

MINUTES

PHYSICIAN WORKFORCE AND ACCREDITATION TASK FORCE

December 9, 2008

Marcus Welcome Center—Wichita State University
Wichita, Kansas

Members Present

Representative Brenda Landwehr, Chairperson
Senator Vicki Schmidt, Vice-Chairperson
Representative Raj Goyle
Dr. Andy Allison, Kansas Health Policy Authority
Kevin Conlin, Via Christi Health System
Dr. Glendon Cox, KU Medical Center-Kansas City
Jill Docking, Board of Regents
Dr. Garold Minns, KU School of Medicine-Wichita
Dr. Robert Moser Jr., Greeley County Health Care Services
Hugh Tappan, Wesley Medical Center
Dr. Linda Warren, Warren Clinic

Members Absent

Senator Laura Kelly
Scott Taylor, Kansas Hospital Association

Staff Present

Terri Weber, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Corey Carnahan, Kansas Legislative Research Department
Norm Furse, Office of the Revisor of Statutes
Theresa Kiernan, Office of the Revisor of Statutes
Connie Burns, Committee Secretary

Conferees

Andy Allison, Kansas Health Policy Authority
Barbara Atkinson, M.D., University of Kansas School of Medicine
Don Brada, M.D., Wichita Center for Graduate Medical Education
Kari Bruffett, Kansas University Hospital

David Busatti, Wesley Medical Center
Kevin Conlin, Via Christi Health System
Bill Marting, Kansas University Hospital
Kim Meyer, Ph.D., University of Kansas School of Medicine
Hugh Tappan, Wesley Medical Center
Lorene Valentine, University of Kansas Medical Center
Penny Vogelsang, Wichita Center for Graduate Medical Education
Michael Wegner, Via Christi Health System

Others Present

See attached list.

Morning Session

Chairperson Brenda Landwehr called the meeting to order at 9:10 a.m.

The Chairperson noted that the following documents were before them:

- Written testimony for the November 24 meeting by Debra Zehr, President, Kansas Association of Homes and Services for the Aging ([Attachment 1](#)); and
- A report from the Association of American Medical Colleges, "The Complexities of Physician supply and demand: Projections through 2025" ([Attachment 2](#)). The full report is available at <http://www.aamc.org/workforce>.

Chairperson Landwehr recognized Lorene Valentine, Director of Rural Health, University of Kansas Medical Center, to discuss the School of Medicine's efforts in recruiting physicians to rural Kansas ([Attachment 3](#)). Ms. Valentine covered the various programs and offices designed to attract and assist physicians in rural areas, including the Kansas Recruitment Center, the Kansas Medical Resource Program, the Kansas Bridging Plan, and the Kansas Locum Tenens Program.

Ms. Valentine then answered questions from the Task Force about the programs included in her presentation. She stated that there is no definitive way to determine how many of the applicants to the Recruitment Center are serious about obtaining placement in Kansas. In response to another question, Ms. Valentine answered that all three partners in the Wichita Center for Graduate Medical Education (WCGME) allow their residents to participate in locum tenens. A question was asked by a Task Force member trying to discover why residents could practice in a clinic when, at the same time, the number of hours they can work at one of the partner institutions is limited. Dr. Cox responded that both types of hours, those in a rural clinic and those at a partner institution, are limited.

Regarding the applicants to the Kansas Bridging Plan, Ms. Valentine noted that the number of open spots is not strictly limited to ten, but is instead based on the amount of available funds.

Don Brada, M.D., Wichita Center for Graduate Medical Education (WCGME), discussed the accreditation requirements and status of each of the 14 residency programs ([Attachment 4](#)) as

requested by the Task Force. Dr. Brada's presentation focused on the concerns of the Accreditation Council for Graduate Medical Education (ACGME) and WCGME's plan to improve the programs. Dr. Brada noted that the programs are in good standing, but the School of Medicine is being proactive in improving the programs.

