



Training Tomorrow's Doctors

Graduate Medical Education in Florida
2016 Annual Report



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Executive Summary

Members of the Safety Net Hospital Alliance of Florida (SNHAF) are the proprietors of Florida's Graduate Medical Education (GME) programs and are responsible for producing the state's next generation of doctors. In fact, our GME programs determine both the quality and availability of the physicians who care for Florida's families. SNHAF recognizes that fulfilling our mission of securing the future of Florida's health care workforce requires a comprehensive understanding of Florida's current and future physician needs. As stewards of Florida's GME infrastructure, SNHAF's member institutions are carefully monitoring programs and funding in the wake of the landmark 2015 IHS Global report's projection of Florida's future physician needs. They are proud to present this First Annual State of the State Report for GME in Florida as one of the cornerstones of that ongoing effort.

Florida is facing a health care crisis - one that could have dire consequences if not addressed quickly and decisively. The problem? Florida is not training enough doctors to meet its future needs. The nation's third largest state by population, Florida has fewer GME residency slots per-capita than 42 other states. This means only seven states are producing fewer doctors than Florida, which has the largest aging population in the United States.

The good news is that together with the Governor and the Florida Legislature, the members of the Safety Net Hospital Alliance of Florida are making progress in our efforts to address this crisis.

Federal GME Support

The federal government's GME support is essential. Unfortunately, federal rules limit GME support in ways that have a direct impact on Florida's GME infrastructure. For example, four Florida hospitals have programs that have more than 80 full-time equivalent (FTE) residents above the cap established by Medicare as allowable for federal support. Specifically, these four hospitals are training 460 of Florida's future doctors with no support from the federal Medicare program. This is one of the reasons why state support of GME in Florida is imperative.

Medicaid Residency Program

In 2013 Governor Rick Scott formally recognized the state's developing doctor shortage and, along with the Florida Legislature, created and funded the Statewide Medicaid Residency Program (MRP). The MRP was designed to help hospitals serving Medicaid patients offset the expense of operating physician residency programs. As part of the MRP, hospitals were required for the first time to report to Florida Medicaid their numbers of residency slots. This reporting allowed the first systematic glimpse into the numbers and location of physician residents in Florida.

In its first year, the MRP provided for the funding of 3,896 resident FTEs. This year (SFY 2016-17), the program funded 4,632 resident FTEs, an increase of 736 funded FTEs over the first year - a laudable 19 percent growth rate.

Of the increased FTEs, 599 were in 19 hospitals that had not previously reported physician residency programs. These new facilities raised the number of participating hospitals to 60 - an increase of 40 percent over the program's first year.

Unfortunately, the program has in its fourth year become a victim of its own success as residency slots have grown faster than program funding. This has resulted in a drop in GME resident per-FTE funding from an average of \$20,528 in the program's first year to \$17,098 in year four.

Projecting GME Need in Florida

While the MRP has been successful in expanding GME in Florida, it is only part of the solution to the state's physician crisis. Simply creating more residents helps, but does little to ensure all areas of the state will have enough of the right kind of doctors in the coming years. Nor does it guard against creating an oversupply of doctors. If creating enough doctors is the cornerstone of a quality health care system, creating too many is a less-than-responsible use of scarce public funds. SNHAF recognized that effective program planning required a detailed, scientific and ground-level understanding of all of Florida's health care marketplaces.

It was clear early on that the data needed for such an effort was not available. While helpful, the MRP reporting did not provide data to support the systematic analysis of physician workforce supply and demand that SNHAF needed to strategically address the growing crisis. In 2014 SNHAF, along with the Teaching Hospital Council of Florida, enlisted internationally-known life sciences consulting giant IHS Markit, formerly IHS Global, to construct detailed micro- and macrosimulation models of Florida's health care manpower marketplace. Using these custom models, IHS Markit studied the effects of the state's unique and rapidly changing demographics, population growth and in-migration and health care utilization patterns on the projected local, regional and statewide needs for doctors by market and specialty. IHS Markit researchers were then able to compare the identified physician demand structure to a geolocated simulation of Florida's physician supply pipeline. IHS Markit's resulting analysis, Florida Physician Workforce Analysis: Forecasting Supply and Demand, was released in January 2015, marking the first time a state had utilized cutting-edge market simulations to strategically address its projected physician manpower needs.

The IHS Markit analysis produced several disturbing conclusions regarding Florida's health care future (by 2025): Florida will have 20 percent fewer physician specialists than needed (a shortage of about 7,000 physicians); these shortages will span 20 different medical specialties; and physician shortages will impact every region in the state. IHS Markit's empirical conclusions also validated previous anecdotal studies linking the location of a physician's residency to their ultimate practice location, further confirming that such shortages can only be ameliorated through increased in-state GME support.

GME Startup Bonus & Retention Programs

Armed with the IHS Markit analysis, the 2015 Florida Legislature and policymakers appropriated \$100 million in new funding to GME. This program allocates \$100,000 in GME Startup Bonuses to each newly created residency position in a shortage specialty and directs any of the remaining funding to support GME retention of shortage specialties.

In the first year of the Startup Bonus Program, 66 residency positions were created in seven of the 20 physician specialties in deficit supply (i.e. psychiatry, family medicine, general surgery, adult and pediatric anesthesia, cardiology, neurology and pulmonology). Similarly, in the first year of the Retention Program, Florida hospitals were able to fill 310 additional residency slots in these shortage specialties. All told, Florida hospitals added 376 residency positions in high-value specialties in the GME Startup Bonus & Retention Programs' first year alone. Unfortunately, much work remains. Florida's resident FTEs in shortage specialties only account for half of the state's total resident FTEs.

