The Challenges of Reforming GME

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IOM Report on Governance and Financing of GME

♦ Report issued *July 2014*
  -- 21 months of deliberations; 2 days of public hearings

♦ 5 recommendations
  -- Keep Medicare GME at current levels (indexed)
    redistribute dollars geographically and by purpose
  -- Reassess effects of GME funding after 10 years;
  -- Encourage innovation, move to a performance–based system, payment variation
Key Findings: Physician Workforce

♦ Forecasts of future physician shortages
  -- Vary in magnitude; historically unreliable
♦ Number of physicians won’t resolve important workforce issues
  -- Particularly with respect to specialty and geography
♦ Number of trained physicians GME slots not related to ing Medicare funds
  -- Resident positions 17.5% (2003-2012) despite cap
♦ ingly specialized workforce being trained
♦ Newly trained physicians lack office-based skills
Key Findings: GME Financing

♦ Medicare GME payments are based on rigid, statutory formulas which don’t reflect the current needs
  -- Cost-reimbursement model
  -- Historic inequities
  -- Tied to inpatient care and a subset of patients
  -- No link to outcomes

♦ The financial impact of sponsoring residency programs is poorly understood.
Since the Release

♦ Briefed relevant Congressional committees and HHS
♦ Meetings with committees and members of Congress
♦ Individual committee members have spoken at numerous meetings
♦ Energy and Commerce requested comments on issues raised by the report
♦ No hearings currently scheduled
“Stakeholders” Response to E&C …

♦ Increase accountability and transparency  
  (18 of 27)
♦ Reform GME funding to diversify clinical training  
  (16 of 27)
♦ Less than 25% response rate
♦ “Stakeholders” represent only one part of the affected public
Political Challenges are Formidable

- Redistributing a fixed sum is always challenging  
  -- Winners and losers are inevitable
- No obvious congressional inclination to reform GME  
  -- Previous congressional/WH attempts to $\downarrow$ GME
- “Doc fix“ is no longer available as a legislative vehicle
- Congress already focused on the 2016 election
Bottom-Line Questions

-- Will “have-not” states and institutions fight the current distribution of GME funds?

-- Will Congress seriously consider changing GME funding?

-- Will Congress reduce (or eliminate) IME at some point?

    and most important ....

-- How can GME facilitate the training of physicians to provide 21st C healthcare?