When responding to a question from a Task Force member, Dr. Brada stated that there is no correlation between a high degree of scholarly activity and research and a high passage rate for students trying to become board certified. He answered another question by stating that the residency directors in Wichita are employed by the School of Medicine, not WCGME

The Chairperson recognized Barbara Atkinson, M.D., Executive Vice Chancellor of the University of Kansas Medical Center and Executive Dean of the University of Kansas School of Medicine, who, as requested by the Task Force, provided a review of the FY 2002 GME program cuts and subsequent program reestablishments ([Attachment 5](#)). Covered in the presentation were the FY 2002-FY 2004 funding levels for the University of Kansas Medical Center, University of Kansas School of Medicine-Kansas City, and University of Kansas School of Medicine-Wichita.

Dr. Atkinson responded to a question about combining administrative staff at the two campuses by stating that each program needs to be able to manage their residents on-site and that staff should not be combined. Another question was asked about the two programs sharing didactic time. Dr. Atkinson deferred to Dr. Brada who replied that residency programs are moving away from formal lectures toward a more hands on approach.

The Chairperson recognized Penny Vogelsang, Chief Operating Officer, WCGME, and Kim Meyer, Senior Associate Dean for Finance, University of Kansas School of Medicine, to provide additional information on the spreadsheet comparing the Wichita and Kansas City programs presented at an earlier Task Force meeting ([Attachment 6](#)). Dr. Meyer detailed the role of Kansas University Physicians, Inc.

A Task Force member asked Ms. Vogelsang about the projected loss for WCGME in FY 2009. Ms. Vogelsang responded that the loss will be approximately \$6 million and this shortfall assumes that Medicaid funding will remain stable. A series of questions were then asked related to how WCGME calculated the figures appearing on the spreadsheet. It was noted by several Task Force members that a comparison of the two programs is difficult given the methods by which each program receives and categorizes their respective funding and revenue. Other Task Force members expressed their desire for further attempts by the two programs to provide uniform and similar data. In responding to a question from the Task Force, a WCGME official replied that losses in the Wichita program will not impact indigent care.

The Chairperson recognized Dr. Atkinson to discuss the budget recommendations for the Kansas City and Wichita GME programs ([Attachment 7](#)). Dr. Atkinson covered the budgetary impact of a three percent reduction in FY 2009 and a potential seven percent cut in FY 2010. She stated that student and leveraged programs would be protected from future reductions, creating very few options. The Chairperson noted the importance of understanding the revenue components of the issue.

The Chairperson recognized Bill Marting, Vice-President for Financial Operations, Kansas University Hospital, to review GME Medicare Cost Reports for the Kansas City and Wichita programs ([Attachment 8](#)). The Direct Medical Expenditures (DME) for Via Christi, Wesley, and Kansas University Hospital were provided and it was explained that Indirect Medical Education costs (IME) are not explicitly identified on the Medical Cost Reports.

Mr. Marting responded to questions from the Task Force members regarding the loss of funding prior to the Balanced Budget Act, the time frame for when the hospitals started to lose money,

and how the figures compare to regional and national figures in particular that offer GME. Mr. Marting stated that as time passes, the losses will increase because the reimbursement increases are always smaller than the actual cost increases. Mr. Marting went on to inform the Task Force that figures from different states that offer GME is public information and can be obtained.

In response to a question directed to Mr. Marting on the possibility of IME reimbursement being reduced at the federal level, Kari Bruffett, Government Affairs Liaison, Kansas University Hospital (KUH), stated that she would address the issue during her testimony later in the day.

The Chairperson reminded the Task Force that members are invited to tour the National Institute for Aviation Research (NIAR) facility on the campus of Wichita State University following lunch.

Afternoon Session

Following a tour of the NIAR facility, the Chairperson reconvened the meeting at 2:15 p.m. and recognized Hugh Tappan, CEO of Wesley Medical Center.

Mr. Tappan provided the Task Force with an overview of the Wesley Medical Center and its involvement in GME (Attachment 9). Included in the overview was a listing of Wesley's revenue and expenses as they related to GME. Mr. Tappan stated that Wesley's loss in FY 2007 stemming from GME was \$1.062 million.

