



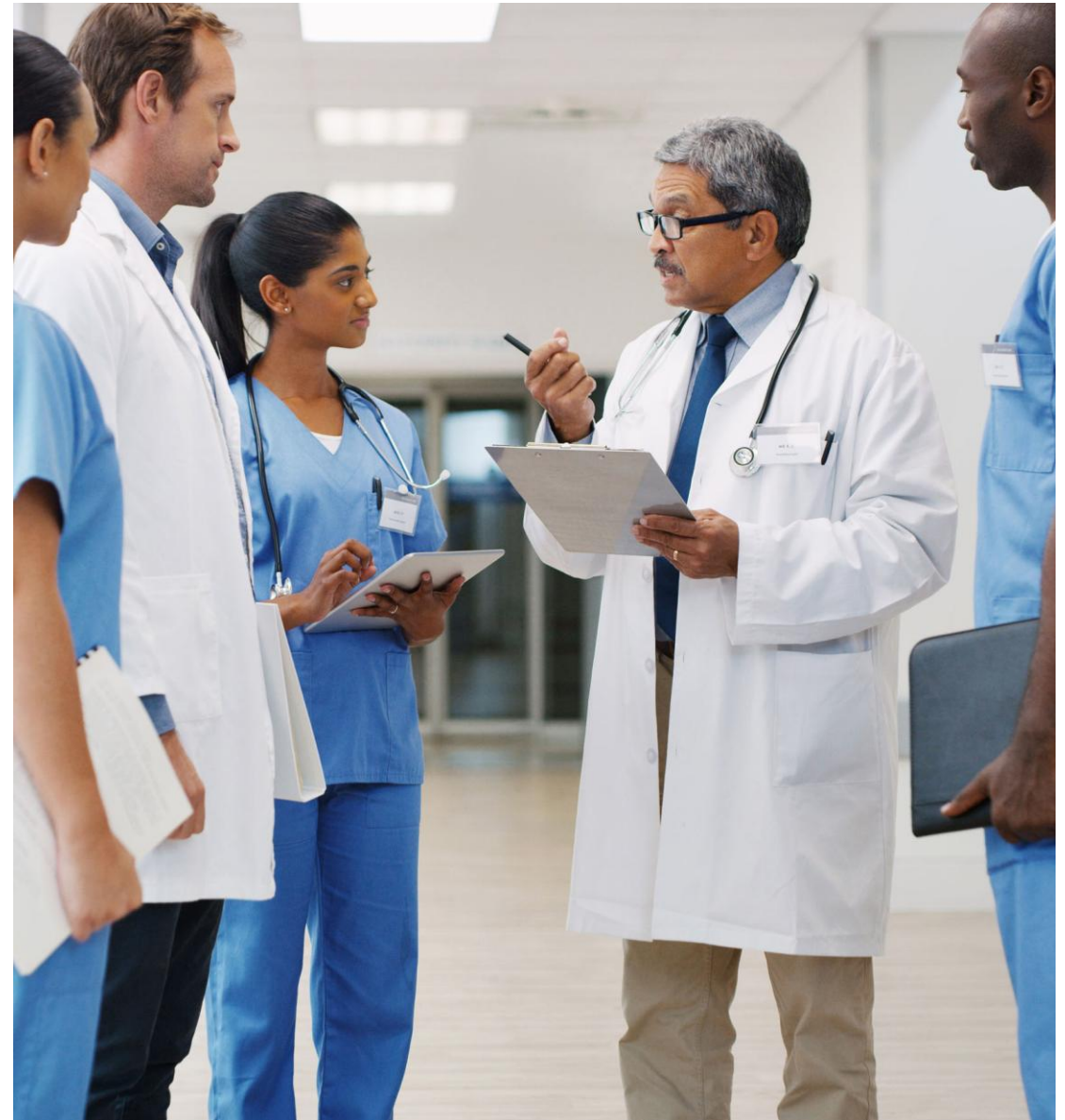
Healthcare

Ohio Graduate Medical Education

OHA ANNUAL MEETING – MAY 2025

OHIO GME AGENDA

1. Recognition of the Need to Train More Physicians
2. Need to Better Understand Current GME Funding
3. Available Options to Grow and Expand GME
4. Unwinding Years of the Status Quo and Legacy Funding
5. What are Other Organizations Doing?



Ohio GME Quick Facts and Figures

Executive Summary



Favorable Per FTE Payment Drivers Create Comfortable Program Margins for Ohio Hospitals > \$50,000 per FTE



Ohio Retains 68% of Residents and UME (Ranks 27th) and Produces More than 1,400 Physicians for Other States Annually



Ohio Medicaid and Hospital Providers Continue to Grow & Invest in GME > 30% Growth Over 10 Years



Ohio Medicare GME Payments as % Total Medicare Payments = 5% (\$1B)



Favorable Ohio Medicaid Payments for Existing GME > \$300M



Significant Number of Rural & Naïve Hospitals > 150

01

Recognition of the Need to Train More Physicians

Value of Residents



GME History

The first hospital in the United States to establish graduate medical education (GME) programs was the Johns Hopkins Hospital in Baltimore, Maryland. Founded in 1889, Johns Hopkins Hospital revolutionized medical education by integrating rigorous scientific research with clinical training. This approach set the standard for modern medical education and training programs

Physician Shortage

Value of Residents

- Association of American Medical Colleges (AAMC)¹:
 - Projected physician shortage by 2034
 - 17,800–48,000 primary care
 - 21,000–77,100 non-primary care specialties
 - More than 2 of 5 active physicians will be 65 or older within the next decade
 - Burnout, stress, & overwork could lead to physician early retirements
- Demographics on population growth & aging
 - Under age 18 expected to grow by 5.6%
 - Age 65 & older expected to grow by 42.4% (driven by age 75 & older expected to grow by 74.0%)
- COVID-19 has raised disparities in health & access to care
 - Minority populations, rural communities, without medical insurance

Impact

Value of Residents

- | Provide patient care services (increase with years of training)
- | Provide on-call services
- | Teach junior residents & medical students
- | Replace or decrease the need for services provided by NPs, PAs, & Hospitalists
- | Duty hour requirement (80-hour workweek)
- | Lower salaries (\$63,800–\$87,500 resident average PGY1–PGY 8 in July 2023)
- | Lower physician recruitment costs

Other Resident Services

Value of Residents

| Order & interpret diagnostic tests

| Give examinations

| Perform medical procedures

| Assist in surgeries

| Record medical histories

| Arrange for discharge & aftercare

| Work in continuity clinic

| Moonlighting

Ohio Physician Workforce Data Report

Value of Residents

Description	OH	Nationwide State Median
Active Physicians per 100,000 Population, 2020	212	302
Active Primary Care Physicians per 100,000 Population, 2020	74	97
Active General Surgeons per 100,000 Population, 2020	6	8
Percentage of Active Physicians Who Are Age 65 or Older, 2020	24.5%	23.4%

Source: <https://store.aamc.org/2021-state-physician-workforce-data-report.html>

Ohio Physician Workforce Age - 2020

Value of Residents

Rank	Specialty	# of Physicians	% of Total Physicians	% Under Age 40	% Over Age 65
1.	Internal Medicine	126,313	12.5%	18.0%	24.5%
2.	Family Medicine/General Practice	123,713	12.2%	16.0%	25.4%
3.	Pediatrics	62,023	6.1%	16.2%	24.1%
4.	Emergency Medicine	50,654	5.0%	24.4%	17.1%
5.	Obstetrics and Gynecology	43,706	4.3%	14.9%	23.7%
	ALL SPECIALITIES	1,010,892	100%	16.8%	23.4%

Source: <https://store.aamc.org/2021-state-physician-workforce-data-report.html>

Ohio Physician Workforce Retention - 2020

Value of Residents

State	Total Physicians (All Specialties)	% Physicians Under Age 40	% Physicians Over Age 65	Active Physicians per 100,000 Population	% of States Physicians Who Completed GME in the Same State	% of Physicians Retained from Medical School	% of Physicians Retained from Graduate Medical Education
Ohio	37,638	19.4%	20.2%	319	53.8%	39.6%	44.5%
Illinois	39,422	18.2%	21.7%	314	56.8%	30.5%	47.5%
Michigan	31,875	21.5%	22.2%	318	57.2%	43.8%	45.6%
Pennsylvania	44,586	19.2%	23.7%	344	55.4%	30.1%	40.0%
Minnesota	18,947	16.9%	19.7%	330	50.9%	51.8%	46.1%
Indiana	16,413	15.9%	22.7%	239	38.4%	49.5%	53.2%
National	1,010,892	16.8%	23.4%	302	-	37.8%	48.2%

Source: <https://store.aamc.org/2021-state-physician-workforce-data-report.html>

Ohio Physician Workforce Retention - 2020

Value of Residents

State	UME	GME	UME + GME	Combined Rank	% Physicians Age 65+
Ohio	39.6%	44.5%	68.1%	27	20.2%
Illinois	30.5%	47.5%	61.2%	35	21.7%
Michigan	43.8%	45.6%	68.6%	25	22.2%
Pennsylvania	30.1%	40.0%	56.3%	40	23.7%
Minnesota	51.8%	46.1%	75.5%	13	19.7%
Indiana	49.5%	53.2%	77.5%	7	22.7%
National	39%	45.6%	68.9%	-	23.4%

