



Academic Medical Centers and VA Partnerships: 101

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Disclosures – Pelic/Clarke

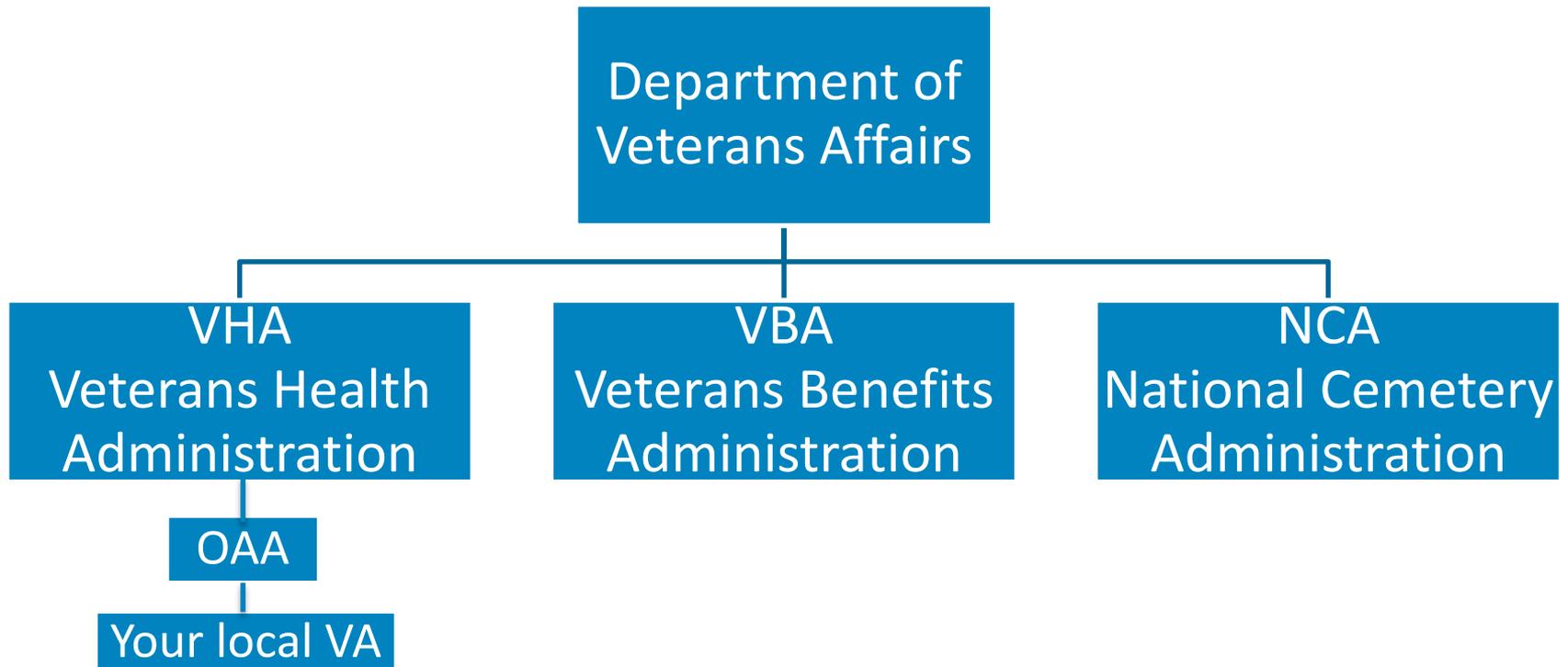


- No industry sponsorship/honorarium
- Employed by VHA Central Office
- AAMC GRA Steering Committee Member (Pelic)
- Faculty at Medical University of South Carolina (Pelic)