Conclusion

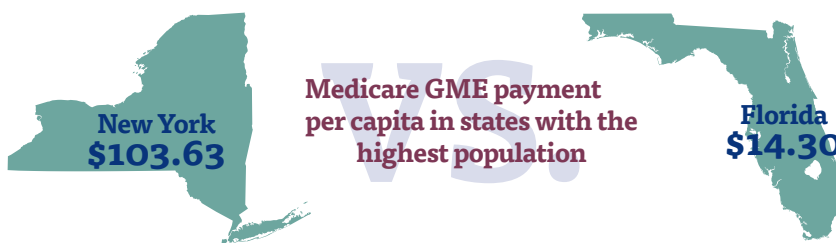
As part of our mission to ensure every Floridian's access to quality health care, SNHAF is producing this **Training Tomorrow's Doctors: Graduate Medical Education in Florida 2016 Annual Report** to provide the first comprehensive overview of the state's graduate medical education infrastructure. This first year, that overview must focus on Florida's growing physician supply crisis while marking the ongoing efforts to tackle the problem. Perhaps most importantly, we are providing metrics that allow us to track the progress of those efforts. It is our hope that future editions of this report will be increasingly devoted to recounting a vibrant graduate medical education system, and reflecting our successes in securing a healthy Florida.

Section I. Federal Funding for GME

The federal government has long recognized that GME is a cost and labor-intensive endeavor. As such, federal funds are appropriated to the federal Centers for Medicare & Medicaid Services (CMS) for the express purpose of enhancing Medicare reimbursement to hospitals to help defray their GME costs. These enhancements are allocated under two formulas: Direct Graduate Medical Education (DGME) – which compensates hospitals for Medicare’s “share” of the cost of resident employment; and Indirect Graduate Medical Education (IGME) – which compensates hospitals for Medicare’s “share” of the cost of resident training.

In 1996 Congress capped the number of GME resident full-time equivalents (FTEs) for which Medicare will provide reimbursement enhancement to a hospital. Since 1996, new hospitals opening GME programs were assigned a cap set at the highest number

of residents in the program’s fifth year. In Florida, this cap now significantly impacts 33 hospitals and leaves 983.76 total FTEs with no federal reimbursement support. Almost half of these unfunded FTEs – 460 – are being supported by four of Florida’s teaching hospitals. See **Appendix A, Table 1: Federal Funding for GME.**



Four Florida teaching hospitals are training 460 doctors while receiving no federal Medicare compensation to offset the cost.

Another downside of the federal cap is that, in addition to Florida’s low numbers for GME residents per capita, Florida also ranks near the bottom in Medicare resident funding per capita (Mullan, Chen and Steinmetz The Geography of Graduate Medical Education: Imbalances Signal Need For New Distribution Policies, Health Affairs). Florida’s average Medicare GME payment per population (\$14.30) is less than half the national average (\$32.31). By comparison, New York’s rate is more than three times the national average (\$103.63). Florida is also disproportionately disadvantaged when comparing average Medicare GME payment per GME resident. The nation’s average Medicare GME payment per resident is \$112,642. New York receives \$139,126 per resident, while Florida receives only \$101,656.

Section II. State Funding for GME

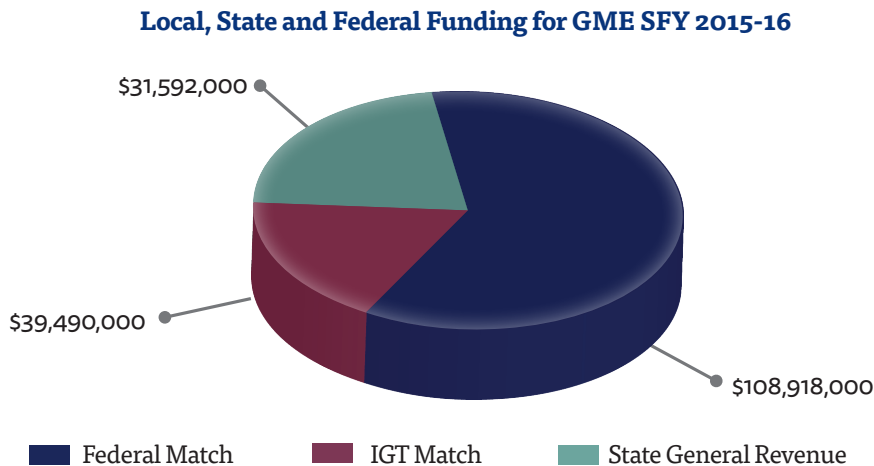
The State of Florida has traditionally provided little funding to graduate medical education, except for what once was embedded in Medicaid's cost-based reimbursement methodology. However, in 2013 Florida Governor Rick Scott and the Florida Legislature changed that when, in response to growing evidence of Florida's worsening physician shortage, they appropriated \$80 million in recurring state and federal funds to create the Statewide Medicaid Residency Program (MRP). The MRP marked the beginning of a new era of state support for GME by helping hospitals that served Medicaid patients offset the expense of operating physician training programs.

The first two years of the MRP, the state funding cap per resident was \$50,000. Beginning in SFY 2015-16, the cap per resident was modified to be no greater than two times the average per-resident FTE. For SFY 2016-2017 the cap per-resident FTE is \$34,197.

Unfortunately, filled residency slots have increased while MRP funding has not, leading to a drop in per-FTE funding. The GME resident FTE funding average was \$20,528 the first year of the Medicaid Residency Program. As residency slots are created and filled, the per-FTE amount will decrease, as evident by SFY 2016-17 when the average payment per FTE is \$17,098, equaling an almost 17 percent reduction. See **Appendix A, Table 2: MRP (\$80M): GME Resident per-FTE Allocation by Hospital**.

Two years after the creation of the MRP, the Governor and the Legislature increased their support by creating the Graduate Medical Education Startup Bonus & Retention Programs (GME Startup Bonus and GME Retention). The programs were designed to further address Florida's physician crisis by targeting policy and dollars to incentivize the creation of new GME programs and slots in physician specialties with the greatest need. The GME Startup Bonus & Retention Programs were appropriated \$100 million in local and federal funds in order to provide hospitals a one-time \$100,000 bonus for every new residency slot created in a shortage specialty. At the same time, in order to encourage the retention of existing programs and slots in specialties facing the most acute shortages, the Legislature directed that any bonus money remaining each year be proportionally distributed to all established residency slots in those specialties.

