GME Finances

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Today's Topic

- Overview of CMS payment mechanisms
- Implications of CMS rules on GME at USF
- Overview of the finances in GME at USF
- How to market your program for growth and 'be a good GME citizen'

Accreditation and Funding
The Big Picture

Sources of Funding 2013…$17 Billion

Source	Amount
Medicare DME	$3.4 Billion
Medicare IME	$7.9 Billion
Medicaid	$3.9 Billion
VA	$1.4 Billion
Children's Hospitals	$251 Million
HRSE Centers	$46 Million

Medicare DME and IME

- Direct Medical Expense (DME) Payment
  - Based on each hospital's cost in the initial year of the Hospital having a residency program
  - Covers direct costs including resident salaries and benefits, faculty salaries and benefits, allocated overhead costs
  - Residents must be in accredited programs
  - Cap is set at year 5 for 'new' Hospital and based on 1996 FTE count for 'old'

- Indirect (IME) Payments
  - Pays for higher patient care costs due to presence of residents and perceived inefficiencies.
  - Initially intended to cover indigent care
  - Recognizes unmeasured patient complexity
  - % add on Paid through inpatient DRG payments or as extra bill to Medicare managed care

How Much does your Hospital Get from CMS?

Varies for each hospital

Example	Resident	Fellow/2nd Resident
1/3 DME	$30,000	$15,000*
2/3 IME	$60,000	$60,000
Total	$90,000	

*Fellows/2nd Resident get ½ of the DME

*Most hospitals only pay for resident salary/benefits and not faculty salary (mostly generated by practice plans routed through the medical school)

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Are Hospitals Over the Cap?

- The majority of Hospitals are over their Cap
- Cap is set based on 1996 resident FTE #
- 78,000 CMS Cap funded of 117,000 positions

Do Our Affiliates Have a Cap?

- TGH, MCC, FH and MPM have a Cap
- JHACH has a funding limit
- The VA's do not have a Cap
- MCC is Prospective Payment Exempt (DRG) and submits full IME costs without limitation
- ***…But we just need to follow one set of rules- the Medicare Rules***

Florida Medicaid GME Additional Facts to Know…

- There is no Cap
- Payments are made as a DRG % increase similar to Medicare
- Payments average approx. $20K per FTE-payer mix dependent
- Qualified newly approved ACGME slots eligible for an additional one time $100K

Resident Time Claimable for DME and IME

DME

Within Hospital Walls	Non Hospital Owned Clinic
Trainee in Patient Care	Trainee in Patient Care
Vacation/Sick	Vacation/Sick
Didactic	*Didactic (since 2009+)*
Patient-related Research	**NO Research**

Note: Text in *italics* indicates language in the ACA.

IME

Within Hospital Walls	Non Hospital Owned Clinic
Trainee in Patient Care	Trainee in Patient Care
Vacation/Sick	Vacation/Sick
Didactic (since 1983+)	**NO Didactic**
NO Research *(after 2001+)**	**NO Research**

* The ACA clarifies that IME research time does not count after October 1, 2001

Rules for Claiming Non Hospital Owned Clinic Sites

- Rule change allowed as of 2009
  - Prior to 2009 the hospital had to own the site
- Affiliate must cover at least 90% of the claimed residents salaries and resident costs for the FTEs at the site for a specific accredited program.
- No other hospital is claiming the site to Medicare for a specific program
  - If two hospitals claim the same clinic then they need a formal agreement submitted to CMS

High Value Rotations/Trainees

- Residents in initial years of training
- Accredited
- In Hospital providing patient care
- In Clinic providing patient care

Lower Value

- Non Accredited
- Fellowships
- Trainees beyond allowable years (res + fellowship)
- Off site experiences
- Away rotations/Away conferences
- Didactics out of hospital
- Research rotations

PDs Have to Count Their Residents

- Resident FTE count at each site is a major factor in determining both IME and DME payments and CMS has lots of regulations governing this
- Your hospital will need to prove this to CMS in audits to track research, outpatient time, didactics
- The better you count, the more money your resident gets for DME/IME (hospitals prefer to cut unpaid residents)

