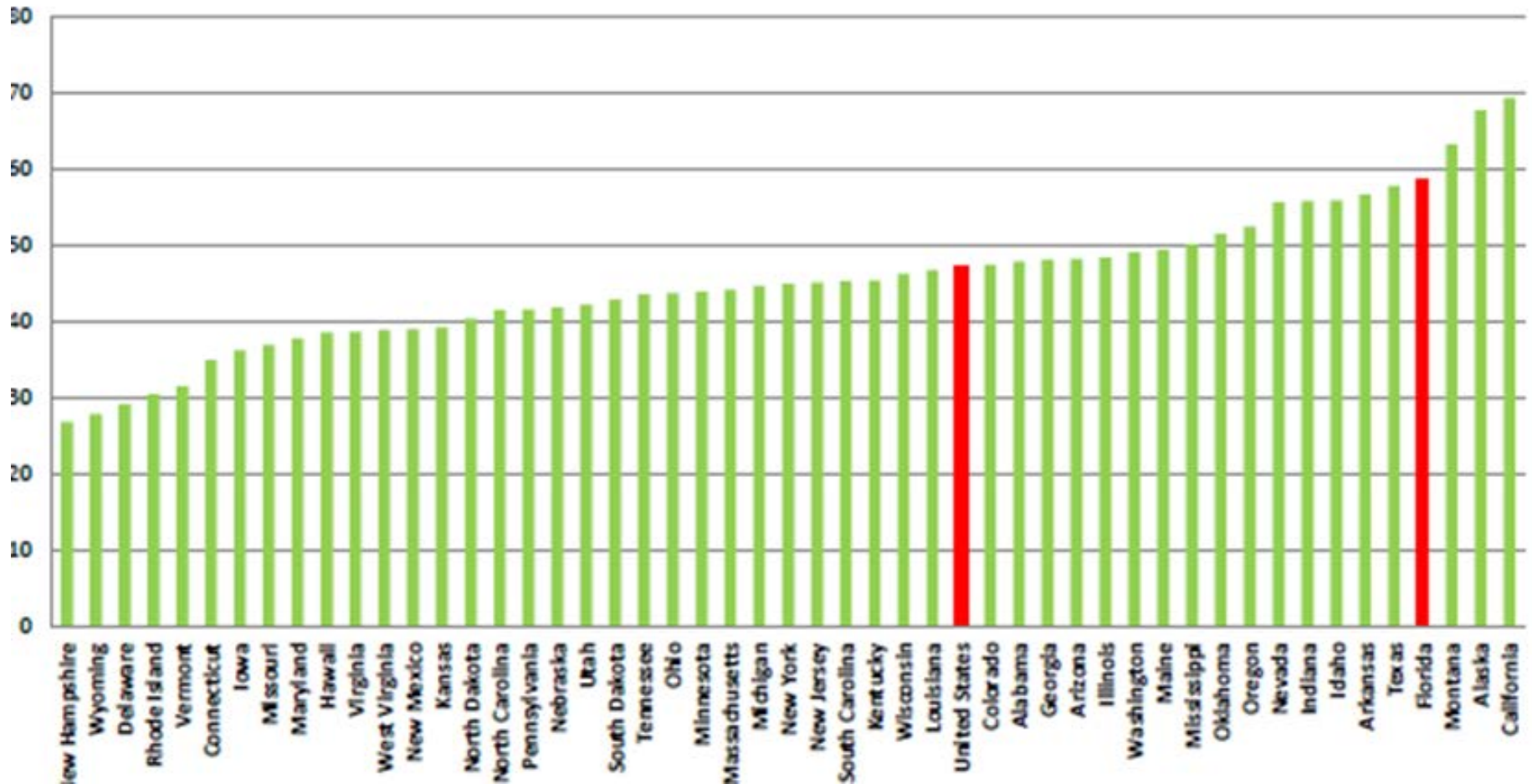




— Total Grads (Actual or Projected) — Total PGY1 Slots

Retention of GME-Residents

Florida Ranks 4th in the US for Physicians Retained from Graduate Medical Education



Retention of Physicians Trained in Florida

% Retention From:	Florida	US
Medical School	49.5	38.7
Residency	58.6	47.2
Medical School and Residency	78.1	66.8

THE PROBLEM



There are **TOO FEW** residency training positions in the state of Florida to ensure an adequate physician workforce.