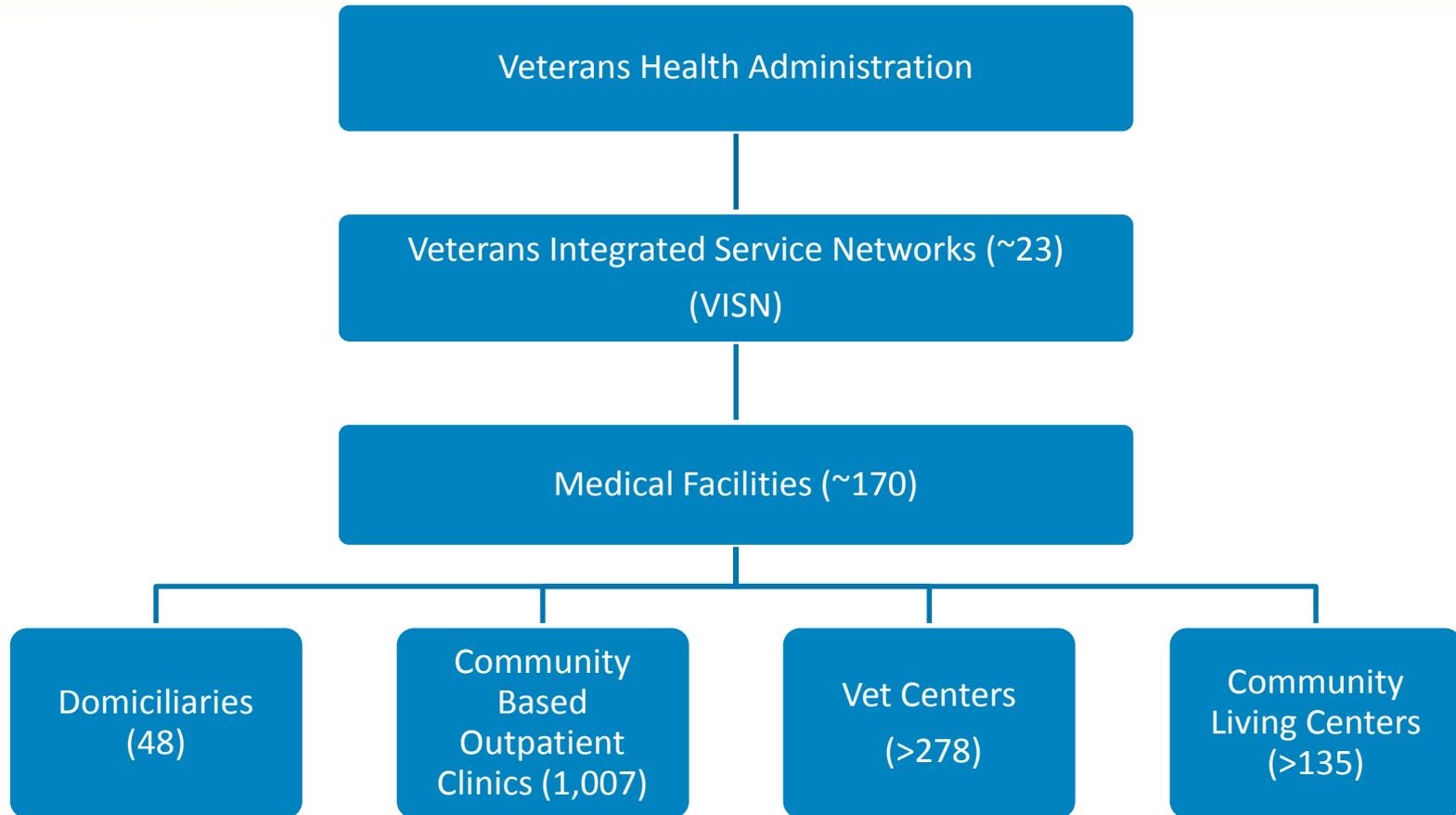
Objectives

- Understand VHA structure and function as it relates to its educational mission and VHA's contributions to medical education (GME)
- Develop a basic understanding of VA policy for GME using VA Directives and Handbooks
- Develop understanding of key resources that outline rules governing VA GME funding and resident activity reporting
- Describe opportunities for affiliates to collaborate with VA through unique programs and VACAA GME Expansion