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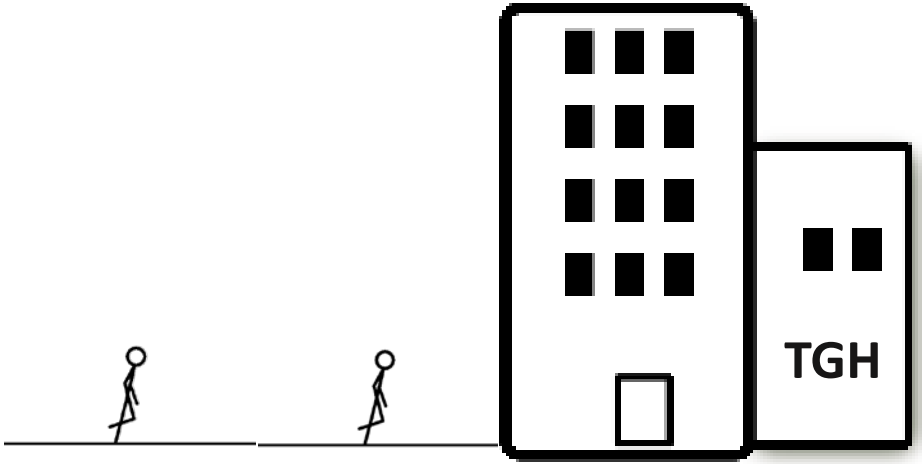
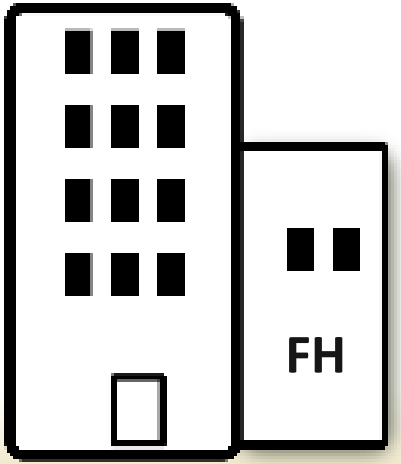
Your Data Determines Payments

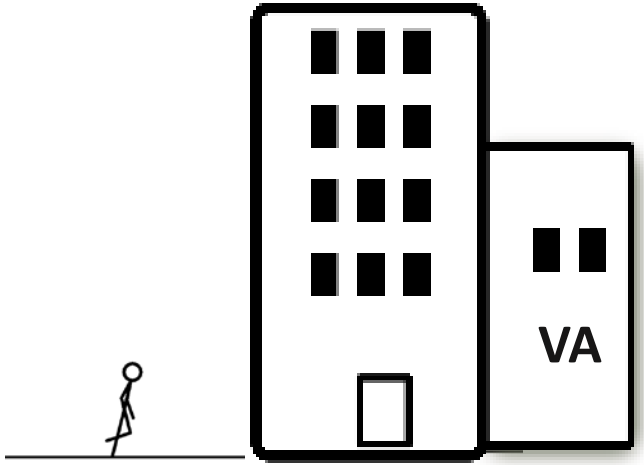
- Your Block and Assignment schedule data feed hospital cost reports billed to Medicare and used for State Medicaid resident/fellow payments
- There is a direct connection to schedules and cost reports

How Do We Use *New Innovations* to Account for Resident Time

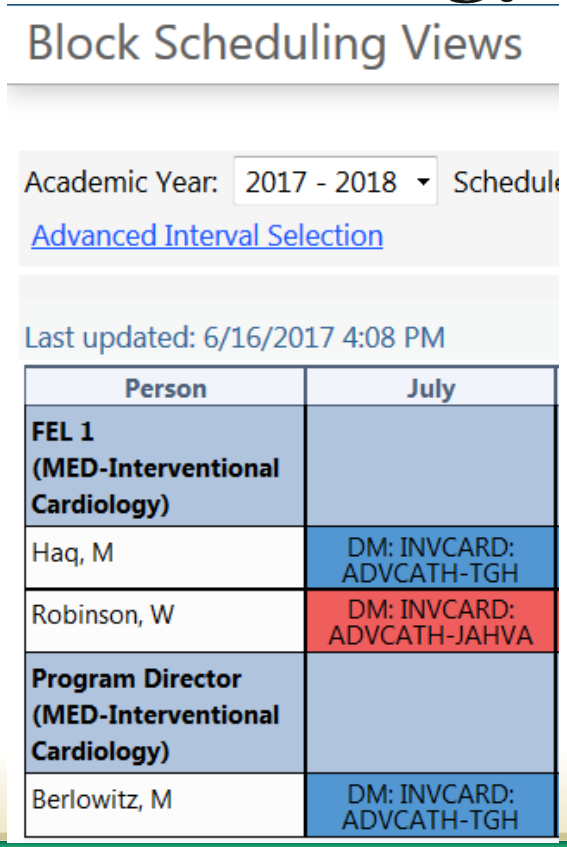
- Of our 800+ rotations, each rotation:
  - Is reviewed for activity
    - Research, Patient care, Didactics, other?
  - Is reviewed for physical location
    - If the site changes but all else remains the same it still matters
  - IME and DME flags are turned on or off to claim or not claim the activity


