

MINUTES

PHYSICIAN WORKFORCE AND ACCREDITATION TASK FORCE

November 24, 2008

Frederic C. Chang Clinic—Wichita, Kansas

Members Present

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

Member Absent

Representative Raj Goyle

Staff Present

Terri Weber, 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 Assistant

Conferees

Penny Vogelsang, Wichita Center for Graduate Medical Education
Don Brada, M.D., Wichita Center for Graduate Medical Education
Kim Meyer, Ph.D., KU School of Medicine
Barbara Atkinson, M.D., KU School of Medicine
Frederic Chang, M.D., KU School of Medicine-Wichita
Glendon Cox, M.D., KU School of Medicine-Kansas City

Robert Moser, M.D., Primary Care Collaborative Coordinating Committee
Lee Mills, M.D., Kansas Academy of Family Physicians
Dave Sanford, GraceMed Health Center, on behalf of the Kansas Association for the
Medically Underserved
Bob Williams, Kansas Association of Osteopathic Medicine
Chad Austin, Kansas Hospital Association
Heidi Chumley, M.D., KU School of Medicine

Others Attending

See attached list.

Monday, November 24 Morning Session

The meeting was called to order by Chairperson Brenda Landwehr and began with a follow-up discussion of the October meeting.

Further Clarification of GME Faculty Costs

Penny Vogelsang, Chief Operating Officer, Wichita Center for Graduate Medical Education (WCGME), provided an overview of the faculty costs to educate resident physicians in Wichita and Salina as requested by the Task Force at the October meeting ([Attachment 1](#)). A Task Force member asked about the number of faculty members located in Wichita. Ms. Vogelsang responded that there are 57 full-time and 70-80 part-time faculty members, with 35 full-time members working in family medicine. She stated that in addition to the \$4.5 million that the hospital pays for faculty, there are additional costs that the hospital pays directly to the faculty and that are in the \$10 million range.

The Chairperson recognized Dr. Barbara Atkinson, KU School of Medicine, and Dr. Glendon Cox, KU School of Medicine, to answer questions from Task Force members. Dr. Atkinson described the differences between the cost-per-resident figures in both Kansas City and Wichita. Dr. Cox answered a question regarding the differences between "billed time" and "educational time." Kimberly Meyer, Senior Associate Dean for Finance, KU School of Medicine, provided the Task Force with an updated spreadsheet showing both the revenue and expenses of the residency programs in Kansas City and Wichita ([Attachment 2](#)).

Ms. Meyer and Ms. Vogelsang answered questions from Task Force members regarding the revenue- and expense-related differences that exist between the two programs. In answering similar questions, Dr. Atkinson stated that Wichita and Kansas City do not account for faculty costs in the same manner. Dr. Atkinson noted that the only way to truly compare the two programs' expenses would be through the Medicaid cost report. Ms. Vogelsang stated that the cost report does not really capture all the costs for Wichita and Salina.

Don Brada, M.D., Designated Institutional Official, WCGME, provided clarification and additional information on the number of programs, residents, and fellows in Wichita ([Attachment 3](#)).

In answering questions from the Task Force, Dr. Atkinson and Dr. Glendon Cox, KU School of Medicine, explained the differences between billed time and educational time, including a discussion of specialized physicians receiving higher compensation than a primary care physician. On the same topic, Dr. Atkinson stated that none of their clinics currently make money but are used to service the community.

Added Value and Actual Costs for Residents of the Kansas GME Programs

Frederic Chang, M.D., Interim Dean, KU School of Medicine-Wichita, provided the Task Force with an overview of actual costs associated with residency programs and the benefits to the hospitals and community from having residents ([Attachment 4](#)).

Dr. Chang answered questions about what would happen if the hospitals stopped participating in residency programs. He stated that the hospitals would still have to hire individuals to perform many of the functions currently being completed by residents. He answered questions about which specialties spend more time in the hospital than in the clinic.

The Task Force members noted that the accounting processes of the two programs make it difficult to compare the costs associated with the programs. A comparison would be made easier with more standardized accounting procedures.

Dr. Chang stated that the residents are trained so that upon graduation they can serve the needs of the state. An important part of serving the state is seeing indigent patients, and a large number of the patients treated by residents have no insurance or are on Medicare. Dr. Chang acknowledged that doing away with family medicine might save money in the short-term, but there are long-term considerations. If the programs were closed and there were no residents, the hospitals or Kansas communities would have to come up with a way to take care of the indigent population. One long-term effect might be people would get sick and either go to the emergency room or not even seek medical care.

Further Clarification of Funding Needs for WCGME Program and Role of the Funding from the Kansas Bioscience Authority

Barbara Atkinson, M.D., Executive Vice Chancellor, University of Kansas Medical Center and Executive Dean, University of Kansas School of Medicine provided the Task Force with an overview of KU School of Medicine's budget. Her remarks included the School's response to the 3 percent cut in the budget for the current fiscal year and the 4 percent cut in the budget for the following year. The magnitude of a 7 percent cut is an \$8.5 million reduction from a budget of \$125 million. The 3 percent cut for the current year is \$3.7 million in Kansas City and \$500,000 in Wichita. These cuts are more easily dealt with because the School knew about the reductions early enough. But for next year, it will be harder to cut additional spending to reach the total reduction of \$8.5 million without cutting programs and not filling vacant positions. She went on to discuss how the cuts would impact graduate medical education (GME) in Wichita.

Dr. Atkinson responded to questions from the Task Force about potential budget reductions. She indicated that any cut does not affect the \$2.9 million for WCGME from the Kansas Bioscience Authority.