VA Structure



Administration Structure



Education is one of VA's 4 Statutory Missions (38 USC 7302)

(a) ... **in order to assist in providing an adequate supply of health personnel to the Nation**, the Secretary— to the extent feasible without interfering with the medical care and treatment of veterans, shall develop and **carry out a program of education and training of health personnel;**

2016 Trainee Report

Official 7 Year Statistics (Paid and WOC):²

Years:	2009	2010	2011	2012	2013	2014	2015	2016
Advanced Fellows	175	239	288	297	253	311	387	452
Associated Health	23,483	23,871	24,608	25,122	26,121	26,454	26,135	26,932
Dental Residents & Students	1,280	1,267	1,231	1,195	1,397	1,398	986	1,044
Physician Residents	36,410	36,745	36,816	37,809	40,420	41,697	43,013	43,768
Medical Students	20,245	20,516	21,502	20,218	21,541	23,031	24,283	25,707
Nursing Trainees	33,092	32,662	32,349	32,859	29,067	28,086	28,389	28,845
Non-Health Profession	N/A	N/A	N/A	N/A	N/A	368	359	463
<i>Grand Total</i>	114,685	115,300	116,794	117,500	118,799	121,345	123,552	127,211

Office of Academic Affiliations

How Do We Help You?

- Facility local VA educational leadership support (orienting and supporting your DEO)
- Consultation on affiliation agreements, disbursement agreements, and policy implementation
- Trainee allocation and stipend distribution
- Stakeholder relationship consulting
 - Facility, Network and VACO leadership
 - Academic institutions, professional group, and accreditation bodies
 - New affiliate matchmaking as indicated



GME at the VA

- Operates mainly through Affiliation Agreements and Disbursement Agreements with affiliates
- Trainees are appointed as WOCs (Without Compensation “Employees”)
- Support FTE rather than individual residents for work at VA

Timeline for GME at VA

- **Fall (Base Allocation) – Sept/October**
 - Only way to add permanent positions is VACAA or facility reallocation
 - In Fall permanent reallocations can be made by local VA
 - Long range planning for July
 - Temp positions can be requested for upcoming July
- **Spring (Match Report 0145) - March**
 - Short range planning for July
 - RFP for new VACAA Positions - Summer
 - RFP for new CRQS positions - Summer
 - Temp positions can be requested for the upcoming July



Scope of Affiliations

- 135 of 144 MD-granting medical schools
- 30 of 33 DO-granting medical school sites
- Hundreds of teaching hospital affiliates
- 40+ other health professions
 - 1,800+ colleges and universities
 - 7,200+ program agreements

Core foundational issues when working with your local VA

- VA Policy will set you free. Read it!
- Don't rely solely on past practice
- Good/regular communication
- Share best practices



VA Policy Directives and Handbooks

(1) **Directives:** Documents prescribe mandatory Department or Administration wide **policies**.

(2) **Handbooks:** These documents prescribe mandatory Department or Administration-wide procedures or **operational requirements** implementing policies contained in directives.

* Each VA may have local procedures to comply with the Handbooks and Directives

Main Medical Education Directives/Handbooks 1400 Series

- 1400.01 Resident Supervision
- 1400.03 Educational Relationships
- 1400.05 Disbursement Handbook
- 1400.09 Education of Physicians and Dentists
- 1400.10 Health Care Resource Contracting

<https://www.va.gov/oaa/handbooks.asp>

<https://www.va.gov/vhapublications/publications.cfm?pub=1>

Funding GME at VA

- AA, Disbursement Agreement in place first
- Update rate schedules annually
- Rate schedules need break out of stipends and benefits
- ***In general*** - most things have to occur within VA space/leased space to be paid by VA
- Do not support PD or Residency Coordinator time

Disbursement Agreements and Rate Schedules

- Governed by VA Handbook 1400.05: *Disbursement Agreement Procedures for Physician and Dentist Residents*
- All substantive changes go to VA Office of General Counsel (OGC) and may take months
- 10 year maximum expiration
- Establishes a reimbursement preference via two **OGC approved** templates:
 - Payment in Advance
 - Payment in Arrears

<https://www.va.gov/oaa/agreements.asp>

What is a Disbursement Agreement ?

