

ELISE M. STEFANIK
21ST DISTRICT, NEW YORK

318 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4611
stefanik.house.gov

Congress of the United States
House of Representatives
Washington, DC 20515-3221

**HOUSE ARMED SERVICES
COMMITTEE**
SUBCOMMITTEE ON INTELLIGENCE, EMERGING
THREATS AND CAPABILITIES, RANKING MEMBER
SUBCOMMITTEE ON READINESS

**HOUSE COMMITTEE ON EDUCATION
AND LABOR**
SUBCOMMITTEE ON HIGHER
EDUCATION AND WORKFORCE INVESTMENT
SUBCOMMITTEE ON CIVIL RIGHTS
AND HUMAN SERVICES

**HOUSE PERMANENT SELECT
COMMITTEE ON INTELLIGENCE**

October 25, 2021

The Honorable Xavier Becerra
Secretary
U.S. Department of Health & Human Services
200 Independence Avenue SW
Washington, D.C. 20201

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue SW
Washington, D.C. 20001

Dear Secretary Becerra and Administrator Brooks-LaSure:

I write to you today requesting the Centers for Medicare and Medicaid Services (CMS) prioritize distribution of Graduate Medical Education (GME) residency slots provided in Section 126 of the Consolidated Appropriations Act of 2021 to hospitals who have previously had their hospital's Full Time Equivalent (FTE) resident cap erroneously reduced by CMS.

In 2011, Section 5503 of the Affordable Care Act (ACA) required that a hospital's resident cap be reduced by 65 percent of the difference between the resident cap and the number of residents trained if the hospital was training residents below its cap. However, the ACA included a statutory exemption for this reduction, exempting rural hospitals with fewer than 250 beds¹. This exemption should have applied to Samaritan Medical Center in Watertown, New York, but CMS erroneously reduced Samaritan's cap from 10.08 to 7.37 residents, a reduction of over 25 percent. Before CMS could address their error, they had already reallocated Samaritan's resident slots to other hospitals.

Section 5506 of the ACA outlines the process by which residency slots from closed hospitals are distributed, prioritizing hospitals that are in the same core-based statistical area, state, or region as the hospital that closed². However, Samaritan Medical Center is not proximate to any recently closed hospitals because it is located in a small, rural community and is the only hospital within a sizable geographic area. Rural hospitals like Samaritan in Health Professional Shortage Areas (HPSA), are most impacted by current health care workforce shortages, but they will benefit the most from an equitable distribution of the Section 126 GME residency slots.

¹ 42 U.S.C. § 1395ww(h)(8)(A)(ii)

² 42 U.S.C. § 1395ww(h)(4)(H)(vi)(II)

GLENS FALLS
5 WARREN STREET
SUITE 4
GLENS FALLS, NY 12801
(518) 743-0964

PLATTSBURGH
137 MARGARET STREET
SUITE 100
PLATTSBURGH, NY 12901
(518) 561-2324

WATERTOWN
88 PUBLIC SQUARE
SUITE A
WATERTOWN, NY 13601
(315) 782-3150

Situations in which CMS erroneously reduced FTE resident caps are limited. In 2014, CMS itself said, “We were aware of one instance in which CMS erroneously reduced a hospital’s FTE resident cap contrary to this statutory exception”³. Addressing this through allocation of Section 126 GME slots would have a significant impact on a rural community in a HPSA that continues to be negatively impacted by no fault of their own.

I look forward to working with you to ensure these Section 126 GME residency slots both address the needs of our rural communities and HPSAs as well as finally resolve CMS’s previous administrative missteps on this issue.

Sincerely,

A handwritten signature in blue ink that reads "Elise M. Stefanik". The signature is written in a cursive style and is positioned above a horizontal line.

Elise Stefanik
Member of Congress

³ 79 Fed. Reg. 50130 (August 22, 2014)