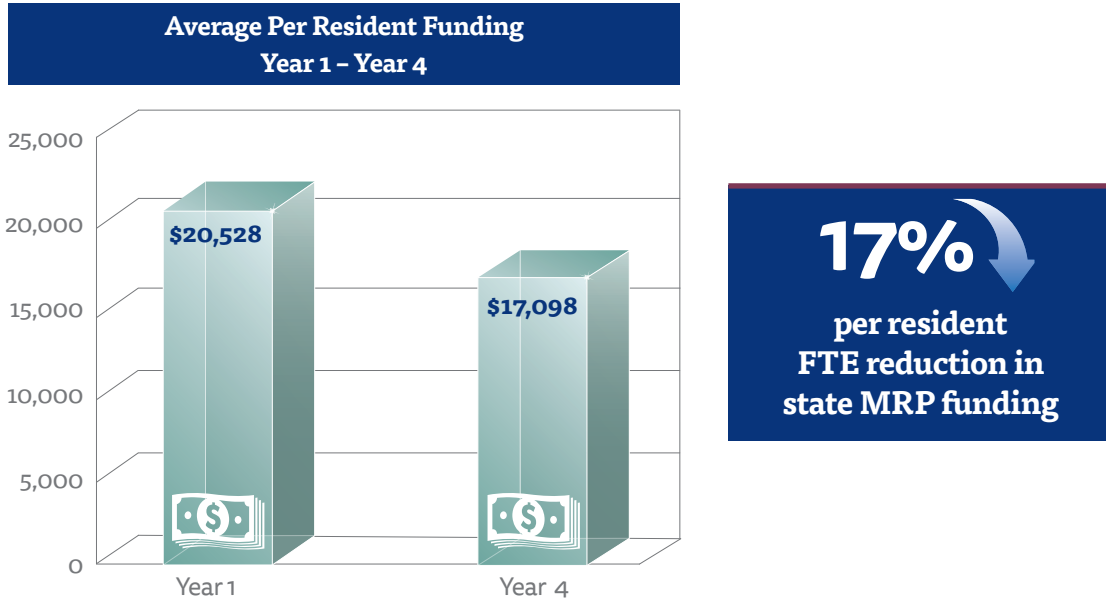
Florida's general revenue provides the state share of the funding for the \$80 million Medicaid Residency Program, and local health care intergovernmental transfers (IGTs) fund the state share of the \$100 million GME Startup Bonus & Retention Programs. The pie chart below represents the state, local and federal funding for SFY 2015-16.



Note: The \$39.49 million in IGTs was provided by Jackson Memorial Health and UF Health Shands.

Together, in 2015, the Medicaid Residency Program and GME Startup Bonus & Retention Programs contributed \$180 million to Florida's efforts to address physician workforce deficits. A similar funding level was appropriated in 2016.

Florida's investment in GME shows its commitment to providing the health care its citizens need and deserve. **Appendix B: Florida Graduate Medical Education (GME) Funding Timeline** recounts the evolution of these two GME programs.



Section III. Statewide Medicaid Residency Program (MRP) - Targets All Physician Specialties

In 2013, Florida Governor Rick Scott and the Florida Legislature, in response to growing evidence of Florida's worsening physician shortage, appropriated \$80 million in recurring state and federal funds to create the Statewide Medicaid Residency Program (MRP).

Statewide Medicaid Residency Program (MRP)

The Agency for Health Care Administration (Agency) is directed by Florida law to administer the MRP and make payments to hospitals licensed under Part I of Chapter 395, Florida Statute (F.S.) for GME associated with the provision of care for Medicaid patients. State general revenue and federal matching funds are combined to provide support to participating hospitals on a quarterly basis in each fiscal year for when an appropriation is made s. 409.909 (1), F.S.

Data on GME Resident FTEs – All Physician Specialties

MRP funding is available to all hospitals serving Medicaid enrollees that have approved residency programs, including the Florida statutory teaching hospitals, as defined in s.408.07, F.S. and family practice teaching hospitals defined under s. 395.805, F.S. The MRP allocation formula is based on the ratio of GME resident FTEs per hospital to total participating, weighted at 90 percent, plus the ratio of Medicaid payments per hospital to the total participating, weighted at 10 percent (hospitals document residents as full-time equivalents as they often split time between training sites). See **Appendix A, Formula 1: MRP (\$80M): GME Resident FTE**.

Every August, hospitals are required to report to the Agency their projected GME resident FTE data for the period of July 1 through June 30 of the current fiscal year. The Agency was legislatively instructed to audit the FTE data beginning the second year of the program, and the Legislature mandated the use of the Interns Resident Information System (IRIS) codes beginning the third year. Both policies provided improved standardization for reporting and tracking residency slots.

19% 

**Growth in resident FTEs
over last four years**

In the first year, the Agency approved MRP funding for 3,896 GME resident FTEs. By the fourth year, SFY 2016-17, there were 4,632 approved GME resident FTEs. This is an increase of 736 funded FTEs over the first year, an impressive 19 percent growth rate.

Forty-three hospitals participated in the program's first year and 60 by the fourth year, which resulted in a net increase of 19 new hospitals. See **Appendix A, Table 3: MRP (\$80M): GME Resident FTE Count by Hospital**. And **Appendix A, Table 4: MRP (\$80M): Payments by Hospital**.

Section IV. GME Startup Bonus & Retention Programs - Target Deficit Physician Specialties

The IHS Markit analysis indicated Florida is facing a shortage of 7,000 physician specialists (Appendix C). This shortfall will affect all regions of the state and span 20 different medical specialties. In response, the Florida Legislature created the Graduate Medical Education Startup Bonus & Retention Programs to incentivize the creation of new residency positions and the retention of residency positions in those specialties in deficit. The GME Startup Bonus will help open the door for future residency slots, specifically in the deficit supply specialties.

