112TH CONGRESS
1ST SESSION

H. R. 3667

To provide for a Medicare primary care graduate medical education pilot project in order to improve access to the primary care workforce.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 14, 2011

Mrs. MCMORRIS RODGERS (for herself and Mr. THOMPSON of California) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To provide for a Medicare primary care graduate medical education pilot project in order to improve access to the primary care workforce.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the ''Primary Care Work-
5 force Access Improvement Act of 2011''.

SEC. 2. MEDICARE PRIMARY CARE GRADUATE MEDICAL EDUCATION PILOT PROJECT.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall conduct a pilot project under the Medicare program under title XVIII of the Social Security Act, in accordance with the provisions of this section, to test models for providing payment under such title for direct graduate medical education and indirect medical education to medical education entities, which entities are not otherwise eligible to receive such payments under the Medicare program, for the costs of training primary care residents.

(b) DURATION.—The Secretary shall conduct the pilot project under this section over a 5-year period, which shall begin not later than 180 days after the date of the enactment of this Act.

(c) MODELS.—

(1) REQUIRED MODELS.—Under the pilot project, the Secretary shall test two of each of the following models:

(A) A model in which the medical education entity receiving funds under the pilot project is a community-based independent corporate entity collaborating with two or more hospitals to operate one or more primary care graduate medical residency training programs.

1 (B) A model in which—
2 (i) the medical education entity receiv-
3 ing funds under the pilot project is estab-
4 lished by two or more hospitals to operate
5 one or more primary care graduate medical
6 residency training programs; and
7 (ii) such hospitals may be the sole
8 corporate members of the entity but the
9 governing board of the entity shall include
10 at least one community representative.
11 (C) A model in which the medical edu-
12 cation entity receiving funds under the pilot
13 project is a hospital subsidiary or independent
14 corporation that operates one or more primary
15 care graduate medical residency training pro-
16 grams for a hospital with community participa-
17 tion in the governance of the subsidiary or cor-
18 poration.
19 (D) A model in which—
20 (i) the medical education entity receiv-
21 ing funds under the pilot project is inde-
22 pendent of any hospital but collaborates
23 with a hospital in operating one or more
24 primary care graduate medical residency
25 training programs; and

1 (ii) the medical education entity may
2 include a university or school of medicine.
3 (2) ADDITIONAL MODELS.—Under the pilot
4 project, the Secretary may test models of medical
5 education entities in addition to those described in
6 paragraph (1).
7 (d) PRIORITIZATION.—Under the pilot project, the
8 Secretary of Health and Human Services may give priority
9 to testing models that demonstrate the capability of im-
10 proving the quality, quantity, and distribution of primary
11 care physicians, including the ability to enhance primary
12 care delivery in rural and underserved areas.
13 (e) PAYMENTS.—
14 (1) PAYMENTS TO MEDICAL EDUCATION ENTI-
15 TIES.—Under the pilot project, the Secretary shall
16 establish a process under which payments are made
17 to each medical education entity participating under
18 such project for direct graduate medical education
19 and indirect medical education costs with respect to
20 primary care residents enrolled under a primary care
21 graduate medical residency training program oper-
22 ated pursuant to a model of such entity under sub-
23 section (c) instead of any payment or adjustment
24 that would otherwise be made to a participant hos-
25 pital (as defined in subsection (m)) of such entity

1 for indirect and direct graduate medical education
2 costs under subsections (d)(5)(B) and (h) of section
3 1886 of the Social Security Act (42 U.S.C. 1395ww)
4 during the period of participation of such entity in
5 such project.

6 (2) CALCULATION OF PAYMENTS.—Payments to
7 a medical education entity under the pilot project,
8 with respect to a primary care graduate medical
9 education residency program, for a cost reporting
10 period during which the entity is participating in
11 such pilot shall be, based on the most recently avail-
12 able data with respect to a previous cost reporting
13 period, equal to the sum of the following:

14 (A) DIRECT GME.—The amount that, out
15 of all of the payment amounts (determined on
16 a per resident basis) received by hospitals under
17 section 1886(h) of the Social Security Act (42
18 U.S.C. 1395ww(h)) for such previous cost re-
19 porting period, is equal to the 95th percentile of
20 such payment amounts.

