

American Psychiatric Association

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January 16, 2015

The Honorable Fred Upton
United States House of Representatives
Chairman, Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone
United States House of Representatives
Ranking Member, Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton and Representative Pallone,

On behalf of the American Psychiatric Association (APA), the medical specialty association representing more than 36,000 psychiatrist physicians and their patients and their family, I am writing in response to your December 6th request for stakeholder feedback on Graduate Medical Education (GME) and the Institute of Medicine's recent findings and recommendations. While the complexities of this subject may not be apparent to the average patient or American seeking care, medical education financing is critical for the practical day to day functioning of the nation's healthcare system and for access to appropriate treatment. APA appreciates your study of these important issues and offers itself as a resource to the Committee and its members.

As you know, federal funding makes up a significant portion of the support that resident training programs receive in order to ensure a highly qualified physician workforce. When Congress established Medicare in 1965 it expressly recognized that educational activities (e.g. stipends, compensation of educators, and other costs) should be borne to an appropriate extent by the hospital insurance program in order to enhance the quality of care both within the facility and within the greater community. The original justification for this funding has become even more relevant today as a higher percentage of Americans receive their insurance coverage from public sources. As we've seen, enhanced insurance coverage does not equate to better healthcare unless a highly qualified workforce is supported to meet the challenge.



With 12 years of training in biology, anatomy, chemistry, and clinical training in the diagnosis and treatment of general medical and mental disorders, psychiatrists are the physician experts in these complex brain disorders. Furthermore, the development and training of the psychiatric workforce is necessary for the medical and behavioral wellbeing of the most vulnerable population of individuals who are likely to suffer from multiple co-occurring medical conditions, such as hypertension and diabetes, in addition to mental illness. While the current GME system certainly warrants improvement, robust investment in innovative physician residency training is crucial to addressing the nation's critical psychiatric workforce shortage in addition to the current and projected overall physician workforce shortage. The Health Resources Services Administration recently found that per capita declines are projected in the field of psychiatry by the year 2025. Subspecialty psychiatry is also facing acute workforce shortages. For example, there are only 8,300 practicing child and adolescent psychiatrists (or one per 38,000 Americans) for a population of children with mental health and substance use needs that has significantly increased in the last decade. Furthermore, data from the Association of American Medical Colleges suggests a projected workforce shortage of more than 90,000 primary care and specialists physicians by the year 2020. The impact of these shortages will be felt especially by an increasing population of elderly and disabled individuals with psychiatric and substance use disorders as well as those living in underserved rural and inner-city locations.

We would like to address the following questions posed by the Committee -

What changes in the current GME financing system might be leveraged to improve its efficiency, effectiveness and stability?

Medicare's support for physician training has been frozen since 1997. This policy is simply not a sustainable strategy for successfully leveraging GME support for long term impact on access to highly qualified medical personnel. The cap on publicly funded GME training slots should be removed. APA further recommends that GME funding in general should be preferentially directed to critical shortage specialties with demonstrable need.

The IOM report suggested combining Medicare Direct GME (DGME) and indirect medical education (IME) into one payment. This could reduce administration burden, and make it easier to fund training in outpatient settings. Other incentivization methods that support outpatient practice and the development of more outpatient rotations for medical residents should also be considered.

Rather than creating new administrative structures for data collection and piloting new payment models, APA recommends that policymakers consider giving the Centers for Medicare and Medicaid Services (CMS) the resources it needs to better track, regulate, and innovate GME. Existing funding should not be diverted away from training operations for these purposes.

There have been numerous proposals put forward to reform the funding of the GME system in the United States. Are there any proposals or provisions of proposals you support and why?

APA supports several proposals that have been put forward in recent years concerning residency training and the future of the psychiatric workforce. APA has voiced support for the Resident Physician Shortage Reduction Act of 2013 (S.577 / H.R. 1180), which would create an additional 15,000 GME slots of which half must be used for shortage specialty residency programs. The Resident Physician Shortage Reduction Act also included provisions to update data that is used as the basis for determining physician shortage specialties. APA urges the inclusion of a provision or recommendation to ascertain accurate data on physician shortage specialties in any Committee product that results from your study of GME.

APA supported the eligibility of child psychiatric hospitals to qualify for Children's Hospital Graduate Medical Education (CHGME) funding that passed as part of the Children's Hospital GME Support Reauthorization Act of 2013. We urge Congress to sufficiently fund this program, in addition to reauthorizing the Pediatric Subspecialty Loan Repayment Program (Section 775 of the Public Health Service Act), as part of a strategy to address the critical shortage of child and adolescent psychiatrists.

Congress must also address access problems for specific populations with special physician workforce challenges. For example, the Department of Health and Human Services' Office of Inspector General has reported that a shortage of psychiatrists at the Indian Health Service and other tribal health facilities significantly limits mental health access to American Indians and Alaska Natives. H.R. 2037, the bipartisan Native American Psychiatric and Mental Health Care Improvement Act of 2013, would create a demonstration program within a residency training program or affiliated non-profit organization to recruit, train, deploy, and professionally support psychiatrists in Indian health programs. APA supports H.R. 2037 and urges its passage.

APA also supports enactment of comprehensive mental health reform since the problems with mental health delivery in this country are complex and span governmental jurisdictions, bureaucracies, and multiple systems of care. Addressing workforce shortages, access to care, and promotion of evidence-based treatment services are key components of this effort. We applaud Representative Tim Murphy, Ph.D., Chairman of the House Energy and Commerce Subcommittee on Oversight and Investigations for his leadership on these issues.

Should Federal funding for GME ensure training opportunities are available in both rural and urban areas? If so, what sorts of reforms are needed?

APA feels strongly that ensuring training opportunities in underserved rural and urban areas should be a priority within the GME program. It is generally understood that physicians who train in these settings are more likely to locate in these areas after completion of their residency. Since programs in rural areas often cannot demonstrate the same levels of costs that established urban programs have, a national per resident average payment rate with adjustments for regional cost variation and teaching costs may help provide equitable funding to new rural programs. APA also strongly supports loan forgiveness programs, such as the National Health Service Corp, that encourage physicians to train and practice in underserved areas.

Is the current financing structure for GME appropriate to meet current and future healthcare workforce needs?

The IOM report recognized the critical role of public funding for GME in order to ensure a sustainable medical educational system for our nation. There must be robust and stable Medicare GME funding; we caution that limiting this funding could risk serious consequences for patients and the future physician workforce. We agree with the IOM and others who have concluded that Medicare support for GME should not be reduced. In addition, APA supports the involvement of other stakeholders in the funding stream of GME to promote community and regional involvement and partnership. Congress should consider an all-payer model that is thoroughly tested and built upon the foundation of sustained Medicare GME funding.

Thank you for your review and consideration of these important issues. Please feel free to use APA as a resource for anything the Committee needs related to graduate medical education, physician practice, and treatment of mental health and substance use disorders. Should you have any questions regarding this letter, please contact Matthew Sturm at 703-907-7800 or msturm@psych.org.

Sincerely,

A handwritten signature in black ink that reads "Saul Levin, MD, MPA". The signature is written in a cursive style.

Saul Levin, MD, MPA
CEO and Medical Director

CC:

The Honorable Joseph Pitts
The Honorable Gene Green
The Honorable Diana DeGette
The Honorable Cathy McMorris Rodgers
The Honorable Peter Welch
The Honorable Morgan Griffith
The Honorable Kathy Castor