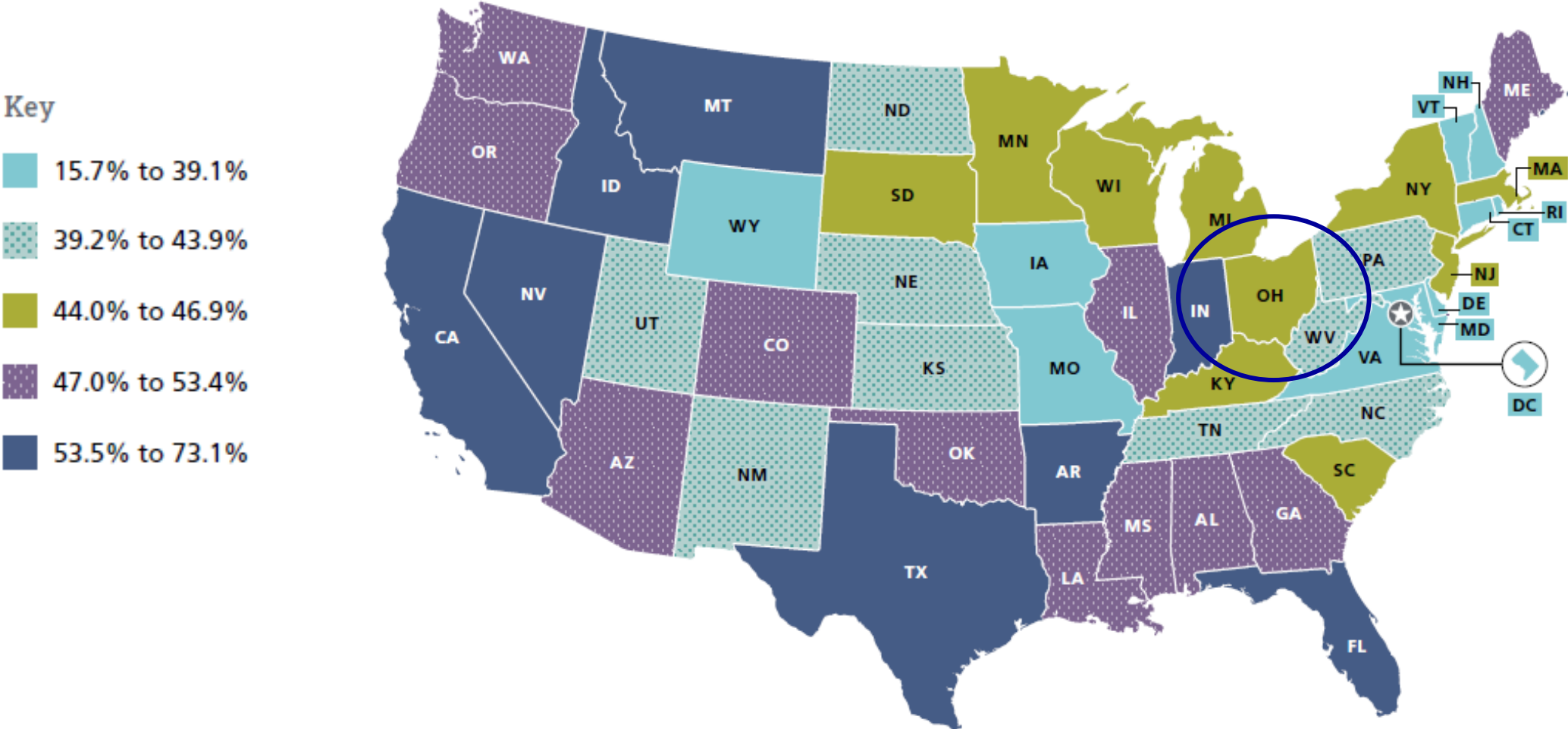
Source: <https://store.aamc.org/2021-state-physician-workforce-data-report.html>



Ohio Physician Workforce Data Report

Percent of Physicians Retained From Graduate Medical Education

Comparison of All States in 2020



Source: <https://store.aamc.org/2021-state-physician-workforce-data-report.html>

Ohio Academic Medical Centers – 2024

Value of Residents

Academic Medical Center	Net Patient Revenue	No. of Discharges	No. of Programs	Resident to Bed Ratio*	No. of Staffed Beds
Cleveland Clinic Hospital	\$6,960,527,823	53,274	118	0.616302	1,288
The Ohio State University Hospital	\$2,330,387,307	46,949	80	0.390062	1,010
UH Cleveland Medical Center	\$2,508,323,584	29,192	89	0.879706	656
MetroHealth Medical Center	\$1,274,839,154	20,210	33	0.755746	501
Univ. of Cincinnati Med Center, LLC	\$1,679,326,745	26,649	70	0.707617	570
Summa Health System	\$1,078,188,002	33,882	18	0.424569	561
The Toledo Hospital	\$1,478,852,382	33,135	30	0.305941	730

Source: <https://store.aamc.org/2021-state-physician-workforce-data-report.html>



Ohio Physician Workforce Resident Growth - 2020

Value of Residents

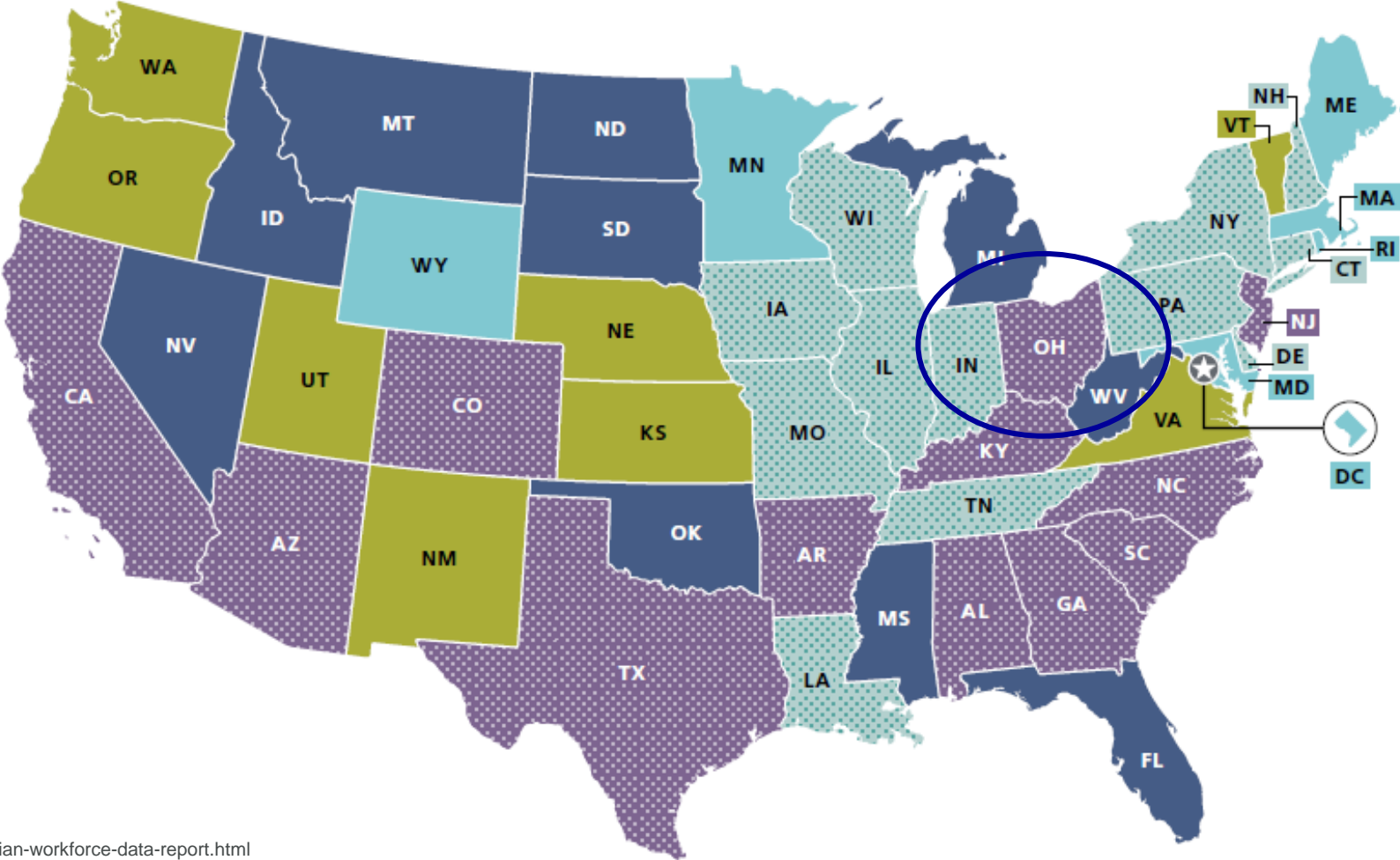
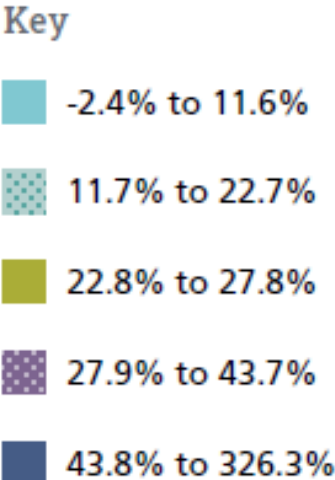
State	Total Residents/Fellows (All Specialties)	Active Residents per 100,000 Population	5 Year % Change in Total Residents/Fellows	10 Year % Change in Total Residents/Fellows
Ohio	7,969	67.6	12.7%	30.2%
Illinois	7,144	56.9	7.6%	16.4%
Michigan	7,576	75.5	6.3%	45.7%
Pennsylvania	10,266	79.2	11.7%	27.1%
Minnesota	2,539	44.3	5.5%	10.3%
Indiana	1,755	25.6	15.3%	22%
National	156,365	27.8	+14% (Median % Change)	+31.1% (Median % Change)

Source: <https://store.aamc.org/2021-state-physician-workforce-data-report.html>

2021 State Physician Workforce Data Report

Percent Change in Residents & Fellows in ACGME Accredited Programs

Comparison of All States from 2010 - 2020



Source: <https://store.aamc.org/2021-state-physician-workforce-data-report.html>

Ohio Sponsoring Institutions

- Ohio Institutions sponsor 698 Programs
- Top 10 Largest Sponsoring Institutions sponsor 550 Programs
- Children's Hospitals Sponsor a Significant number of Programs (86)
- Programs Provide More Than 8,000 slots for Residents
- Only NY, CA, TX, PA and Florida have more Residents than Ohio