21 (B) INDIRECT GME.—The amount that,
22 out of all of the additional payment amounts
23 (determined on a per resident basis) received by
24 hospitals under section 1886(d)(5)(B) of the
25 Social Security Act (42 U.S.C.

1 1395ww(d)(5)(B)) for such previous cost re-
2 porting period, is equal to the 95th percentile of
3 such payment amounts.
4 (3) ADDITIONAL PAYMENTS FOR PROGRAMS
5 SERVING UNDERSERVED AREAS.—Payments in addi-
6 tion to the payments described in paragraph (2) may
7 be made under the pilot project for primary care
8 graduate medical residency training programs
9 that—
10 (A) operate in sites and areas that are un-
11 derserved by primary care physicians; or
12 (B) change their training sites to include
13 those areas.
14 (4) PAYMENTS FROM MEDICARE TRUST
15 FUNDS.—In providing for such payments under this
16 subsection to medical education entities, the Sec-
17 retary shall provide for an allocation of such pay-
18 ments between part A and part B (and the Federal
19 Hospital Insurance Trust Fund under section 1817
20 of the Social Security Act (42 U.S.C. 1395i) and the
21 Federal Supplementary Medical Insurance Trust
22 Fund under section 1841 of such Act (42 U.S.C.
23 1395t)) in the same manner as the Secretary pro-
24 vides for an allocation of payments under sub-

sections (d)(5)(B) and (h), respectively, of section 1886 of such Act (42 U.S.C. 1395ww).

(f) USES OF PAYMENTS.—

(1) IN GENERAL.—A medical education entity receiving payments under the pilot project shall use such payments for the training of primary care residents, including training activities in appropriate inpatient and outpatient settings in primary care graduate medical residency training programs accredited by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association and for all relevant topics including patient care, care management, working in teams, supervision, and quality improvement.

(2) LIMITATIONS.—Payments shall only be made for training primary care residents up to the initial board certification of such residents, except that with respect to training in geriatric medicine, payments may also be made for a fellowship after initial board certification.

(g) EXPANSION DURING PILOT PROJECT.—A medical education entity receiving funds under the pilot project, with respect to a primary care graduate medical residency training program, shall be allowed to increase by up to 50 percent the number of full-time equivalent

1 primary care residents enrolled in the such program (de-
2 termined in accordance with the process under subsection
3 (d)(2)(A)(ii)) during the duration of the participation of
4 such entity in such project.

5 (h) TREATMENT AFTER PROJECT.—

6 (1) IN GENERAL.—Subject to paragraphs (2)
7 and (3), after the last day of the pilot project, which
8 may be extended at the discretion of the Secretary,
9 any participant hospital of a medical education enti-
10 ty under the pilot project, shall receive payments
11 under subsection (d)(5)(B) and (h) of section 1886
12 of the Social Security Act (42 U.S.C. 1395ww) in
13 the same manner and to the same extent such hos-
14 pital would receive such payments without applica-
15 tion of this Act and such payments shall be cal-
16 culated based on the number of full-time equivalent
17 residents enrolled in such program without regard to
18 any increase made pursuant to subsection (g).

19 (2) EXCEPTION TO ENSURE RESIDENTS EN-
20 ROLLED DURING PILOT ARE ABLE TO COMPLETE
21 TRAINING.—Subject to paragraph (3), a medical
22 education entity receiving funds under the pilot
23 project, with respect to a primary care graduate
24 medical residency training program, shall continue
25 to receive funding under this section (even after the

1 last day of the project), with respect to each primary
2 care resident who is enrolled under such program
3 while the entity is participating in such project, to
4 the extent and in such amounts necessary to allow
5 for the full duration of training, subject to sub-
6 section (f)(2), of such primary care resident. Any
7 such payments made pursuant to this subparagraph
8 shall be deemed to be a payment made under the
9 pilot project.

