

Teaching Health Center Graduate Medical Education Program

# <u>Purpose</u>

The Teaching Health Center Graduate Medical Education (THC GME) is a \$230 million, five-year payment program which began in 2011. The purpose of the THC GME program is to increase the number of primary care residents and dentists trained in community-based ambulatory patient care settings.

### **Background**

The THC GME program is authorized by section 340H of the Public Health Service Act (PHS), as added by Section 5508 of the Affordable Care Act of 2010 (P. L. 111-148). It supports medical and dental residency training programs in community-based settings.

The current supply of the primary care workforce is insufficient to meet the health needs of the United States population, especially among those who seek care in community settings. In its June 2010 Report to Congress, the Medicare Payment Advisory Commission (MedPAC) called for increasing the amount of graduate medical education (GME) time spent in non-hospital settings, along with changes to GME funding, to meet community-based care goals and increase the diversity of the pipeline of health professionals (MedPAC, 2010).

The THC GME program seeks to help address primary care workforce needs by increasing residency training in community-based settings. The THC model dates back to the 1980s, with several successful THC programs (Engebretsen, 1989; Zweifler, 1993). However, growth of the THC GME model has been limited for various reasons, including the need for resources to help health centers bring together the dual mission of training and service (Morris, 2009). Those THCs who have been able to address these challenges have produced residents that are nearly three times more likely to practice in underserved settings and are 3.4 times as likely to work in a health center compared to residents who did not train in health centers (Morris, 2009).

# <u>Eligibility</u>

Eligible entities include community-based ambulatory patient care centers that operate a primary care medical or dental (general or pediatric) residency program. Specific examples of eligible entities include, but are not limited to: federally qualified health centers, community mental health centers, rural health clinics, health centers operated by the Indian Health service, an Indian tribe or tribal organization, or an urban Indian organization; and an entity receiving funds under Title X of the Public Health Service Act. The eligible entity must be listed as the institutional sponsor by the relevant accrediting body, including the Accreditation Council for Graduate Medical Education (ACGME), American Osteopathic Association (AOA), or the Commission on Dental

Accreditation (CODA). A THC that is an essential partner in a GME-sponsoring consortium may also be eligible. THC GME payments must directly support the THC ambulatory training site.

As defined in statute for the purpose of this program, "primary care residency program" refers to an accredited graduate medical residency training program in: family medicine; internal medicine; pediatrics; internal medicine-pediatrics; obstetrics and gynecology; psychiatry; general dentistry; pediatric dentistry; and geriatrics.

Eligible residents are either a graduate of an accredited medical school in the U.S. or Canada; or have passed the United States Medical Licensing Examination (USMLE) Parts I & II (international or foreign medical graduates).

# **Funding**

THC GME payments support:

- Direct expenses associated with sponsoring an approved graduate medical or dental residency training program; and
- Indirect expenses associated with the additional costs relating to teaching residents in such programs.

As directed by the THC GME statute, the Secretary will determine GME payments based on the estimation of direct medical education (DME) and indirect medical education (IME) costs for THC residency programs. The Affordable Care Act establishes the direct GME payment mechanism. Consistent with the statute, the indirect cost formula will be determined by the Secretary of Health and Human Services.

Funding supports the costs of new residents in a newly-established THC or an expanded number of residents in an existing THC. The baseline number of residents for an existing THC is the number of residents enrolled during the academic year prior to the funding request. Funding will only be available to support residents trained above this baseline.

In addition, the THC GME statute provides for an annual reconciliation process through which any overpayments to THCs may be recouped and underpayments may be adjusted. The process will reconcile the number of residents a THC expected to train with the number actually trained.

For more information on the HRSA THC GME Program visit: <u>http://www.hrsa.gov/grants/apply/assistance/teachinghealthcenters/</u>

### **References**

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