



AMERICAN OSTEOPATHIC ASSOCIATION

# GRADUATE MEDICAL EDUCATION HEALTH CARE REFORM

Provision	Effective Date	Summary
Redistribution of Unused Residency Positions	For cost reporting periods occurring on or after July 1, 2011	Establishes resident redistribution pool whereby 65% of unused slots will be distributed to hospitals based on application process. (Doesn't apply to rural hospitals with <250 beds.) Hospitals receiving slots must maintain the number of FTE primary care residents at no less than the average number of such residents during the last three cost reporting periods and maintain no less than 75% of the new slots in primary care or general surgery residencies. In awarding slots, the Secretary must consider certain factors, including priorities for hospitals in states with resident-to-population ratios in lowest quartile, in the top 10 states in ratio of population in health professions shortage areas to total population, or in rural areas.
Residents in Nonprovider Settings	Cost reporting periods beginning on or after July 1, 2010	For DGME purposes, hospital can count all time resident spends regardless of setting if it pays resident stipends and benefits for time spent in that setting. For IME purposes, hospital can count all time resident spends in patient care activities in nonprovider setting if it pays resident stipends and benefits for time spent there. For both, if more than one hospital incurs such costs, each hospital can count a proportional share of the time that a resident spends in the setting per written agreement between hospitals.
Counting Resident Time Spent in Didactic and Scholarly Activities	Not specified; presumably same as above as provision amends same subsection	For DGME purposes, hospital can count all time resident spends in non-patient care didactic activities in a nonprovider setting that is primarily engaged in furnishing patient care. Hospital cannot count time spent in research that is not associated with treatment or diagnosis of a particular patient. For IME purposes, hospital can count all time resident spends in non-patient care didactic activities in the hospital or provider based outpatient department but cannot count time spent in research. For both, hospital can count all time resident spends on vacation, sick leave or other approved leave that doesn't prolong training time.
Resident Positions from Closed Hospitals	For hospital closures on or after the date 2 years before date of enactment	The Secretary shall establish a process whereby, if a teaching hospital closes on or after the date 2 years before date of enactment, its resident positions are redistributed and the resident limits of certain other hospitals are increased. In redistributing positions, the Secretary must give priority to hospitals (1) in the same or contiguous core-based statistical area; (2) in the same state; (3) in the same region of the country; and (4) only if positions can't be distributed in accordance with (1)-(3), to other qualifying hospitals. The Secretary must ensure that process doesn't affect temporary cap adjustments or result in double counting.
Teaching Health Centers	Funds authorized for grants: \$25M for FY 2010; \$50M for FY2011; \$50M for FY2012	Secretary may award grants to "teaching health centers" to establish newly accredited or expanded primary care residencies, with priority for those with an existing Area Health Education Centers (AHEC) affiliation. For these purposes, a "teaching health center" is a community based ambulatory patient care center that operates a primary care residency program, including Federal Qualified Health Centers (FQHCs), community mental health centers, rural health clinics and certain other facilities. Primary care residency programs include family medicine, internal medicine, pediatrics, internal medicine-pediatrics, OB-GYN, psychiatry, general dentistry, pediatric dentistry and geriatrics. Amends Public Health Service Area (PHSA) to add new provisions specifying how teaching health center payment will be calculated.