

How is GME Funded?

Projecting Medicare and Medicaid Investment in Alaska GME

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The federal government has been the primary funder of GME.

Federal GME support comes through Medicare, Medicaid, Department of Veterans Affairs (VA), Health Resources and Services Administration (HRSA), and the Department of Defense (DOD).

More than 85% of all federal GME funding comes through Medicare and Medicaid.

In 2021, Medicare GME was \$13.4 billion.

In 2022, Medicaid GME was \$7.3 billion.

Less than 15% of all federal GME funding comes through the VA, HRSA, and DOD.

The VA, HRSA, and DOD fund GME for specific physician workforce priorities.

Medicare GME

Medicare is the largest funder of GME.

Since 1965, Medicare has reimbursed hospitals for training physicians to care for Medicare patients.

In 1997, Medicare capped the number of medical residents eligible for Medicare GME reimbursement.

In 1997, Medicare split reimbursement into direct training costs (DGME) and indirect training costs (IME).

DGME and IME payments are calculated using statutory formulas.

Since 2005, there have been attempts to redistribute Medicare GME funding to rural hospitals.

These efforts have not increased GME in Alaska.

Alaska GME - Projecting Medicare Investment Using Medicare Data

In 2021, Alaska had the fewest Medicare enrollees (108,116) and the third from lowest

Medicare GME payment per Medicare enrollee (\$28.32).

Using the median Medicare GME support per Medicare enrollee (\$130.89), Alaska would have received \$14 million rather than \$3 million.

Medicaid GME

Medicaid is the second largest funder of GME.

Medicaid GME funding comes from states and the federal government.

Individual states use Medicaid GME for state determined goals.

Medicaid GME supports existing GME, expands GME, or trains non-physician health professionals.

In 2022, total Medicaid GME was \$7.3 billion.

Six states do not use Medicaid to support GME.

Alaska funds GME through Medicaid but at a much lower rate than other states.

Alaska GME - Projecting Medicaid Investment Using Medicaid Data

In 2023, 266,110 Alaskans were enrolled in Medicaid (26% of the Alaska population).

In 2022, forty-four (44) states used Medicaid to support state GME goals.

The median national Medicaid GME per state resident was \$10.38.

Using median Medicaid GME support per state resident (\$10.38), Alaska would have invested would \$7.6 million.