Source: ACGME.COM

Sponsor Institution	DIO	# Programs	Status
380393 Cleveland Clinic Foundation	Lipman	118	Continued Accreditation
380373 Case Western Reserve Univ. /UH Cleveland Medical Center	Harcher	89	Continued Accreditation
380123 Ohio State University Hospital	Holliday	82	Continued Accreditation
380405 University of Cincinnati Medical Center Inc.	O'Toole	70	Continued Accreditation
380302 Cincinnati Children's Hospital Medical Center	Gonzalez-Del-Rey	42	Continued Accreditation
380491 Nationwide Children's Hospital	Boyer	35	Continued Accreditation
380173 The MetroHealth System/Case Western Reserve Univ.	Ghori	33	Continued Accreditation
389501 University of Toledo	Aouthmany	30	Continued Accreditation
389953 OhioHealth	Weihl	28	Continued Accreditation
380756 Wright State University Boonshoft School of Medicine	Woods	23	Continued Accreditation
389615 Kettering Health Network	Schwartz	22	Continued Accreditation
388066 Summa Health System	Kelley	18	Continued Accreditation
380180 Mercy St Vincent Medical Center	Schlievert	11	Continued Accreditation
388079 TriHealth	Stephens	10	Continued Accreditation
380371 Akron Children's	Parris	9	Continued Accreditation
389832 University Hospitals Community Consortium	Harcher	8	Continued Accreditation
380145 St Elizabeth Youngstown Hospital	Rhodes	6	Continued Accreditation
380148 Aultman Hospital/NEOMED	Krivetzky	5	Continued Accreditation
380245 Mount Carmel Health System	Graham	5	Continued Accreditation
389622 Western Reserve Hospital	Russ	5	Continued Accreditation
389033 St Elizabeth Boardman Hospital	Rhodes	4	Continued Accreditation
389619 Adena Regional Medical Center	Hansen	4	Continued Accreditation
389824 Mercy Health -St Rita's Medical Center	Schulte	4	Continued Accreditation
380428 Jewish Hospital of Cincinnati	Feagins	3	Continued Accreditation
380492 Christ Hospital	Schroder	3	Continued Accreditation
388059 Canton Medical Education Foundation	Krivetzky	3	Continued Accreditation
388061 Western Reserve Health Education, Inc.	Howe	3	Continued Accreditation
388100 Mercy Health - Anderson Hospital	Feagins	3	Continued Accreditation
389561 University of Cincinnati, West Chester Hospital	O'Toole	3	Initial Accreditation with Warning
389626 Firelands Regional Medical Center	Mast	3	Continued Accreditation
389585 Fairfield Medical Center	Darnell	2	Continued Accreditation
389587 Mercy Health Fairfield Hospital	Irani	2	Continued Accreditation
389623 Memorial Health System	Powell	2	Continued Accreditation with Warning
389625 East Liverpool City Hospital	Nickell	2	Continued Accreditation
389711 Trinity Health System	Greco	2	Initial Accreditation with Warning
380198 Cuyahoga County Medical Examiner's Office	Gilson	1	Probationary Accreditation
380218 Toledo Hospital	Fredrick	1	Continued Accreditation
380234 Mercy Health - Lorain Hospital	Rhodes	1	Initial Accreditation
388060 Office of the Montgomery County Coroner	Lehman	1	Continued Accreditation
389020 Dayton Skin Surgery Center	Donnelly	1	Continued Accreditation with Warning
480493 USAF School of Aerospace Medicine	Frisch	1	Continued Accreditation

Top 30 Specialties – Total Residents AY 2022-2023

Value of Residents

Specialty	Total Residents	%	Specialty	Total Residents	%
Internal medicine	31,794	20.1%	Internal medicine- Gastroenterology	1,975	1.2%
Family medicine	15,010	9.5%	Urology/Transitional year	1,884	1.2%
Surgery	9,554	6.0%	Urology	1,834	1.2%
Pediatrics	9,539	6.0%	Otolaryngology - head and neck surgery	1,795	1.1%
Emergency medicine	9,346	5.9%	Ophthalmology	1,738	1.1%
Psychiatry	7,739	4.9%	Physical medicine and rehabilitation	1,640	1.0%
Anesthesiology	7,241	4.6%	Dermatology	1,633	1.0%
Obstetrics and gynecology	5,962	3.8%	Neurological surgery	1,593	1.0%
Radiology-diagnostic	4,614	2.9%	Internal medicine/Pediatrics	1,539	1.0%
Orthopaedic surgery	4,481	2.8%	Plastic Surgery - integrated	1,107	0.7%
Neurology	3,530	2.2%	Psychiatry- Child and adolescent psychiatry	966	0.6%
Internal medicine- Cardiovascular disease	3,456	2.2%	Internal medicine- Nephrology	872	0.6%
Pathology-anatomic and clinical	2,342	1.5%	Pediatrics- Neonatal-perinatal medicine	830	0.5%
Internal medicine- Pulmonary disease and critical care medicine	2,268	1.4%	Internal medicine- Infectious disease	817	0.5%
Internal medicine- Hematology and medical oncology	2,098	1.3%	Radiation Oncology	758	0.5%

New ACGME Programs by Sponsor - AY 2022-2023

Value of Residents

Row Labels	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	Grand Total
Cleveland Clinic Foundation Program		1	2	1	3	3		3	1	4		2	6	2	28
Ohio State University HospitalProgram			1	1	2	1	2	3	4	5		5	2	1	27
Cincinnati Children's HospitalMedical Center Program			2		3	2	1		4	4	2	3	2	2	25
Case Western Reserve/UH ClevelandMedical Center Program						2	1	1	6	1	1	3	2	1	18
OhioHealth/Doctors HospitalProgram							3	3	4	1					11
Kettering Health Network Program							4	2	4					1	11
University of Toledo Program				1	1		1	3	1			1	1	1	10
The MetroHealth System/CaseWestern Reserve University Program						1	2	1	4		2				10
Mercy St Vincent Medical CenterProgram						1		3	2		1	1			8
Case Western ReserveUniversity/University Hospitals Clevelan		1	1	3	2										7
Adena Regional Medical Center Program		1						2	3						6
Cleveland Clinic Foundation/SouthPointe Hospital Program						1	1	1	2						5
Nationwide Children'sHospital/Ohio State University Program		1				1	1		1					1	5
Summa Health System/NEOMEDProgram		1		2			1					1			5
Wright State University Program				2										2	4
St Elizabeth Boardman HospitalProgram					1		1		1	1					4
Western Reserve HospitalProgram								3		1					4
University Hospitals CommunityConsortium Program							1	2	1						4
University of Cincinnati MedicalCenter/College of Medicine P		1		1	2										4
Christ Hospital Program					1								2		3
OhioHealth/Riverside MethodistHospital Program								2				1			3
Firelands Regional Medical Center Program									3						3
Wright State University BoonshoftSchool of Medicine Program			1			1					1				3
Kettering Health Network/Indu andRaj Soin Medical Center Program						2			1						3

OHIO Graduates by MD-Granting Medical School

Value of Residents

Medical School	AY 2020	AY 2021	AY 2022	AY 2023	AY 2024
Case Western Reserve	238	205	203	211	210
University of Cincinnati	159	175	177	167	166
Northeast Ohio	134	140	143	144	128
Ohio State	189	203	198	198	187
Toledo	168	168	178	162	163
Wright State-Boonshoft	104	122	119	108	117

Source: AAMC

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Need to Better Understand Current GME Funding

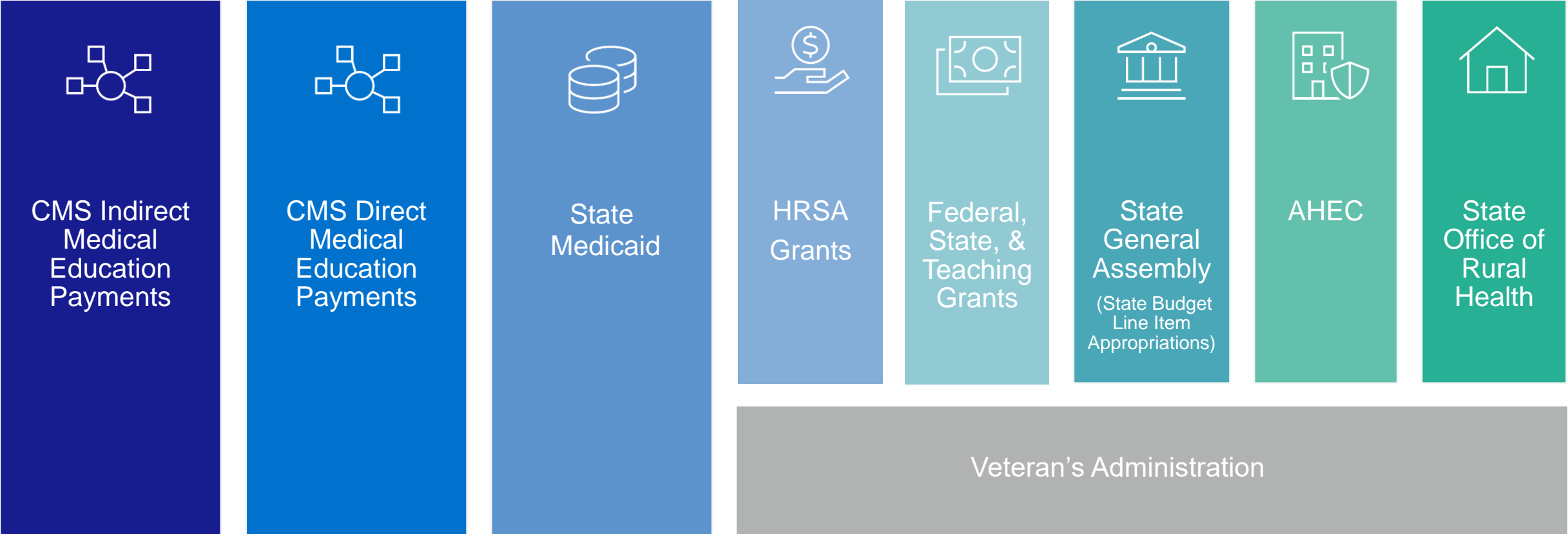
GME Funding Basics



GME History

The first orthopedic graduate medical education (GME) program in the United States was established at the Hospital for Special Surgery (HSS) in New York City. Founded in 1863, HSS is the oldest orthopedic hospital in the country and has been a pioneer in the field of orthopedic surgery and education. The hospital's residency program in orthopedic surgery has a long history of training some of the most skilled and renowned orthopedic surgeons in the world.

GME Funding Funding Sources



Medicare GME Payments

GME Funding

KEY STATISTICS

- \$21 Billion of Funding
- 123,000 FTES
- 7,000 IRP
- \$200,000 Funding Per FTE

	IME	DGME
FY1996 CAP	92,209	87,011
NEW CAP	10,380	10,023
IRP RESIDENTS	6,812	5,628
DISPLACED RESIDENTS	85	95
ALLOWABLE FTES	115,087	104,334
ACTUAL FTES	132,028	131,254
OVER (UNDER) IME CAP	16,941	26,920
IME PAYMENTS	\$ 7,770,090,759	
MA IME PAYMENTS	\$ 7,587,065,644	
TOTAL PAYMENTS	\$ 15,357,156,403	\$ 6,326,213,468
PAYMENTS PER FTE	\$ 133,439	\$ 60,634

