

GME Fact Sheet

California

What is graduate medical education (GME)?

GME comprises the second phase, after medical school, of the formal education that prepares doctors for medical practice. All medical school graduates must complete a period of GME, or residency training, to be licensed to practice medicine in the United States. Nearly all medical students educated in the U.S. secure residency positions.

86,000

Projected shortage
of physicians by 2036¹

78.4%

Percentage of the 119,937 residents
training at 1,160 teaching hospitals
supported by Medicare nationwide³

1,200

New Medicare-supported GME
slots — the first increase since
a Congressional freeze in 1997

Physician training by the numbers

CALIFORNIA

16 MD- and DO-granting schools²

134 Teaching hospitals³

10,337 Residents in training³

7,690 Medicare-supported GME slots³

2,647 Residents training in slots not supported
by Medicare direct GME (DGME)³

63% Percentage of physicians who trained
in California and still practice there⁴

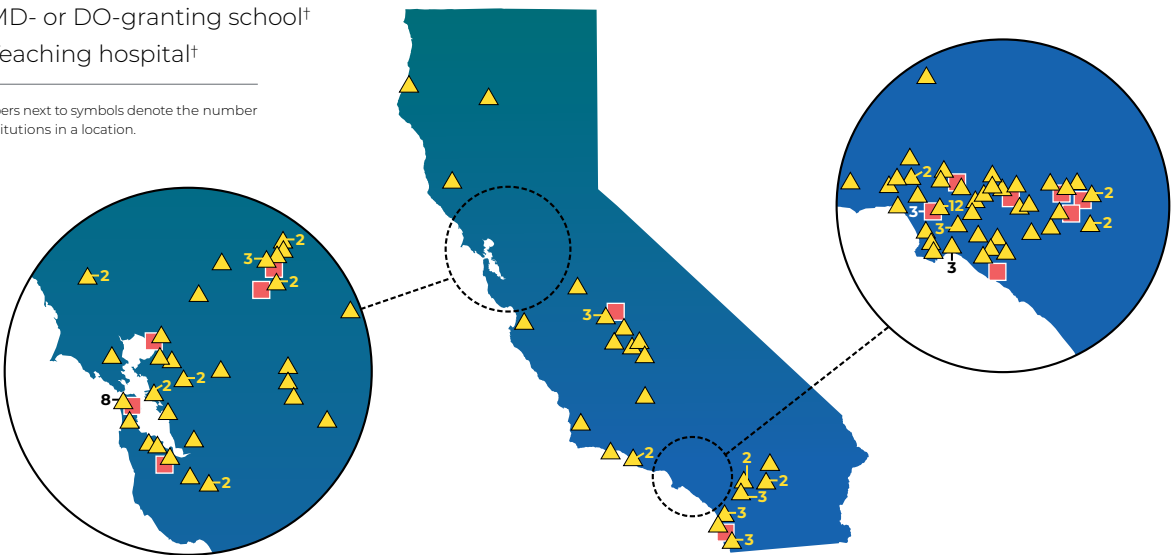
17% Proportion of teaching hospitals' DGME
costs covered by Medicare in FY22³

6 Rural residency programs
(217 total nationwide)⁵

■ MD- or DO-granting school[†]

▲ Teaching hospital[†]

[†]Numbers next to symbols denote the number
of institutions in a location.



How does additional Medicare support for GME increase patient access to care?



Medicare DGME payments are the primary public source of funding for GME and help support Medicare's share of a hospital's costs associated with operating a teaching program, including resident stipends and benefits, faculty and supervision costs, and increased overhead costs.



Rural communities face a unique set of challenges that often lead to poorer health outcomes than nonrural communities. Increasing the number of federally supported GME residency positions in rural and underserved areas is critical to improving access to high-quality health care for patients everywhere.

Resident Physician Shortage Reduction Act

The Resident Physician Shortage Reduction Act is bipartisan legislation that would provide a gradual increase in Medicare support for GME. While this legislation would not completely solve the physician shortage, it would build on bipartisan Congressional efforts and be a crucial step toward growing a sustainable physician workforce to meet patient needs.

The legislation has broad stakeholder support and has been endorsed by members of the GME Advocacy Coalition, which represents a broad range of physician, hospital, and patient organizations.

The AAMC urges all members of Congress to support the Resident Physician Shortage Reduction Act. Contact Len Marquez (lm Marquez@aamc.org) or Ally Perleoni (aperleoni@aamc.org) for more information.

Medicare GME by the Numbers

\$24.6 billion

how much DGME cost teaching hospitals in FY2022 (Medicare covered only 24% of these costs)³

14%

growth in medical school enrollment since academic year 2014-2015⁶

202,800

additional physicians needed to meet current demand if underserved populations could obtain care at the same rate as populations with better access to care¹

What is the AAMC?

The AAMC is a nonprofit association dedicated to improving the health of people everywhere through medical education, clinical care, biomedical research, and community collaborations. Its members are all 160 U.S. medical schools accredited by the [Liaison Committee on Medical Education](#); 13 Canadian medical schools accredited by the [Committee on Accreditation of Canadian Medical Schools](#); nearly 500 academic health systems and teaching hospitals, including Department of Veterans Affairs medical centers; and more than 70 academic societies. Through these institutions and organizations, the AAMC leads and serves America's medical schools, academic health systems and teaching hospitals, and the millions of individuals across academic medicine, including more than 210,000 full-time faculty members, 99,000 medical students, 162,000 resident physicians, and 60,000 graduate students and postdoctoral researchers in the biomedical sciences. Through the Alliance of Academic Health Centers International, AAMC membership reaches more than 60 international academic health centers throughout five regional offices across the globe. Learn more at [aamc.org](https://www.aamc.org).

1 GlobalData Plc. The Complexities of Physician Supply and Demand: Projections From 2021 to 2036. AAMC; 2024.

2 Counts of MD- and DO-granting institutions are taken from the accrediting bodies for these institutions, the Liaison Committee on Medical Education and the American Osteopathic Association.

3 These figures are based on the AAMC's analysis of FY2022 Medicare cost report data from the Healthcare Cost Report Information System (HCRIS) July 2024 release. Resident counts represent full-time equivalent (FTE) residents counted using Medicare's methodology. If FY2022 isn't available, FY2021 data is used. DGME caps and counts include allopathic and osteopathic residents, but exclude dental and podiatric programs. DGME slots include redistributed slots under Section 422, Section 5503, and Section 5506. DGME counts are unweighted FTEs. Teaching hospitals are defined as hospitals with a DGME FTE count value that is greater than zero. Medicare payment includes total DGME payment (Worksheet E-Part IV, line 30, column 3). DGME total training costs include intern and resident salary, fringe benefit expenses, and other costs (Worksheet B-1, line 118, columns 21 and 22). This analysis includes short-term general service hospitals as defined by inclusion in Centers for Medicare and Medicaid Services (CMS)'s FY2025 IPPS Final Rule Impact File.

4 AAMC. U.S. Physician Workforce Data Dashboard. Last updated November 2024. <https://www.aamc.org/data-reports/report/us-physician-workforce-data-dashboard>.

5 RuralGME.org. Rural Residency Programs and Rural Rotation Sites. <https://www.ruralgme.org/rural-programs>. Note: Data represents the number of residencies with ≥50% Federal Office of Rural Health Policy (FORHP) rural training.

6 AAMC Applicant Matriculant Data File as of Nov. 4, 2024.