TGH


FH


VA

Block Schedule: Interventional Cardiology



Assignment Schedule: Cardiology

Monthly Schedule

Department of Medicine/MED-Cardiovascular Disease

Schedule contains events from 6/1/2017 to 6/30/2017 with filters on 1 Department(s)/Division(s):

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SUN	MON	TUE	WED	THU	FRI	SAT
May 28	May 29	May 30	May 31	Jun 1 **STC Clinic AM** Meriwether, John MorsaniClinicPM Gaddipati, Vamsi **STC Clinic PM** McElligott, Kevin **STC Clinic PM** Parikh, Vishal	Jun 2 **Valve Conf** Haq, Maleeha **Valve Conf** Kharod, Anant **Valve Conf** McElligott, Kevin **Valve Conf** Meriwether, John **Valve Conf** Parikh, Vishal **MorsaniClinicAM** Rafi, Adam **Valve Conf** Robinson, Willie	Jun 3
Jun 4	Jun 5 **MorsaniClinicAM** Haq, Maleeha **MorsaniClinicAM** Huang, Jessica **STC Clinic AM** Kapadia, Pavan **STC Clinic AM** Kharod, Anant **MorsaniClinicAM** Williams, Cody	Jun 6 **STC Clinic AM** Chang, Patrick **STC Clinic AM** Robinson, Willie MorsaniClinicPM Kasprowicz, Thomas MorsaniClinicPM Patel, Nidhi	Jun 7 **EP Conf** Meriwether, John Conference Chang, Patrick Conference Gaddipati, Vamsi Conference Haq, Maleeha Conference Huang, Jessica Conference Kapadia, Pavan Conference Kasprowicz, Thomas Conference Kharod, Anant Conference McElligott, Kevin Conference Meriwether, John Conference Parikh, Vishal Conference Patel, Nidhi Conference Rafi, Adam Conference Robinson, Willie Conference Williams, Cody	Jun 8 **STC Clinic AM** Meriwether, John MorsaniClinicPM Gaddipati, Vamsi **STC Clinic PM** McElligott, Kevin **STC Clinic PM** Parikh, Vishal	Jun 9 **Valve Conf** Haq, Maleeha **Valve Conf** Kharod, Anant **Valve Conf** McElligott, Kevin **Valve Conf** Meriwether, John **Valve Conf** Parikh, Vishal **MorsaniClinicAM** Rafi, Adam **Valve Conf** Robinson, Willie	Jun 10
Jun 11	Jun 12 **MorsaniClinicAM** Haq, Maleeha **MorsaniClinicAM** Huang, Jessica **STC Clinic AM** Kapadia, Pavan **STC Clinic AM** Kharod, Anant **MorsaniClinicAM** Williams, Cody	Jun 13 **STC Clinic AM** Chang, Patrick **STC Clinic AM** Robinson, Willie MorsaniClinicPM Kasprowicz, Thomas MorsaniClinicPM Patel, Nidhi	Jun 14 **EP Conf** Meriwether, John Conference Chang, Patrick Conference Gaddipati, Vamsi Conference Haq, Maleeha Conference Huang, Jessica Conference Kapadia, Pavan Conference Kasprowicz, Thomas Conference Kharod, Anant Conference McElligott, Kevin Conference Meriwether, John Conference Parikh, Vishal Conference Patel, Nidhi Conference Rafi, Adam Conference Robinson, Willie Conference Williams, Cody	Jun 15 **STC Clinic AM** Meriwether, John MorsaniClinicPM Gaddipati, Vamsi **STC Clinic PM** McElligott, Kevin **STC Clinic PM** Parikh, Vishal	Jun 16 **Valve Conf** Haq, Maleeha **Valve Conf** Kharod, Anant **Valve Conf** McElligott, Kevin **Valve Conf** Meriwether, John **Valve Conf** Parikh, Vishal **MorsaniClinicAM** Rafi, Adam **Valve Conf** Robinson, Willie	Jun 17
Jun 18	Jun 19 **MorsaniClinicAM** Haq, Maleeha **MorsaniClinicAM** Huang, Jessica **STC Clinic AM** Kapadia, Pavan **STC Clinic AM** Kharod, Anant **MorsaniClinicAM** Williams, Cody	Jun 20 **STC Clinic AM** Chang, Patrick **STC Clinic AM** Robinson, Willie MorsaniClinicPM Kasprowicz, Thomas MorsaniClinicPM Patel, Nidhi	Jun 21 **EP Conf** Meriwether, John Conference Chang, Patrick Conference Gaddipati, Vamsi Conference Haq, Maleeha Conference Huang, Jessica Conference Kapadia, Pavan Conference Kasprowicz, Thomas Conference Kharod, Anant Conference McElligott, Kevin Conference Meriwether, John Conference Parikh, Vishal Conference Patel, Nidhi Conference Rafi, Adam Conference Robinson, Willie Conference Williams, Cody	Jun 22 **STC Clinic AM** Meriwether, John MorsaniClinicPM Gaddipati, Vamsi **STC Clinic PM** McElligott, Kevin **STC Clinic PM** Parikh, Vishal	Jun 23 **Valve Conf** Haq, Maleeha **Valve Conf** Kharod, Anant **Valve Conf** McElligott, Kevin **Valve Conf** Meriwether, John **Valve Conf** Parikh, Vishal **MorsaniClinicAM** Rafi, Adam **Valve Conf** Robinson, Willie	Jun 24
Jun 25	Jun 26 **MorsaniClinicAM** Haq, Maleeha **MorsaniClinicAM** Huang, Jessica **STC Clinic AM** Kapadia, Pavan **STC Clinic AM** Kharod, Anant **MorsaniClinicAM** Williams, Cody	Jun 27 **STC Clinic AM** Chang, Patrick **STC Clinic AM** Robinson, Willie MorsaniClinicPM Kasprowicz, Thomas MorsaniClinicPM Patel, Nidhi	Jun 28 **EP Conf** Meriwether, John Conference Chang, Patrick Conference Gaddipati, Vamsi Conference Haq, Maleeha Conference Huang, Jessica Conference Kapadia, Pavan Conference Kasprowicz, Thomas Conference Kharod, Anant Conference McElligott, Kevin Conference Meriwether, John Conference Parikh, Vishal Conference Patel, Nidhi Conference Rafi, Adam Conference Robinson, Willie Conference Williams, Cody	Jun 29 **STC Clinic AM** Meriwether, John MorsaniClinicPM Gaddipati, Vamsi **STC Clinic PM** McElligott, Kevin **STC Clinic PM** Parikh, Vishal	Jun 30 **Valve Conf** Haq, Maleeha **Valve Conf** Kharod, Anant **Valve Conf** McElligott, Kevin **Valve Conf** Meriwether, John **Valve Conf** Parikh, Vishal **MorsaniClinicAM** Rafi, Adam **Valve Conf** Robinson, Willie	Jul 1