- **A Payroll mechanism – Not a Contract!**
 - *Through which VA allows a "**disbursing agent**" to centrally administer salary payments and fringe benefits for medical and dental residents **assigned to a VA medical facility.***
 - *A **disbursing agent** may be "the sponsoring institution for the residency training programs itself or an entity delegated by the sponsoring institution(s) to handle stipend and benefit disbursements (e.g., a graduate medical education consortium)."*
- **A signed legal document -**
 - *"Entered into under the authority of Title 38 United States Code Section 7406(c) added by Public Law 93-82 Section 206"*
 - Required to allow VA to reimburse Academic Affiliate for Resident **Salary and Fringe Benefits**

What is a Rate Schedule?

- An **agreement** as to salary, benefits and billing rates between VA and Affiliate;
- Contains a list of reimbursable salary and fringe benefit costs by PGY;
- Provides the ONLY allowable daily billing rate for use by VA;
- Must be current by AY;
- Must be approved and signed by OAA

Two Major Components of a Rate Schedule

- **Annual Salaries**

- Must correspond to the annual PGY-specific stipends awarded by the disbursing agent of the sponsoring institution.

- **Fringe Benefits**

- Only fringe benefits as approved by OAA and applicable individually to each resident will be considered in the annual total reimbursement per resident.
- The fringe benefits must be itemized and documented in writing (e.g., a rate document on letter head)

Sample Rate Schedule

Department of Veterans Affairs
Office of Academic Affiliations
Disbursing Worksheet for General Residents

Effective Academic Year: 17/18

Name of VAMC: Any Town VAMC (MO)

Name of Affiliate: University of Any State School of Medicine

**Name of Disbursing Agent
(if different from affiliate): Nope, Not Different**

Effective Date: 7/1/2017

**Duty
Days: 337**

ITEM	%	PGY1	PGY2	PGY3	PGY4	PGY5	PGY6	PGY7
STIPEND	0.00%	\$53,307.00	\$55,139.00	\$56,994.00	\$59,446.00	\$61,812.00	\$64,337.00	\$66,645.00
FICA	7.65%	\$4,077.99	\$4,218.13	\$4,360.04	\$4,547.62	\$4,728.62	\$4,921.78	\$5,098.34
HEALTH INSURANCE		\$9,108.00	\$9,108.00	\$9,108.00	\$9,108.00	\$9,108.00	\$9,108.00	\$9,108.00
DENTAL INSURANCE		\$327.00	\$327.00	\$327.00	\$327.00	\$327.00	\$327.00	\$327.00
LIFE INSURANCE		\$54.00	\$54.00	\$54.00	\$54.00	\$54.00	\$54.00	\$54.00
WORKERS COMP		\$726.00	\$726.00	\$726.00	\$726.00	\$726.00	\$726.00	\$726.00
BENEFITS TOTAL		\$14,292.99	\$14,433.13	\$14,575.04	\$14,762.62	\$14,943.62	\$15,136.78	\$15,313.34
WORKSHEET TOTAL		\$67,599.99	\$69,572.13	\$71,569.04	\$74,208.62	\$76,755.62	\$79,473.78	\$81,958.34
DAILY RATE - HOUSE STAFF SUBJECT TO FICA								
STIPEND DAILY RATE		\$158.18	\$163.62	\$169.12	\$176.40	\$183.42	\$190.91	\$197.76
BENEFITS DAILY RATE		\$42.41	\$42.83	\$43.25	\$43.81	\$44.34	\$44.92	\$45.44
DAILY RATE (1/337)		\$200.59	\$206.45	\$212.37	\$220.20	\$227.76	\$235.83	\$243.20
DAILY RATE - HOUSE STAFF NOT SUBJECT TO FICA								
STIPEND DAILY RATE (J1 RATE, NON-FICA)		\$158.18	\$163.62	\$169.12	\$176.40	\$183.42	\$190.91	\$197.76
BENEFITS DAILY RATE (J1 RATE, NON-FICA)		\$30.31	\$30.31	\$30.31	\$30.31	\$30.31	\$30.31	\$30.31
J1 RATE (NON-FICA)		\$188.49	\$193.93	\$199.43	\$206.71	\$213.73	\$221.22	\$228.07