10 (3) LIMITATION.—In no case may the total du-
11 ration of the pilot project exceed seven years and in
12 no case may payments be made under this section
13 to a medical education entity for a period exceeding
14 seven years.

15 (i) BUDGET NEUTRALITY.—For each year that the
16 pilot project under this section is being conducted (and
17 for any subsequent year to the extent subsection (h)(2)
18 applies), the Secretary shall reduce payments under sub-
19 sections (d)(5)(B) and (h) of section 1886 of the Social
20 Security Act (42 U.S.C. 1395ww) by such amount as the
21 Secretary determines to be necessary to ensure that car-
22 rying out the pilot project under this section during such
23 year does not result in expenditures under title XVIII of
24 the Social Security Act for such year that exceed the

1 amount of such expenditures that would have been made
2 for such year without application of this section.
3 (j) WAIVER AUTHORITY.—The Secretary may waive
4 such requirements of titles XI and XVIII of the Social
5 Security Act as may be necessary to carry out the purpose
6 of the pilot project under this section.
7 (k) REPORT TO CONGRESS.—The Secretary is au-
8 thorized to enter into an agreement with the Institute of
9 Medicine to conduct a study on the results of the pilot
10 project. Such agreement shall provide for the Institute of
11 Medicine to submit, not later than 1 year after the comple-
12 tion of the pilot project under this section (or, if sooner,
13 January 1, 2019), to Congress a report on the results of
14 such study, including—
15 (1) a detailed analysis of the effects of the pilot,
16 including the quality, quantity, and distribution of
17 primary care physicians during and after the pilot
18 project compared to the quality, quantity, and dis-
19 tribution of such physicians before the pilot project;
20 and the governance, administration and financial
21 strength of the medical educational entities that par-
22 ticipated in the pilot project;
23 (2) recommendations on the extent to which the
24 pilot project should be expanded to all primary care
25 residents; and

1 (3) recommendations for such legislation and
2 administrative actions as needed.
3 (l) EXPANSION.—If the Secretary determines that
4 any of the models tested under the pilot project under this
5 section enhance the quality, quantity, and distribution of
6 primary care physicians for Medicare beneficiaries, the
7 Secretary may initiate comparable primary care training
8 projects.
9 (m) DEFINITIONS.—For purposes of this section:
10 (1) DIRECT GRADUATE MEDICAL EDUCATION
11 COSTS; INDIRECT GRADUATE MEDICAL EDUCATION
12 COSTS.—The terms ''direct graduate medical edu-
13 cation costs'' and ''indirect graduate medical edu-
14 cation'' have the meanings given such terms for pur-
15 poses of subsections (h) and (d)(5)(B), respectively,
16 of section 1886 of the Social Security Act (42
17 U.S.C. 1395ww).
18 (2) MEDICAL EDUCATION ENTITY.—The term
19 ''medical education entity'' means a corporate, non-
20 profit, or academic entity that has as its principal
21 mission the education and training of primary care
22 residents.
23 (3) MEDICARE BENEFICIARY.—The term
24 ''Medicare beneficiary'' means an individual entitled

to benefits under part A of title XVIII of the Social Security Act or enrolled under part B of such title.

(4) PARTICIPANT HOSPITAL.—The term ''participant hospital'' means, with respect to a medical education entity, any hospital that establishes, is collaborating with, a component of, or otherwise associated with, such entity to operate a primary care graduate medical residency training program under a model described in subsection (c).

(5) PRIMARY CARE GRADUATE MEDICAL RESIDENCY TRAINING PROGRAM.—The term ''primary care graduate medical residency training program'' means an approved medical residency training program (as defined in section 1886(h)(5)(A) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(A))) for training primary care residents.

(6) PRIMARY CARE RESIDENT.—The term ''primary care resident'' means a resident enrolled in an approved medical residency training program in family medicine, general internal medicine, general pediatrics, or geriatric medicine.

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