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So how do we create more?

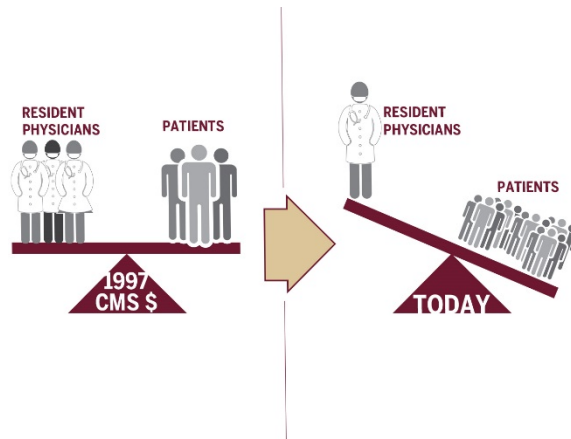
Traditional Settings for GME

- Teaching Hospitals
- Veterans Affairs Medical Centers
- Medical School Faculty Practices



Traditional GME Funding Sources

- Most GME Programs funded by Medicare (\$9.8B annually)
 - Number of positions “capped” as result of 1997 Balanced Budget Act



- Medicaid (through enhanced rates to teaching hospitals)
- Veterans Health Administration (VA) – historically 9% of all positions
- Teaching Hospitals
- Faculty Physician Practice Plans
- Private Foundations
- US Department of Health and Human Services
- US Department of Defense
- Industry
- Others

GME Funding by Medicare

Direct Medical Education Payment (DME)

- Direct cost of resident training including resident salary (\$50-70k), fringe benefits, teaching physician compensation, etc.
 - Disbursed based on a per resident amount through a complex formula
 - Generally paid directly to the hospital where residency program is housed

Indirect Medical Education Payments (IME)

- Covers the indirect costs associated with training residents including required teaching spaces, infrastructure needs, sicker patient populations, greater technological needs, enhanced services, and to offset the lack of private insurance's contribution to GME.
 - Paid in the form of enhanced payments for care provided to all Medicare patients admitted to hospitals with residency programs.
- In Florida, some hospitals also received enhanced Medicaid payments for all Medicaid patients admitted.

Additional Aspects of Medicare Funding for GME

- 1997 Balanced Budget Act
- Rebalancing
 - 2010
 - Florida Received Additional Positions
- Federal Budget Cut Activities
- Strategies for Funding of Certain Programs Within the Balanced Budget Act
 - GME Naïve Hospitals
 - Hospitals that meet certain shortage criteria

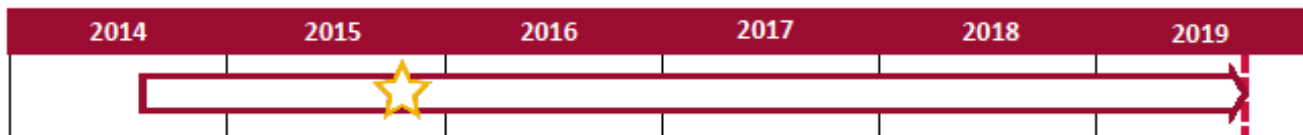
VA GME Expansion

Where are we in the VA GME Expansion?



To meet the ambitious goal of 1,500 new VA GME physician resident positions by August 2019, we must work aggressively and efficiently. We have made progress, but there's still work to be done.

