

Graduate Medical Education in Nevada

Background and Promising Practices

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A business of Marsh McLennan

1. Background
2. What is Graduate Medical Education (GME)?
3. GME Accreditation and Costs
4. GME in Nevada
5. GME in Other States
6. Promising Practices for GME in Nevada

Agenda

Background

- Nevada's Division of Health Care Financing and Policy (DHCFP) engaged Mercer to provide an overview of potential options to support additional physician residency presence in Nevada through Graduate Medical Education (GME).
- DHCFP is specifically interested in primary care-focused options for rural areas of the State.
- The goal of targeting GME expansion in rural areas of the State is to expand access to care in those rural communities. By allowing medical residents to grow roots in these communities, physicians are more likely to remain after training is completed.
- Mercer's work included an environmental scan, interviews with stakeholders, and a review of other state GME programs.

What is Graduate Medical Education?

- GME is formal medical education, usually hospital-sponsored or hospital-based training, pursued after receipt of the MD or DO degree in the United States.
- This education includes internship, residency, subspecialty, and fellowship programs, and leads to state licensure and board certification.



GME Accreditation and Costs

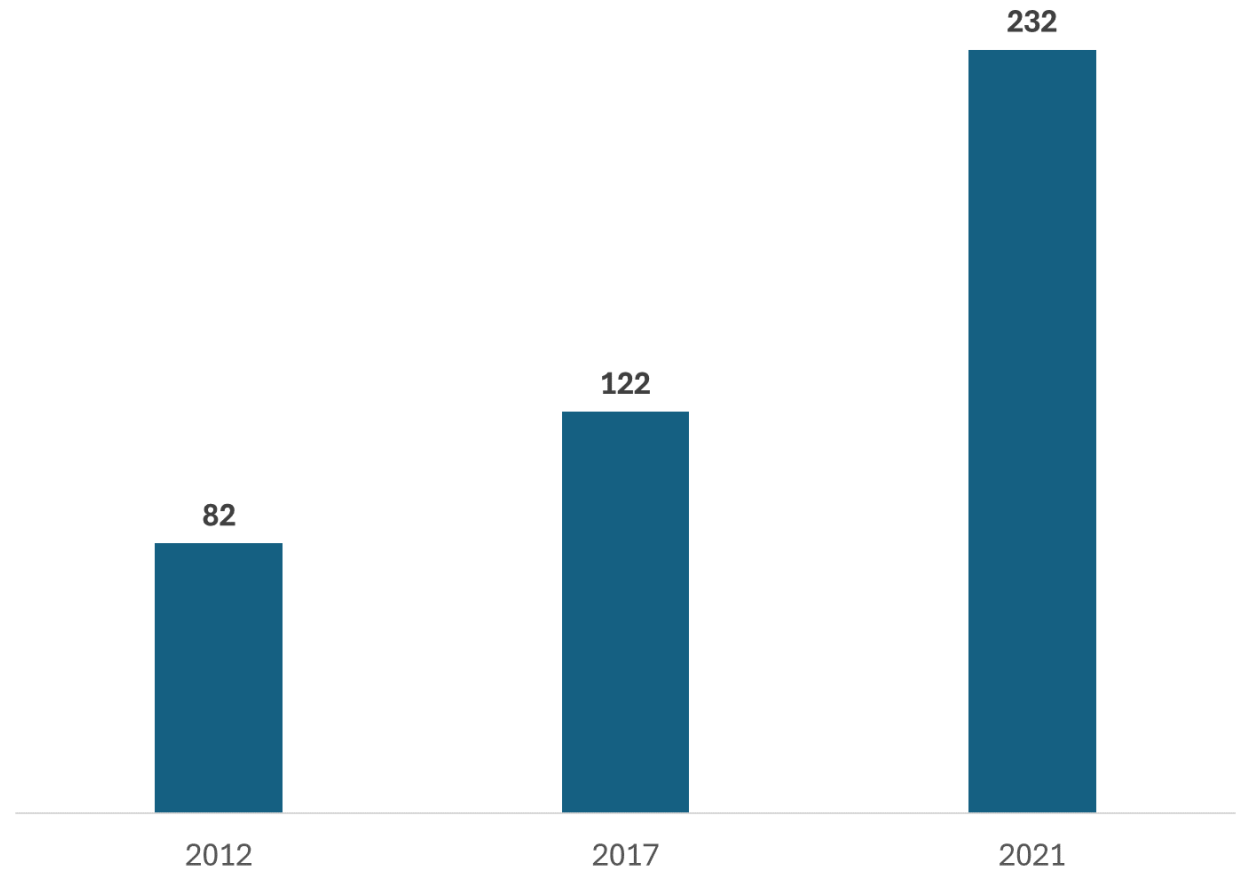
- From program creation to first resident in training can take three years.
- Programs must be accredited by the American Council for Graduate Medical Education.
- Programs require, at the least, a program director and physicians to serve as supervising faculty for residents.
- Costs can be significant and fall into two categories: startup and operating. Startup costs are likely not Medicaid reimbursable, while operating costs are.