What is a Benefit?

For purposes of inclusion in a rate schedule, a benefit is:

- Provided to ALL residents in the program;
 - Is a benefit that accrues to the resident (not the affiliate or disbursing agent);
 - Does not become personal property of the resident or their family.
- Fringe benefits must be itemized individually and may not be lumped together as a single line item.
 - In all cases, the benefit rates by PGY-level must be the same as at the sponsoring institution

What Types of Benefits are Allowed?

- FICA (generally 7.65%)
 - Withheld for certain Visa holders (i.e. J1)
- Most Insurance:
 - Health
 - Dental
 - Life
 - Disability, etc.
 - **Not** liability insurance because resident is covered at VA while working at VA
- Workers Compensation
- Retirement Benefits

What Types of Benefits MIGHT be Allowed?

- Certain other items...
 - Must be approved by OAA
 - “Individually-accountable” services or items that **do not** become the property of the resident may be reimbursable

Examples:

- Parking as a benefit
- Meals as a benefit
- Lab coats or uniforms – must be required by the program and provided to all residents in the program

What Types of Benefits are NOT Allowed?

Non-reimbursable items include general administrative or overhead costs, such as:

- Administrative support;
- The costs associated with mandatory orientation and training programs (such as Advanced Cardiac Life Support);
- Email services;
- Residency management software applications;
- In-service exams;

What Types of Benefits are NOT Allowed - Continued?

- Accreditation body fees, including per-resident assessments, program and institutional accreditation fees;
- Cost of attendance, including registration for and travel to, medical meetings and special education courses;
- National Resident Matching Program participation charge;
- Pagers, cell phones, Blackberries, or other electronic communication devices;
- Purchase of education materials, e.g., books, tapes, DVDs, and software for institutional or department use;
- Resident licensure fees; or
- Other **indirect** costs of resident education.

How to update a Rate Schedule?

- The disbursing agent or sponsoring institution notifies the VAMC DEO & CFO of proposed stipend rate changes
 - at least an annual basis;
 - anytime rates change within a Fiscal Year. An “agreement” of rates between VA and Affiliate;
- Alternatively, the local VA medical facility may solicit proposed stipend and benefit rate changes from the sponsoring institution or the disbursing agent.
- VA DEO submits the rate schedule template to OAA for review, negotiation and/or approval;
- Following OAA review and approval, the Disbursement Rate Schedule is returned electronically to the facility DEO or designee and is forwarded to the Affiliate.

Resident Activity Reporting General Principles

- DIOs, DEOs, PDs, and VA site directors involved
- Must have reconciliation processes
- 1/2 days and days
- Use of schedules must have audits, spot checks and details that include AL/SL
- Local VAs may have additional policies
- Periodic auditing of the process
- Maintain records for future/audit
- Annual education at VA and Affiliate

Potential Consequences of Overbilling/Invoicing:

- VA/OAA could request refund
- OIG could investigate to determine if there was fraud, waste, or abuse
- OIG has authority to levy fines and/or press criminal charges
- Federal money - so treat accordingly

What does 1400.05 say about resident activity reporting?

