SGIM Supports Comprehensive Graduate Medical Education Reform

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Ongoing pressures to reduce the federal deficit have placed many programs of vital interest to SGIM members at risk. However, one program on almost every list of potential cuts is federal funding for graduate medical education (GME).

The federal government provides approximately $10 billion each year to US teaching hospitals via the Medicare program, covering approximately 40% of teaching hospital’s GME costs. Although state Medicaid programs, the Department of Veterans Affairs, the Department of Defense, the Health Resources and Service Administration (HRSA), and other programs also support GME programs in essential ways, Medicare has by far the largest share. It is hard to imagine any major attempt at deficit reduction without cuts to GME funding.

But GME in the United States will not be improved by funding cuts; rather, the US GME system needs dramatic reform to better meet the dynamic needs of the US health care system. The Health Policy Education Subcommittee, with full endorsement of the Health Policy Committee and the SGIM Council, recommends six reforms to better align the GME system. A full discussion of these recommendations is under review by the Journal of General Internal Medicine. These recommendations have also been sent to key members of Congress as part of the SGIM’s advocacy campaign during the current period of budget negotiations. They include:

1. **Workforce Analysis:** Congress should fully fund the National Health Care Workforce Commission. The creation of a physician workforce of the appropriate size, specialty mix, diversity, and geographic distribution requires accurate data. Today’s GME system, in contrast, allows most aspects of workforce composition to be determined by specialty-specific Residency Review Committees and the programmatic needs of teaching hospitals.

2. **Funding Mechanisms:** All entities that pay for health care should contribute to GME funding, which should reflect the true cost of training a physician workforce aligned to the nation’s health care needs. Medicare was established as the major federal source for GME funding in 1965 as a temporary program, and its formula no longer reflects the actual costs of training residents and fellows. All elements of the health care system will benefit from an appropriate physician workforce, and we believe that all health care funding mechanisms should support physician training. SGIM also supports the principle that portions of GME funding should be used to incentivize further changes in GME.

3. **Transparency:** GME dollars must be spent transparently and exclusively for resident training and related costs. SGIM supports annual reporting of GME funds received and their associated costs and expenditures by training institutions.

4. **Competency-based Curriculum Accountability:** GME-funded training programs must demonstrate that their graduates have the competencies necessary to practice medicine in the 21st century. Multiple stakeholders have argued that current GME graduates do not have all of the competencies required to practice in and improve the current and future health care system. Accreditation changes implemented by the Accreditation Council for GME (ACGME) will likely serve to better measure competence in the desired domains. SGIM supports this process and suggests that GME funding be tied to training outcomes.

5. **Distribution of Physician Specialties:** The GME system should provide incentives to institutions and training programs to align the practice patterns of their graduates with national and regional workforce needs. SGIM supports a workforce with adequate numbers of primary care physicians. SGIM also supports the use of incentives from GME funding to reward institutions that train higher numbers of physicians who practice primary care.

6. **Education Innovations:** Funding must be available for GME innovations designed to positively impact the workforce. SGIM supports the creation of a federal center to support and promote innovations in GME, just as the Center for Medicare and Medicaid Innovation (CMMI) supports innovation in clinical practice.

These reforms are clearly complex and will require changes at the federal and state level, in regulatory bodies and the private sector, in teaching hospitals and clinics, and in residency programs. We believe that SGIM members have much to add to this process as we create a GME system that can support a high-performing patient-centered health care system.