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PROGRAM DIRECTOR’S TRAINING COURSE: FOCUSED TOPICS
POTENTIAL IMPACT OF ACA ON GME
Federal Funding:
- Capped since 1997: 9 billion
- Direct GME (DGME) (3 billion)
  - Salaries and benefits
  - Attending physician compensation and benefits
  - Program administrator
  - Close tracking of resident activities
  - Period covered: enough for certification
- Indirect GME (IME) (6 billion)
  - Cost associated with sicker patients
  - Use of more tests
  - Longer days in the hospital
  - Teaching responsibilities
GME Funding

- Disproportionate Share Payments
  - For those hospitals in care of a disproportionate share of uninsured patients
  - Not a direct pay to GME

- Other
  - U.S. Department of Veteran Affairs
  - Department of Defense
  - Public Health Service Act for PC residents

- State Funding
  - Medicaid
    - No statutory requirement to support GME
    - Texas Higher Education Coordinating Board

- Other non government
  - Departments:
    - Medical practice
    - Investments
  - Research grants
  - Endowments
PROJECTIONS:

- 130,000 physicians short by 2025
- 36% growth of Medicare population over the next 10 years
- One of every three physicians expected to retire in the next 10 years
PROPOSALS OF GME REDUCTION

- Simpson-Bowles Commission
  - 60% (60 billion)
- Obama Administration:
  - 10% (9 billion)
- Others
  - 20% (20 billion)
- Impact of the above
  - Lay-off staff
  - Close of training programs
  - Eliminate services that operate at a loss
EFFECT ON TEACHING HOSPITALS

- Disproportionate effect
- These hospitals provide unique, costly and often poorly reimbursed health care
- 75% of all physicians in training
- 80% of Level 1 trauma centers
- 28% of Medicaid inpatient care
- 40% of all inpatient charity care
Summary

- GME funding is an essential component of every training program
- Shrinking funds and need for expansion of training opportunities will create a crisis and force programs to take extreme measures
- The private sector may eventually have to bring back some of the support previously given to GME
END OF PRESENTATION