A Task Force member asked about the indigent care costs for the Kansas City and Wichita programs and about the support each program receives to provide indigent care. Dr. Atkinson responded that indigent care costs are not separated out for the Kansas City program. Those costs are taken as part of their physicians' practice and it is important to note that in Wichita, the patients are treated by volunteer faculty with the assistance of residents. Differences also exist on how the hospitals are reimbursed for their services. The two private hospitals in Wichita (Wesley and Via Christi) are not reimbursed in the same way as KU Hospital. Also, there are different tax bases that are used for indigent care. These differences create problems in providing the same services in the same manner.

Dr. Barbara Atkinson continued with her presentation and explained that Wichita had three national experts review the campus, the structure of WCGME, the position of the Dean, and the reporting relationship between Kansas City and Wichita. KU School of Medicine is awaiting the final report. The experts made it very clear that the School of Medicine is responsible for the academic piece of the program, and KU will share the report with the Task Force when received.

Dr. Atkinson discussed budget cuts and adding revenue for indigent care. The Task Force made some suggestions for finding additional revenue for indigent care. The suggestions included an examination of the sources of federal money, additional affiliation agreements, and the idea of targeting certain types of fund raising. Additionally, matching funding, up to one-third of the \$2.9 million, is needed to keep the Kansas Bioscience Authority (KBA) grants.

The Task Force members asked Dr. Atkinson about comparing the two programs to reach a figure for the WCGME funding shortfall. Mr. Tappan, Wesley Medical Center, and Dr. Atkinson both agreed that \$2.5 million is the likely amount being lost by the hospitals due to their participation in WCGME.

Dr. Atkinson went on to explain the revenue that is generated as a result of the GME programs. Revenue generated includes \$90 million in research funding and \$125 million from residents seeing patients. The Chairperson stated that it is important for the Task Force to look at how funding has changed over the years to see where there have been increases or decreases.

A Task Force member asked about the amount of funding being put into WCGME by the hospitals and the current budget shortfall. Ms. Vogelsang responded that the \$9.6 million funding request by WCGME is to cover both the hospitals' losses and to add faculty positions for the Wichita program.

Dr. Atkinson concluded her testimony by noting that changes in the Medicare reimbursement formula for GME have led to increased losses in FY 2006 - FY 2008.

Afternoon Session

Physician Workforce Issues

Overview of Statewide Physician Workforce Capacity

Glendon Cox, M.D., Interim Chairman, Health Policy and Management Department, KU School of Medicine, was recognized to provide an overview of the statewide physician workforce capacity ([Attachment 5](#)). He mentioned that in March 2007, the "Kansas Physician Workforce

Report" was released. In response to questions from the Task Force, Dr. Cox answered that the residency programs have an attrition rate of between two and four percent. He stated that the number of physicians per capita in Kansas is similar to the figures in other states, but the problem is distribution. There is a large concentration of physicians in only a few counties, leaving large portions of the state underserved.

Robert Moser, M.D., Greeley County Health Care Services, and Chairperson of the Primary Care Collaborative Coordinating Committee, provided the Task Force with an additional overview of the statewide physician workforce capacity ([Attachment 6](#)). A Task Force member asked Dr. Moser about the agency or organizations that collect information on individual physicians in Kansas. Dr. Andy Allison, Kansas Health Policy Authority (KHPA), responded that the KHPA has the authority to use licensing databases and surveys to gather information on physicians practicing in Kansas. Lee Mills, M.D., President, Kansas Academy of Family Physicians, provided the Task Force with information on physician workforce issues ([Attachment 7](#)). Dr. Mills noted that fewer students are choosing primary care.

Dave Sanford, Executive Director, GraceMed Health Center, on behalf of the Kansas Association for the Medically Underserved, provided information on the need for primary care doctors in relation to Safety Net Clinics ([Attachment 8](#)). Mr. Sanford answered questions about the full-time work status of physicians in safety net clinics. He stated that most were part-time volunteers. Dr. Atkinson added that many students have established free clinics for patients without insurance.

Chad Austin, Vice-President, Government Relations, Kansas Hospital Association, testified on the physician shortage issue ([Attachment 9](#)). Mr. Austin referenced an ongoing study by the Kansas Hospital Association concerning physician shortages. He hoped that the study would be completed before the December meeting date. The Task Force members expressed interest in obtaining a copy of the study.

Bob Williams, Kansas Association of Osteopathic Medicine, provided additional information on the Kansas Primary Care Collaborative Coordinating Committee (KPCCCC) recommendations ([Attachment 10](#)).

Cindy Luxem, President, Kansas Health Care Association ([Attachment 11](#)), and Jerry Slaughter, Executive Director, Kansas Medical Society ([Attachment 12](#)), provided written testimony.

KU School of Medicine Recruitment and Retention Efforts

Heidi Chumley, M.D., Senior Associate Dean for Medical Education, KU School of Medicine, spoke on the School's recruitment and retention efforts ([Attachment 13](#)).

Discussion of the December Meeting Agenda

The Chairperson reviewed the Task Force's charge per the Legislative Coordinating Council and stated that the next meeting will be held in December. Chairperson Landwehr noted that the next meeting will focus on the funding shortfalls and testimony from the hospitals that participate in WCGME.

Meeting with Residents and Tour of Chang Clinic

The Chairperson recognized the six residents from the KU School of Medicine-Wichita to present the Task Force with information on their experiences as residents, their views on the KU School of Medicine-Wichita, and future professional plans.

The meeting concluded with a tour of the Chang Clinic.

The Chairperson adjourned the meeting at 4:45 p.m. The next Task Force meeting will be held on December 9, 2008, in Wichita, Kansas.

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

Approved by Task Force on:

February 20, 2009
(date)