

# Legislative Update

Len Marquez  
Senior Director, Government Relations  
& Legislative Advocacy

GBA Webinar: The State of the Physician  
Workforce and Policy Implications

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# Consolidated Appropriations Act. 2021 (Dec. 2020)

## Historic Breakthrough: Increasing Medicare GME Caps

- Increased Medicare GME caps by 1,000 slots – the first increase to the program in nearly 25 years
- Prioritized slots to teaching hospitals:
  - in rural areas
  - over their GME caps
  - in states with new medical schools
  - that care for patients in underserved communities
- Additional provisions:
  - Enhanced Rural Training Track programs to increase collaboration between rural and urban teaching hospitals for residents to gain experience providing care in rural communities
  - Adjusted artificially low Medicare caps and per resident amounts that limited residency training in some hospitals

# Reconciliation Package – Build Back Better Act Passed House, Awaiting Senate Passage; Could be Modified

- Additional GME slots
- Pathway to Practice Training Program
- Medical school and branch campus infrastructure
- Teaching Health Center and CHGME funding; NHSC Funding
- 500 VA health professions residency positions
- Coverage enhancements:
  - ACA premium assistance; Medicaid
  - Medicare benefits
  - 12 months postpartum Medicaid coverage
- Lowering drug prices
- Health equity – maternal health
- Public health infrastructure funding
- Research funding

# Build Back Better: Medicare GME Slots

## Two complementary provisions to help expand and diversify the physician workforce

1. 4,000 new Medicare-supported GME positions
  - Specialty allocation:
    - 25% to primary care specialties
    - 15% to psychiatry
  - Eligible hospitals:
    - 30% to teaching hospitals over their caps
    - 20% each to teaching hospitals in rural areas, teaching hospitals in states with new medical schools or branch campuses, and teaching hospitals located in or serving a health professional shortage area (HPSA)
    - 10% to teaching hospitals in states in the lowest quartile of resident-to-population ratios
  - Distributed over 2 years
2. Cap-exempt Medicare-supported GME positions for Pathway to Practice Training Program scholarship students who train at teaching hospitals that have achieved recognition by the Accreditation Council for Graduate Medical Education for certain training activities related to diversity, inclusion and equity

# Build Back Better: Pathway to Practice Training Program

## Scholarships

- Vouchers for 1,000 qualifying students per year for medical school and post-baccalaureate scholarships that cover tuition, fees, and a monthly stipend
- Eligibility = 1<sup>st</sup> generation college, Pell grant, HPSA background
- Preferences given to students who participated in HCOP, COE, AHEC; graduated from HBCU/MSI
- Scholars are required to practice in an underserved area for each year of scholarship

## Tax Credits

- Schools reimbursed for scholarships via refundable tax credits

## GME

- Cap-exempt Medicare-supported GME slots for qualifying teaching hospitals

# Pending Jan. 1 Medicare Cuts

## Protecting Medicare and American Farmers from Sequester Cuts Act (S. 610)

- Extension of the 2% Medicare Sequester moratorium through March 31, 2022;
  - It adjusts the sequester to 1% between April 1, 2022 and June 30, 2022; and
  - It increases the sequester to 2.25% for the first six months of FY 2030, and 3% for the second 6 months of FY 2030
- 3% increase in Medicare physician payments for CY 2022
- PAYGO Scorecard waiver (which takes effect after adjournment of the first session of the 117th Congress)
- Expedited procedures for considering the debt limit increase
- **Passed House 12/7; Senate consideration pending**

# Other Key Academic Medicine Priorities

- FY22 government funding (Current CR thru 2/18)
- Debt ceiling
- Pandemic preparedness legislation
- Telehealth/hospital at home waivers
- Behavioral/Mental & maternal health
- Surprise billing regulations
- Vaccine mandate regulations
- 340B – SCOTUS / legislative activity
- Public Service Loan Forgiveness (PSLF)

# Questions?

**Len Marquez**

Senior Director, Government Relations & Legislative Advocacy

[Imarquez@aamc.org](mailto:Imarquez@aamc.org)

202-550-8835 (cell)