GME Startup Bonus Program

In 2015, the Florida Legislature created the GME Startup Bonus & Retention Programs, s. 409.909 (5), F.S. Applications are due to the Agency by March 1 of each year. Qualifications require that the new residency position(s) be within a shortage specialty and approved by the Accreditation Council for Graduate Medical Education (ACGME) or the Osteopathic Postdoctoral Training Institution (OPTI) between July 1 and March 1. The new positions can be for an existing program or a new program. Upon approval by the Agency, hospitals are awarded \$100,000 per newly approved position. Florida's hospitals will seek to fill their new positions in the coming year.

First year of GME Startup Bonus Program results in 66 new residency positions created in several of the physician specialties in deficit.

GME Retention Program

Unobligated GME Startup Bonus funds are allocated to hospitals who participated in the Medicaid Residency Program, based on existing GME resident FTEs in physician specialties in statewide supply-and-demand deficit. The distribution method is a simple proportional per-resident amount with the intention of incentivizing hospitals currently training residents in shortage programs to continue. See **Appendix A, Formula 2: GME Retention Program**. In April 2016, Florida's Agency for Health Care Administration (Agency) released the first projected GME Retention distributions.

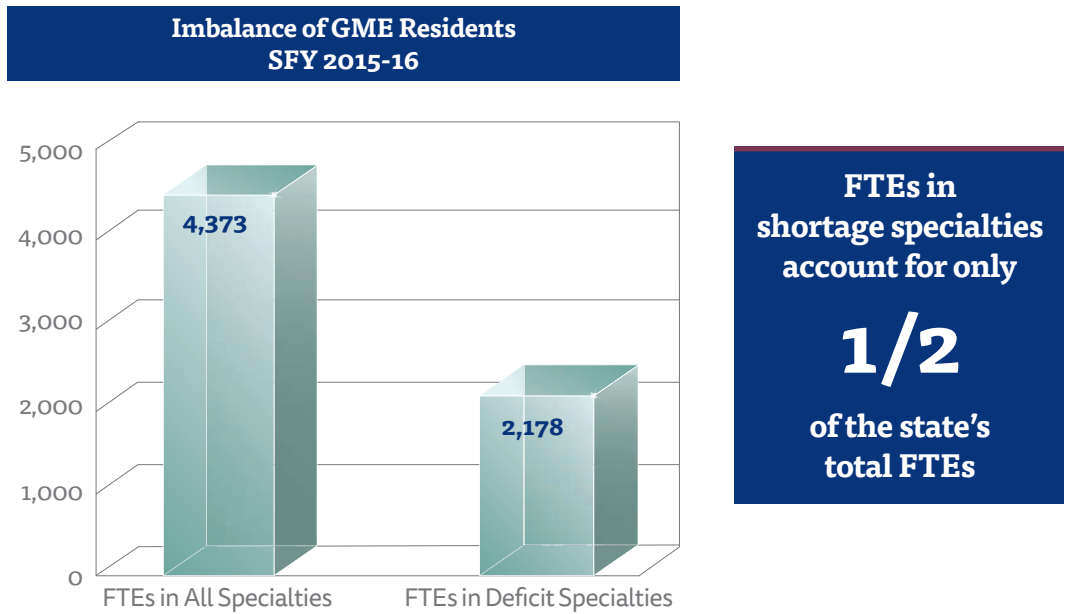
Data on GME Resident FTEs – Deficit Physician Specialties

A fundamental component of the GME Startup Bonus & Retention Programs are the targeted physician specialties. **Appendix A, Table 5: GME Retention Program: FTEs in Deficit Physician Specialties by Specialty**, provides the detail on the current number of residency positions in the 20 shortage specialties identified in the Florida Physician Workforce Analysis: Forecasting Supply and Demand. These are the physician specialties approved by the Legislature for the GME Startup Bonus & Retention Programs funding.

With the approval of the GME Startup Bonus & Retention Programs, the 2015 legislation required hospitals to report their data using standardized Medicare-required IRIS codes. This allowed for improved standardized identification of the resident specialties and their training locations.

In the first year of the Startup Bonus Program, 66 residency positions were created in seven of the 20 physician specialties in deficit supply (i.e. psychiatry, family medicine, general surgery, adult and pediatric anesthesia, cardiology, neurology and pulmonology). See **Appendix A, Table 6: GME Startup Bonus Program: New Residency Positions in Deficit Physician Specialties**. And **Appendix A, Table 7: GME Startup Bonus Program: Funding Allocation & Number of New Residency Positions in Deficit Physician Specialties by Hospital**.

Since the first year of GME physician specialty data collection, Florida hospitals have added 310 more residency slots in shortage specialties. This 17 percent year-to-year growth rate in GME shortage specialties must be at least partially attributed to enhanced state support. Unfortunately, much work remains. Florida's GME resident FTEs in deficit physician specialties only account for half of the state's total FTEs. See **Appendix A, Table 8: GME Retention Program: FTEs in Deficit Physician Specialties by Hospital**. And **Appendix A, Table 9: GME Retention Program: Payments in Deficit Physician Specialties by Hospital**.



Section V. Conclusion

According to objective metrics, the State of Florida's new commitment to GME has made - and continues to make - an impressive positive impact on efforts to increase physician supply. SNHAF-sponsored market simulations have allowed the funding increases to be focused on the specialties and areas of greatest need. Still, securing Floridian's future access to quality health care requires a maintenance of the coordinated efforts that led to these successes.

Since the inception of Florida's GME residency funding programs, data collection has improved and the number of hospitals providing GME has increased. Today, we know that 60 hospitals participate in the Medicaid Residency Program and 52 of those have residency programs in shortage specialties—a number that will likely grow as hospitals are incentivized to create new residency programs and positions.

In summary, funding for GME has grown from \$80 million to \$180 million between 2013 and 2016. While the state has a long way to go to make up for the shortfalls in GME funding and the supply-and-demand deficit in residency slots, the energy generated by the hospitals is growing and evident by the growth in the Medicaid Residency Program residency slots. Approval from ACGME and OPTI is a fiscally and labor intensive process. Despite that fact, we are optimistic that the subsequent years of the GME Startup Bonus & Retention Programs will see greater volumes of applicants, furthering Florida's efforts to address the forecasted deficit in physicians.



