

# Graduate Nurse Education Demonstration Open Door Forum

Alex Laberge, PT, MBA, PhD  
Division of Health Promotion and Disease  
Prevention; Center for Medicare & Medicaid  
Innovation  
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# *The CMS Mission*

***CMS is a constructive force and a trustworthy partner for the continual improvement of health and health care for all Americans.***

# *The Innovation Center*

## **Our charge: Identify, Test, Evaluate, Scale**

“The purpose of the Center is to test innovative payment and service delivery models to reduce program expenditures under Medicare, Medicaid, and CHIP...while preserving or enhancing the quality of care furnished.”

–“preference to models that improve the coordination, quality, and efficiency of health care services.”

# Measures of Success

**Better health care:** Improving patients' experience of care within the Institute of Medicine's 6 domains of quality: *Safety, Effectiveness, Patient-Centeredness, Timeliness, Efficiency, and Equity.*

**Better health:** Keeping patients well so they can do what they want to do. Increasing the overall health of populations: address behavioral risk factors; focus on preventive care.

**Reduced costs:** Lowering the total cost of care while improving quality, resulting in reduced monthly expenditures for Medicare, Medicaid, and CHIP beneficiaries.

# *Graduate Nurse Education (GNE) Demonstration*

- The Affordable Care Act (Pub. L. 111-148) created the Graduate Nurse Education (GNE) Demonstration.
- The demonstration will be operated by the Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center was created by the Affordable Care Act to test innovative payment and service delivery models to reduce expenditures while preserving or enhancing the quality of care.
- One avenue for achieving these goals is to reimburse the cost of the Advanced Practice Registered Nurses (APRN) clinical training to hospital, school of nursing (SON) and non-hospital community-based care (CCS) partnerships.

# *Demonstration Goals*

The primary goal of the demonstration is to increase the provision of qualified training to APRN students. The clinical training included in this demonstration will provide APRNs with the clinical skills necessary to provide primary care, preventive care, transitional care, chronic care management, and other services appropriate for Medicare beneficiaries.

# *Legislative Authority & Mandate*

- **The GNE Demonstration was created by Sec. 5509 of the Affordable Care Act (Pub. L. 111-148).**
  - Congress has authorized \$200 million from the Treasury Funds for fiscal years 2012-2016 for the CMS to implement this demonstration. This funding will remain available without fiscal year limitation.
  - The demonstration will reimburse up to 5 hospitals for the reasonable costs associated with the provision of APRN clinical training.
- **The legislation allows for reimbursement of “reasonable costs...for the provision of qualified clinical training to advance practice nurses.”**
  - Reasonable costs are defined in § 1861(v) of the Social Security Act (42 U.S.C. 1395x(v)).

# *Eligible Participants*

- **The applicants eligible to participate in the Demonstration are eligible hospitals with written partnership agreements with one or more schools of nursing (SON) and two or more non-hospital-based community care settings (CCS).**
  - Individual eligible hospitals are those as defined in subsection (e) of § 1861 of the Social Security Act (42 U.S.C. 1395x); or
  - Critical Access Hospital as defined in subsection (mm)(1) of § 1861 of the Social Security Act.
- **At least half of the qualified clinical training must be provided in non-hospital CCSs.**
  - This requirement may be waived for rural or medically-underserved areas.
- **SON and CCS must submit all demonstration costs and documentation through the applicant eligible hospital cost report in accordance with reasonable cost reimbursement principles.**

# *Eligible Participants - Continued*

- **CMS will allow for an expanded applicant configuration of hospital relationships, in an effort to further the number of clinical training sites available to APRN students.**
  - Applicant eligible hospitals may partner with additional hospitals and their corresponding SONs.
  - These additional hospitals must submit all demonstration costs and supporting documentation through the applicant eligible hospital cost report.
  - Any non-hospital setting used for clinical training must be in accordance with reasonable cost reimbursement principles.

# *Program Specifications*

- **The APRN specialty programs eligible for participation in the GNE Demonstration are:**
  - Clinical Nurse Specialist
  - Nurse Practitioner
  - Certified Registered Nurse Anesthetist
  - Certified Nurse Midwife.
- **Eligible hospitals are not required to have relationships with all four specialty programs and may apply for just one program.**

# *Program Specifications*

## *Payment – General Information*

- **The selected hospitals will receive interim payments from CMS with an annual audit and settlement process for each cost reporting period.**
  - The GNE Demonstration payments will be an additional and separate payment from the existing payment hospitals currently receive.
  - The Demonstration payment will be based on the projected eligible student enrollment, number of student clinical hours, and the estimated net clinical training costs reflected in the proposal application budget, as described in Section V.B.8.a. of the GNE solicitation.

# *Program Specifications*

## *Payment – Baseline Determination*

- **To develop proposed Demonstration payment rates, proposals must include baseline year (BY) graduation summary statistics by SON and specialty programs for academic years 2006-2010.**
- **CMS will determine the difference between the average number of enrolled full-time equivalents (FTEs) who graduated in the BY and the projected number of student FTEs for clinical training in the Demonstration year (DY).**

# Example – Payment Determination

## ■ Assumptions:

- Partner SON graduated an average 100 students/year from all APRN programs during the BY period.
- In the first DY, applicant enrolls 250 APRN FTEs, and 125 received clinical training that same year.
- Applicant would be eligible for Demonstration reimbursement because the resulting 125 DY FTEs is greater than the BY average of 100 FTEs.
- If applicant DY SON clinical training costs are \$1.25m for 125 FTEs, the per student cost is \$10,000/FTE.