Medicare Payments – Top 15 Cities vs Ohio Cities

GME Funding

CBSA	Area Name	FY96 IME CAP	IRP - IME	ALLOWABLE IME FTES	ACTUAL IME FTES	OVER (UNDER) IME CAP	IME		FY96 GME CAP	IRP - GME	ALLOWABLE GME FTES	ACTUAL GME FTES	OVER (UNDER) GME CAP	OVER					
							TOTAL IME PAYMENTS	PAYMENT PER FTE						GME PAYMENTS	PAYMENT PER FTE				
17140	Cincinnati, OH-KY-IN	637	25	724	812	88	\$	96,662,885	\$	133,514	430	22	832	1,062	230	\$	37,085,998	\$	44,564
17460	Cleveland-Elyria, OH	1,889	-	1,987	2,223	237	\$	256,887,821	\$	129,308	1,748	0	1,813	2,110	297	\$	97,855,895	\$	53,961
18140	Columbus, OH	733	15	823	1,081	258	\$	116,932,858	\$	142,059	871	15	908	1,398	491	\$	42,776,477	\$	47,126
45780	Toledo, OH	422	-	480	533	54	\$	74,157,296	\$	154,614	343	12	403	521	118	\$	34,127,516	\$	84,593
35614	New York-Jersey City-White Plains, NY-NJ	13,128	139	14,866	14,781	(85)	\$	1,926,852,928	\$	129,615	11,973	109	13,067	14,040	974	\$	1,020,886,569	\$	78,129
31084	Los Angeles-Long Beach-Glendale, CA	3,676	109	3,699	3,987	288	\$	476,813,262	\$	128,888	3,575	71	3,278	4,059	781	\$	128,796,551	\$	39,290
16984	Chicago-Naperville-Schaumburg, IL	4,828	54	5,135	5,302	166	\$	544,271,933	\$	105,985	4,319	26	4,327	5,255	928	\$	228,950,058	\$	52,908
19124	Dallas-Plano-Irving, TX	969	93	1,075	1,397	322	\$	84,334,930	\$	78,471	845	94	988	1,517	529	\$	29,915,867	\$	30,281
26420	Houston-Pasadena-The Woodlands, TX	1,994	160	2,228	2,724	496	\$	215,025,601	\$	96,504	2,136	160	2,196	3,094	898	\$	83,494,231	\$	38,017
12060	Atlanta-Sandy Springs-Roswell GA	928	170	1,099	1,293	194	\$	130,961,328	\$	119,158	992	207	1,229	1,429	200	\$	55,878,834	\$	45,455
47894	Washington-Arlington-Alexandria, DC	1,350	16	1,585	1,794	209	\$	164,487,755	\$	103,792	1,358	11	1,495	1,794	299	\$	87,945,421	\$	58,831
37964	Philadelphia, PA	2,724	-	3,390	3,387	(3)	\$	412,561,585	\$	121,699	2,626	-	3,149	3,708	559	\$	226,359,268	\$	71,889
33124	Miami-Miami Beach-Kendall, FL	1,025	6	1,774	1,738	(36)	\$	140,804,969	\$	79,375	989	5	1,652	1,940	288	\$	85,382,450	\$	51,683
38060	Phoenix-Mesa-Chandler, AZ	693	146	1,052	1,096	45	\$	149,740,045	\$	142,405	574	120	791	1,195	404	\$	50,160,849	\$	63,388
14454	Boston, MA	2,957	2	2,945	3,103	158	\$	470,949,610	\$	159,908	2,987	1	2,784	3,129	345	\$	180,598,986	\$	64,878
40140	Riverside-San Bernardino-Ontario, CA	672	291	1,495	1,803	308	\$	261,828,217	\$	175,166	544	234	1,194	1,575	382	\$	64,586,289	\$	54,106
41884	San Francisco-San Mateo-Redwood City, CA	1,170	-	1,068	1,165	97	\$	185,704,923	\$	173,933	974	-	932	1,119	187	\$	41,896,983	\$	44,945
19804	Detroit-Dearborn-Livonia, MI	1,829	7	2,073	1,995	(78)	\$	252,541,883	\$	121,808	1,700	-	1,921	2,102	181	\$	132,804,260	\$	69,145
42644	Seattle-Bellevue-Kent, WA	754	11	884	1,179	296	\$	124,219,772	\$	140,557	802	10	825	1,313	488	\$	44,442,525	\$	53,880
Top 15 Cities Totals		38,697	1,205	44,368	46,743	2,376	\$	5,541,098,741	\$	124,891	36,394	1,049	39,828	47,268	7,441	\$	2,462,099,141	\$	61,819
National Totals		92,209	6,812	115,087	132,028	16,941	\$	15,357,156,403	\$	133,439	87,011	5,628	104,334	131,254	26,920	\$	6,326,213,468	\$	60,634
% of Total		42%	18%	39%	35%	14%		36%		42%	19%	38%	36%	28%		39%			

Medicare Payments – Top 15 Cities vs Ohio Cities

GME Funding

CBSA	Area Name	Population	3-Year Population Change	1996 IME CAP Per Capita	1996 GME CAP Per Capita	IME Allowable Per Capita	IME Allowable Per Capita	IME Payments per Capita
17140	Cincinnati, OH-KY-IN	2,271,000	0.96%	3,566	5,279	3,137	2,729	59
17460	Cleveland-Elyria, OH	2,159,000	-1.23%	1,143	1,235	1,087	1,191	164
18140	Columbus, OH	2,180,000	1.93%	2,973	2,502	2,648	2,402	73
45780	Toledo, OH	600,000	-1.01%	1,423	1,752	1,251	1,487	180
35614	New York-Jersey City-White Plains, NY-NJ	19,500,000	-2.91%	1,485	1,629	1,312	1,492	151
31084	Los Angeles-Long Beach-Glendale, CA	12,800,000	-3.04%	3,482	3,580	3,460	3,905	47
16984	Chicago-Naperville-Schaumburg, IL	9,260,000	-1.97%	1,918	2,144	1,803	2,140	84
19124	Dallas-Plano-Irving, TX	8,100,000	6.06%	8,360	9,586	7,537	8,199	14
26420	Houston-Pasadena-The Woodlands, TX	7,510,000	5.04%	3,766	3,517	3,371	3,419	40
12060	Atlanta-Sandy Springs-Roswell GA	6,300,000	3.32%	6,786	6,348	5,732	5,125	30
47894	Washington-Arlington-Alexandria, DC	6,305,000	0.42%	4,669	4,643	3,978	4,218	40
37964	Philadelphia, PA	6,246,000	0.02%	2,293	2,379	1,842	1,984	102
33124	Miami-Miami Beach-Kendall, FL	6,183,000	0.73%	6,034	6,252	3,486	3,743	37
38060	Phoenix-Mesa-Chandler, AZ	5,070,000	4.63%	7,321	8,833	4,822	6,407	39
14454	Boston, MA	4,919,000	-0.45%	1,664	1,647	1,670	1,767	132
40140	Riverside-San Bernardino-Ontario, CA	4,688,000	1.92%	6,973	8,624	3,136	3,927	70
41884	San Francisco-San Mateo-Redwood City, CA	4,567,000	-3.83%	3,905	4,689	4,277	4,899	50
19804	Detroit-Dearborn-Livonia, MI	4,342,000	-1.13%	2,375	2,554	2,094	2,261	89
42644	Seattle-Bellevue-Kent, WA	4,045,000	0.65%	5,362	5,044	4,577	4,904	42
Top 15 Cities Totals		109,835,000		2,838	3,018	2,476	2,758	73

State Medicaid GME Payments GME Funding

Payments (billions of dollars)



GME Funding

OHIO Medicaid Graduate Medical Education Payments*

- 44 States, including the district, made GME payments under their Medicaid Programs
- Federal and State Medicaid payments nationwide equaled \$7.39 billion
- Under Medicaid fee-for-service, 41 states made GME payments with most of these states (32) used supplemental payments as the primary means of distribution
- In 2022, the proportion of Medicaid GME payments made under managed care (57%) exceeded the proportion of payments made under fee-for-service (43%) a trend that began in 2015.

Description	Fee-for-Service	Managed Care
Medicaid GME Payments Under Fee-for-Service and Managed Care	\$47.9M	\$257.6M
Medicaid Payments for Graduate Medical Education, 2022	Do not distinguish between DGME and IME	
State Sources for Nonfederal Financing of Medicaid GME Payments, 2022	State General Fund	
States Making Medicaid GME Payments that Cover Physician Residents in Designated Specialties and Trainees in Other Health Professions, 2022	Trainees in Other Health Professions	
Methods for Calculating Medicaid GME Payments Under Fee-for-Service, 2022	Medicare Hospital Method	
Methods for Distributing Medicaid GME Payments Under Fee-for-Service, 2022	Separate Payment through Medicaid inpatient claims as a GME add-on which are case-mix adjusted	
Distribution of Medicaid GME Payments Under Managed Care, 2022	Payment in Capitation to MCOs	
State Oversight of Medicaid GME Payments in Capitation Rates to MCOs, 2022	Medicaid Requires MCOs to Distribute Payments to Teaching Providers	
States With Accountability Measures Governing Medicaid GME Payments, 2022	Teaching Hospitals Required to Report DGME Costs/ Teaching Providers Required to Report Physician Resident Data	

* AAMC; Results from the 2022 50-state Survey

Medicaid GME Payments

GME Funding

State	Rank	Total GME Payments (millions of dollars) 2022	Total GME Payments (millions of dollars) 2018
New York	1	\$1,919.0	\$1,688.1
Florida	2	797.9	443.2
Virginia	3	449.9	634.7
California	4	415.1	-----
Arizona	5	386.8	274.0
North Carolina	6	308.2	100.0
Ohio	7	305.5	279.8
South Carolina	8	296.6	239.1
New Jersey	9	242.0	218.0
Texas	10	226.6	139.3
Total (All States + DC)		\$7,390.0	\$5,580.0

Proliferation of Section 401 Hospitals

GME Funding

Number of Section 401 hospitals at time of Final Rule:

FY 2016	64
FY 2017	72
FY 2018	166
FY 2019	266
FY 2020	346
FY 2021	467
FY 2022	532
FY 2023	615
FY 2024	659 (26.7% of all geographically urban PPS hospitals)
FY 2025	729 (29.9% of all geographically urban PPS hospitals)

OH Section 401 Hospitals with GME – **22**
Incremental IME FTE Cap – **818**
Resultant Financial Benefit - **\$119,026,518**

Including hospitals in New York City, Los Angeles, Chicago, Miami, and Detroit

03

Available Options to Grow and Expand GME

GME Funding Opportunities



GME History

The first formal family medicine practice in the United States was established in the 1960s. The specialty of family medicine was officially recognized in 1969, and the first family medicine residency programs were accredited by the American Board of Family Medicine (ABFM) in the same year. One of the earliest family medicine residency programs was at the University of California, Irvine, College of Medicine.

