

# Title: Graduate Medical Education (GME)

**Issuance Date: June 1, 2023**

(Must be reviewed annually)

## Applicable Regulations, Guidelines, and AHS Policy:

### State Plan:

SPA 11-019

### Other:

Contract with UVM and UVMMC (2022 - #42012)

## Purpose:

The Graduate Medical Education (GME) Program is a funding mechanism in which State funds are matched with federal Medicaid funds and provided to academic medical centers to support graduate medical education (residencies and fellowships). The University of Vermont (UVM) provides the State share from its appropriation, which DVHA matches with federal funds, and provides to the University of Vermont Medical Center (UVMMC), Vermont's only academic medical center. The GME payments help ensure access to quality, essential professional health services for Medicaid beneficiaries through the care provided by teaching physicians and the teaching hospital. The State of Vermont (SoV) receives UVM funds via Intergovernmental Transfer (IGT) and makes GME payments to UVMMC quarterly or other frequency as agreed to annually between the parties. DVHA requires UVMMC to provide an Annual Quality Report on improvement initiatives and quality measures aligned with DVHA's priorities.

## Procedure:

### Annual Activities:

By May 1<sup>st</sup>, UVMMC will submit a GME Annual Quality Report to the DVHA Director of Quality Management who distributes it to DVHA reviewers for feedback. DVHA will either approve the report or request additional information by June 1<sup>st</sup>. If additional information is required, UVMMC will provide the final report with the updated information to DVHA by June 30<sup>th</sup>. DVHA will also notify UVMMC of any changes to the next Annual Report. Members of the DVHA Quality unit and the Chief Medical Officer or other health services staff are responsible for reviewing and approving the report and determining any changes

## Standard Operating Procedure

for the next Annual Report. No GME Payments for the next SFY will be made before DVHA provides formal acceptance of the Annual Quality Report.

The DVHA Director of Quality Management and the DVHA Reimbursement & Rate Setting Manager will work collaboratively to establish a schedule of activities and Annual Quality Report requirements and document them in a Letter of Agreement (LOA) that is entered into the contract file.

On or before June 30<sup>th</sup> annually, the DVHA Reimbursement unit will finalize calculations to determine annual and quarterly payment amounts for the upcoming SFY. Amounts are calculated for both Qualified Teaching Professionals (QTP) and Teaching Hospitals but will maximize distribution of payments to QTPs. The Reimbursement unit also determines the quarterly amounts due from UVM to SoV, based on FMAP rates in effect for each quarter. This information will be communicated by the DVHA Reimbursement Medicaid Operations Administrator to UVM and UVMHC.

### Every Four Years or when the Current Contract Term Ends

Six months before the three party contract between DVHA, UVM and UVMHC will expire, the DVHA Reimbursement & Rate Setting Manager will initiate the contracting process.

The contract term is usually four years. The DVHA Reimbursement & Rate Setting Manager and the DVHA Director of Quality Management work in collaboration with the DVHA Contracts & Grants unit to form a contract review team and draft a new contract covering the next four years. **The new contract must be executed before the first quarterly GME payments can be made in the new SFY.**

### Quarterly Activities

UVM will provide SoV with the State share of the funding at the beginning of the last month of each quarter (September, December, March, June) or other timeline as specified in the Letter of Agreement/Annual Quality Review report. Payments are made through Intergovernmental Transfers (IGT) to a confidential account with the Office of the Treasurer; the account information is securely provided to UVM by the DVHA Business Office. The Office of the Treasurer sends a copy of the deposit ACH information to the DVHA Business Office verifying the IGT has been made. **Copies of the ACH are retained by the BO for DVHA's auditors.**

At the same time the IGT occurs, UVM will send a letter to the DVHA Commissioner and the Business Office certifying that the source of the IGT funds is from UVM's State appropriation. **Copies of the certification of funds letter are retained by the BO for DVHA's auditors.** Since this letter is requested by

the auditors, if it is not received in a timely manner, the Business Office sends a reminder to UVM.

The DVHA Reimbursement Unit will prepare a memo for the Commissioner/Deputy Commissioner to sign authorizing the fiscal agent to make the payments to UVMHC by the end of the month, defined as the last month in each quarter for this process. Payments will be allocated to Qualified Teaching Physicians (QTPs) and Teaching Hospitals as appropriate based on the outcome of the calculations.

The fiscal agent notifies the Reimbursement Unit of the scheduled date for payment and the Medicaid Operations Administrator communicates the date to UVMHC, typically to the Financial Director.

## Revision History:

Date	Summary of Revisions
1/30/2020	The GME Program Manager role no longer exists as originally written. Instead, the responsibilities within that role were divided between DVHA's Reimbursement and Clinical Integrity & Quality Improvement Units. The Roles and Responsibilities and Procedure sections were edited to reflect that change.
10/29/20	Updated for new director.
3/4/2022	Updated contract number for new four-year contract, new Memorandum file for SFY 22, updated title of QICI Unit role.
3/10/2022	OMU review, updated to ADA template.
04/19/23	Updated Summary Memo attached and date for completion of GME payment calculation for next SFY.

Table 1 Revision History