Choice VA GME expansion timeline



We are here

Choice deadline

Year 1 & 2 Milestones

- ✓ During Year 1, OAA allocated over 200 new physician residency positions.
- ✓ Over three-quarters of the filled positions were in either primary care or mental health.
- ✓ Year 2 allocation adds 168 additional permanent positions to start in July 2016.
- ✓ **Years 1 + 2 total = 372 new positions**

With 372 new positions we are almost here:



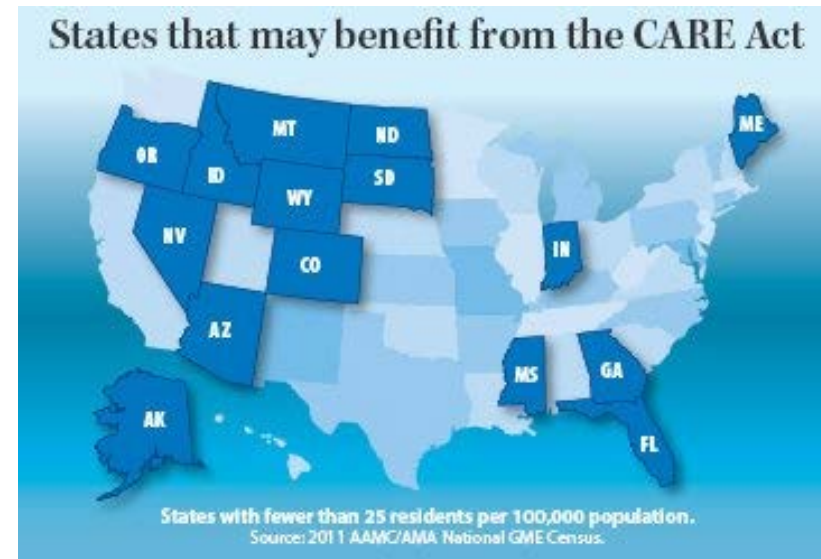
This is where we need to be by 2019

Pending Federal Legislation Regarding GME

- Resident Physician Shortage Reduction Act of 2015
 - # of new residency spots would gradually increase each year—not all at once
 - Students pursuing a “shortage specialty” like primary care would have an advantage
 - Factors like neighboring medical schools and the # of residency applicants for a particular program will impact how new residency slots are distributed
 - The act calls for additional research on specialty shortages and diversity in GME

Pending Federal Legislation Regarding GME

- Creating Access to Residency Education Act of 2014 (CARE Act)
 - create a \$25M grant program through the Centers for Medicare & Medicaid Services that would allow certain hospitals to apply for matching funds to support new medical residency training positions
 - Only public or nonprofit teaching hospitals or accredited GME training programs in a state with fewer than 25 medical residents per 100,000 people would be eligible for funding



Newer Sources of GME Funding in Florida

State:

