

December 13, 2018

*Via electronic submission to:
RateAnalysisDept@hhsc.state.tx.us*

PUBLIC COMMENT LETTER

Mr. Kevin Niemeyer
Rate Analysis Department
Texas Health and Human Services Commission
4900 North Lamar Blvd.
Austin, TX 78714

Re: Comments on Proposed Rule 19R010

Dear Mr. Niemeyer:

On behalf of our more than 450 member hospitals and health systems, including rural, urban, children's, teaching and specialty hospitals, the Texas Hospital Association appreciates the opportunity to provide comments on the proposed amendments to the rules concerning inpatient graduate medical education reimbursement.

THA applauds THHSC for permitting teaching hospitals owned by non-state governmental entities to receive graduate medical education Medicaid supplemental payments. The amended rules will allow public teaching hospitals — not just those owned by the state — to receive matching federal funds. Texas has a well-known physician shortage, which is compounded in rural areas. THHSC's amended rules will increase the number of teaching hospitals eligible to receive GME supplemental Medicaid payments. Access to residency programs is a fundamental tool necessary to encourage physicians to live and work in the State of Texas. In addition, THA supports THHSC's plans to expand this eligibility to private teaching hospitals.

In developing the methodology for GME payments under this program, THA believes it would be prudent to include a statewide per-resident amount adjustment factor. Medicare's existing inflators under-represent the actual cost increases over time for GME by an estimated 24 to 50 percent. Along with the Teaching Hospitals of Texas, THA recommends that HHSC add a one-time statewide PRA adjustment to more accurately capture the actual costs of residencies.

Thank you for your consideration of these comments. We look forward to working with you on these issues. Should you have any questions, please do not hesitate to contact me at cduncan@tha.org or 512/465-1539.

Mr. Kevin Niemeyer
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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Cameron Duncan". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Cameron Duncan
Assistant General Counsel
Texas Hospital Association