What is Required of You?

- Match resident lines to funding by affiliate
  - Block and Assignment Schedule
- Be sure GME knows about electives, away rotations, new sites, leave etc.
  - Formal notice, complete forms
- Block schedules set for the year in early June
- Assignment scheduler set by the 15th of the following month.
  - July closed, reviewed, accurate by August 15, bill affiliates by August 20th

How Do You Advocate for Your Program?

1. Maximize CMS collections for our Affiliates
    1. Document residents location and activities accurately
    2. Move research into hospital; QI projects count
    3. Move didactics into hospital
2. If you change sites, understand payment ramifications and notify us of the location change. If moved to a new Hospitals be sure they will pay cost of the trainee
3. Clinics do not get DME/IME directly, but a hospital can get DME and some IME if they cover the majority of resident related costs
4. Some sites not eligible for DME/IME: find out what those are (MDC, CAMLS, site already claimed by another hospital…)

How do you Increase Trainees with Limited Resources and a Cap?

5. Make a business argument: more patients, fits hospital's long term plan, required by an accrediting body, faculty retention, high value service, cuts over all costs (LOS…)
6. Show your program can manage the process currently
7. Have your residents fit the CMS definition better than other programs

Accredited, in hospital or clinic setting, claimable time…

And Now For Something Completely Different…

- Program Director Support Calculations
  - Set in March/April for upcoming year
  - Information needs to be done prior to Departmental budget meetings
  - Its not a bonus
  - No increases in total PD support funds in 4 years yet several new ACGME programs diluting the funds
  - Withhold added to reward good performance- $200K in FY 18

PD Salary Contribution Calculation

- Paid based on ACGME RRC rules for upcoming year
- If no RRC rule based on # trainees
- Formula: Lowest recommended RRC % x AAMC Assoc Prof 25% table 15 for that program specialty
- Not based on your actual salary or actual rank
- You are moved to a GME account to receive funding. No transfers of funds to your department.

How can you get Additional $ Support

- Participation on GMEC subcommittees
- Part of Special Assessment
- ACGME annual meeting

Conclusion