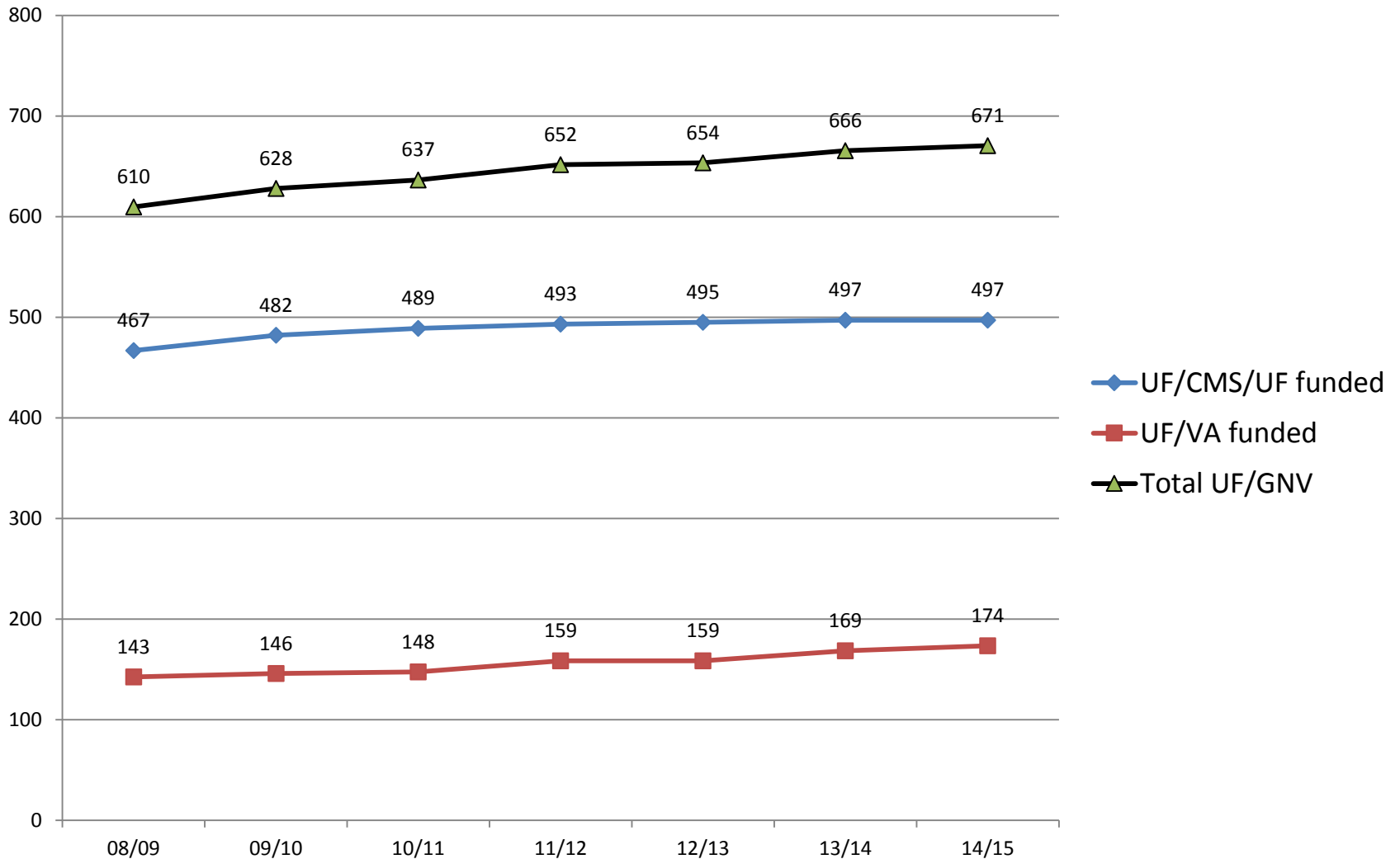
- Payments to Hospitals Only (No Payments to Medical School or Non-hospital Entities)
- Statewide Medicaid Residency Program
 - Formula for hospital payment based on Medicaid patient numbers and number of FTE Residents
 - 2013 - \$80M annually (\$30M state plus \$50M federal)
 - 2016 – Governor’s Recommendations for 2016-17 FY: Additional \$26.6M
- \$80M Graduate Medical Education Startup Bonus Program
 - Provides \$100,000 start-up bonus for hospitals that create positions for certain specialties based on a report of physician workforce and GME commissioned by the Safety Net Hospital Alliance of Florida
 - \$100M (\$40M state plus \$60M federal)

Private:

- Hospitals
- Private Donors



UF/Gnv GME Growth thru Local and VA funding





Sponsoring Institution

Graduate Medical Education Committee (GMEC)

OB/Gyn

General Surgery

Internal Medicine

Family Medicine

Pediatrics

Orthopedic Surgery

Anesthesiology

Psychiatry

Current Florida GME Snapshot

- 51 Sponsoring Institutions
- 161 Residency Programs
- 3,726 Residents
 - (1,998/54% with SUS medical school as SI)
- 223 Subspecialty programs
- 820 Fellows

