



# Florida Medicaid: Graduate Medical Education Overview

Senate Health Policy Committee

November 14, 2023

# What is Graduate Medical Education?

- The Graduate Medical Education (GME) program provides funding to qualified participating hospitals involved in providing resources for the education and training of physicians in specialties which are in a statewide supply-and-demand deficit.
- The second largest payer for GME is Medicaid.
- Florida Medicaid GME currently consists of eight programs.



# History of GME

- Prior to July 1, 2013, Medicaid's inpatient per diem rate development methodology included costs associated with GME (although those costs were not specifically designated as such).
- There was no specific appropriation in the budget for GME, but as those costs were part of the inpatient per diem rate, the expenditures were included in the total Hospital Inpatient Services line item and were funded by a combination of General Revenue and Medical Care Trust Fund dollars.
- During the 2013 Legislative Session, the FY 2013-2014 General Appropriations Act (GAA) transferred funding from the Hospital Inpatient Services line item to a new line item specific to Graduate Medical Education.



# GME: Statewide Medicaid Residency Program

- In 2013, Medicaid's Conforming bill (SB 1520), created the **Statewide Medicaid Residency program** to become effective July 1, 2013. The overall goal of the program is to:

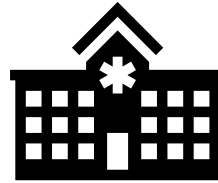


- The bill established a formula to distribute the appropriated funds to participating hospitals. These costs were excluded from the baseline used to establish inpatient DRG payment rates, which became effective July 1, 2013.



# GME: Statewide Medicaid Residency Program, Continued

- Funding is first distributed to the two hospitals with the most GME residents in a statewide supply/demand deficit, the remaining funds are allocated to the remaining eligible GME providers.



- Funded by General Revenue, Grants and Donations Trust Fund (IGTs), and the Medical Care Trust Fund.



# GME: Startup Bonus Program

- The **Startup Bonus Program** provides funding to hospitals with:

Newly accredited physician residency  
positions

or

Programs in the statewide supply/demand  
deficit specialties or subspecialties.

- Funded by General Revenue, Grants and Donations Trust Fund, and the Medical Care Trust Fund
- Began in FY 2014-15.



# GME: Teaching Hospitals with Highly Specialized Tertiary Care

- **Teaching Hospitals with Highly Specialized Tertiary Care** aim to provide stroke and level 2 cardiovascular services; NICU II and III; and adult open heart; and have more than 30 full-time equivalent (FTE) residents over the Medicare cap.
- Funded by Grants and Donations Trust Fund and Medical Care Trust Fund.
- Began in FY 2018-19.



# GME: Full Time Equivalents in Primary Care in Specific Medicaid Regions

- **Full Time Equivalents in Primary Care in Specific Medicaid Regions** provided by the Medical Care Trust Fund establishes FTE's in primary care and training in Medicaid regions with traditional primary care demand greater than supply of 85% or more.
- Funded by Grants and Donations Trust Fund and Medical Care Trust Fund.
- Began in FY 2020-21.





# GME: Funding for Residency, Fellow or Intern Positions to Address the Deficit in Mental and Behavioral Health Facilities

- **Funding for Residency, Fellow, or Intern Positions to Address the Deficit in Mental and Behavioral Health Facilities** distributes funding for residents, fellows, or interns who rotate through mental health and behavioral health facilities to address the severe deficit of physicians trained in these areas.
- Funded by Grants and Donations Trust Fund and Medical Care Trust Fund.
- Began in FY 2020-21.



# GME: Citrus Health Network for Psychiatry Residency Slots in Federally Qualified Health Centers

- The **Citrus Health Network for Psychiatry Residency Slots in Federally Qualified Health Centers** that hold continued institutional accreditation from the Accreditation Council for Graduate Medical Education in adult and child psychiatry.
- Funded by Grants and Donations Trust Fund and nonrecurring funds from the Medical Care Trust Fund.
- Began in FY 2020-21.



# GME: Primary Care and Training in Medicaid Region 1 and/or 2

- The **Primary Care and Training in Medicaid Region 1 and/or 2** was established to fund up to \$150,000 per full-time equivalent (FTE) in primary care and training in Medicaid Region 1 and/or Medicaid Region 2.
- Funded by Grants and Donations Trust Fund and Medical Care Trust Fund.
- Region 1 began in FY 2018-19; Region 2 came into the program in FY 2023-24.



# GME: Slots for Doctors Program

- The **Slots for Doctors Program** is newly established to address the physician workforce shortage by increasing the supply of highly trained physicians through the creation of new resident positions, which will increase access to care and improve health outcomes for Medicaid recipients.
- Funded by General Revenue and Medical Care Trust Fund.
- Began in FY 2023-24.



# GME Funding

Programs	Appropriation FY 2023-24
Statewide Medicaid Residency Program	\$ 191,080,850
Startup Bonus Program	\$ 100,000,000
High Tertiary	\$ 66,000,000
Full Time Equivalents in Primary Care in Specific Medicaid Regions	\$ 18,000,000
Mental and Behavior Health GME	\$ 4,400,000
Citrus Health Network	\$ 1,344,447
Primary Care in Regions 1 & 2	\$ 20,085,210
Slots for Doctors	\$ 30,000,000
<b>Grand Total</b>	<b>\$ 430,910,507</b>



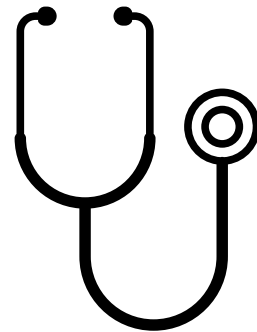
# What is Indirect Medical Education?

- The Indirect Medical Education (IME) program was authorized in the FY 2021-22 General Appropriations Act.
- The IME program supports hospitals with residents in GME who are in training to become physicians. The intent of the IME program is to provide additional funding to hospitals to support these residents.
- IME covers costs associated with residency programs that may result in higher patient care costs in teaching hospitals relative to non-teaching hospitals.
  - For example, resident-provided care may be more expensive due to additional testing that residents may order as part of their training.
- Providers are reimbursed based on the hospital's IME costs for services provided and may be paid on a quarterly basis.



# IME: Programs

- The Agency was authorized in FY 2023-24 to expend funds to manage an **Indirect Medical Education (IME) Program and a Nursing Workforce Expansion and Education Program** for institutions participating in a GME or nursing education program.
- The Agency is working toward implementation.



# IME Funding

A budget amendment will be requested to provide an appropriation to implement the program.

Programs	Budget Amendment Request FY 2023-24
Statutory Teaching Hospitals	\$ 25,599,261
Public Teaching Hospitals	\$ 72,878,194
Children's & RPICC Teaching Hospitals	\$ 26,415,227
Academic Medical Centers Group 2 (AMC 2)	\$ 49,947,738
Academic Medical Centers Group 1 (AMC 1)	\$ 530,651,423
<b>Grand Total</b>	<b>\$ 705,491,843</b>

Appropriations to implement the new nursing workforce component will be requested following federal approval.

