

# PRIMARY CARE

**GEORGIA CHALLENGES,  
GEORGIA SOLUTIONS**

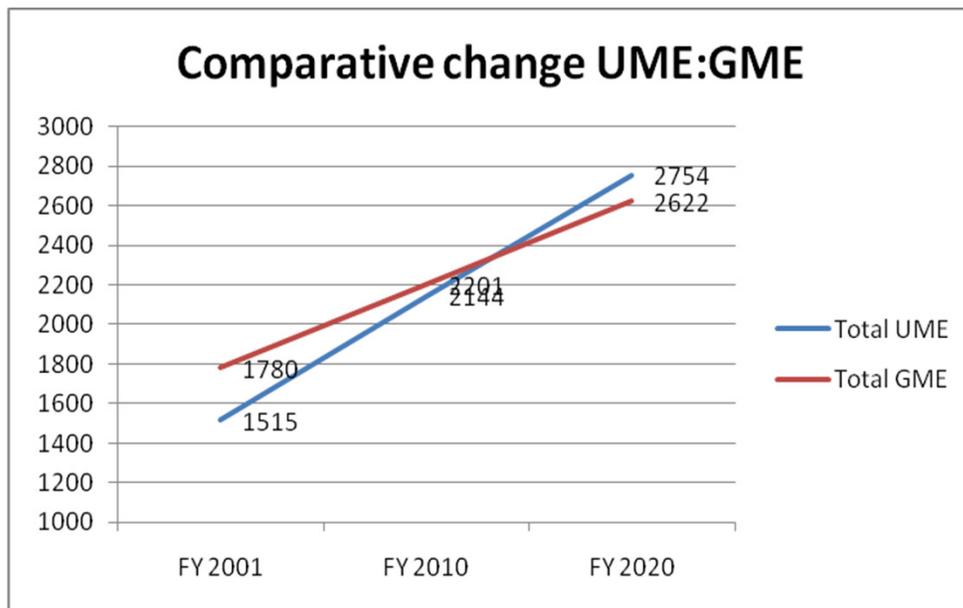


# **FIVE KEY MEASURES**

- **Number of medical students vs. number of GME slots available**
- **Number of GA medical students staying in GA residency programs**
- **Number of GA residency graduates staying in GA**
- **Physician to population ratio**
- **Primary Care physician to population ratio**

# Number Of Medical Students Vs. Number Of GME Slots

- UME expansion is occurring at nearly double the rate of GME



Source: Graduate Medical Education Data Resource Book; ACGME, 2010

**Bottom Line: The lack of GME positions is forcing students out of state to complete training, decreasing the likelihood that they will practice in Georgia**

- Georgia ranks 39th in total residents per capita
  - GA rate is 20.8/100,000; National rate is 35.7/100,000
  - Per capita growth in GME capacity has been minor in last 10 years
  - Georgia needs 1,450 more positions to match the US average (or 315 to meet SE average)

# SHOWN ANOTHER WAY...

SCHOOL	MEDICAL STUDENT AVERAGE ENROLLMENT	PGY 1 RESIDENCY SLOTS (2011)
EMORY	150	192
MEDICAL COLLEGE OF GEORGIA	205	111
MERCER	89	69
MOREHOUSE	57	44
PCOM-GA	85	
OTHER		62
<b>TOTAL</b>	<b>586</b>	<b>478</b>

# Number Of Georgia Medical Students Staying In Georgia PC GME Residency Programs

Specialty	Total of PGY 1 positions	# of PGY 1 positions filled / GA med stud.	% of PGY 1 positions filled by GA med. Stud
Family Medicine	81	9	11.1%
Internal Med.	138	19	13.8%
Pediatrics	55	21	38.2%
OB/GYN	25	6	24.0%
General Surg.	47	11	23.4%
Other Specialties	401	52	13.0%
<b>Total</b>	<b>747</b>	<b>106</b>	<b>15.8%</b>

# Number Of Georgia Residency Graduates Staying In Georgia

2012 Georgia GME Exit Survey Report, Georgia Board Physician Workforce, 2012

## Key Findings:

- **50.0%** are remaining in Georgia to practice
- **41.9%** of all responding Georgia's GME graduates going into practice in 2012 are going into primary care
- Of those that graduated high school in Georgia, **11.9%** graduated from an overseas medical school
- **74.1%** of graduates that graduated high school in Georgia and graduated from a Georgia GME program plan to stay in Georgia to practice
- Graduates that went to high school, medical school and GME in Georgia had an **81.8%** retention rate
- The top reasons for graduates leaving Georgia are "Proximity to Family;" "Better jobs in desired location outside Georgia;" and "Better Salary offered outside of Georgia"

