



**Association of
American Medical Colleges**
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June 30, 2009

Vial Electronic Submission

Ms. Charlene Frizzera
Acting Administrator
Centers for Medicare & Medicaid Services
Hubert H. Humphrey Building
Room 445-G
200 Independence Avenue, SW
Washington, DC 20201

Attention: 1495—NC

Dear Ms. Frizzera:

The Association of American Medical Colleges (AAMC) welcomes this opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS or the Agency) proposed rule entitled "*Medicare Program; Inpatient Psychiatric Facilities Prospective Payment System Payment Update for Rate Year Beginning July 1, 2009 (RY 2010).*" 74 Fed. Reg. 20362 (May 1, 2009). The AAMC is a not-for-profit association representing approximately 400 major teaching hospitals and health systems; all 130 accredited U.S. medical schools; nearly 90 professional and academic societies; and the nation's medical students and residents.

We urge CMS to permit an increase in the full-time equivalent resident cap when an inpatient psychiatric facility (IPF) increases the number of FTE residents it trains due to the acceptance of relocated residents when another IPF closes or closes its psychiatric residency program, or when an acute care hospital that has a psychiatric residency program closes its program.

Currently an IPF is subject to a cap on the number of residents that it can count for purposes of calculating the teaching adjustment. The cap is based on the number of residents that trained in the IPF during the "base year", that is, the hospital's most recent cost report for the period ending before November 15, 2004. (42 C.F.R. §412.424(d)(1)(iii)(C)). Currently, that cap is not increased when the IPF accepts and completes the training of residents relocated from an IPF that closes or an IPF or acute care hospital that remains open but closes its psychiatric residency program.

Charlene Frizzera

June 30, 2009

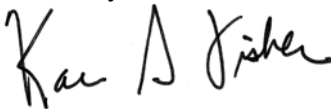
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CMS has received requests to reconsider its position regarding the application of the FTE resident cap when residents in a psychiatry program must be relocated to an IPF. We would like to echo these requests and urge CMS to finalize a temporary cap adjustment policy in the IPF payment system. Such a policy could mirror the temporary cap adjustment policy contained in the inpatient PPS for those situations in which it is necessary for an acute care hospital to train displaced residents from a hospital that closes or closes its residency program.

In FY 2000, the Agency instituted a temporary adjustment to the IPPS FTE cap policy when a hospital increases the number of FTE residents it trains due to the acceptance of relocated residents when another hospital closes (64 Fed. Reg. at 41522). In FY 2002, CMS implemented a similar policy for acute care hospitals that accept relocated residents from a closed program (66 Fed. Reg. at 39899). Thus, CMS recognized the need to temporarily increase the FTE cap for hospitals that accept displaced residents when another hospital closes or closes its residency program. The same need exists for IPFs that accept displaced residents when another IPF closes or when an IPF or acute care hospital closes its psychiatric residency program. To promote consistency among payment systems and ensure that residents training in psychiatry can continue their training when their original residency training program closes, the AAMC urges CMS to implement a temporary resident cap increase policy in the FTE resident cap when the IPF increases the number of FTE residents it trains due to the acceptance of relocated residents.

If you have any questions about our comments, please contact Diana Mayes at 202-828-0498 or dmayes@aamc.org.

Sincerely,

A handwritten signature in black ink that reads "Karen A. Fisher". The signature is written in a cursive style with a large initial "K".

Karen Fisher, J.D.
Senior Director, Health Care Affairs

cc: Joanne M. Conroy, M.D., Chief Health Care Officer, AAMC