Proposed and Draft Rules and Regulations

GME Funding Opportunities

Resident Physician Shortage Reduction Act of 2021 S. 834 / H.R. 2256

- 14,000 positions
- 7 years
(beginning FY 2023)
- 75 max per hospital

Build Back Better Act H.R. 5376 Section 137405 Distribution of Additional Residency Positions

- 4,000 positions
- 2 years
(beginning FY 2025)
- 25 max per hospital

Senate Reform Bill (Cassidy/ Masto/ Bennet/ Cornyn) Draft

- 5,000 positions
- 5 years
- GME Policy Council
- Focus on Primary
Care/ Psychiatry and
Rural
- IME Payment Reform

RFI “New” Program and Residents FY2025 Proposed Rule

- Proposed Policy for
“New” Program
Determination
- Specifically Referenced
412.103 Hospitals
- RFI – “Newness” of
residents 90% Criteria

Provisions of the Consolidated Appropriations Acts

GME Funding Opportunities

Section 126 – CAA 2021

Makes available 1,000 new Medicare-funded GME positions (but not more than 200 new slots per fiscal year beginning July 2023)

Section 127 – CAA 2021

Makes statutory changes to the determination of both an urban & rural hospital's resident FTE cap for IME & DGME for residents training in accredited rural track programs (RTPs)

Section 131 – CAA 2021

Makes statutory changes to the determination of the PRA & the IME & DGME FTE caps for hospitals that had a small number of residents for a short period duration

Section 4122 – CAA 2023

Makes available 200 new Medicare-funded GME positions. At least 100 of the residency positions must be allocated to psychiatry or psychiatry subspecialties

Section 4122

GME Funding Opportunities

Regulation Summary

- 200 GME slots to be distributed to four categories of qualifying hospitals with a 10% distribution requirement for each qualifying hospital category
 - Applications are due by March 31, 2025
 - Awards will be announced by January 31, 2026
 - Awards will be effective July 2, 2026
 - An award limit of 10 FTEs to a hospital
 - FTE increases must occur after July 1, 2026
- Pro Rata Distribution to ALL Qualifying Hospitals that submit timely applications for at least 100 FTEs for Psychiatry or Psychiatry Subspecialty programs
- HPSA Distributions for remaining slots

Additional Thoughts

- Rural hospitals are eligible for expansions positions only and will not be awarded positions for new residency programs
- Psychiatry Specialties and Subspecialties – Addiction Medicine, Addiction Psychiatry, Brain Injury Medicine, Child and Adolescent, Consultation-Liaison, Forensic, Geriatric, Hospice and Palliative Medicine, and Sleep Medicine
- CMS will award up to 1.0 FTE to all qualifying hospitals that apply
- All qualifying hospitals that submit timely applications are eligible for the pro rate distribution even hospitals under the FTE cap

Section 126

GME Funding Opportunities

Regulation Summary (Round 4)

- 200 GME slots to be distributed to four categories of qualifying hospitals with a 10% distribution requirement for each qualifying hospital category
 - Applications are due by March 31, 2025
 - Awards will be announced by January 31, 2026
 - An award limit of 25 FTEs per hospital over 5 Rounds
 - FTE increases could not have started prior to July 1, 2023
- Awards are based on a HPSA prioritization used in the first three rounds of distribution
 - Category 4 Hospitals (Revisited)

Additional Thoughts

- Hospitals with fewer than 250 beds will receive awards first if there are more applications than slots available for distribution
- Mental Health HPSA scores are used only in applying for an increase in a psychiatry or psychiatric subspecialty
- Unable to count FTEs at other facilities in request
- Psychiatry Specialties and Subspecialties – Addiction Medicine, Addiction Psychiatry, Brain Injury Medicine, Child and Adolescent, Consultation-Liaison, Forensic, Geriatric, Hospice and Palliative Medicine, and Sleep Medicine

Section 126 – Categories for 10% Distribution (40% Total)

1

Located in rural areas

OR

Treated as being located in a rural area under Section 412.103

2

Operating over the FTE cap

3

Located in states with new medical schools

OR

Additional location and branches of existing medical schools

4

Service areas designated as Health Professional Shortage Area (HPSA)

Providers must meet one of the four criteria.

CMS prioritized distribution based on HPSA Score for Section 126

HRSA Funding GME Funding Opportunities

Rural GME

- Periodically issues Notice of Funding Opportunity (NOFO)
- Recently announced (June 2024) awarding of \$11 million to expand medical residencies in rural communities (recipients will receive up to \$750,000 over three years to establish new rural residency programs)
- Biden-Harris Administration:
 - Made retaining & recruiting physicians in underserved & rural areas a priority
 - About \$54 million that HRSA has invested in the Rural Residency Planning and Development Program (RRPD) since 2019
 - Recipients of RRPD awards have created 46 accredited rural residency programs & have been approved to train 575 resident physicians
 - RRPD-created residency programs matched 158 new residents in the 2024 Residency Match
- Teaching Health Center Graduate Medical Education Program (THCGME)
 - The **Academic Year 2024–2025** component ([HRSA-25-091](#)): Application deadline is September 5, 2024 (\$11 million)
 - The **Academic Year 2025–2026** component ([HRSA-25-077](#)): Application deadline is September 20, 2024 (\$80 million)

Section 126 Results

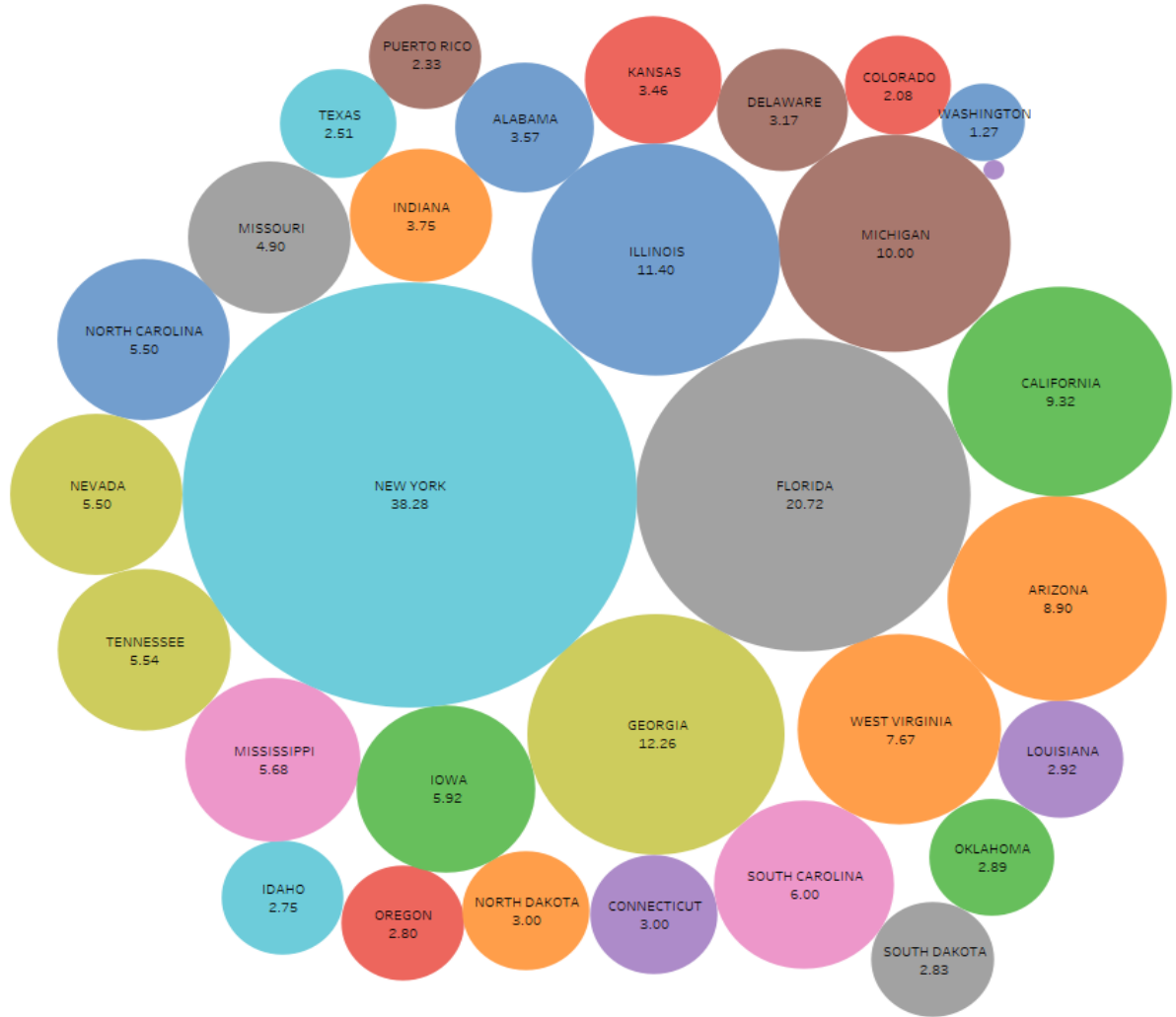
GME Funding Opportunities

Description	Round 1	Round 2	Round 3
Applications	291	230	206
Applicants Awarded Slots	100	99	109
- Rural Hospitals geographically by county	5	2	2
- Rural Hospitals via Section 401	35	43	67
Highest HPSA Score	22	21	22
Lowest HPSA Score	11	14	12
Specialties	20	21	24
Ohio Applicants Awarded Slots	IME – 0.00 DGME – 0.00	IME – 3.42 DGME - 3.10	IME - 11.68 DGME - 5.52
Top 3 States	NY, FL, GA	NY, IL, FL	NY, AZ, IL

Section 126 Results

GME Funding Opportunities

Slots Awarded (IME FTEs) by State



Ohio Hospital GME Opportunities Matrix

GME Funding Opportunities

Hospital Type	Number of OHIO Hospitals	NEW PROGRAMS						PROGRAM EXPANSION		
		Naïve Status	Section 401 (IME Only)	Rural Hospital	Section 126 Eligible	Section 4122 Eligible	RTP Section 127	Section 126 Eligible	Section 4122 Eligible	RTP Section 127
Urban (Naïve)	91	YES	NO	NO	NO	NO	NO	YES	YES	YES
Urban	27	NO	NO	NO	YES	YES	YES	YES	YES	YES
Rural (Section 401)	32	NO	YES	YES-IME NO-DGME	NO-IME (Rnd 4 & 5)	YES	YES-DGME	NO-IME (Rnd 4 & 5)	YES	YES
Rural (Naïve)	37	YES	NO	NO	NO	NO	NO	YES	YES	YES
Rural	7	NO	NO	YES	NO	NO	NO	YES	YES	YES
Critical Access	24	ELIGIBLE FOR NON-PROVIDER SITE STATUS FOR ALL PROGRAMS								
Children	8	CHGME (HRSA)								
Cancer	1	TEFRA (GME Only)								

04

Unwinding Years of the Status Quo and Legacy Funding

GME Finance at My Organization



GME Payment Drivers

GME Finance at My Organization



Operational Changes Impacting GME Reimbursement

GME Finance at My Organization

Anything That Affects Available Bed Days

Open/Close Units

Distinct/Non-Distinct Observation Bed Utilization

Construction Projects (Add/Delete Beds)

Anything That Affects Ratio of Medicare/Medicare Managed Care Patients

Billing Medicare FFS/Medicare Advantage (Shadow Bill) Claims

Service Line Changes

Distinct Part Units (PPS Exempt Units)