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Appendix A. Tables & Formulas

Table 1

Federal Funding for GME

	Hospital Name	Medicare Cost Report Fiscal Year End	Total Medicare GME Resident FTEs	Medicare FTE Cap	FTEs Above the Cap (Not Eligible for Medicare Funding)	Percent FTEs Above the Medicare Cap
		A	B	C	D = B - C	E = D / B
1	UF Health Shands Hospital	6/30/15	530.08	357.88	172.20	32.49%
2	Jackson Memorial Hospital	9/30/15	688.09	583.78	104.31	15.2%
3	Orlando Health	9/30/15	233.76	138.77	94.99	40.6%
4	Tampa General Hospital	9/30/15	297.14	208.94	88.20	29.7%
5	Cleveland Clinic Hospital - Weston	12/31/14	77.04	18.73	58.31	75.7%
6	H Lee Moffitt Cancer Center & Research Institute Hospital	6/30/15	103.86	48.76	55.10	53.1%
7	Mayo Clinic	12/31/14	133.48	84.39	49.09	36.8%
8	Florida Hospital	12/31/14	143.04	96.62	46.42	32.5%
9	Broward Health Medical Center	6/30/15	99.57	58.96	40.61	40.8%
10	University of Miami Hospital and Clinics	5/31/15	47.76	8.10	39.66	83.0%
11	UF Health Jacksonville	6/30/15	280.71	241.34	39.37	14.0%
12	Nicklaus Children's Hospital	12/31/14	129.30	95.21	34.09	26.4%
13	University of Miami Hospital	5/31/14	112.10	83.90	28.20	25.2%
14	Sacred Heart Hospital	6/30/15	50.13	30.61	19.52	38.9%
15	Baptist Medical Center Jacksonville	9/30/15	50.51	34.63	15.88	31.4%
16	Westchester General Hospital	12/31/14	25.70	12.15	13.55	52.7%
17	West Palm Hospital	6/30/15	19.08	6.32	12.76	66.9%
18	Largo Medical Center	2/28/15	117.93	106.49	11.44	9.7%
19	Northside Hospital	9/30/15	35.73	27.13	8.60	24.1%
20	St. Petersburg General Hospital	4/30/15	42.39	34.78	7.61	18.0%
21	Memorial Regional Hospital	4/30/15	11.58	4.44	7.14	61.7%
22	Florida Hospital Tampa	12/31/14	6.15	0.31	5.84	95.0%
23	Palmetto General Hospital	12/31/14	74.44	69.09	5.35	7.2%
24	Palms West Hospital	5/31/15	18.78	13.70	5.08	27.1%
25	Regional Medical Center Bayonet Point	2/28/15	4.66		4.66	100%
26	Halifax Health Medical Center	9/30/15	23.18	19.08	4.10	17.7%
27	St. Vincent's Medical Center Riverside	6/30/15	29.95	26.72	3.23	10.8%
28	Morton Plant Hospital	12/31/14	24.66	21.50	3.16	12.8%
29	Bayfront Health - St Petersburg	9/30/15	39.40	37.02	2.38	6.0%
30	Tallahassee Memorial Hospital	9/30/15	58.40	56.68	1.72	2.9%
31	Memorial Hospital Jacksonville	12/31/14	1.55	0.99	0.56	36.1%
32	Broward Health Coral Springs	6/30/15	2.01	1.46	0.55	27.4%
33	Anne Bates Leach Eye Hospital	5/31/15	21.58	21.50	0.08	0.4%
Total Unfunded FTEs Due to Medicare Cap			3,533.74	2,549.98	983.76	27.84%

Note: The total number of residents often exceeds the total number of Full-Time Equivalents (FTEs). FTEs are calculated based on hours, rather than individuals. Each hospital claims only the hours the resident is at their facility / clinic.

Example: Two residents, each working part-time (.5 FTE) at the same hospital is a resident count of 2 but, an FTE count of 1.0.
The total FTE per each approved resident position (slot) may not exceed 1.0.

Table 2 Medicaid Residency Program (\$80M): GME Resident per-FTE Allocation by Hospital

