January 24, 2012

The Honorable Michael F. Bennet U.S. Senate

The Honorable Mike Crapo U.S. Senate

The Honorable Jon Kyl U.S. Senate

The Honorable Tom Udall U.S. Senate

The Honorable Jeff Bingaman U.S. Senate

The Honorable Chuck Grassley U.S. Senate

The Honorable Mark Udall U.S. Senate

Dear Sirs:

On behalf of the undersigned organizations, representing medical educators, practicing internal medicine specialists, and medical students, we are writing to applaud your recent letter to the Institute of Medicine (IOM) requesting that they conduct an independent review of the governance and financing of our system of graduate medical education (GME). We share your concerns about the status of our nation's GME system and agree that GME needs to be redesigned to ensure an adequate health care workforce with the skills to care for the needs of society. We are especially concerned about the shortage of primary care physicians in the United States, particularly the supply of internal medicine specialists and its impact on access to and delivery of high quality, lower cost health care.

Internal Medicine specialists are at the forefront of managing chronic diseases and providing comprehensive and coordinated health care. The skills of internists will be increasingly necessary in taking care of an aging population with a growing prevalence of chronic diseases. The availability of physicians providing primary care in a community is consistently associated with better outcomes at lower costs. Yet the nation is facing a severe shortage of primary care physicians for adults, an estimated 44,000-46,000 by 2025. This figure does not take into account the increasing demand for primary care services as 32 million uninsured Americans obtain coverage through the reforms in the Affordable Care Act.

Better models of ambulatory training and exposure to team-based approaches to patient care, particularly in the ambulatory setting, are essential to making careers in general internal medicine and other primary care specialties more attractive and relevant. While implementing such changes will require collaboration among all the stakeholders in primary care training, it will also require changes to GME financing and the support of those who pay for health care. Beyond our concern for primary care, we feel strongly that the GME system should ensure that the nation has an adequate supply of the types of physicians needed to treat patients, that they enter the workforce with the knowledge and skills required to provide the highest quality care, and that all Americans have access to such care. The nation will not be able to expand access, improve health outcomes, and decrease health care expenditures without a national health care workforce policy and the appropriate direction of funding to achieve these goals.

Specifically, our organizations recommend the following:

- Payment of Medicare GME funds to hospitals and training programs should be tied to the nation's health care workforce needs. Payments should be used to meet policy goals to ensure an adequate supply, specialty mix, and site of training.
- All payers should be required to contribute to a financing pool to support residencies that meet policy goals related to supply, specialty mix, and site of training.
- GME financing should be transparent, and accountability is needed to ensure that funds are appropriately designated toward activities related to the educational mission of teaching and training residents.
- Given the paucity of data on the current actual costs of training a resident and the vital
 importance of knowing this information, an analysis should be conducted to quantify the costs of
 training.
- There should be a substantially greater differential in the weighted formula for determining DGME payments for residents in primary care fields, including internal medicine. Training programs should receive enough funding to develop the most robust training programs and meet the requirements stipulated by their Residency Review Committees (RRCs).
- GME caps should be lifted as needed to permit training of an adequate number of primary care physicians, including general internists, and other specialties facing shortages.
- Internal medicine residents should receive exposure to primary care in well-functioning ambulatory settings that are financially supported for their training roles. The Accreditation Council for Graduate Medical Education (ACGME) and RRCs should establish specific goals for increased time spent by residents in ambulatory settings, Mentorship programs should be encouraged. Additional Medicare funding should be provided to facilitate training in all ambulatory settings that provide residency education.
- Incentives are needed to attract medical students, especially U.S. medical graduates, to residencies in primary care fields, including internal medicine.
- Pilot projects should be introduced to promote innovation in GME and provide training programs
 with the resources necessary to experiment with innovative training models and incorporate
 models of care, such as the patient-centered medical home. Congress should consider creating a
 Center for Medical Education Innovation and Research, parallel to the Center for Medicare and
 Medicaid Innovation, with dedicated dollars to fund pilots and multi-site educational outcomes
 research and have them more widely accepted if successful.

We recognize that the current growth rates in health care expenditures are unsustainable and with the federal deficit at an all time high an increased commitment to fiscal responsibility is necessary. We are committed to working with you to ensure that funding for GME is aligned with the nation's healthcare workforce needs and that taxpayers are getting optimal value from their investment in GME. This should be done in a thoughtful manner that looks to the experience of innovative programs that have a strong record in training internal medicine specialists and other physicians with the skills needed to provide comprehensive, coordinated, population and evidence-based care to adolescents and adults, and should be done in an inclusive manner with input from our organizations. True reform would align resources with consideration of societal needs for a well-trained physician workforce based on data and evidence, support innovation in medical education, and ensure a broader sharing of responsibility among all payers for financing medical education.

Again, thank you for your leadership in requesting that IOM conduct an independent review of the governance and financing of our system of GME. We offer our enthusiastic support in the review process.

Sincerely,

Alliance for Academic Internal Medicine American College of Physicians Society of General Internal Medicine