Resident Management

Moving Residents Among Hospitals in a Health System

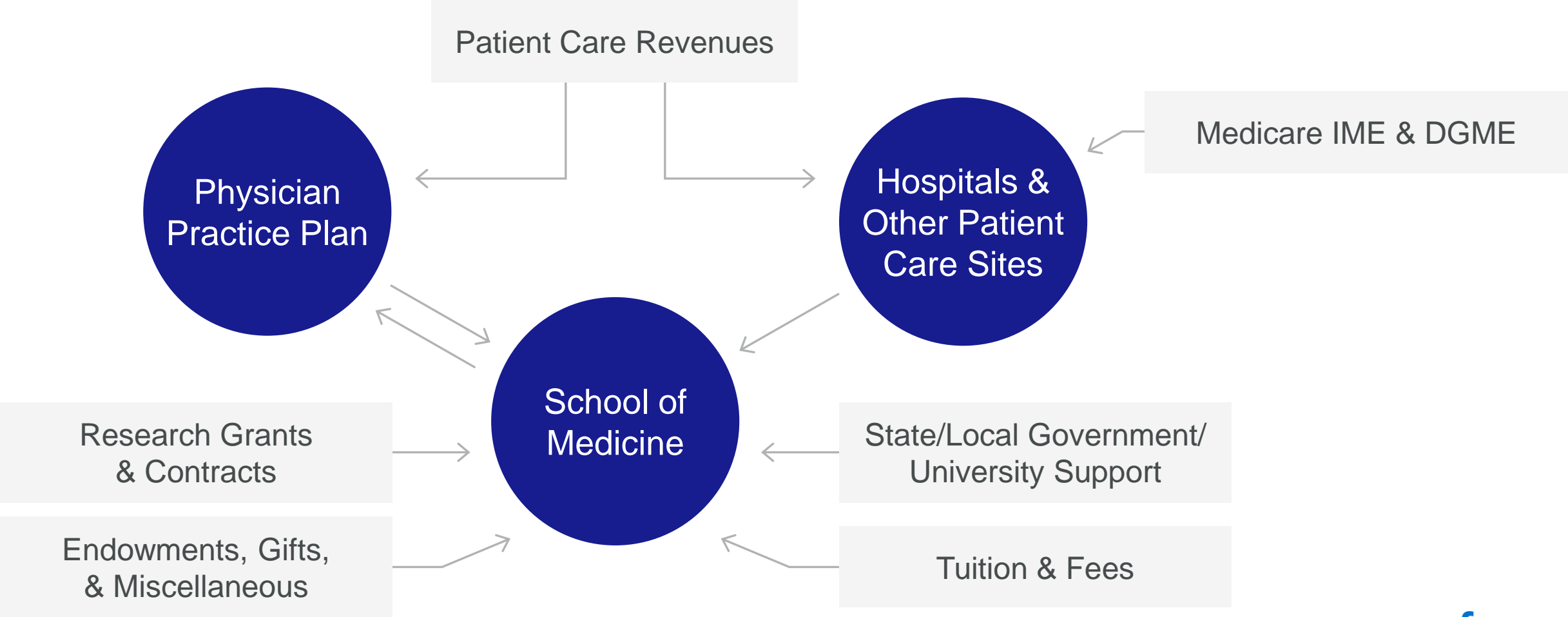
Inadvertently Starting the Clock on Naïve Hospitals

Provider/Non-Provider Rotations

Properly Counting Residents

Funds Flow Modeling

GME Finance at My Organization



Considerations When Evaluating GME Margins

GME Finance at My Organization



Academic Support Payments
(How It's Reported on the Medicare Cost Report)



Accumulation/Tracking of Physician Teaching Time
(Time Records)



Allocation of Overhead Costs



Dean's Tax



Differences in State GME Payments



Funds Flow Amongst Teaching Entities

GME National Margin Estimate

GME Finance at My Organization

Payments

Description	Payment (millions)	%
Indirect Medical Education	14,323	71%
Direct Graduate Medical Education	5,855	29%
Subtotal (Hospital)	20,179	
IP Psych Facility	5	
IP Rehab Facility	41	
Subtotal (Distinct Part Unit)	47	
Total Medicare	20,226	
Total Medicaid	7,390	
Total Payments	27,616	

Costs/Resident FTEs/Margin

Description	Amount (millions)
Direct Costs	17,333
Indirect Costs (B-1 Overhead Allocations)	6,669
Total Costs	24,002
Total Resident FTEs (includes Hospitals, IPFs, IRFs)	135,214
Expense per Resident FTE	\$177,509
Payment per Resident FTE	\$204,239
(Cost) Contrib. Margin per Resident FTE	\$26,730

Medicare Cost Report Periods Ended July 2022–June 2023

Ohio GME Key Metrics Summary by CBSA

GME Finance at My Organization

OHIO VS. NATIONAL

CBSA	Area Name	FY96 IME CAP	IRP - IME	ALLOWABLE IME FTES	ACTUAL IME FTES	OVER (UNDER) IME CAP	TOTAL IME PAYMENTS	IME PAYMENT PER FTE	FY96 GME CAP	IRP - GME	ALLOWABLE GME FTES	ACTUAL GME FTES	OVER (UNDER) GME CAP	GME PAYMENTS	GME PAYMENT PER FTE
10420	Akron, OH	376	-	396	405	9	\$ 58,428,623	\$ 147,581	388	-	414	533	119	\$ 25,127,345	\$ 60,659
15940	Canton-Massillon, OH	89	15	128	140	12	\$ 22,910,152	\$ 178,958	76	-	96	132	36	\$ 9,151,917	\$ 95,671
17140	Cincinnati, OH-KY-IN	637	25	724	812	88	\$ 96,662,885	\$ 133,514	430	22	832	1,062	230	\$ 37,085,998	\$ 44,564
17460	Cleveland-Elyria, OH	1,889	-	1,987	2,223	237	\$ 256,887,821	\$ 129,308	1,748	0	1,813	2,110	297	\$ 97,855,895	\$ 53,961
18140	Columbus, OH	733	15	823	1,081	258	\$ 116,932,858	\$ 142,059	871	15	908	1,398	491	\$ 42,776,477	\$ 47,126
19380	Dayton, OH	-	-	-	-	-	\$ -	\$ -	-	-	-	-	-	\$ -	\$ -
19430	Dayton-Kettering-Beavercreek, OH	281	13	372	435	63	\$ 62,147,181	\$ 167,076	280	1	355	490	135	\$ 24,692,261	\$ 69,473
30620	Lima, OH	-	63	75	69	(6)	\$ 9,830,611	\$ 131,866	-	63	69	69	-	\$ 5,930,715	\$ 86,517
31900	Mansfield, OH	-	-	-	-	-	\$ -	\$ -	-	-	-	-	-	\$ -	\$ -
44220	Springfield, OH	-	-	-	-	-	\$ -	\$ -	-	-	-	-	-	\$ -	\$ -
45780	Toledo, OH	422	-	480	533	54	\$ 74,157,296	\$ 154,614	343	12	403	521	118	\$ 34,127,516	\$ 84,593
48260	Weirton-Steubenville, WV-OH	-	45	45	45	-	\$ 5,035,074	\$ 112,869	-	45	45	45	-	\$ 3,465,496	\$ 77,667
48540	Wheeling, WV-OH	-	-	-	-	-	\$ -	\$ -	-	-	-	-	-	\$ -	\$ -
49660	Youngstown-Warren, OH	171	-	177	197	20	\$ 26,927,552	\$ 151,730	158	-	158	194	36	\$ 10,871,681	\$ 68,678
99936	OHIO	28	19	144	142	(1)	\$ 14,180,420	\$ 98,777	29	19	118	132	13	\$ 8,900,054	\$ 75,138
Ohio CBSA Totals		4,626	195	5,349	6,082	733	\$ 744,100,473	\$ 139,098	4,322	177	5,212	6,685	1,473	\$ 299,985,355	\$ 57,556
National Totals		92,209	6,812	115,087	132,028	16,941	\$15,357,156,403	\$ 133,439	87,011	5,628	104,334	131,254	26,920	\$ 6,326,213,468	\$ 60,634
% of Total		5%	3%	5%	5%	4%	5%	5%	5%	3%	5%	5%	5%	5%	5%