GME in Nevada

The number of physicians completing graduate training in Nevada has grown significantly in the past decade, from **82** in 2012 to **232** in 2021.

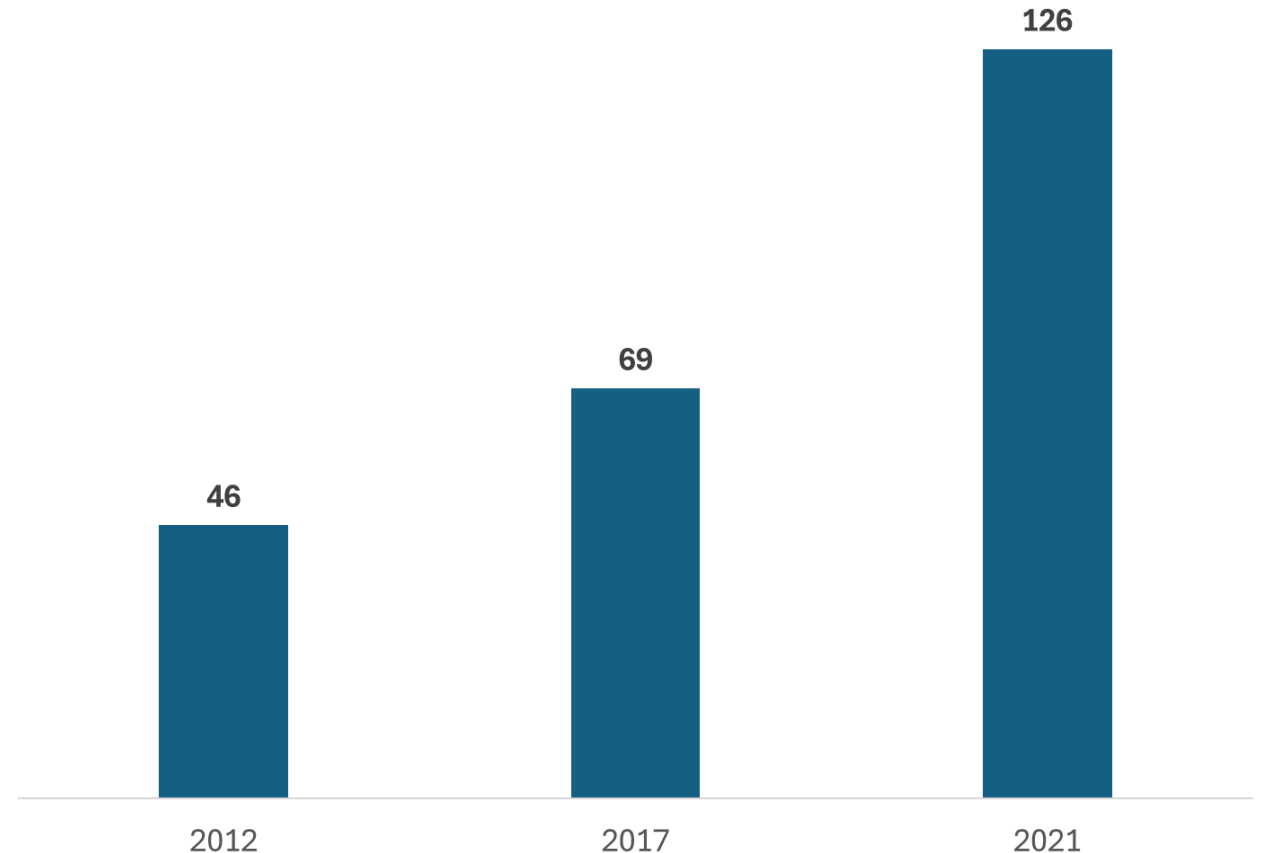
By comparison, the number of active residents in the US — not an identical, but a comparable measure — increased by only 31.6% from the 2013–2014 academic year to the 2022–2023 academic year.



