ACTPCMD
Advisory Committee on Training in Primary Care Medicine and Dentistry

May 30, 2017

The Honorable Thomas E. Price, MD
Secretary of Health and Human Services
200 Independence Ave S.W.
Washington, DC 20201

The Honorable Lamar Alexander
Chair, Committee on Health, Education, Labor and Pensions
United States Senate
Washington, DC 20510

The Honorable Patty Murray
Ranking Member, Committee on Health, Education, Labor and Pensions
United States Senate
Washington, DC 20510

The Honorable Greg Walden
Chair, Committee on Energy and Commerce
House of Representatives
Washington, DC 20515

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

Dear Secretary Price, Chairman Alexander, Ranking Member Murray, Chairman Walden, and Ranking Member Pallone:

The Advisory Committee on Training in Primary Care Medicine and Dentistry (ACTPCMD) strongly recommends **urgent reauthorization and mandatory appropriations** for the Teaching Health Center Graduate Medical Education (THCGME) program (Section 340H, *Public Health Service Act*) for no less than 10 years.

The shortage of primary care clinicians facing this nation is dire and has been repeatedly documented across the spectrum of workforce research activities for two decades. The THCGME program has proven to be an important and inexpensive mechanism to increase the production of primary care physicians and dentists who continue to serve their communities after graduation:

- Almost all of the THCGME graduates remain in primary care practice, compared to less than one-quarter of traditional GME graduates.
- Almost three times as many THCGME graduates choose to practice in underserved communities, compared to traditional graduates.
- Nearly four times as many THCGME graduates enter practice in rural areas compared to traditional GME graduates.*

In the current 2016-17 academic year, there are approximately 740 residents being trained in 59 HRSA-supported Teaching Health Center (THC) locations in 27 states and the District of Columbia. THC residencies may take place in a federally qualified health center; a community mental health center; a rural health clinic; a health center operated by the Indian Health Service, an Indian tribe or tribal organization, or an urban Indian organization; or other outpatient clinic which operates a primary care residency program. Congress extended the funding for the THCGME program in 2015 as part of the *Medicare Access and CHIP Reauthorization Act (MACRA)*, providing $60 million for direct and indirect graduate medical education (GME) payments to THCs for fiscal years 2016 and 2017. This funding is scheduled to terminate on September 30, 2017.

** http://aathc.org/know-the-facts/*

To support current THC residencies, we recommend reauthorization and mandatory appropriations to fund current approved positions. We encourage growth in this innovative primary care training program and suggest that the reauthorization include an additional $10 million in FY19 and in every following year to allow for new THC residencies to be added and to support residents in these new THC programs through their training.

In addition, current funding levels – $116,000 per resident per year – are inadequate to sustain the program. This payment is expected to cover the costs of the salaries and benefits of residents, faculty and support staff; curriculum development; medical liability; and the facility. As a result of inadequate payment, many THCs are in financial difficulty. Their options in the face of reduced funding include plundering institutional reserve accounts, reducing the number of trainees they recruit, and potentially disengaging from the program entirely. All of these responses are occurring now and are destructive to this exceptional program. The annual per-resident payment should be raised to $157,000 for the length of training required by each specialty, according to the results of a recent study (*Regenstein, M., Nocella, K., Jewers, M. M., & Mullan, F. (2016). The Cost of Residency Training in Teaching Health Centers. New England Journal of Medicine, 375 (7)*).

The uncertainty of reauthorization and inadequacy of THCGME funding jeopardizes existing programs and precludes opportunities for new program creation. Residency programs operate on a multi-year recruitment and training cycle and require significant investments of resources by host institutions, predominantly FQHCs and FQHC look-alikes. Without timely reauthorization and adequate funding, THCs will be unable to effectively recruit applicants for this year's incoming class of residents and are at a significant recruitment disadvantage when they cannot assure candidates that ongoing THCGME funding will be available to complete their training.

This is a critical time in the preservation of the gains in primary care workforce accrued through the THCGME. The THCGME program will continue to help meet the needs of our nation only if the ACTPCMD's recommendation for reauthorization and mandatory appropriations for at least 10 years are acted upon expeditiously by Congress.

Sincerely,

/s/

Vicki Chan-Padgett, PAC, MPAS
Immediate Past Chair, ACTPCMD

/s/

Russell S. Phillips, MD
Chair, ACTPCMD

Enclosure