Hospital Name	SFY 2013-14	SFY 2014-15	SFY 2015-16	SFY 2016-17
All Children's Hospital	\$28,498	\$30,875	\$26,141	\$26,134
Anne Bates Leach Eye Hospital	\$18,491	\$18,242	\$16,502	\$15,474
Aventura Hospital and Medical Center		\$20,267	\$18,095	\$16,133
Baptist Medical Center Jacksonville	\$21,656	\$22,419	\$20,669	\$20,189
Bayfront Health - St Petersburg	\$23,373	\$20,634	\$19,059	\$17,894
Bethesda Hospital East		\$30,122	\$23,321	\$19,235
Boca Raton Regional Hospital		\$18,756	\$16,740	\$15,641
Blake Medical Center				\$16,506
Brandon Regional Hospital			\$20,474	\$17,510
Broward Health Coral Springs	\$50,000	\$46,673	\$36,586	\$34,197
Broward Health Medical Center	\$23,536	\$21,857	\$19,932	\$18,561
Cleveland Clinic Hospital	\$18,515	\$18,285	\$16,565	\$15,523
Delray Medical Center		\$20,414	\$17,811	\$16,735
Florida Hospital	\$22,258	\$21,860	\$19,922	\$19,094
Florida Hospital Carrollwood	\$26,309	\$23,111	\$19,614	\$19,269
Florida Hospital Tampa	\$25,559	\$25,392	\$24,906	\$24,996
Florida Hospital Wesley Chapel			\$21,282	\$20,845
H Lee Moffitt Cancer Center & Research Institute	\$19,218	\$18,625	\$16,916	\$15,856
Halifax Health Medical Center	\$22,837	\$21,350	\$20,762	\$19,909
Holy Cross Hospital			\$17,117	\$15,916
Jackson Memorial Hospital	\$20,886	\$20,210	\$17,982	\$16,947
JFK Medical Center	\$20,500	\$19,981	\$18,095	\$16,593
Kendall Regional Medical Center		\$22,061	\$19,854	\$17,232
Lakeside Medical Center		\$20,901	\$19,339	\$17,332
Largo Medical Center	\$18,659	\$18,435	\$16,737	\$15,679
Larkin Community Hospital	\$18,550	\$18,315	\$16,567	\$15,530
Lee Memorial Hospital		\$37,780	\$28,179	\$28,978
Manatee Memorial Hospital	\$20,620	\$20,082	\$18,195	\$16,951
Mayo Clinic	\$18,593	\$18,300	\$16,546	\$15,535
Memorial Hospital Jacksonville	\$50,000	\$50,000	\$36,586	\$34,197
Memorial Regional Hospital	\$39,782	\$28,219	\$36,586	\$34,197
Morton Plant Hospital	\$22,014	\$21,295	\$19,754	\$18,393
Mount Sinai Medical Center	\$19,183	\$18,809	\$16,987	\$15,905
Nemours Children's Hospital		\$50,000	\$36,586	
Nicklaus Children's Hospital	\$21,710	\$22,994	\$20,922	\$19,245
North Florida Regional Medical Center			\$20,498	\$16,717
Northeast Florida State Hospital	\$23,373			
Northside Hospital	\$19,035	\$19,153	\$17,336	\$16,300
Oak Hill Hospital		\$19,242	\$17,234	\$15,895
Ocala Regional Medical Center			\$18,836	\$16,706
Orange Park Medical Center			\$19,174	\$16,343
Orlando Health	\$21,111	\$20,810	\$19,272	\$18,021
Osceola Regional Medical Center		\$22,021	\$18,644	\$16,992
Palm Springs General Hospital				\$16,222
Palmetto General Hospital	\$19,787	\$19,720	\$17,648	\$16,665
Palms West Hospital	\$22,526	\$21,280	\$18,810	\$18,267
Regional Medical Center Bayonet Point		\$21,423	\$17,986	\$16,342
Sacred Heart Hospital	\$22,229	\$22,358	\$20,448	\$19,200
St. Mary's Medical Center				\$34,197
St. Petersburg General Hospital	\$19,027	\$18,892	\$17,429	\$16,175
St. Vincent's Medical Center Riverside	\$19,951	\$20,185	\$18,297	\$17,330
St. Lucie Medical Center	\$19,163	\$18,920	\$17,240	\$16,134
Tallahassee Memorial Hospital	\$19,973	\$20,202	\$18,487	\$17,324
Tampa General Hospital	\$20,990	\$20,186	\$18,142	\$16,983
UF Health Jacksonville	\$20,220	\$19,522	\$17,708	\$16,563
UF Health Shands Hospital	\$20,057	\$19,489	\$17,583	\$16,501
University Hospital and Medical Center	\$19,092	\$18,839	\$17,068	\$15,862
University of Miami Hospital	\$19,446	\$19,080	\$17,184	\$16,038
University of Miami Hospital and Clinics	\$18,592	\$18,433	\$16,709	\$15,619
Wellington Regional Medical Center	\$21,221	\$20,513	\$18,678	\$17,645
West Kendall Baptist Hospital	\$18,687	\$20,233	\$17,681	\$17,371
West Palm Hospital	\$19,990	\$19,264	\$17,624	
Westchester General Hospital	\$19,052	\$18,916	\$17,554	\$16,822
Statewide Average Per GME Resident FTE	\$20,528	\$20,242	\$18,293	\$17,098
Total Number of Hospitals	43	53	59	60

Formula 1

Medicaid Residency Program (\$80M): GME Resident FTE

s. 409.909(3), F.S. The agency shall use the following formula to calculate a participating hospital's and qualifying institution's allocation fraction: $HAF = [0.9 \times (HFTE/TFTE)] + [0.1 \times (HMP/TMP)]$

Where:

HAF = A hospital's and qualifying institution's allocation fraction.

HFTE = A hospital's and qualifying institution's total number of FTE residents.

TFTE = The total FTE residents for all participating hospitals and qualifying institutions.

HMP = A hospital's and qualifying institution's Medicaid payments.

TMP = The total Medicaid payments for all participating hospitals and qualifying institutions.

Table 3 **Medicaid Residency Program (\$80M): GME Resident FTE Count by Hospital**

