

BURRELL COLLEGE
OF OSTEOPATHIC MEDICINE
at
New Mexico State University

September 13, 2018

Human Services Department
Office of the Secretary
Attn: Medical Assistance Division Public Comments
P.O. Box 2348
Santa Fe, NM 87504-2348



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Re: Public Comment Proposed Revisions - 8.311.3 NMAC, Methods and Standards for Establishing Payment – In-Patient Hospitals

Dear Secretary Earnest:

Following are our questions, comments and recommendations regarding the above mentioned proposed regulatory changes. We look forward to working with the HSD MAD moving forward to establish a physician training system in New Mexico, that will ensure access to a broad range of necessary primary medical, behavioral, dental health care and care coordination services for Medicaid patients with support from the Department and other important public and private entities.

The Burrell College of Osteopathic Medicine at New Mexico State University (BCOM) has over the past three years developed new residency program in Las Cruces, NM and has been actively developing new primary care and psychiatric training in the state. It is clear there an expansion of Graduate Medical Payments (IME and GME or their equivalent) to other providers in the state, will assist in meet the growing need of Medicaid and New Mexico in general in terms of access to necessary health services.

The proposed regulations add language in the IME (Indirect Medical Education) section that amends the current the 125 resident limit for IME eligibility:

Pages 8-9 Proposed Regulations:

“(6) Indirect medical education (IME) adjustment: Effective August 1, 1992, each acute 8.311.3 NMAC 9 care hospital that qualifies as a teaching hospital will receive an IME payment adjustment, which covers the increased operating or patient care costs that are associated with approved intern and resident programs. The IME payment adjustment is

subject to available state and federal funding, as determined by the department and shall not exceed any amounts specified in the Medicaid state plan.

(a) In order to qualify as a teaching hospital and be deemed eligible for an IME adjustment, the hospital must:

- (i) Be licensed by the state of New Mexico;
- (ii) Be reimbursed on a DRG basis under the plan; and,
- (iii) Have 125 or more full-time equivalent (FTE) residents; or
- (iv) Operate a nationally-accredited primary care residency program.

This amendment would expand eligibility for IME payments to additional hospitals in the state by having ACGME-accredited programs. If so, BCOM and its partners support this amendment as it would provide for supporting existing residency training programs in Albuquerque, Las Cruces, Santa Fe and other places as well as allow for potential Medicaid GME payments in support of future ACGME-accredited training locations. If this is not the case, BCOM would suggest changing the proposed regulations to ensure that all DRG Hospitals (PPS-exempt hospitals) that operate an ACGME-accredited primary care residency program, be made eligible for IME support.

BCOM supports the addition of the expanded Medicaid population under the ACA to the formula for GME payments. It appears as though this approach will stretch state matching funds and reduce the overall burden of GME (IME and DGME) financing to the state. This “savings” should be considered when budgeting for expanded residency development pursuant to the comments above and the recommendations that follow.

The proposed changes above will serve to enhance training in both rural and urban settings in New Mexico. This is an important concept if the state is to address the overall shortage of primary care providers and physician shortages in general. However, over the last three years, BCOM, legislators, HSD MAD staff, certain FQHCs, rural hospitals and others have agreed that expanding resident training into non-DRG hospital settings such as Rural Hospitals and FQHCs, is also an important concept, as urban based training provides a much smaller percentage of its graduates to rural areas than rural-based training and rural-based hospitals and FQHCs are more likely to train primary care providers than large urban, tertiary hospitals. During discussions with HSD over the last 6 years, there has been an expressed agreement that regulations would be developed to accommodate this concept and in fact, such language was included in the most recent 1115 Waiver request. Conversations between the BCOM and legislators over that last year or so, confirmed that HSD would develop regulations to allow non-DRG hospitals and FQHCs access to Medicaid payments for training with distinct Medicaid regulatory language separate from the hospital payment system focus included in the proposed amendments. BCOM strongly recommends that regulations supporting the financing of GME in rural hospital and FQHCs be developed and included in this iteration of regulatory improvements. The BCOM has and continues to offer its expertise in support of such an effort. If the Department does not choose to develop such regulations in the current proposed amendments, there should be a

short term plan for an separate proposed regulatory amendment that addresses the need and desire of rural hospitals and FQHCs to assist HSD in meeting the need of Medicaid patients for access to comprehensive primary care services through ACGME-accredited primary care and psychiatric training.

Thank you for the opportunity to provide comments on these proposed regulations. BCOM believes that this is a first step in improving primary care and other physician supply to meet the needs of Medicaid patients in New Mexico.

Sincerely:

A handwritten signature in blue ink that reads "Oliver W. Hayes, DO". The signature is written in a cursive style.

Oliver W. Hayes, DO
Senior Associate Dean for Graduate Medical Education
Burrell College of Osteopathic Medicine