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United States Senate

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June 5, 2023

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health & Human Services
200 Independence Avenue S.W.
Washington, D.C. 20201

Dear Administrator Brooks-LaSure,

I consistently hear about the shortage of doctors and other health care professionals as I travel across Iowa on my annual 99 county tour. To address the nationwide workforce challenges, we should take a multifaceted approach. This includes using telehealth to improve access and efficiency in our health care system, modernizing Medicare reimbursement of health care professionals to reflect state licensing laws,¹ and making strategic public-private investments into the workforce pipeline while ensuring taxpayer dollars are used wisely.

A key action the federal government has taken to expand the health care workforce was adding 1,000 Medicare-funded graduate medical education (GME) residency positions in the Consolidated Appropriations Act (CAA) of 2021 when I was Finance Committee chairman.² Through fiscal year 2027, the Centers for Medicare & Medicaid Services (CMS) has the responsibility to add 1,000 medical residency positions. I was proud to support the largest increase in Medicare-funded residency slots in over 25 years.

The additional 1,000 residency slots are intended to help meet the needs of health care workforce, particularly in rural and underserved communities. Rural states such as Iowa are among the states with the greatest need for doctors.³ Section 126 of the 2021 CAA requires that a minimum of 10 percent of residency slots be allocated to “hospitals that are located in a rural area (as defined in section 1886(d)(2)(D)) or are treated as being located in a rural area pursuant

¹ Prevent Interruptions in Physical Therapy Act, S.793, 118th Cong. (2023). <https://www.congress.gov/bill/118th-congress/senate-bill/793>; Pharmacy and Medically Underserved Areas Enhancement Act, S.1491, 118th Cong. (2023). <https://www.congress.gov/bill/118th-congress/senate-bill/1491>; Promoting Access to Diabetic Shoes Act, S.800, 117th Cong. (2021). <https://www.congress.gov/bill/117th-congress/senate-bill/800>; Mental Health Access Improvement Act, S.828, 117th Cong. (2021). <https://www.congress.gov/bill/117th-congress/senate-bill/828>. Medicare Audiologist Access and Services Act, S.1731, 117th Cong. (2021). <https://www.congress.gov/bill/117th-congress/senate-bill/1731>; Helping Ensure Life- and Limb-Saving Access to Podiatric Physicians Act, S.2769, 117th Cong. (2021). <https://www.congress.gov/bill/117th-congress/senate-bill/2769>.

² Public Law (P.L.) 116-260, Division CC, Title I, Subtitle B, Section 126, “Distribution of additional residency positions.”

³ Ewing, J. and Nett Hinkley, K., “Meeting the Primary Care Needs of Rural America: Examining the Role of Non-Physician Providers,” National Conference of State Legislatures, April 2013, <https://perma.cc/2MXF-9YPN>.

to section 1886(d)(8)(E).” The 2021 CAA also established flexibility for rural and urban hospitals that participate in the Medicare GME Rural Training Tracks (RTT) program. This means more residents getting experience in rural settings. However, as my previous oversight over the GME program has shown, we must reform the GME program funding streams to ensure taxpayer dollars are being used wisely.^{4, 5} Medicare’s support for residencies through the GME payment was designed to cover Medicare’s share of the costs incurred to train the medical residents, with the other costs borne by private insurance and hospitals.⁶

On May 17, 2023, the U.S. Senate Committee on Finance Subcommittee on Health Care held a hearing on rural health care.⁷ A hearing witness, Dr. Mark Holmes, testified that “despite a ten percent floor on the number of expanded residency slots allocated to rural hospitals, only six percent of slots were allocated to hospitals located in rural areas; another 42 percent were allocated to urban hospitals that have been reclassified as rural.”⁸ I am writing to understand how CMS has met the residency slot requirement for rural and underserved communities in the recent distribution of 200 residency slots and what efforts the agency is taking to ensure rural hospitals are competing for the residency slots that will be awarded in future years.

In order to better understand how CMS is implementing the 1,000 residency slots, I ask you to address the following questions by June 29, 2023:

1. In CMS’ recent distribution of 200 residency slots, how many slots were allocated to rural hospitals? I understand non-rural hospitals classified as rural hospitals for payment purposes may be considered part of CMS’ allocation of rural hospital slots. I request this figure not include non-rural hospitals reclassified as rural hospitals.
2. How many rural hospitals applied for the residency slots, but were not granted slots in the initial distribution? I understand CMS can only award slots based on applications submitted. I request this figure not include non-rural hospitals reclassified as rural hospitals.
3. If a rural hospital applied for additional residency slots, but was not granted any slots in the initial distribution, what were the reasons for CMS not granting residency slots to the rural hospital? Additionally, what actions is CMS taking to address questions or potential deficiencies in these rural hospital applications?

⁴ Office of Senator Charles E. Grassley, “Grassley Presses HHS on Waste in Graduate Medical Education Programs,” October 17, 2019, <https://www.grassley.senate.gov/news/news-releases/grassley-presses-hhs-waste-graduate-medical-education-programs>.

⁵ Office of Senator Charles E. Grassley, “CMS: Graduate Medical Training Programs Need Reforms,” January 23, 2020, <https://www.grassley.senate.gov/news/news-releases/cms-graduate-medical-training-programs-need-reforms>

⁶ Villagrana, M.A., “Medicare Graduate Medical Education Payments: An Overview,” Medpac.gov, 2019, <https://fas.org/sgp/crs/misc/IF10960.pdf>.

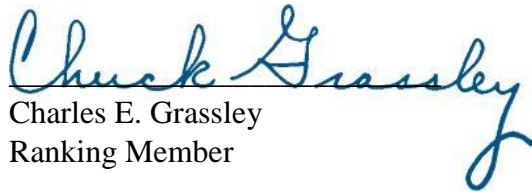
⁷ U.S. Committee on Finance, Subcommittee on Health Care, “Improving Health Care Access in Rural Communities: Obstacles and Opportunities, May 17, 2023, <https://www.finance.senate.gov/hearings/improving-health-care-access-in-rural-communities-obstacles-and-opportunities>.

⁸ Holmes, M., “Subcommittee Hearing: Improving Health Care Access in Rural Communities: Obstacles and Opportunities, May 17, 2023, <https://www.finance.senate.gov/imo/media/doc/Holmes%20Witness%20Testimony.pdf>.

4. What specific actions has CMS taken to educate and work with rural hospitals about applying for residency slots in future distributions?
5. Does CMS intend to meet the 10 percent rural hospital distribution threshold on an annual basis or in the overall distribution of the 1,000 slots over five years?
6. Since Congress established more flexibility in the RTT program, how many additional residents have gained experience working in rural hospitals? If you are unable to provide a specific amount, I request numerical-based metrics to determine if the additional flexibility has improved rural residency training.

I appreciate CMS' work to help address the workforce needs in rural communities. Where a doctor is trained has an impact on where they eventually practice. For example, 54.8 percent of family physicians practice within 100 miles of their residency.⁹ More doctors being trained in rural America is good for patients and our nation's health care system. I look forward to continue working with you and rural health care leaders to address our workforce needs.

Sincerely,



Charles E. Grassley
Ranking Member

⁹ Fagan, E. B., Gibbons, C., Finnegan, S. C., Petterson, S., Peterson, L. E., Phillips, R. L., Jr, & Bazemore, A. W., "Family medicine graduate proximity to their site of training: policy options for improving the distribution of primary care access," 2015, Family medicine, 47(2), 124–130.