Hospital Name	2013-14 FTE	2014-15 FTE	2015-16 FTE	2016-17 FTE
All Children's Hospital	46.70	46.70	56.41	46.78
Anne Bates Leach Eye Hospital	66.13	24.75	26.50	24.70
Aventura Hospital and Medical Center		15.19	28.01	60.90
Baptist Medical Center Jacksonville	43.50	46.74	48.26	50.46
Bayfront Health - St Petersburg	24.50	39.00	38.56	38.95
Bethesda Hospital East		8.05	12.87	23.82
Boca Raton Regional Hospital		21.22	37.61	60.12
Blake Medical Center				15.00
Brandon Regional Hospital			20.40	42.48
Broward Health Coral Springs	1.40	2.08	1.84	1.60
Broward Health Medical Center	87.18	94.92	97.78	105.65
Cleveland Clinic Hospital	86.00	72.40	76.37	79.98
Delray Medical Center		7.97	15.01	17.52
Florida Hospital	145.61	157.84	173.31	168.24
Florida Hospital Carrollwood	1.00	1.25	2.00	2.00
Florida Hospital Tampa	5.46	5.47	5.67	5.79
Florida Hospital Wesley Chapel			0.86	1.40
H Lee Moffitt Cancer Center & Research Institute Hospital	100.85	118.27	100.35	96.99
Halifax Health Medical Center	29.00	32.00	26.00	25.00
Holy Cross Hospital			30.50	45.38
Jackson Memorial Hospital	630.02	559.03	669.49	632.68
JFK Medical Center	50.90	51.79	55.30	66.21
Kendall Regional Medical Center		22.81	33.99	64.10
Lakeside Medical Center		13.00	11.58	14.50
Largo Medical Center	111.49	110.95	114.72	113.46
Larkin Community Hospital	180.60	197.58	222.01	213.85
Lee Memorial Hospital		12.00	20.00	18.68
Manatee Memorial Hospital	44.00	42.59	43.92	46.87
Mayo Clinic	122.27	111.06	123.99	118.51
Memorial Hospital Jacksonville	1.20	1.46	1.19	1.72
Memorial Regional Hospital	17.42	34.17	15.71	11.61
Morton Plant Hospital	25.00	25.41	24.53	24.79
Mount Sinai Medical Center	145.11	132.11	136.75	144.25
Nemours Children's Hospital		0.46	0.30	
Nicklaus Children's Hospital	121.65	116.30	112.90	113.88
North Florida Regional Medical Center			9.76	31.95
Northeast Florida State Hospital	3.00			
Northside Hospital	33.09	32.60	34.40	33.13
Oak Hill Hospital		9.81	20.00	35.00
Ocala Regional Medical Center			14.94	30.12
Orange Park Medical Center			17.00	48.00
Orlando Health	226.63	234.21	226.66	245.35
Osceola Regional Medical Center		16.48	36.86	43.69
Palm Springs General Hospital				9.83
Palmetto General Hospital	68.52	72.50	84.00	77.13
Palms West Hospital	19.00	18.50	22.00	20.00
Regional Medical Center Bayonet Point		6.93	22.00	36.00
Sacred Heart Hospital	50.21	52.50	51.18	55.07
St. Mary's Medical Center				0.98
St. Petersburg General Hospital	41.00	43.15	28.97	32.43
St. Vincent's Medical Center Riverside	30.00	29.26	31.57	29.93
St. Lucie Medical Center	37.00	43.00	41.00	40.00
Tallahassee Memorial Hospital	58.79	59.75	61.84	65.04
Tampa General Hospital	243.00	247.12	271.67	287.75
UF Health Jacksonville	249.63	251.66	255.74	260.11
UF Health Shands Hospital	497.00	472.88	484.61	502.72
University Hospital and Medical Center	12.00	17.00	21.00	23.00
University of Miami Hospital	121.61	103.39	125.79	129.90
University of Miami Hospital and Clinics	50.20	41.91	49.64	46.17
Wellington Regional Medical Center	18.00	17.15	17.38	18.00
West Kendall Baptist Hospital	4.00	7.64	12.00	10.87
West Palm Hospital	18.50	19.50	20.50	
Westchester General Hospital	28.00	29.80	28.00	22.00
Total FTE Residents	3,896.17	3,951.31	4,373.21	4,632.04

Table 4 **Medicaid Residency Program (\$80M): Payments by Hospital**

Hospital Name	SFY 2013-14	SFY 2014-15	SFY 2015-16	SFY 2016-17
All Children's Hospital	\$1,330,888	\$1,441,796	\$1,474,580	\$1,222,437
Anne Bates Leach Eye Hospital	\$1,222,754	\$451,569	\$437,297	\$382,227
Aventura Hospital and Medical Center		\$307,761	\$506,847	\$982,477
Baptist Medical Center Jacksonville	\$942,104	\$1,047,870	\$997,584	\$1,018,809
Bayfront Health - St Petersburg	\$572,644	\$804,734	\$734,888	\$697,010
Bethesda Hospital East		\$242,552	\$300,157	\$458,166
Boca Raton Regional Hospital		\$397,947	\$629,519	\$940,402
Blake Medica Center				\$247,595
Brandon Regional Hospital			\$417,670	\$743,814
Broward Health Coral Springs	\$70,000	\$97,080	\$67,319	\$54,715
Broward Health Medical Center	\$2,051,879	\$2,074,635	\$1,948,992	\$1,960,934
Cleveland Clinic Hospital	\$1,592,256	\$1,323,860	\$1,265,041	\$1,241,528
Delray Medical Center		\$162,659	\$267,357	\$293,190
Florida Hospital	\$3,241,000	\$3,450,445	\$3,452,691	\$3,212,384
Florida Hospital Carrollwood	\$26,309	\$28,873	\$39,281	\$38,590
Florida Hospital Tampa	\$139,455	\$138,925	\$141,144	\$144,609
Florida Hospital Wesley Chapel			\$18,367	\$29,129
H Lee Moffitt Cancer Center & Research Institute	\$1,938,091	\$2,202,728	\$1,697,478	\$1,537,887
Halifax Health Medical Center	\$662,264	\$683,206	\$539,811	\$497,734
Holy Cross Hospital			\$522,076	\$722,227
Jackson Memorial Hospital	\$13,158,393	\$11,297,889	\$12,038,763	\$10,721,929
JFK Medical Center	\$1,043,440	\$1,034,819	\$1,000,669	\$1,098,553
Kendall Regional Medical Center		\$503,209	\$674,826	\$1,104,625
Lakeside Medical Center		\$271,718	\$223,946	\$251,318
Largo Medical Center	\$2,080,297	\$2,045,407	\$1,920,173	\$1,778,979
Larkin Community Hospital	\$3,350,114	\$3,618,676	\$3,678,167	\$3,321,005
Lee Memorial Hospital		\$453,357	\$563,577	\$541,307
Manatee Memorial Hospital	\$907,263	\$855,280	\$799,182	\$794,500
Mayo Clinic	\$2,273,308	\$2,032,437	\$2,051,499	\$1,841,049
Memorial Hospital Jacksonville	\$60,000	\$73,000	\$43,538	\$58,750
Memorial Regional Hospital	\$693,002	\$964,356	\$574,933	\$396,882
Morton Plant Hospital	\$550,342	\$541,061	\$484,570	\$455,929
Mount Sinai Medical Center	\$2,783,643	\$2,484,915	\$2,322,955	\$2,294,258
Nemours Children's Hospital		\$22,822	\$10,965	
Nicklaus Children's Hospital	\$2,641,036	\$2,674,219	\$2,362,170	\$2,191,672
North Florida Regional Medical Center			\$199,993	\$534,033
Northeast Florida State Hospital	\$70,118			
Northside Hospital	\$629,861	\$624,376	\$596,349	\$540,017
Oak Hill Hospital		\$188,764	\$344,683	\$556,329
Ocala Regional Medical Center			\$281,322	\$503,140
Orange Park Medical Center			\$325,966	\$784,476
Orlando Health	\$4,784,488	\$4,873,832	\$4,368,066	\$4,421,468
Osceola Regional Medical Center		\$362,909	\$687,112	\$742,454
Palm Springs General Hospital				\$159,490
Palmetto General Hospital	\$1,355,819	\$1,429,689	\$1,482,470	\$1,285,390
Palms West Hospital	\$428,002	\$393,683	\$413,821	\$365,335
Regional Medical Center Bayonet Point		\$148,462	\$395,699	\$588,300
Sacred Heart Hospital	\$1,116,099	\$1,173,806	\$1,046,550	\$1,057,341
St. Mary's Medical Center				\$33,513
St. Petersburg General Hospital	\$780,109	\$815,182	\$504,931	\$524,567
St. Vincent's Medical Center Riverside	\$598,545	\$590,620	\$577,733	\$518,735
St. Lucie Medical Center	\$709,034	\$813,578	\$706,837	\$645,373
Tallahassee Memorial Hospital	\$1,174,233	\$1,207,077	\$1,143,234	\$1,126,791
Tampa General Hospital	\$5,100,639	\$4,988,471	\$4,928,748	\$4,886,890
UF Health Jacksonville	\$5,047,419	\$4,912,987	\$4,528,698	\$4,308,381
UF Health Shands Hospital	\$9,968,558	\$9,216,063	\$8,520,751	\$8,295,570
University Hospital and Medical Center	\$229,108	\$320,262	\$358,427	\$364,835
University of Miami Hospital	\$2,364,819	\$1,972,758	\$2,161,507	\$2,083,263
University of Miami Hospital and Clinics	\$933,307	\$772,609	\$829,474	\$721,181
Wellington Regional Medical Center	\$381,980	\$351,796	\$324,616	\$317,606
West Kendall Baptist Hospital	\$74,748	\$154,578	\$212,169	\$188,822
West Palm Hospital	\$369,807	\$375,646	\$361,302	
Westchester General Hospital	\$533,470	\$563,693	\$491,508	\$370,080
Total Medicaid Residency Program Payment	\$79,980,644	\$79,980,644	\$80,000,000	\$79,200,000

