

October 18, 2017

The Honorable Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244

Re: Exceptions to Medicare Graduate Medical Education (GME) Cap-Setting Deadlines

Dear Administrator Verma:

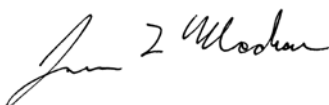
On behalf of our physician and medical student members, the American Medical Association (AMA) is writing to urge the Centers for Medicare & Medicaid Services (CMS) to provide for more flexibility in the graduate medical education cap-setting deadline, particularly for new residency programs in underserved areas and/or economically-depressed areas.

Despite successful efforts of existing and new U.S. medical schools to increase enrollment, residency training positions at teaching hospitals have not grown at the same pace, limited by the cap on Medicare support for GME imposed by the Balanced Budget Act of 1997. Hence, while demand for health care services will grow, there will not be commensurate growth in supply, leading to shortages. New teaching hospitals have five years to establish all residency programs before the institution's Medicare GME funding-cap is set. Given the physician workforce shortage, five years may not be enough time to recruit top talent and scale these programs, particularly for hospitals in underserved and economically-depressed areas.

The AMA urges CMS to allow exceptions to the CMS funding-cap deadline for new teaching hospitals adversely impacted by the physician workforce shortage. At a minimum, new teaching hospitals in economically-depressed or underserved areas should be exempted from the deadline.

Should you have any questions, please contact Jason Scull, Assistant Director, Federal Affairs at [jason.scull@ama-assn.org](mailto:jason.scull@ama-assn.org) or 202-789-4580.

Sincerely,



James L. Madara, MD