

## PROTECT CHILDREN'S HOSPITALS GRADUATE MEDICAL EDUCATION

March 3, 2011

The Honorable Kathleen Sebelius  
Secretary  
Department of Health and Human Services  
Hubert H. Humphrey Building  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

Dear Secretary Sebelius:

We are writing to express our opposition to the decision to terminate the Children's Hospitals Graduate Medical Education program (CHGME) in the President's Fiscal Year 2012 Budget. The pediatric and hospital communities strongly supported the enactment of CHGME in 1999 and believe that it is as essential today as when it was enacted.

The program provides critically important federal GME support for freestanding children's hospitals, similar to the support that other teaching hospitals receive through Medicare GME. It has been a major success, enabling children's hospitals to sustain their teaching programs without sacrificing clinical care.

CHGME's consistent funding has made it possible for these hospitals to reverse the reductions in their pediatric residency programs that began in the 1990s, prior to its enactment. Since 2000, these children's hospitals have increased their training by 35 percent and accounted for more than 80 percent of the growth in the number of pediatric residents trained, in response to local, state, and national needs.

The program provides essential support for the future primary care workforce for our nation's children and for pediatric specialty care, which is the greatest workforce shortage in children's health care. CHGME hospitals train 40 percent of all pediatricians, almost 60 percent of whom are in general pediatrics, and provide required pediatric rotations for residents in general internal medicine and family medicine. They also train 43 percent of pediatric specialists and the majority of pediatric researchers.

We appreciate the difficult budgetary climate and the pressure to reduce discretionary spending. However, we believe that the elimination of CHGME would be detrimental to our mutual goals of strengthening the primary care workforce and ensuring timely access to necessary, high quality specialty care. Both are important elements of community-based medical homes and integrated care.

While the President's budget cites Medicaid GME payments and the redirection of CHGME to competitive primary care grant programs, such as the Primary Care Residency Expansion program, as other sources of support for children's hospitals teaching programs, neither can replace the support that CHGME provides, anymore than they could replace Medicare GME. All teaching hospitals appreciate Medicaid

GME funding, when it is available, but in some states it may only be provided for the direct costs of graduate medical education or only for fee-for-service patients and not for those covered by managed care, which accounts for the majority of Medicaid patients today. Further, a growing number of states have decided not to provide any Medicaid GME. Competitive grant programs can help enhance and strengthen residency programs; however, they are usually grants of limited duration for a limited number of hospitals at any given time.

CHGME is a relatively small program, but it is one of our most important investments in strengthening children's health care in America. Again, we understand that these are tough budgetary times, but what our nation cannot afford is to further jeopardize children's access to physicians trained to meet their unique needs. We urge the Administration to reconsider its recommendation to eliminate this critical program that helps contribute to the health of our nation's children.

Sincerely,

American Hospital Association

American Academy of Pediatrics

Association of American Medical Colleges

Academic Pediatric Association

Federation of American Hospitals

American Pediatric Society

Catholic Health Association  
of the United States

Association of Medical School  
Pediatric Department Chairs

National Association  
of Children's Hospitals

Council of Pediatric Subspecialties

National Association of Public Hospitals  
and Health Systems

Federation of Pediatric Organizations

Society for Pediatric Research