Ohio Key Metrics Summary by Hospital

GME Finance at My Organization

CBSA	Area Name	FY96 IME CAP	IRP - IME	ALLOWABLE IME FTES	ACTUAL IME FTES	OVER	TOTAL IME PAYMENTS	IME	FY96 GME CAP	IRP - GME	ALLOWABLE GME FTES	ACTUAL GME FTES	OVER	GME PAYMENTS	GME
						(UNDER) IME CAP		PAYMENT PER FTE					(UNDER) GME CAP		PAYMENT PER FTE
360001	MERCY HOSPITAL ANDERSON	-	16.1	32.1	16.3	(15.9) \$	3,201,554	\$ 99,706	-	16.1	16.3	16.2	(0.0) \$	1,090,505	\$ 67,067
360003	UNIVER.OF CINCINNATI MED CENTER LLC	407.5	3.2	437.7	495.2	57.5 \$	47,097,354	\$ 107,602	-	-	352.0	445.2	93.2 \$	15,553,063	\$ 44,180
360006	RIVERSIDE METHODIST HOSPITAL	102.5	3.0	165.7	164.5	(1.2) \$	32,724,671	\$ 197,505	106.7	3.0	154.0	162.2	8.1 \$	8,806,396	\$ 57,173
360008	SOUTHERN OHIO MEDICAL CENTER	9.3	-	1.6	0.2	(1.4) \$	20,729	\$ 13,120	9.3	-	0.2	0.2	(0.0) \$	13,348	\$ 74,156
360012	ST. ANNS HOSPITAL	4.1	-	9.7	13.8	4.1 \$	1,258,591	\$ 129,219	4.1	-	11.1	13.8	2.7 \$	695,364	\$ 62,533
360014	OBLENESS MEMORIAL HOSPITAL	12.3	1.2	2.2	11.4	9.2 \$	114,052	\$ 52,079	12.3	0.6	11.4	11.1	(0.4) \$	701,624	\$ 61,492
360016	JEWISH HOSPITAL OF CINCINNATI	41.1	-	67.8	71.2	3.3 \$	15,907,956	\$ 234,492	42.7	-	67.3	68.8	1.5 \$	5,190,193	\$ 77,120
360017	GRANT MEDICAL CENTER	59.8	5.2	83.7	79.9	(3.7) \$	10,586,470	\$ 126,557	60.9	5.3	82.6	73.5	(9.1) \$	5,659,906	\$ 68,530
360020	SUMMA HEALTH SYSTEM	220.8	-	226.8	228.0	1.2 \$	32,919,516	\$ 145,141	179.9	-	192.9	230.7	37.8 \$	14,454,691	\$ 74,922
360025	FIRELANDS REGIONAL MEDICAL CENTER	6.4	-	6.4	14.6	8.2 \$	1,362,609	\$ 212,244	7.4	-	7.4	14.6	7.2 \$	1,044,427	\$ 140,948
360027	AKRON GENERAL MEDICAL CENTER	129.7	-	138.3	135.7	(2.5) \$	21,763,380	\$ 157,420	109.2	-	117.7	145.3	27.6 \$	7,891,492	\$ 67,048
360035	MOUNT CARMEL HEALTH	76.8	-	71.7	71.7	- \$	11,876,555	\$ 165,758	81.4	-	72.0	72.5	0.4 \$	4,397,932	\$ 61,048
360041	UH PARMA MEDICAL CENTER	-	-	25.2	31.6	6.4 \$	4,141,358	\$ 164,079	-	-	24.8	30.3	5.5 \$	-	\$ -
360048	UNIV OF TOLEDO MEDL CENTER	181.9	-	78.2	102.0	23.8 \$	11,864,842	\$ 151,783	152.3	-	38.6	89.3	50.7 \$	2,542,988	\$ 65,949
360051	MIAMI VALLEY HOSPITAL	98.5	2.5	152.8	196.8	44.0 \$	24,986,969	\$ 163,517	78.5	1.3	130.9	196.5	65.6 \$	10,830,042	\$ 82,723
360054	HOLZER	-	-	12.0	9.9	(2.1) \$	613,666	\$ 51,139	-	-	9.9	9.9	(0.0) \$	716,257	\$ 72,276
360055	TRUMBULL MEMORIAL HOSPITAL	78.9	-	58.1	68.2	10.1 \$	5,305,770	\$ 91,353	76.9	-	55.3	67.5	12.2 \$	4,025,227	\$ 72,789
360059	METROHEALTH MEDICAL CENTER	329.8	-	348.8	368.5	19.7 \$	24,216,925	\$ 69,439	326.1	-	323.4	355.4	32.1 \$	21,230,255	\$ 65,657
360064	ST. ELIZABETH HEALTH CENTER	79.8	-	88.2	89.6	1.5 \$	16,677,092	\$ 189,168	64.5	-	77.0	87.1	10.1 \$	4,793,778	\$ 62,257
360066	ST. RITAS MEDICAL CENTER LLC	-	62.6	74.6	68.6	(6.0) \$	9,830,611	\$ 131,866	-	62.6	68.6	68.6	- \$	5,930,715	\$ 86,517
360068	THE TOLEDO HOSPITAL	121.8	-	214.4	250.5	36.1 \$	31,398,559	\$ 146,455	96.6	-	197.2	231.3	34.1 \$	16,318,807	\$ 82,753
360070	CCF MERCY MEDICAL CENTER	20.8	-	24.8	20.8	(4.0) \$	3,062,111	\$ 123,622	20.8	-	22.0	21.0	(1.1) \$	2,300,113	\$ 104,408
360072	FAIRFIELD MEDICAL CENTER	-	-	24.0	24.0	(0.0) \$	4,525,338	\$ 188,556	-	-	23.5	23.5	0.1 \$	1,889,859	\$ 80,522
360075	UH REGIONAL HOSPITALS	201.1	-	64.6	64.5	(0.0) \$	8,070,973	\$ 124,996	154.7	-	67.7	59.6	(8.0) \$	5,498,786	\$ 81,283
360077	FAIRVIEW HOSPITAL	56.5	-	58.6	80.0	21.4 \$	7,974,365	\$ 136,105	64.8	-	62.5	76.1	13.6 \$	3,272,182	\$ 52,380
360078	UH PORTAGE MEDICAL CENTER	1.4	-	2.3	2.6	0.3 \$	184,563	\$ 81,305	1.4	-	1.7	2.3	0.6 \$	123,447	\$ 72,191
360079	KETTERING HEALTH MAIN CAMPUS	57.1	-	75.0	82.8	7.9 \$	16,478,648	\$ 219,745	47.0	-	67.7	74.1	6.4 \$	6,850,236	\$ 101,200
360084	AULTMAN HOSPITAL	67.7	15.1	94.1	109.9	15.7 \$	19,071,168	\$ 202,605	54.9	-	64.6	101.6	37.0 \$	6,225,310	\$ 96,427
360085	THE OHIO STATE UNIVERSITY HOSPITAL	370.4	-	379.8	614.7	234.9 \$	44,230,416	\$ 116,472	327.3	-	327.3	610.2	282.9 \$	15,387,870	\$ 47,016
360087	LUTHERAN HOSPITAL	4.4	-	4.6	4.8	0.2 \$	394,771	\$ 86,763	6.1	-	11.3	15.7	4.4 \$	653,691	\$ 57,747
360096	EAST LIVERPOOL CITY HOSPITAL	-	-	36.3	32.2	(4.2) \$	2,505,500	\$ 69,003	-	-	31.4	32.8	1.4 \$	2,494,561	\$ 79,344
360112	ST VINCENT MEDICAL CENTER	118.0	-	187.1	180.9	(6.2) \$	30,893,895	\$ 165,146	93.7	-	155.0	175.6	20.6 \$	15,256,732	\$ 98,431
360123	UH ST. JOHN MEDICAL CENTER	63.7	-	47.6	47.3	(0.3) \$	9,574,879	\$ 201,237	49.0	-	46.2	46.7	0.5 \$	4,159,739	\$ 90,057
360131	ALLIANCE COMMUNITY HOSPITAL	-	-	9.1	9.1	- \$	776,873	\$ 85,183	-	-	9.1	9.1	0.0 \$	626,494	\$ 69,073

Ohio Key Metrics Summary by Hospital

GME Finance at My Organization

CBSA	Area Name	FY96 IME CAP	IRP - IME	ALLOWABLE IME FTES	ACTUAL IME FTES	OVER	TOTAL IME PAYMENTS	IME	FY96 GME CAP	IRP - GME	ALLOWABLE GME FTES	ACTUAL GME FTES	OVER	GME PAYMENTS	GME
						(UNDER) IME CAP		PAYMENT PER FTE					(UNDER) GME CAP		PAYMENT PER FTE
360133	KETTERING HEALTH DAYTON	111.6	-	106.5	107.2	0.7	\$ 13,043,780	\$ 122,511	88.8	-	63.1	102.6	39.5	\$ 3,723,699	\$ 59,003
360134	GOOD SAMARITAN HOSPITAL	63.6	-	67.5	72.4	4.9	\$ 7,517,698	\$ 111,390	64.9	-	69.0	71.5	2.5	\$ 4,951,060	\$ 71,807
360137	UH CLEVELAND MEDICAL CENTER	455.8	-	579.8	596.0	16.2	\$ 70,471,763	\$ 121,537	377.7	-	438.6	539.3	100.7	\$ 22,490,371	\$ 51,280
360144	SOUTH POINTE HOSPITAL	43.3	-	31.3	31.8	0.5	\$ 3,674,188	\$ 117,349	43.3	-	30.4	30.9	0.6	\$ 2,134,718	\$ 70,244
360147	MARIETTA MEMORIAL HOSPITAL	-	10.9	22.7	38.0	15.3	\$ 4,240,493	\$ 187,136	-	10.9	22.7	27.1	4.4	\$ 1,680,695	\$ 74,170
360150	WESTERN RESERVE HOSPITAL	24.4	-	28.6	38.8	10.2	\$ 3,561,164	\$ 124,603	24.7	-	29.1	38.8	9.8	\$ 2,630,394	\$ 90,547
360152	DOCTORS HOSPITAL	119.7	6.9	73.2	96.0	22.8	\$ 9,024,152	\$ 123,365	130.0	7.0	65.8	92.1	26.3	\$ 3,598,394	\$ 54,687
360155	SOUTHWEST GENERAL HEALTH CENTER	-	-	3.5	3.5	-	\$ 383,131	\$ 109,154	-	-	1.8	3.5	1.7	\$ 128,555	\$ 69,867
360159	ADENA REGIONAL MEDICAL CENTER	-	7.3	62.4	36.0	(26.4)	\$ 5,323,371	\$ 85,310	-	7.3	35.4	36.0	0.5	\$ 2,249,142	\$ 63,463
360161	ST. JOSEPH HEALTH CENTER	12.8	-	5.5	6.9	1.4	\$ 846,787	\$ 154,242	16.4	-	0.5	6.8	6.3	\$ 473,429	\$ 910,440
360163	THE CHRIST HOSPITAL	67.8	-	72.1	85.3	13.1	\$ 13,433,923	\$ 186,272	67.8	-	70.6	79.2	8.6	\$ 5,742,810	\$ 81,343
360172	MERCY REGIONAL MEDICAL CENTER	-	-	6.5	6.5	-	\$ 1,344,335	\$ 205,871	-	-	8.5	6.5	(2.0)	\$ 527,638	\$ 62,148
360179	BETHESDA HOSPITAL	32.8	-	40.7	51.0	10.3	\$ 8,527,255	\$ 209,361	34.5	-	42.7	50.1	7.4	\$ 3,971,834	\$ 93,039
360180	CLEVELAND CLINIC HOSPITAL	721.8	-	778.6	935.4	156.8	\$ 121,384,447	\$ 155,909	634.8	-	684.6	757.5	72.9	\$ 35,715,137	\$ 52,170
360211	TRINITY HOSPITAL HOLDING COMPANY	-	44.6	44.6	44.6	-	\$ 5,035,074	\$ 112,869	-	44.6	44.6	44.6	-	\$ 3,465,496	\$ 77,667
360230	HILLCREST HOSPITAL	12.3	-	22.1	35.0	12.9	\$ 3,534,441	\$ 159,857	12.3	-	23.8	31.5	7.8	\$ 1,478,078	\$ 62,182
360234	MERCY HEALTH WEST HOSPITAL	24.0	-	-	0.1	0.1	\$ -	\$ -	29.2	-	0.1	0.1	(0.0)	\$ 7,935	\$ 72,136
360239	KETTERING HEALTH MIAMISBURG	13.9	-	3.1	13.2	10.1	\$ 1,046,619	\$ 343,154	10.7	-	13.2	12.7	(0.5)	\$ 945,980	\$ 71,665
360242	ARTHUR G JAMES CANCER HOSPITAL	-	-	-	-	-	\$ -	\$ -	31.4	-	25.8	94.1	68.3	\$ 1,331,565	\$ 51,631
360276	ST ELIZABETH BOARDMAN HEALTH CTR	-	-	25.7	32.7	7.0	\$ 4,097,903	\$ 159,204	-	-	25.5	32.4	6.9	\$ 1,579,247	\$ 61,980
360348	DUBLIN METHODIST HOSPITAL	-	-	15.5	16.4	0.9	\$ 2,706,665	\$ 174,624	-	0.0	15.5	16.5	1.0	\$ 939,960	\$ 60,682
360354	WEST CHESTER HOSPITAL LLC	-	6.0	6.0	20.9	14.9	\$ 977,145	\$ 162,858	-	6.0	6.0	19.2	13.2	\$ 439,565	\$ 73,261
360359	UH AHUJA MEDICAL CENTER	-	-	15.5	18.5	3.0	\$ 1,722,245	\$ 111,113	-	-	6.6	15.7	9.1	\$ 537,494	\$ 80,948
360360	SOIN MEDICAL CENTER	-	10.2	34.7	34.7	-	\$ 6,591,165	\$ 190,221	-	-	26.7	32.5	5.9	\$ 2,339,959	\$ 87,770
362004	DANIEL DRAKE CENTER FOR POST-ACUTE C	-	-	-	-	-	\$ -	\$ -	4.3	-	0.5	0.5	0.0	\$ 19,254	\$ 38,508
362038	ADVANCED SPECIALTY HOSP. OF TOLEDO	-	-	-	-	-	\$ -	\$ -	-	-	0.5	0.7	0.2	\$ 8,989	\$ 17,978
363036	UNIVERSITY HOSPITALS REHABILITATION	-	-	-	-	-	\$ -	\$ -	-	0.2	0.2	0.2	-	\$ 16,193	\$ 70,404
363300	CHILDRENS HOSPITAL MEDICAL CENTER	-	-	-	-	-	\$ -	\$ -	186.8	-	207.7	311.1	103.3	\$ 119,779	\$ 577
363302	RAINBOW BABIES & CHILDRENS HOSPITA	-	-	-	-	-	\$ -	\$ -	78.8	-	83.2	141.1	57.9	\$ 13,058	\$ 157
363303	CHILDRENS HOSPITAL MEDICAL CENTER	-	-	-	-	-	\$ -	\$ -	72.9	-	72.9	115.6	42.8	\$ 27,321	\$ 375
363305	NATIONWIDE CHILDRENS HOSPITAL	-	-	-	-	-	\$ -	\$ -	129.4	-	130.1	240.2	110.1	\$ 69,231	\$ 532
363306	DAYTON CHILDRENS HOSPITAL	-	-	-	-	-	\$ -	\$ -	55.1	-	53.8	71.5	17.7	\$ 2,345	\$ 44
363309	NATIONWIDE CHILDRENS HOSP TOLEDO LLC	-	-	-	-	-	\$ -	\$ -	-	12.2	12.2	24.2	12.1	\$ -	\$ -
OHIO		4,626	195	5,349	6,082	733	\$ 744,100,473	\$ 139,098	4,322	177	5,212	6,685	1,473	\$ 299,985,355	\$ 57,556