51 GME Sponsoring Institutions in Florida

All Children's Hospital	Miami-Dade County Medical Examiner Department
Andrews Research and Education Institute	Mount Sinai Medical Center of Florida, Inc
Aventura Hospital and Medical Center	Naples Community Hospital, Inc
Bayfront Health St Petersburg	Naval Hospital (Jacksonville)
Blake Medical Center	Naval Hospital (Pensacola)
Brandon Regional Hospital	Navy Medicine Operational Training Center
Broward County Medical Examiner's Office	North Florida Regional Medical Center
Broward Health Medical Center	Northside Hospital
Citrus Health Network, Inc.	Oak Hill Hospital
Cleveland Clinic Florida	Ocala Health System
Doctors Hospital	Orange Park Medical Center
Florida Atlantic University Charles E. Schmidt College of	Orlando Health
Florida Department of Health Palm Beach County	Regional Medical Center Bayonet Point
Florida Hospital Medical Center	St Vincent's Medical Center
Florida Orthopedic Institute	St. Petersburg General Hospital
Florida State University College of Medicine	Tallahassee Memorial Healthcare
Halifax Medical Center	The Skin Institute of South Florida
Jackson Memorial Hospital/Jackson Health System	University of Central Florida College of Medicine
Kendall Regional Medical Center	University of Florida College of Medicine
Lakeside Medical Center	University of Florida College of Medicine Jacksonville
Largo Medical Center	University of Miami Hospital and Clinics
Larkin Community Hospital	University of Miami/JFK Medical Center Palm Beach
Manatee Memorial Hospital	University of South Florida Morsani College of Medicine
Memorial Healthcare System, Hollywood, Florida	US Air Force Regional Hospital
Miami Children's Health System/Nicklaus Children's Hospital	West Kendall Baptist Hospital
	Westside Regional Medical Center

ESTIMATED TIMELINE FOR NEW RESIDENCY DEVELOPMENT PROCESS

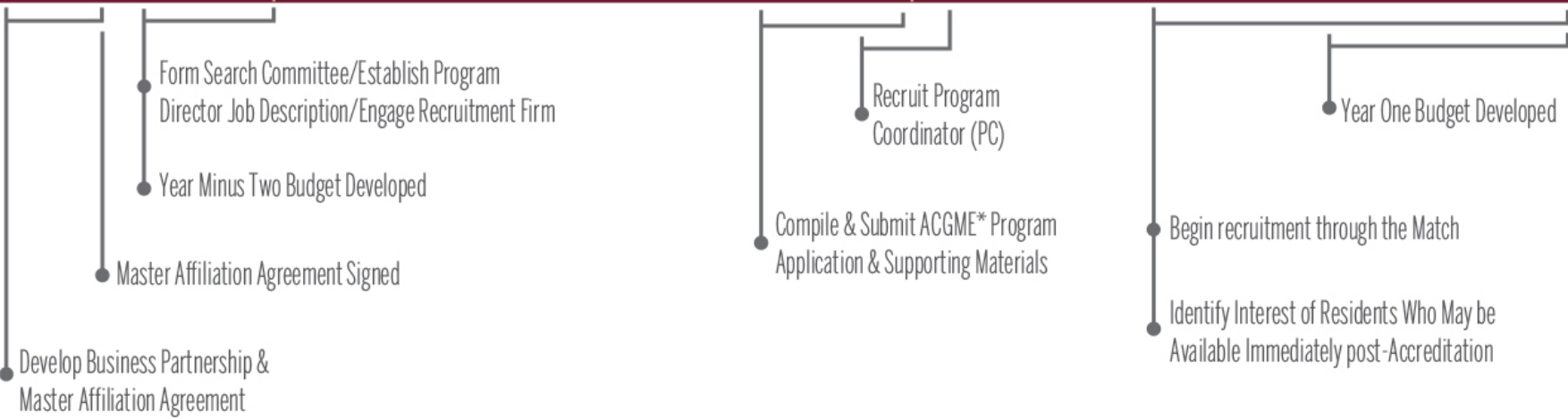
Partnership Development

Year Minus 2

Year Minus 1

Year 1

Month
 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30



Costs to Consider in Developing a New Residency Program

- Recruiting and Hiring Residency Director
- Application Fee
- Curriculum Development
- Support Staff
- Faculty
- Clinical Staff
- Space
- Resident Recruitment, Salaries/Benefits
- Full Start-up Funding, while applying for CMS funds and building cap
- In the experience of one SUS/CFMSD medical school, and depending on the type, size and location of the program, it could cost as much as \$8M to develop and implement a new residency program for its first three years.