# GME RETENTION

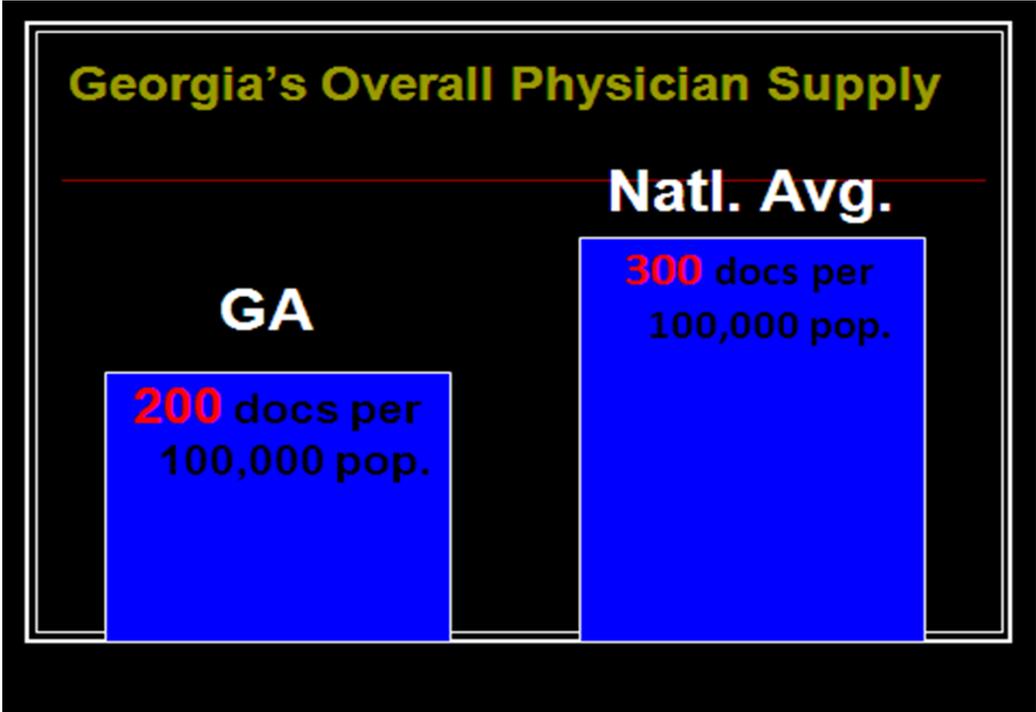
## Debt and Salary:

- In 2012, **29.9%** of graduates had debt over \$200,000
- In 2006, **10.0%** of residents had educational debt of over \$200,000
- Salaries of specialists were higher:
  - The average starting salary of graduates going into cardiovascular surgery was \$321,000
  - The average starting salary of graduates going into pediatrics was \$132,125

