

## **HRSA Affordable Care Act Teaching Health Center Graduate Medical Education (THCGME) Program**

### **Questions and Answers**

#### **Question 1: Who will be eligible?**

Eligible entities include community-based ambulatory patient care centers that operate a primary care residency program. The eligible entity must be listed as an institutional sponsor by the relevant accrediting body. Corporate entities that are consortia of an eligible entity and hospitals operating one or more primary care graduate medical education programs may be listed as the institutional sponsor, but must ensure that the community-based ambulatory training site is a central partner in the consortium.

#### **Question 2: How will eligibility be determined?**

During the review process, an external advisory panel with input from residency accrediting organizations and staff from HRSA's Division of Medicine and Dentistry will review each application for qualification and eligibility.

#### **Question 3: What criteria will be used to identify eligible 'corporate entities such as a GME consortium?'**

An eligible corporate entity may be the institutional sponsor but the community-based ambulatory training site must be a central partner. The training site must be a major partner in the operation of the consortium, must ensure that it is the primary recipient of HRSA THCGME payments, and must be maintain responsibility for the operation of the residency training program. HRSA solicited stakeholder input for the THC program and received widespread support for the GME consortium model. The external advisory panel and HRSA staff will review the qualifications of consortium applicants.

#### **Question 4: What is the timeline for the THCGME program for FY11?**

- Guidance Issue – 11/30/10
- Due Date – 12/31/10
- Internal Review for Eligibility – 1/5/11
- Award Date – 1/15/11
- Start Date – 7/1/11
- Budget Periods
  - 1) 7/1/11-9/30/11
  - 2) 10/1/11-9/30/12

#### **Question 5: Why is there a difference in start dates for the first and second budget periods?**

The initial July start date coincides with the academic year when residents typically begin their training programs. Each period will end on September 30 because payments must be reconciled by the end of the Fiscal Year. Future start dates will be October 1 of each Fiscal Year.

**Question 6: Why are awards made by fiscal year and not an academic year?**

The statute requires that THC GME payments must be made by fiscal year. In addition, the reconciliation process (Section 340H(f) of the Public Health Service Act), through which overpayments may be recouped and underpayments may be adjusted, is based on the number of residents reported by the THC for the Fiscal Year to determine the final amount payable to the THC for the Fiscal Year.

**Question 7: Will THCGME awardees have to submit an application for funding each year?**

Yes; eligibility is determined on an annual basis and an annual report and applications are required from the eligible THC each year. It is HRSA's intent to continue support for awardees for all five years of the program pending satisfactory performance and availability of funds. In addition, new applicants can enter the program in each of the five years and would be supported for the remaining years of the program.

**Question 8: How will HRSA determine direct and indirect costs?**

HRSA will estimate direct and indirect costs for the first year of the program. Using data collected from the initial group of THC awardees, HRSA anticipates issuing a Notice of Proposed Rulemaking on the THCGME Program to inform direct and indirect graduate medical education cost calculations.

**Question 9: What does HRSA project will be the interim GME payment per resident?**

HRSA anticipates an interim GME payment of \$150,000 per resident per year, including direct and indirect costs. The amount of the payments may change based on availability of federal funds, number of eligible THCs, and the final calculations of direct and indirect costs.

**Question 10: How will HRSA coordinate payments with Medicare GME?**

HRSA and the Centers for Medicare and Medicaid Services (CMS) have held several meetings and both are committed to developing a methodology for coordinating payments and cost reporting requirements.

**Question 11: When will regulations be issued?**

HRSA anticipates issuing Notice of Proposed Rulemaking on the Teaching Health Center Graduate Medical Education Program in December 2011. Regulations will discuss direct and indirect graduate medical education cost calculations for Teaching Health Centers (THC),

accounting and auditing procedures for counting residents in THCs, and coordination of payments between CMS and HRSA.

**Question 12: What will be the impact on awardees when funding for the program ends? Will awardees need to make up for the shortfall in covering the costs of the residency program?**

Awardees will need to have a sustainability plan in place and HRSA will provide technical assistance on sustainability strategies. After the program has ended, awardees will need to complete the training obligation for their current residents. Possible sources of financing include other sources of GME funding, and local hospital or community contributions.

**Question 13: How will HRSA assure the quality of the THC training program?**

Institutional sponsorship of an accredited residency training program is the primary assurance of training quality. The requirements for accreditation are comprehensive and include faculty requirements, curricula, training opportunities, and patient experiences. In addition, HRSA is requesting documentation of THC affiliation with academic health centers and medical schools, if available.

**Question 14: How will HRSA help support the development of new THCs?**

HRSA has not received funding for the Teaching Health Center Development grant program. In the absence of funding for THC Development grants, HRSA will provide technical assistance about the details of the THC program. HRSA has also developed a strong relationship with two of the accrediting bodies, Accreditation Council on Graduate Medical Education (ACGME) and American Osteopathic Association (AOA), and both have offered to conduct special technical assistance programs for potential THCs.