February 27, 2018

Senior Vice President
Applied Policy
201 North Union Street, Suite 212
Alexandria, Virginia 22314

Dear Mr. Voorhees,

We the undersigned organizations, wish to express our support for the concept of **Cap Flexibility**. The Center for Medicare & Medicaid Services (CMS) can and should leverage its existing authority to supplement the current broad-based Graduate Medical Education (GME) cap-building policy with a strategic approach to provide incentives and additional assistance for GME programs to development in areas of need across the country. Cap Flexibility provides a tailored approach to target federal GME dollars in order to incentivize the establishment and expansion of GME programs in under-resourced and underserved regions. The additional time provided to fledging teaching hospitals in areas of need will have wide ranging benefits, including, but not limited to:

- providing lifesaving opportunities for new teaching hospitals to secure the resources necessary to scale-up training capabilities;
- helping alleviate regional physician shortages;
- boosting the return on investment for hosting teaching hospitals, medical schools, local communities, Medicare, and state investment;
- increasing the likelihood that physicians will practice in the underserved area; and
- helping address the mal-distribution of GME pogroms and physicians across the nation.

Meeting the health care needs of a growing population as large, diverse, and geographically distributed as that of the United States, requires a dynamic and flexible system that is able to supply a sufficient number of primary care and specialist physicians and geographically locate them where they are needed. The establishment of a GME residency program requires immense investment of human capital, infrastructure, institutional capacity, as well as community and financial support. Accomplishing the requisite groundwork for residency programs is all the more challenging for new teaching hospitals, especially those in rural or other areas of need where available resources are more scarce and the referral area and community need larger. Programs located in regions facing physician shortages as well as rural and underserved areas could greatly benefit with additional time to secure the necessary resources and to foster the development of residency programs that can meet the increasing demand for physicians.

Baptist Memorial Medical Education oversees resident physicians and medical student rotations and programs on behalf of the twenty-two hospitals within the Baptist Memorial Health Care system. We are the ACGME-accredited Institutional Sponsor for currently four residency programs at three of our facilities. We expect to seek accreditation for additional residency programs in Emergency Medicine, Family Medicine, Rural Family Medicine, General Surgery, Geriatric Medicine (fellowship), Internal Medicine, Obstetrics/ Gynecology, and Psychiatry at several of our hospital sites in Arkansas, Mississippi and Tennessee within the next ten years. This expansion will provide an additional one to two hundred training opportunities for medical school graduates. The length of training for these programs ranges from three to five years. Additionally, some programs are housed under or contingent upon categorical programs and cannot be established until those parent programs are not only in place, but are well-developed and awarded "continued accreditation" status. It is anticipated that "continued accreditation" status will be granted within two to three years following "initial accreditation." The development of multiple programs at new sites requires time-sensitive planning and growth that cannot be completed within the current five-year Cap building period.

In order to move forward to combat the critical physician shortage in our region, hospitals must maintain fiscal responsibility while providing adequate support and resources to those programs and, ultimately, to our patients. It is essential that we are permitted a reasonable and appropriate length of time to develop those programs and better ensure quality healthcare for our future. By limiting the Cap, current CMS policy has restricted growth of new programs at established Training Hospitals resulting in a growth of smaller training programs at primarily rural hospital sites. Those new sites are hindered moreover by the strict five-year Cap Building requirement which subsequently reduces the number of programs that can be successfully created at each new facility. ***Cap Flexibility*** will provide an innovative and dynamic policy tool to our Governmental Healthcare Leaders. We encourage CMS to take advantage of this opportunity to help diminish the national physician workforce issues.

Sincerely,

Anne L. S. Sullivan, M.D., FAAFP
Designated Institutional Official
Chief Quality and Academic Officer
Baptist Memorial Medical Group