CFMMSD Recommendations

- Consider “innovation grants” through competitive applications to create new GME positions in Florida.
 - Draws on educational ingenuity of Florida’s medical schools and teaching hospital partners
 - Key aspects to include start up process and financial sustainability post grant

CFMMSD Recommendations for Addressing Physician Workforce Need

- Any statewide GME program should:
 - Be applicable to public or private allopathic or osteopathic medical schools.
 - Ensure that it includes a method to provide an ongoing, independent determination of workforce needs to base distribution of state funding.
- Broad state policy needs might include
 - Geographic areas
 - Physician specialties
 - Service to underserved populations
 - Special populations
 - Current changing health care delivery systems



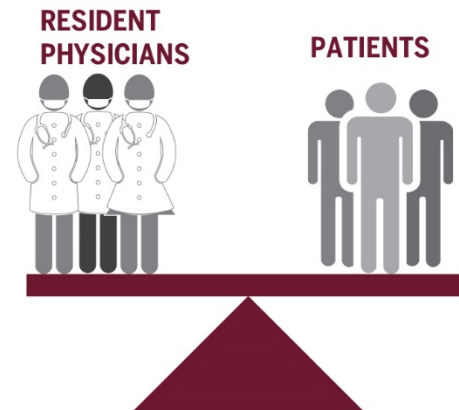
CFMSD Recommendations

- There are many nuances on how GME is delivered throughout Florida. Any policy should reflect the heterogeneity of the GME landscape in Florida.
- Any program should include the development of GME in multiple outpatient or non-hospital settings, as well as programs in traditional hospital settings.
- Programs that utilize a consortium to design and utilize significant multiple settings and entities might be given priority or increased incentives.

CFMMSD Recommendations

Ensure accurate statistics on current and planned residency positions are maintained

- Collaboration with Surgeon General's Physician Workforce Committee



Determining the Number of GME Positions in Florida

- Factors in Determining GME Numbers
 - Hospital and non-hospital GME
 - ACGME and AOA
 - Funded and non-funded
 - Filled and non-filled
- Several studies – different numbers
 - UF Review of AAMC data – 3,726 residents/820 fellows
 - Statewide Residency Program 2015-16 – 4,373.21 positions
 - OPPAGA Report 2014 – 5,157 approved positions
 - 2015 AAMC DataBook – 3,967 as 12/31/2014

Some progress ... but inconsistent data

- Governor's Office reports an additional 477 slots and 16 new teaching hospitals in the first two years of the Statewide Medical Residency Program
- The BOG Health Initiatives Report Shows GME Expansion since 2012-13 in all SUS medical schools
- CFMSD shows GME expansion in all non-SUS osteopathic and allopathic medical schools since 2012-13
- 2015 AAMC DataBook shows 1037 increase from 2004-14
- Combined BOG and CFMSD figures indicate that eight of Florida's nine medical schools have plans for additional GME expansion

Medical Schools as Sponsoring Institutions

- Well-positioned to serve as SI's, as they have the administrative, educational and clinical resources
- Have the infrastructure and are especially helpful to hospitals developing new programs
- Do not typically receive educational funding for GME
- Must rely on clinical partners to provide funding, since they are the ones who receive the direct funding for GME



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Ensuring an Adequate Physician Workforce: The Critical Role of GME

- GME is where you learn to be a physician, and a primary source of physicians to care for our citizens and communities.
- Florida needs several thousand additional GME positions.
- Medical schools should be central organizing and participating members of GME initiatives.
- Competitive GME grants can be used to initiate but not sustain new GME positions.
- Centralized GME data coordination and verification is needed at the state level.