

September 12, 2023

The Honorable Cathy McMorris Rodgers
Chair
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

The Honorable Frank Pallone, Jr.
Ranking Member
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

Dear Chair McMorris Rodgers and Ranking Member Pallone:

Our associations want to thank you and your colleagues for including in the updated version of the “Lower Cost, More Transparency Act” (H.R. 5378) provisions that would reauthorize the Teaching Health Centers Graduate Medical Education (THCGME) program for an unprecedented seven years with significant increases in funding that will help cover the cost of training an increased number of medical residents.

We are optimistic that the full House of Representatives will consider this legislation in the coming days and will approve it so that negotiations with the Senate can take place and Congress could enact final THCGME reauthorization legislation before the program’s expiration on September 30.

We note that the THCGME provisions in this new bill are nearly identical to those contained in the PATIENT Act, which your committee reported out favorably by a 49-0 margin, reflecting strong bipartisan support. We are grateful that the two of you have been steadfast champions of THCGME, recognizing the unique role that Teaching Health Centers (THCs) play in training the next generation of primary care physicians. We believe the proposed increased total annual funding for the THCGME program is particularly warranted when one considers the substantial budgetary savings for the healthcare system that THC residencies create. A recent report funded by the Milbank Memorial Fund and conducted by leading researchers showed the extent of such savings that can be realized:

THCs receive \$160,000 per resident training in their programs. HRSA tracks how these funds are spent and uses performance measures to track the health workforce outcomes of THCs. The data show that THC residents and graduates produce substantial savings for the federal government. Based on evidence of per-person savings for patients served in community health centers, cost savings from THC resident visits are estimated at \$57.5 million. Upon graduation from residency THC graduates could reduce medical spending by \$169 million annually.⁴⁷ Residency training in lower-cost areas is associated with more cost-efficient care after graduation from residency.^{48,49} Combined savings of the THC program may have resulted in an estimated \$1.8 billion in Medicaid and Medicare savings from 2019 to 2023. (Page 7) https://www.milbank.org/wp-content/uploads/2023/05/THC-Milbank_4.pdf

We are deeply grateful for your efforts in this regard and look forward to collaborating with you and all your Energy and Commerce Committee colleagues to finalize THCGME reauthorization prior to the program's expiration.

Sincerely,

American Association of Teaching Health Centers
American Association of Colleges of Osteopathic Medicine
American Academy of Family Physicians
Society of General Internal Medicine
American College of Obstetricians and Gynecologists
American Osteopathic Association
Council of Academic Family Medicine
National Association of Community Health Centers