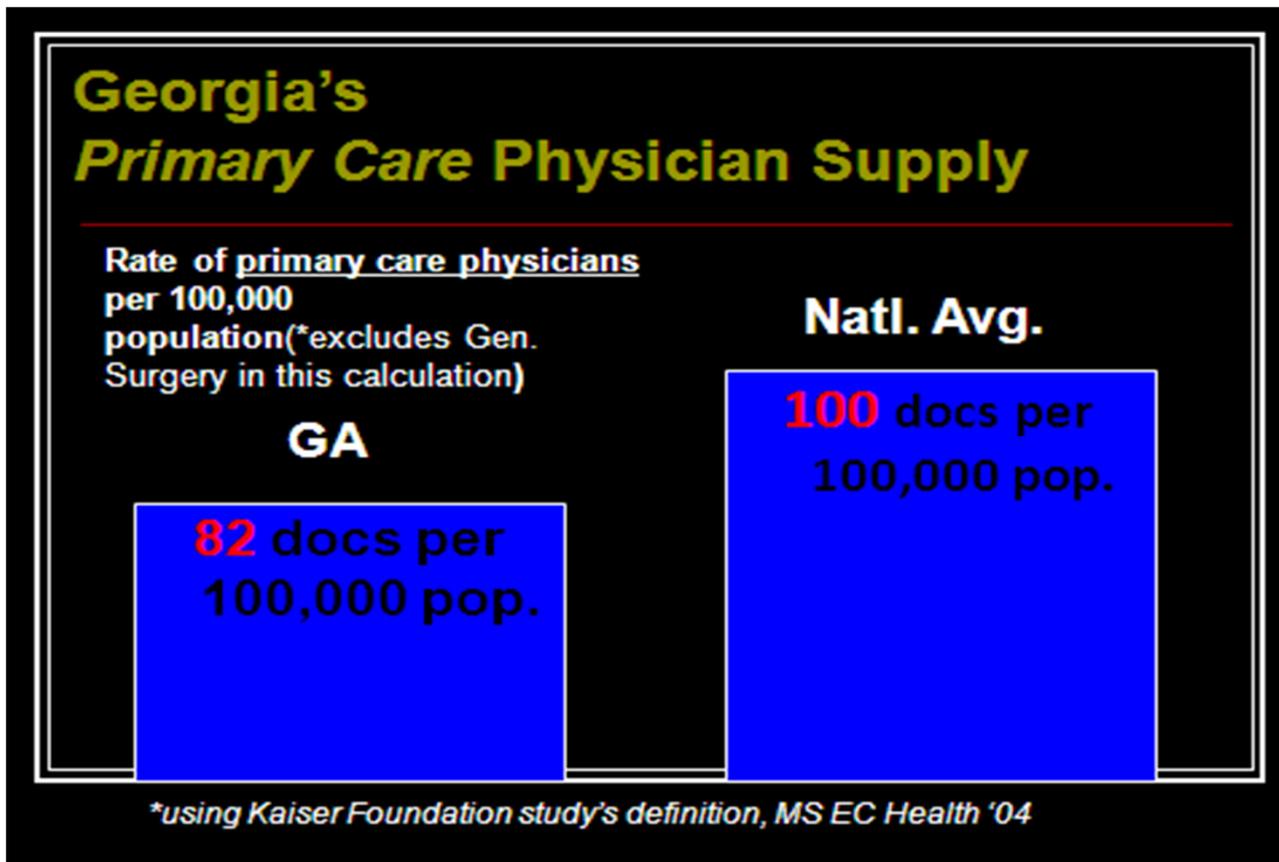
# Distribution Of Medical Education Debt By Number And Percent

Amount of Debt	Number	Percent
None	88	20.0
Less than \$20,000	11	2.5
\$20,000-\$39,999	14	3.2
\$40,000-\$59,999	14	3.2
\$60,000-\$79,999	20	4.5
\$80,000-\$99,999	8	1.8
\$100,000-\$124,999	42	9.5
\$125,000-\$149,999	25	5.7
<b>\$150,000-\$199,999</b>	<b>87</b>	<b>19.7</b>
<b>Over \$200,000</b>	<b>132</b>	<b>29.9</b>
<b>TOTAL</b>	<b>441</b>	<b>100.0</b>

# Physician To Population Ratio



# Primary Care Physician To Population Ratio



# **WHAT OTHER STATES ARE DOING...**

- **Loan Forgiveness**
- **Tax Credits**
- **GME slot expansions**

# **LOAN FORGIVENESS: STATE FUNDED INITIATIVES**

- **Georgia Physician Loan Repayment**
  - Eligible: General Pediatrics, Family Medicine, General Internal Medicine, OB/GYN, General Psychiatry, Geriatric Medicine (other disciplines eligible based on state need and Board action)
  - Up to \$25,000 / year for up to four years
  - Practice medicine in a GA county with 35,000 or fewer population
  - (GBPW sets payment levels and eligible disciplines)

# CONTINUED...

- **North Carolina Community Practitioner Program**
  - Eligible: Physicians, PA's and NP's who practice in Family Medicine, Internal Medicine, and Pediatrics will be considered (OB/GYN, general medicine, and psychiatry are eligible in areas of the state with great need)
  - Must agree to remain at practice site for 5 years
  - Payments are graduated over a five year period and generally does not exceed \$70,000 or ½ the educational debt, whichever is less.

# CONTINUED...

- **Oregon Partnership Student Loan Repayment Program**
  - Eligible: Primary Care Physicians, Nurse Practitioners, Physician Assistants, Dentists, Dental Hygienists, Social Workers, Counselors, and Psychologists
  - Commit to service obligation for at least 2 years (maximum service obligation of 5 years)
  - Providers can receive a maximum award of \$35,000 per year (or 25% of total debt, whichever is smaller)

# CONTINUED...

- **New Jersey Primary Care Loan Redemption Program**
  - Eligible: Primary Care Physicians, dentists, PA's, Certified Nurse Midwives, NP's
  - Must practice in a state designated underserved area or HPSA; minimum contract is 2 years; maximum is four years
  - Up to \$120,000 over a four year period for eligible qualifying educational loans

# CONTINUED...

- **Washington State Loan Repayment Program**
  - Eligible: Physician, NP's, PA's, Midwife, RN, Pharmacist, Dentist, Registered Dental Hygienist
  - Minimum 2 year service obligation commitment / with one additional service years available for contract extension renewals
  - Up to \$35,000/year for a minimum of 2 years and \$30,000 for each additional year based on funds available and individuals remaining eligible educational debt.

