



January 16, 2019

Seema Verma, Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Administrator Verma:

On behalf of the American Academy of Family Physicians (AAFP), which represents 131,400 family physicians and medical students across the country, I write to urge the Centers for Medicare & Medicaid Services (CMS) to provide for more flexibility in Graduate Medical Education (GME) cap-setting to help offset the growing shortage of family physicians in areas of need throughout the country. Most physicians practice in the same state in which they complete their training, and so establishing or expanding residency programs is an effective means of increasing the local physician population. However, these programs are not viable without Medicare GME funding.

Sponsoring institutions for residency programs are limited by the cap on Medicare support for GME imposed by the *Balanced Budget Act of 1997*. Currently, a new teaching hospital (institution) has five years to establish its Medicare GME funding cap on the number of residency positions, thereby establishing a permanent ceiling for Medicare GME funding. The cap is set at the number of residents at the institution five years after the first resident begins to work there. Despite efforts of existing and new U.S. medical schools to increase enrollment, corresponding residency training positions at teaching hospitals have not grown as significantly. In addition, the demand for physician services continues to grow in many areas of the country, yet there is little or no growth in supply in those areas where the need is greatest.

**The AAFP, therefore, encourages CMS to provide flexibility in the time allowed for new teaching hospitals to establish their cap for primary care residents in those areas considered to be underserved, rural and/or under-resourced.** Doing so would help address urgent primary care workforce shortages and the unequal geographic distribution of current GME programs. The AAFP believes five years is an insufficient window for most new programs to recruit medical educators, build infrastructure, receive accreditation, and maximize enrolled residents. Additional time is critically important in areas where the development of new primary care residency programs is underfunded. The current 5-year window is not sufficient to scale these programs to their full potential.

**The AAFP believes new teaching hospitals in economically-depressed or underserved areas with an expressed intention to establish family medicine residency programs should be exempted from the 5-year deadline and provided with the flexibility needed to fully establish their programs.**

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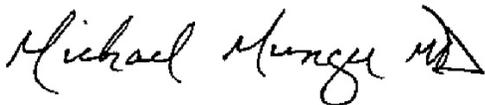
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**Furthermore, we encourage CMS to explore opportunities with the CMS Innovation Center to address primary care physician workforce shortages in underserved, rural, and/or under-resourced communities.**

As the agency explores further GME policy, we urge CMS to consult the AAFP's Graduate Medical Education financing [policy](#). In detail it discusses six principles to improve the production of primary care physicians.

We appreciate the opportunity to comment. Please contact Robert Bennett, Federal Regulatory Manager, at 202-232-9033 or [rbennett@aafp.org](mailto:rbennett@aafp.org) with any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Michael Munger MD". The signature is written in a cursive, flowing style.

Michael L. Munger, MD, FAAFP  
Board Chair

### **About Family Medicine**

Family physicians conduct approximately one in five of the total medical office visits in the United States per year—more than any other specialty. Family physicians provide comprehensive, evidence-based, and cost-effective care dedicated to improving the health of patients, families, and communities. Family medicine's cornerstone is an ongoing and personal patient-physician relationship where the family physician serves as the hub of each patient's integrated care team. More Americans depend on family physicians than on any other medical specialty.