125 FTEs DY – 100 graduates BY = 25 FTEs x \$10,000/FTE = \$250,000  
Demonstration Reimbursement.

# *Program Specifications*

## *Reasonable Costs*

- **CMS will reimburse participating eligible hospitals for the reasonable costs of providing GNE clinical training that are attributable to the incremental increase in the number of enrolled APRN students relative to the baseline average of graduating nurses from each participating SON.**
  - This payment policy will allow reimbursement for training that permits an individual to be employed in a new capacity that would not have been permitted without the completion of the additional training program.

# *Costs Not Permitted*

- **Costs associated with didactic training of APRNs.**
- **Certification and/or licensure costs.**
- **Training that enhances competencies, but does not permit an individual to be employed in a new capacity.**
- **Individuals who have already been licensed to practice as APRNs are not eligible for further training under this Demonstration.**

# Proposal Organization

- **All proposals shall be organized using the following format:**
  - Cover Letter
  - Introduction
  - Background
  - Partner SON
  - Letters of Intent
  - Recruitment Strategy
  - Clinical Training
    - GNE Curriculum
    - Clinical Training
  - Demonstration Budget & Finances
  - Funding Disbursement & Reconciliation
  - Administration & Management
  - Reporting

**Submission Deadline:  
May 21, 2012 – 5:00pm EST.**

Additional details and complete instructions can be found in the solicitation, located at: <http://innovation.cms.gov/initiatives/gne>

# *Proposal Submission Details*

- **No more than 50 pages of narrative.**
- **No more than 15 pages of supporting documentation.**
- **Narratives shall be double spaced, Times New Roman 12 pt font, 1 inch margins all around, pages numbered.**
- **Each interested hospital shall submit an original in hard copy with 10 CDs.**
- **Electronic submissions not accepted.**
- **Hard copies and 10 CD copies must be identical.**
- **Additional details and complete instructions can be found in the solicitation, located at: <http://innovation.cms.gov/initiatives/gne>**

# Selection Criteria

- **After review of applicant proposals, CMS will select up to five eligible hospitals.**
- **CMS will evaluate the applicant proposals using a number of selection criteria.**
  - Overall consideration that applicants propose a significant increase in APRN student enrollment, and subsequent increase in APRN supply.
  - The specific criteria include:
    - Need for the project;
    - Applicant program description;
    - Program efficiency;
    - Operational capacity; and
    - Increased number of APRNs.

Additional information, including a detailed description of these criteria, can be found in the solicitation provided at <http://innovation.cms.gov/initiatives/gne>

# Review Process – Mandatory Criteria

- **Mandatory Eligibility Criteria:**

- Hospital must agree to all Demonstration terms and conditions. Additionally, each proposal will be reviewed for following:
  - Does hospital meet the statutory eligibility requirements?
  - Does hospital have a letter of intent and/or written, signed partnership agreements with at least one SON and at least two non-hospital CCSs?
  - Does the partner SON meet the eligibility requirements to participate in the Demonstration?
  - Does the partner non-hospital CCS meet the eligibility requirements to participate in the Demonstration?
  - Does the proposal provide sufficient assurances that at least 50 percent of the clinical training hours will be conducted in non-hospital CCSs?
  - Does the inclusion of additional partnering hospitals provide sufficient information to explain how these will increase the number of APRNs?

- **If the mandatory criteria are met, then the application will continue through the review process.**

# *Review Process – Evaluation Criteria*

- **If the mandatory criteria are met, the application will then be evaluated to identify those proposals that:**
  - Are most likely to increase the number of graduate nursing students enrolled in APRN training programs;
  - Will train the highest number of APRNs;
  - Have the strongest APRN clinical training curricula;
  - Demonstrate the greatest need for APRNs;
  - Demonstrate placement of APRNs in medically-underserved communities; and
  - Have the most complete and efficient budget proposals.

# *Final Considerations*

- **Award Information**

- CMS will make the final selection from among the most highly qualified applicants.
- CMS anticipates that the projects will be awarded in fiscal year 2012 and that project start-up activities will begin immediately thereafter.

- **Terms & Conditions**

- To be eligible for participation, selected hospitals must agree to all terms and conditions prior to the Demonstration implementation.
- By submitting a Demonstration proposal the selected hospital agrees to the terms and conditions detailed in the solicitation.

Additional information regarding this solicitation may be found at the GNE Demonstration Website:  
<http://innovation.cms.gov/initiatives/gne>

# *Contact Information*

**Alex Laberge, PT, MBA, PhD**  
alexandre.laberge@cms.hhs.gov

**Shannon E. Kerr, Esq.**  
shannon.kerr@cms.hhs.gov

# *Thank You*

Questions?

[www.innovations.cms.gov](http://www.innovations.cms.gov)

[gne@cms.hhs.gov](mailto:gne@cms.hhs.gov)