# WHAT OTHER STATES ARE DOING: TAX CREDITS

- **Georgia's Rural Physician Tax Credit**
  - Eligible: Primary Care Physicians who practice in a designated rural county in the state of Georgia
  - \$5,000 income tax credit per year for up to five years

# CONTINUED

- **New Mexico Rural Health Care Practitioner Tax Credit Program (2011)**
  - Eligible for \$5,000 tax credit: Physicians, Dentists, Clinical Psychologists, Podiatrists, and Optometrists
  - Eligible for \$3,000 tax credit: Dental Hygienists, PA's, NP's, Nurse Midwives, Nurse Anesthetists, Clinical Nurse Specialists
  - Must practice in approved rural practice locations as defined by the New Mexico Department of Health

# CONTINUED...

- **Maine Tax Credit for Primary Care Professionals Practicing in Underserved Areas (2013)**
  - Eligible: Primary Care Physicians, Dentists, PA's, and NP's
  - Must agree to practice in an underserved area for 5 years
  - Must have an unpaid student loan
  - Receive \$12,000 tax credit each year for up to five years (or until the providers educational loan is paid in full, whichever comes first)
  - Available for up to ten primary care providers each year (five dentists, five other primary care professionals)

# CONTINUED...

- **Louisiana Tax Credit for Physicians and Dentists**
  - Eligible: Physicians and Dentists practicing more than 20 miles of an incorporated city with a population in excess of 30,000, or for dentists, practice must be located in a Dental HPSA
  - Credit: \$5,000 / year up to a maximum of five years
  - Must agree to practice in the areas identified for a period of not less than three years.

# **WHAT OTHER STATES ARE DOING: GME**

- 1. How is GME funded?**
- 2. Does GME imbalance exists broadly?**
- 3. What are other states doing to address imbalance?**

# GRADUATE MEDICAL EDUCATION (GME) FUNDING

- **GME is predominantly funded through Medicare (CMS)**
  - (Veterans Administration (9%), Private Insurers, and Medicaid contribute)
- **Since 1980's: 2 "funding streams": Indirect and Direct**
  - **Indirect Medical Education expenses:**
    - Factored in as an adjustment to Medicare billings:
    - Varies based on resident/bed ratio, capped at 5.5% add on
    - *(Example: If usual Medicare DRG is \$10000, we get \$10550)*
  - **Intended to cover:**
    - Sicker patients
    - More complex patients
    - More advanced diagnostic and therapeutic modalities
    - Longer lengths of stay and additional testing

# GME FUNDING (CONT.)

## Direct Medical Education expenses:

- Intended to cover salaries, benefits, administrative costs, overhead, malpractice, faculty teaching time
- Hospital-specific per-resident amount (PRA) based on costs to educate residents in 1983
  - PRA adjusted for inflation but not work hours reform, competencies, oversight rules
- Hospitals' DME reimbursement = (# of residents\*) x (PRA\*\*) x (% of hospital's business attributable to Medicare)
  - \*Capped at 1997 numbers of residents
  - \*\* Large variations between hospitals

## GME FUNDING (CONT.)

- IME > DME for most hospitals treating adult patients\*
- DME + IME = **\$9 billion+** annually for 100,000+ residents and fellows nationally
- Estimates are that current funding just about covers costs (Steinmann, Annals, 2011)

\* Pediatrics has a separate funding stream, also through Medicare

# WHAT DOES IT COST TO TRAIN RESIDENTS? IOM DEC. 2012

Texas has tracked this information since 1978 for family medicine residency training (*the following are 2011 average per resident costs for 29 programs*).

