Advocacy Successes in Colorado for Family Medicine Using Medicaid GME

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Background

Colorado Commission on Family Medicine (COFM)

- Established 1977 by Colorado Legislature
- Advocates for FM residencies
- Advises legislature re primary care workforce needs
- Members: 9 FM program directors, citizen members from the 7 congressional districts, deans of the 2 medical schools, CAFP representative

Background Continued

State Funding for FM Residencies Pre-2012

– COFM has line item in state budget

– Range of $700,000 - $850,000 annually

– Matched by federal Medicaid funds

– Distributed equally among FM residency programs

Advocacy Successes 2012-2015

- Rural training tracks (2012-13 and 2013-14)
- Funds to study how to leverage GME Medicaid (2013-14)
- Expansion of existing residencies with loan repayment for added residents (2014-15)
- Loan repayment for FM residency faculty (2014-15)

Rural Training Tracks

- Previous unsuccessful efforts to develop new RTTs
- Medicare GME funding inadequate or unavailable
- Interest of state senator from rural area
- Involved second state senator
  - Internist, underserved experience
  - Interest in healthcare workforce
- Lobbyist actively involved

Rural Training Tracks, Continued

- COFM helped write bill in 2013
- $500,000 per year with $500,000 federal Medicaid match ($1Million per year total) (Medicaid GME funds)
- For 3 years for the development of 3 rural training tracks

Rural Training Tracks, Continued

In 2014, a new bill revised the RTT funding:

- Eliminated 3 year limit
- Added wording to “develop and maintain” RTTs
- Increased funding to $3 Million per year ($1.5M state and $1.5M federal match) (Medicaid GME funds)
- Result: developing three new 2-2-2 RTTs (18 new residents, 6 graduates/year)

Opportunity Knocks: State Senator Request

- State senator (physician) asked Commission how to produce more PCPs, particularly rural
- COFM response:
  - Educated senator about inadequate Medicare GME funding
  - Recommended conduct a study 2014-15 with recommendations to state for using Medicaid GME to increase family medicine workforce

Study on Leveraging GME Medicaid Funds

- Helped write bill, passed in 2014
  - Eight topics to be addressed in study
  - Timeline 8 months, recommendations due March, 2015
  - $30,000 to conduct study

Conducting the Study

- Formed work groups:
  - Steering Committee
  - Medicaid GME
  - Physician Retention
  - Physician Workforce
- Key informants interviewed
- Literature reviewed
- National experts invited
- Director from the state Medicaid office involved in Medicaid GME work group

What We Already Knew About Medicaid GME

The state uses Medicaid GME, which includes federal matching funds for:

- Family Medicine Residency payments
- Rural Training Track payments (beginning in 2012)

What We Learned About Medicaid GME

- Teaching hospitals receive Medicaid GME funds:
  - Inpatient Hospital Fee-For-Service Base Rates (adds a percentage of GME cost per discharge to hospital base rate)
  - Outpatient Hospital Fee-For-Service (Medicaid outpatient GME costs are allowable and included in the cost settlement)
  - Managed Care Wraparound (Medicaid determines hospital's GME costs for serving Managed Care Medicaid enrollees and makes added quarterly payments).

Medicaid GME Details: Upper Payment Limit

- The state legislature can authorize the Medicaid budget and include payments to new initiatives
- States have a cap ("upper payment limit") on federal Medicaid match; most states are at cap
- In Colorado, cap approx. $700M ($1.4B with match)
- With new allocation based on our projects, must adjust Medicaid budget to stay within UPL

Medicaid GME Details: Waivers vs. State Plan

Waiver

- Allows for innovation outside of CMS rules
- Requires demonstrated savings with the innovation (budget neutral)
- 5 year duration; cannot be modified
- To renew, need to show further savings