GME in Nevada — Primary Care

The number of physicians completing primary care graduate training in Nevada has been a key component of the overall growth in Nevada GME.

In 2012, **46** physicians completed primary care GME in Nevada; in 2021, **126** physicians completed primary care training in Nevada.



GME in Medicaid — Multi-State Review



- Nevada is far from alone in the health care workforce challenges it faces — all states are struggling.
- Mercer reviewed the GME programs in seven states. Commonalities identified included:
 - Preferences for primary care/other specialties
 - Preferences for provider types/locations
- Historical federal constraints imposed on Medicaid funding for GME have limited the growth of innovative approaches to support GME using Medicaid funds.

GME in Medicaid — State Innovations

Three states with innovations of note:



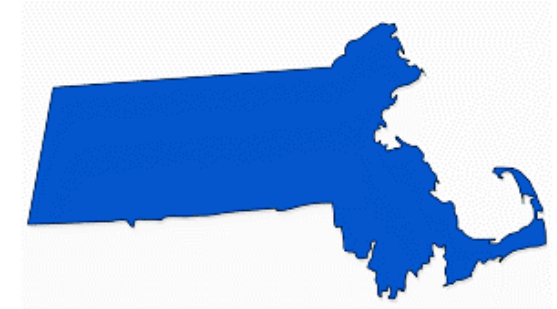
New Mexico

- Launched a broad initiative to support GME growth, including legislation, a new State board, a new grant program, and other elements:
 - Recent request to CMS for Medicaid funding to support this was not granted



Florida

- Gained CMS approval in May 2023 for Medicaid funding to support a “startup bonus” of \$100,000 per targeted resident for reimbursement of startup costs



Massachusetts

- Gained very recent CMS approval for Medicaid funding to support a student loan repayment program to support GME residents:
 - Funding source was limited and not general Medicaid funding

Moving GME Ahead in Nevada — Promising Practices

There are several factors that will likely challenge the State's efforts to grow its GME programs, including:



Cost of developing new GME sites



Recruitment of GME primary care support providers to rural locations



Attracting GME primary care residents to rural locations

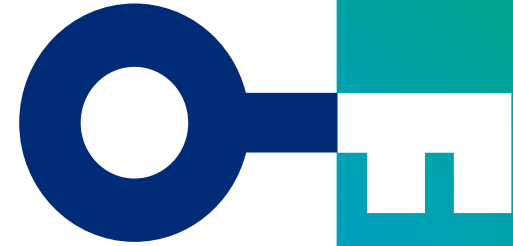


Growth of private equity in local health care systems

Moving GME Ahead in Nevada — Promising Practices

Providing additional State funding that can draw federal match and support net new residency slots that are focused on rural primary care could provide a meaningful increase in the footprint of rural primary care GME in Nevada:

- Build on existing infrastructure — partnership, not starting from scratch
- Establish clear requirements that reflect the State’s priorities around:
 - The number of residents to be supported
 - The cost per resident the State will support
 - The specialties the State will support
 - The locations the State will support



Moving GME Ahead in Nevada — Promising Practices



Continue to investigate GME innovation in other states, and pursue those that will work for Nevada, including:

- Medicaid funding for startup costs:
 - Requires State funding to draw down federal Medicaid dollars
- Medicaid funding for loan forgiveness:
 - Likely requires funding from savings from a Section 1115 waiver



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