State Administration (9%), Private Insurers

- **\$239,150**

**total**

- \$68,564

resident alone

- \$73,512

faculty

- \$45,848

personnel

- \$49,911

clinic/office

# GME IMBALANCES:

*(ROBERT GRAHAM CENTER, SEPTEMBER 2013)*

STATE	2010 PCP	2030 PCP NEED	% CHANGE
<b>GEORGIA</b>	<b>5,496</b>	<b>2,099</b>	<b>38%</b>
ALABAMA	2,646	2,030	23%
FLORIDA	12,228	4,671	38%
TEXAS	13,139	6,260	47%
SOUTH CAROLINA	2,732	815	29%
TENNESSEE	4,072	1,107	27%

# **GME IMBALANCES: *CONTINUED...***

	<b>GEORGIA</b>	<b>TEXAS</b>	<b>FLORIDA</b>
Medical Schools	5	9	9
Total Medical School Grad / year	<b>586</b>	<b>1,760</b>	<b>1,246</b>
Total # all Medical Students	2,344	6,760	4,984
Total PGY 1 positions	<b>478</b>	<b>1,494</b>	<b>750</b>
Total Resident Physicians	<b>2,345</b>	6,788	3,500+
GME IMBALANCE	<b>108</b>	<b>1,616</b>	<b>496</b>

# NATIONAL HEADLINES:

## Squeeze Looms for Doctors

*More Medical Students Are In the Pipeline, but Too Few Residencies Await Them*

## Medical students confront a residency black hole

**528.** That's the number of U.S. medical graduates who did not match into a residency this year. That's nearly four students from every medical school in America, and it's more than double the number from last year.

## Proposed GME funding cuts taking shape

\$11 billion. That's the portion of federal GME funding that President Obama's administration proposes cutting over the next decade in its fiscal 2014 budget. Broken down on a yearly basis, these cuts represent approximately 10 percent of Medicare's contribution to GME.

# GME: FLORIDA & NJ

Florida has 3,500+ slots but needs **2,700** more, according to the Council of Florida Medical School Deans.

Florida Gov. Rick Scott expanded graduate medical education to add **700** slots at a cost of **\$80 million** in his 2013 budget proposal.

Creates the Florida Statewide Medicaid Graduate Medical Education Program which authorizes payments to hospitals for their costs associated with graduate medical education and for tertiary health care services provided to Medicaid patients.

Governor Chris Christie announced New Jersey will up its GME budget by **\$10 million**, reflecting an **11** percent increase, to cover increases in salaries, benefits and faculty costs.

# GME: TEXAS

- **One of only three states that does not provide GME funding through Medicaid.**
- **Proposing to pick up 10 % of the cost of resident training**
  - Estimated at \$62.8 million annually
    - Estimate \$150,000 / resident training cost
      - 4,192 residents in 2017
        - $4,192 \times \$150,000 \times 10\%$
- **Mandating that at least one additional first year residency position for each new medical student enrolled, beginning in 2014**

**Georgia Statewide AHEC  
Primary Care Priority  
Recommendations for the  
2014 Legislative Session**



# PHASES OF MEDICAL EDUCATION

PHASE 1	PHASE 2	PHASE 3	PHASE 4
<b>PRE-MATRICULATION</b> (middle – high school)	<b>UNDERGRADUATE BACCALAUREATE</b> Years	<b>MEDICAL SCHOOL</b>	<b>RESIDENCY / GME</b>

# ***PRIORITY RECOMMENDATIONS***

## ***PHASE 3: MEDICAL SCHOOL***

- Provide tax credits for primary care community based faculty precepting 3<sup>rd</sup> year Georgia medical students, physician assistant students, and nurse practitioner students completing core rotations. *(estimated lost state revenue <\$300,000)*
- Increase funding to support needs of 3<sup>rd</sup> and 4<sup>th</sup> year medical students on rotations in community based training sites. *(\$600,000 to increase housing resources)*

# ***PRIORITY RECOMMENDATIONS***

## **PHASE 4: GRADUATE MEDICAL EDUCATION**

- Increase state funded GME Loan Forgiveness awards to levels competitive with the National Health Service Corps; increase the number of awards available for distribution. **(\$460,000 increase to the GBPW)**
- Support the Board of Regents request for **\$3.2 million** in new funds to support creation of new residency slots in Georgia, with a goal of funding an eventual 400 new residency slots in the state.
- Support the Georgia Board for Physician Workforce proposal to increase primary care residency capitation by **\$118,072** for expansion positions in the FY 14 amended budget.
- Support the Georgia Board for Physician Workforce proposal to increase primary care residency capitation funds by **\$2,058,020** for new and expansion positions in the FY 15 budget, as part of the Governor's Strategic Plan for a Healthy Georgia.

# ***PRIORITY RECOMMENDATIONS***

- **Protect state GME funding through Medicaid**
- **Encourage Georgia Congressional Delegation to engage with CMS , HHS, and other federal agencies to address the significant problems inherent with Medicare funded GME since the BBA of 1997.**