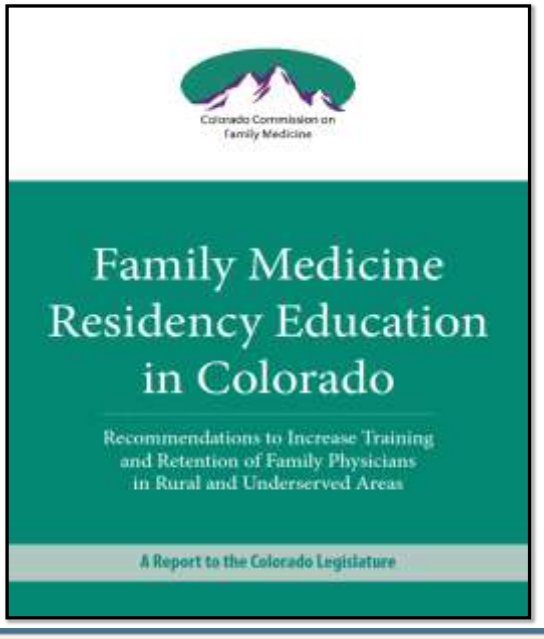
Medicaid GME Details: Waivers vs. State Plan

State Plan

- Must comply with CMS regulations
- Flexible; with any new state funding, plan is amended annually
- State funds matched by CMS must be paid directly to teaching hospital

The Report

- Available on the Commission on Family Medicine Website: www.cofmr.org



Report Recommendations

Provided menu of 14 recommendations to improve family medicine workforce for state

- 7 required state funding
- 7 budget neutral

Recommendations Requiring State Funding

4 of 7 recommendations funded by legislature:

1. Continue to support the nine existing FM residency programs ($2.3 Million per year)
2. Continue to support the rural training programs under development ($3 Million per year)
3. Add new training positions to existing family medicine programs to include loan repayment after graduation ($2.7 Million)
4. Provide loan repayment for recruitment and retention of family medicine residency faculty ($270,000)

Details on Adding Training Positions

- $2.7M ($1.35M state funds, $1.35M federal Medicaid match)
- 5 residency programs add 1 position each (total of 15 residents, 5 graduates per year)
- State funds disbursed to the 5 sponsoring hospitals
- Agreements (MOUs) to ensure:
  - funds used for resident education
  - establish reserve funds over first three years so new residents can complete training if state funding ends
- $144,600 per resident/year

Adding Training Positions Continued

- Expansion of 5 slots includes loan repayment
- One graduate from each of 5 residencies qualifies for loan repayment award
- Colorado rural/underserved site (HPSA)
- $90,000 for 3 year commitment
- Administered by Colorado Health Service Corps in State Health Department

Details on Faculty Loan Repayment

- $270,000 per year for 3 years
- Can be used for recruitment or retention
- Initially written as $90,000 for 3 faculty for 3-year commitment
- Will be modified to:
  - $45,000 for 6 programs
  - 2 year commitment
  - Can be split in one program for retention of 2 faculty ($22,500 each)
- Rotated across residency programs based on need
- Administered by Colorado Health Service Corps (State Health Department)

Recommendations Not Requiring Funding

1. Continue the required rural rotation during residency
2. Develop pipeline between medical schools and RTTs
3. Work with insurance plans to support training of PCPs
4. Develop GME education resources for hospital administrators
5. Support state Health Workforce Plan under development
6. Support health professions database under development
7. Do not create new GME advisory council to replace existing GME advisory groups

Outcomes from Medicaid GME Funding

State funds, matched by federal Medicaid, will result in:

- 33 new resident positions
- 11 new graduates per year
- Likely to practice in rural/underserved areas of state
  - 6 graduates from RTTs likely enter rural practice
  - 5 additional graduates linked to loan repayment in the state

Keys to Success

1. Establish a coalition
   - A network or coalition of family medicine residencies
   - Partner with state academy or medical society
   - Collaborate with other primary care disciplines
   - Increases influence for meaningful outcomes
2. Establish relationships with legislators
   - Identify legislators with common interests – e.g. rural workforce
   - Sponsor visits to residency programs

Keys to Success Continued

3. Establish relationship with state Medicaid office
   - Learn about the flow of Medicaid funds
4. Work with a knowledgeable, effective lobbyist
5. Develop a clear message/ask
   - Supported with evidence/data
   - Measurable outcomes

Keys to Success Continued

6. Conduct a study:
   - Identify state needs (e.g., access of rural, undeserved)
   - Recommendations to meet the needs
   - Bring in experts, review literature, interview key informants
   - Diverse membership in work groups results in creative ideas
   - Process adds legitimacy to findings; helps achieve buy-in by legislature and Medicaid leaders
   - Have it professionally edited and printed

Questions?

Audience examples of leveraging Medicaid GME?

During the break…

- Discuss / think about how you might implement the information you just heard.
- Fill out a session evaluation.

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