



The Resident Physician Shortage Reduction Act of 2017 (H.R.2267)

Summary

- Introduced May 1, 2017 by Representatives Joseph Crowley (D-NY) and Ryan Costello (R-PA).
- Increases, by 15,000, the number of Medicare supported direct graduate medical education (DGME) and indirect medical education (IME) slots.
- Requires the Comptroller General to conduct a study on strategies for increasing health professional workforce diversity.

Distribution Methodology for Additional Slots

- Increases the number of residency slots nationally by 3,000 each year between 2019-2023 (total 15,000).
- One-third of new residency slots are available only to teaching hospitals training over their cap.
- At least half of the remaining available new slots each year must be used for a shortage specialty residency program as identified in the December 2008 Health Resources and Services Administration (HRSA) report on the physician workforce.
- A hospital may not receive more than 75 slots in any fiscal year.
- In determining which hospitals will receive slots, CMS is required to consider the likelihood of a teaching hospital filling the positions and would prioritize teaching hospitals in the following manner:
 - Hospitals in states with new medical schools or new branch campuses;
 - Hospitals affiliated with Veterans Affairs medical centers;
 - Hospitals that emphasize training in community-based settings or in hospital outpatient departments;
 - Hospitals not located in a rural area and operate an approved “rural track” program; and
 - All other hospitals.

Requirements Associated with Additional Slots

- Hospitals receiving additional slots must ensure that:
 - At least 50 percent of the additional slots are used for a shortage specialty residency program;
 - The total number of slots is not reduced prior to the increase; and
 - The ratio of residents in a shortage specialty program is not decreased prior to the increase.

Reimbursement Level for Additional Slots

- Under H.R. 2267, new slots would be reimbursed at the hospital’s otherwise applicable per resident amounts for DGME purposes and using the usual adjustment factor for IME reimbursement purposes.

For more information, please contact Len Marquez, Director, Government Relations, AAMC, at lm Marquez@aamc.org or 202-862-6281 or Catie Spivey, Sr. Legislative Analyst at cspivey@aamc.org or 202-862-6042.