- (1) VA medical facilities must have procedures to ensure that residents assigned to the facility have participated in assigned educational activities.
- (2) Program Directors at sponsoring institutions are responsible for maintaining accurate resident assignments and communicating schedules
- (3) The DEO and VA Site Directors must review resident schedules and determine, for residents on “split” assignments, the percent of the resident’s total activity assigned to VA.

• **1400.05 Resident Activity Reporting**

(4) Educational activity records that accurately document residents' participation by name and VA-approved PGY-level must be maintained monthly (or other defined rotation). The basic document for comparison with submitted invoices is each resident's monthly educational activity record.

1400.05 Resident Activity Reporting

- (5) Each VA Site Director must have a way to monitor resident participation in scheduled educational activities.

- (6) VA educational activity records and the records provided by the sponsoring institution must be reconciled.
 - (a) Discrepancies between the number of residents allocated and the number assigned to VA or between the number assigned and the number who actually participate in educational activities must be brought to the attention of the DEO and Program Director.

 - (b) VA Site Directors must certify, on a monthly basis

1400.05 Resident Activity Reporting

- (7) A resident can be considered either on a “full” assignment or a “split” assignment.

Reimbursement for educational activities is calculated by the percent of total activities that are VA-assigned activities in which the resident participated for the month (**or other rotation period**) multiplied by the PGY-specific per diem rate multiplied by the number of days in the month (or other rotation period).

What is not intended

- Trainees should not be clocking in/out as hourly employees (days and ½ days)
- Not having 2-3 day work weeks!
- Use schedules with no reconciliation
- Pay for rotations that can be done at VA
- Paying for invoices without reconciliation or documentation

GME Partnering Opportunities

VACAA GME Expansion

CRQS Resident Positions



Veterans Access, Choice, & Accountability Act (VACAA)

- PL 113-146: Enacted by Congress & signed by the President on August 7, 2014 – Section 301(b)
 - Provision to expand VA GME “up to 1,500 positions” over 5 years initially
 - Funding priorities defined in law
- PL 114-315: ***Extends initiative to 10 years, through 2024***

Funding Priorities in VACAA

Facility Characteristics

- A shortage of physicians
- No prior GME
- Areas with a “high concentration of Veterans”
- Health Professional Shortage Areas (HPSAs) as defined by HRSA

Program Characteristics

- Primary Care
- Mental Health
- Other specialties “the Secretary deems appropriate” (interpreted as those specialties having excessive wait times for care)

Chief Residents in Quality & Patient Safety CRQS

- GME Enhancement Educational Innovations
 - Indianapolis prototype (began 7/1/2008)
- AY17: 87 approved positions at 57 sites
- National Curriculum (began 2012)
 - Collaboration of NCPS & VAQS program
 - Kickoff with CRQS 'Boot Camp' – Fall
 - Goals: faculty development, but real QI/PS/risk management benefits to facilities – *culture change!*

Common GME FAQ

- VA generally can sponsor 30-50 percent of the total FTE.
- Parts of orientation can be reimbursed (read policy)
- Proportional share of seminars can be paid for
- Cannot pay for unaccredited research years
- Time at affiliate seeing veterans does not count in activity reporting

Common GME FAQ

- Home call is not reimbursable unless resident comes in
- Don't assume what was done in the past is ok
- Cannot reimburse for coordinator or PD time
- VA does not generally sponsor accredited residency/fellowship programs
- Educational details must meet all 4 criteria in the Handbook 1400.05
- AL is backed out ($365-21 = \$70,000/344 = \$203/\text{day}$ vs $\$70,000/365 = \$192/\text{day}$) SO IT IS PAID

When in doubt ask for help!



"Nurse, get on the internet, go to SURGERY.COM, scroll down and click on the 'Are you totally lost?' icon."

Acknowledgement AAMC

Special thanks to...
AAMC, GRA, and HCA!

GRA Meeting
(April 28th-May 1st) Orlando, Florida

Office of Academic Affiliations

- <http://www.va.gov/OAA/index.asp>
- Use your local VA Education Office

Reach us at:

gmehelp@va.gov