In responding to a question from a Task Force member, Mr. Tappan answered that there is no universal way to calculate a hospital's level of charity care. Mr. Tappan stated that there is need among WCGME institutions to receive increased levels of funding and that the \$9.6 million shortfall in GME funding for WCGME is not an issue of indigent care.

The Chairperson recognized Kevin Conlin, CEO of Via Christi Health System. Mr. Conlin presented information on the background of Via Christi Health System and its role in GME (Attachment 10).

A Task Force member asked Mr. Conlin about a segment of his presentation indicating that his hospital was no longer willing to take a loss on providing GME in Kansas. Mr. Conlin stated that was correct and that WCGME needs an additional \$9.6 million in funding to cover the losses of the hospital and to maintain accreditation standards. On this topic, Ms. Vogelsang stated that the \$9.6 million would be needed on an annual basis, not just a one-time payment. Both Mr. Conlin and Mr. Tappan indicated that no date had been set for when the hospitals would cease providing GME services.

Several Task Force members and University officials discussed the impact on the individual educational programs if additional funding is withheld. It was noted that it is a Medicare policy to stop awarding funding if programs are closed. Dr. Brada stated that any cuts would most likely begin with primary care programs. Dr. Brada went on to answer additional questions about programs cuts and ACGME policies.

Dr. Atkinson answered questions about why the requested \$9.6 million has not been requested by the University of Kansas. A Task Force member expressed her desire to see the request be part of the University's budget.

The Task Force then discussed a pilot program in Utah that formed a council to oversee the single medical school and seven teaching hospitals. In this example, all funding issues are turned over to the Council for Medical Education, where the IME dollars get distributed by a formula provided by the Council. It was noted that this model would be an option for states with only one or two medical schools and that Nevada and Hawaii have begun to emulate the model.

Several Task Force members expressed their desire to find a solution for the shortfall in funding. Members stated that the 2009 Kansas Legislature would need to be made aware of the situation due to its importance to the state. Task Force members stated their concern that closing WCGME would result in fewer physicians practicing in Kansas and would have a negative impact on the state's communities.

The Chairperson recognized Andy Allison, Kansas Health Policy Authority, to discuss potential Medicaid funding of GME (Attachment 11). Dr. Allison covered Medicaid hospital payments, Medicaid reimbursement for the University of Kansas Hospital, Medicaid SCHIP reforms, Medicaid GME review, KU physician supplemental payment program, and Physician Workforce objectives.

The Chairperson informed the Task Force that officials from the Kansas Department of Health and Environment were unable to appear, but provided written testimony on collecting data on health care workforce capacity in Kansas (Attachment 12).

Kim Meyer, Senior Associate Dean for Finance, University of Kansas School of Medicine, provided the Task Force with an overview on GME affiliation agreements in KUSOM-KC (Attachment 13).

Penny Vogelsang, Chief Operating Officer, WCGME, provided a list of with whom WCGME has affiliation agreements (Attachment 14).

Don Brada, M.D., Designated Institutional Official, WCGME, provided written testimony on the proposal to the Kansas Bioscience Authority (Attachment 15).

The Chairperson recognized Ms. Bruffett who updated the Task Force on a January 2009, meeting with the Kansas Congressional Delegation (Attachment 16). Ms. Bruffett covered the topics that will be discussed at the meeting and efforts by the University of Kansas Hospital to address concerns over GME.

The Chairperson informed the Task Force of additional information provided by the WCGME showing the revenues and expenses on a per resident basis for several of the residency programs (Attachment 17).

Members were informed that the next Task Force meeting would be held in January to formulate recommendations to the Legislature. The meeting was adjourned at 5:15 p.m.

Prepared by Connie Burns
Edited by Terri Weber, Corey Carnahan,
and Kelly Navinsky-Wenzl

Approved by the Task Force on:

February 20, 2009
(Date)