ISSUE SUMMARY

In collaboration with the Department of Veterans Affairs (VA), the nation’s medical schools and teaching hospitals have an unwavering commitment to veterans who have so bravely served this country. The AAMC believes VA graduate medical education, joint ventures, sole-source contracting, and the proposed Core Network of the Veterans Choice Program help ensure access for our nation’s veterans to the highest-quality care by preserving academic affiliates as a direct extension of VA care and a preferred provider.

Issue

There is a pressing need for physicians to care for our nation’s veterans now and in the future. VA physician shortages are symptomatic of a broader trend, the proverbial “canary in the coal mine.” The AAMC projects a nationwide shortage of between 61,700 and 94,700 physicians by 2025. Though these shortfalls will affect all Americans, the most vulnerable populations, like veterans in underserved areas, will be the first to feel the impact.

Academic partnerships facilitate the joint recruitment of faculty to provide care at both VA and academic medical facilities. VA graduate medical education (GME) programs also educate new physicians on cultural competencies for treating veteran patients (inside and outside the VA) and help recruit physicians to the VA after they complete their residency training. According to results from the VA’s Learners’ Perception Survey, residents that rotate through the VA are nearly twice as likely to consider employment at VA institutions.

VA sole-source contracting allows academic affiliates to plan, staff, and sustain infrastructure for certain complex clinical care services for veterans that are scarcely available elsewhere. VA Directive 1663 states, “Sole-source awards with affiliates must be considered the preferred option whenever education and supervision of graduate medical trainees is required (in the area of the service contracted). The contract cost cannot be the sole consideration in the decision on whether to sole source or to compete.”

However, by VA’s own estimation, once the decision to contract out care has been made, VA sole-source contracting with trusted academic affiliates takes longer than the formal competitive solicitation process. In 2016, the Government Accountability Office (GAO) found it takes multiple years on average to develop and award high-value, long-term sole-source affiliate contracts, partially as a result of a process that is not designed for clinical service agreements.

Background

In 2016, the VA and academic medicine celebrated their 70th anniversary. This relationship dates back to the end of World War II when the VA faced a severe shortage of physicians as nearly 16 million men and women returned from overseas, many with injuries and illnesses that would require health care for the rest of their lives. At the same time, many physicians were returning from the war without having completed residency training.

The solution was VA–academic affiliations established under VA Policy Memorandum No. 2, making the VA an integral part of residency training for the nation’s physicians. In return, the VA improved access and quality of care for our nation’s veterans through U.S. teaching hospitals that provide around-the-clock, on-site, fully staffed standby services for critically ill or injured patients, including trauma centers, burn care units, comprehensive stroke centers, and surgical transplant services.

What started as a simple idea in a time of great need has developed into an unprecedented private–public partnership. Today, the VA has more than 500 academic affiliations, and 127 VA facilities have affiliation agreements for physician training with 135 of the 147 U.S. medical schools.
The VA is an irreplaceable component of the U.S. medical education system. Combined, VA medical centers are the largest trainer of physicians and fund approximately 10 percent of GME in the United States. Every year, the VA trains more than 40,000 medical residents within its walls and is currently working to add 1,500 GME positions over five years. The vast majority of VA residency programs are sponsored by an affiliate medical school or teaching hospital. Without these affiliations, many VA programs would be unable to meet the requirements set by the Accreditation Council for Graduate Medical Education (ACGME). A provider referral preference for academic affiliates under patient care service contracts helps ensure an adequate and diverse patient load necessary for GME program accreditation.

AAMC Policy Recommendations

- To help recruit physicians to the VA, the AAMC recommends increasing VA graduate medical education, including funding for non-VA facilities that support residents rotating through the VA.
- The AAMC supports expanding VA’s authority to establish joint ventures with academic affiliates for shared health care resources, including medical personnel, services, equipment, infrastructure, and research capacity.
- The AAMC encourages VA sole-source contracting reform that improves relationships with academic affiliates by standardizing affiliate contracts with templates, lifting the threshold for VA Office of the Inspector General (OIG) contract review, and recognizing academic appointments as added value rather than conflicts of interest.
- The AAMC supports the VA’s plan to consolidate community care, which includes academic affiliates in the proposed Core Network of the Veterans Choice Program.

Related Issues

- Other Priority Health and Research Agencies
- Medicare Mission Payments to Teaching Hospitals

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Web Resources

AAMC Information on Helping Our Nation’s Veterans
https://www.aamc.org/initiatives/vahealthcare

AAMC Letter to Senate and House Veterans Affairs Committees on Importance of VA’s Academic Affiliations