Ohio GME Payment Metrics – Largest Hospitals

GME Finance at My Organization

CCN	Hospital	FTE count for allopathic and osteopathic programs (E Part A, Line 10)	Adjusted Rolling FTE Count (E Part A, Line 18)	PPS Amount (E Part A, Line 47)	Total IME Payment (E Part A, Line 29)	Total IME Managed Care Payment (E Part A, Line 29.01, Col 1)	IME Per FTE (Calc)	Total DGME Payments (E-4, Line 31, Col 3)	DGME Per FTE (Calc)
360180	Cleveland Clinic Hospital	927.67	777.41	\$316,235,919	\$59,408,510	\$61,975,937	\$156,140	\$35,715,137	\$52,170
360085	The Ohio State University Hospital	600.16	380.58	\$151,699,916	\$20,550,409	\$23,680,007	\$116,218	\$15,387,870	\$47,016
360137	UH Cleveland Medical Center	558.42	571.80	\$114,125,718	\$28,422,654	\$42,049,109	\$123,246	\$22,490,371	\$51,280
360059	MetroHealth Medical Center	349.53	345.89	\$46,205,921	\$7,520,624	\$16,696,301	\$70,013	\$21,230,255	\$65,657
360003	University of Cincinnati Med Center, LLC	470.40	397.03	\$87,875,413	\$18,117,861	\$28,979,493	\$118,624	\$15,553,063	\$44,179
360020	Summa Health System	221.94	216.42	\$66,188,180	\$9,546,045	\$23,373,471	\$152,109	\$28,299,561	\$74,922
360068	The Toledo Hospital	236.84	212.28	\$118,993,105	\$14,650,180	\$16,748,379	\$147,911	\$16,318,807	\$82,752

Source: Data pulled from www.CostReportData.com for all providers as of 06/30/2024



State of Ohio Cap Analysis

GME Finance at My Organization

Ohio hospitals are over both IME and DGME resident FTE caps. Ohio Hospitals reported 5,212 resident DGME FTEs that were subject to the cap. Includes estimated adjustments for Children’s Hospitals.

Description	Amount
Over IME Resident FTE Cap	+ 733
Over DGME Resident FTE Cap	+ 1,473
IME Medicare Payments	\$ 744,100,473
DGME Medicare Payments	299,985,355
Medicaid Payments	305,500,000
Total Medicare Payments	1,349,585,828
Direct Salary & Fringes + Other Expenses	959,874,028
Indirect Salary & Fringes + Other Expenses	380,292,154
CHGME & TEFRA Hospital Expenses	(293,610,493)
Total Estimated Margin	\$303,303,139

Source: HCRIS 7/1/2023 – 6/30/2024

Takeaways

- Rural designation via the Section 401 provision has helped Ohio Hospital Contribution Margins
- Considerable no. of Children Hospital FTEs & Cancer Hospital (586 allowable) in OH with \$294M of associated costs

Description (Excludes CHGME & TEFRA)	Hospital	National
IME Payment per <i>Allowable</i> Resident FTE	\$ 139,098	\$ 129,262
DGME Payment per <i>Allowable</i> Resident FTE	\$ 64,510	\$ 56,525
Total Payment per <i>Allowable</i> Resident FTE	\$ 252,306	\$ 204,239
Expense per <i>Allowable</i> Resident	\$ 195,654	\$ 177,509
Estimated Margin per Resident	\$ 56,651	\$ 26,730

Cap Analysis

GME Finance at My Organization

Example hospital that is over both its IME and DGME resident FTE caps and is still profitable. Hospital reported 177 resident FTEs that were subject to the cap. Note that margin does not factor in Medicaid payments.

Description	Amount
Over IME Resident FTE Cap	+ 39.40
Over DGME Resident FTE Cap	+ 58.66
IME Payments	\$ 30,959,353
DGME Payments	8,773,599
Total Medicare Payments	39,732,952
Direct Salary & Fringes + Other Expenses	21,454,782
Indirect Salary & Fringes + Other Expenses	9,654,959
Total Expense	31,109,741
Total Margin (Medicare)	\$ 8,623,211

Source: HCRIS

Takeaways

- Rural designation via the Section 401 provision
- Shared resident FTE caps via Medicare GME Affiliation agreement

Description	Hospital	National
IME Payment per Allowable Resident FTE	\$ 193,062	\$ 129,262
DGME Payment per Allowable Resident FTE	\$ 84,370	\$ 56,525
Total Payment	\$ 277,431	\$ 185,787
Current Year Intern-to-Bed Ratio	0.2904	0.1857
Medicare %	59.83%	45.10%

What If We Are Over Our Caps With a Negative Margin? GME Finance at My Organization

Finance & GME Leadership Considerations



Analyze historical retention rates against the pipeline for recruitment (specifically, in Service Lines of high need)



Relevant physician needs justify more resident FTEs



New & expanded program requests may require some institutional funding



The work effort of residents may be twice that of an APP (up to 80 hours per week or 1.5–2.0 FTE)



Residents provide stability (less turnover)

05

What are Other Organizations Doing?

Strategies to Optimize Payments



GME History

The first emergency medicine residency program in the United States was established at the University of Cincinnati in 1970. This program was initiated to address the growing need for specialized training in emergency medicine and to improve the quality of care in emergency departments.

Strategies to Optimize Payments

Organization Types

- Standalone Community Teaching Hospital
- Academic Medical Center (AMC)
- AMC With Community Teaching Hospitals
- Regional System With Multiple Teaching Hospitals
- Cross Market System With Multiple Teaching Hospitals
- National System With Multiple Teaching Hospitals

Considerations

- Section 401 Urban to Rural Provision
- Medicare GME Affiliation Agreements
- State Funding
- Provider Number Combination
- Medicare Cost Report
 - Bed Days Available Assessment
 - Observation Days Reporting
 - Inpatient Claims Analysis for Medicare FFS/Advantage Days
- Supervision Costs Capture

Section 401 Hospitals (42 CFR 412.103)

Strategies to Optimize Payments

Benefits

- **30% add-on to IME 1996 cap**
- **Ability to grow additional IME resident FTE cap for "new" programs**
- Benefits from RRC and/or SCH status
 - Medicare geo reclass
 - 340B

Drawbacks

- Rural wage index unless/until geo reclass is in place or effective
 - Wage index decrease capped at 5% annually
- No Capital DSH for any rural hospital
 - Effective for discharges on or after October 1, 2023, Section 401 hospitals now receive Capital DSH*
- Operating DSH capped at 12% unless >500 acute beds or RRC or MDH status

Other Considerations

Strategies to Optimize Payments

Understand State Funding

Medicaid Payments

- Know your state's Medicaid payment methodology
- Know what happens with new and/or expanded programs (if paid based on a base rate)

State Appropriations

- Know plans that provide funding not tied directly to Medicaid
- New teaching hospital startup funding
- Know funding available for primary care and specialty programs

Resident FTE Cap Sharing

Strategies to Optimize Payments

Medicare GME Affiliation Agreements

- Each hospital in the affiliated group must have a shared rotation arrangement with at least one other hospital within the affiliated group & all the hospitals within the affiliated group must be connected by a series of such shared rotational arrangements.
- Three eligible scenarios:
 - Two or more hospitals that are located in the same or a contiguous metropolitan statistical area & have a shared rotational arrangement
 - Two or more hospitals that are listed as the joint sponsors of a residency program & have a shared rotational arrangement
 - Two or more hospitals that are under common ownership & have a shared rotational arrangement

“...hospitals that cross-train residents in approved medical residency training programs may enter into Medicare GME Affiliation Agreements to elect to apply their direct GME and/or IME Full Time Equivalent (FTE) resident caps on an aggregate basis and may adjust their FTE resident caps to reflect the rotation of residents among affiliated hospitals during an academic year.”

Source: cms.gov

Medicare GME Payment Factors

Strategies to Optimize Payments

System Hospital	DRG Payments	IME Bed Days	Medicare Utilization	Per Resident Amount	IME Payment per Resident	DGME Payment per Resident
Hospital A	\$208,352,000	562	53%	\$113,717	\$207,200	\$57,959
Hospital B	127,575,000	366	55%	158,274	185,700	84,796
Hospital C	121,045,000	453	60%	104,048	140,600	67,818
Hospital D	62,531,000	388	42%	150,737	88,500	62,385
Hospital E (Safety Net)	15,275,000	411	11%	125,700	22,405	14,278

NOTE: All hospitals are urban and training residents above their FTE caps.

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