Note: For SFY 2016-17 the Florida Legislature appropriated 8 FTE's for the Federally Qualified Health Network, Citrus Health Network. The total payment for Citrus Health Network is \$800,000. Combined with the hospital FTE recipients the MRP remains at \$80M.

Formula 2

GME Retention Program

s. 409.909(5), F.S. Any unobligated startup bonus funds on April 15 of each fiscal year shall be proportionally allocated to hospitals participating under subsection (3/MRP) for existing FTE residents in the physician specialties in statewide supply-and-demand deficit.

This nonrecurring allocation shall be in addition to the funds allocated in subsection (4/Bonus).

Table 5

**GME Retention Program:
FTEs in Deficit Physician Specialties by Specialty**

Specialty in Deficit	*Estimated SFY 2014-15	SFY 2015-16	Difference
Allergy / Immunology	4.35	6.55	2.20
Anesthesiology	213.29	244.30	31.01
Cardiology	48.32	74.02	25.70
Endocrinology	9.77	13.06	3.29
Family Medicine	437.4	494.30	56.90
General Surgery	269.76	285.50	15.74
Hematology / Oncology	40.05	52.15	12.10
Infectious Disease	16.7	23.66	6.96
Nephrology	15.8	16.65	0.85
Neurology	94.6	109.56	14.96
Obstetrics / Gynecology	165.7	175.88	10.18
Ophthalmology	46.7	54.17	7.47
Orthopedic Surgery	94.7	142.36	47.66
Otolaryngology	27.7	36.62	8.92
Psychiatry	138.2	199.30	61.10
Pulmonology	19.2	32.16	12.96
Radiology	173.42	166.20	(7.22)
Rheumatology	8.35	10.31	1.96
Thoracic Surgery	2.12	7.66	5.54
Urology	42.8	34.19	(8.61)
Total	1,868.93	2,178.60	309.67

*Note: Standardized documentation of resident specialties was not required until SFY 2015-16; therefore, the FTE values provided for the Medicaid Residency Program for SFY 2014-15 are estimated for shortage specialties based on the provider descriptions as submitted to the Agency.

Table 6

**GME Startup Bonus Program:
New Residency Positions in Deficit Physician Specialties**

Specialty in Deficit	2025 Projected Deficit (Includes Adult and Pediatric)	2015 Residency Positions Newly Approved	Impact on 2025 Projected Deficit
Psychiatry	(1,190)	4	(1,186)
Family Medicine	(920)	19	(901)
General Surgery	(720)	12	(708)
Anesthesia—Adult (18); Pediatric (1)	(650)	19	(631)
Cardiovascular Disease	(490)	6	(484)
Neurology—Pediatric	(50)	1	(49)
Pulmonary Disease	(300)	5	(295)
	(4,320)	66	(4,254)

Table 7

**GME Startup Bonus Program:
Funding Allocation & Number of New Residency Positions
in Deficit Physician Specialities by Hospital for SFY 2015-16**

Hospital Name	Specialty in Deficit	Startup Bonus Approved FTEs	Distribution
Baptist Medical Center Jacksonville	Anesthesiology - Pediatric	1.0	\$100,000
Jackson Memorial Hospital	Pulmonology	1.0	\$100,000
Jackson Memorial Hospital	Family Medicine	1.0	\$100,000
JFK Medical Center	Cardiology	6.0	\$600,000
Kendall Regional Medical Center	Anesthesiology	18.0	\$1,800,000
Larkin - Palm Springs General Hospital*	Family Medicine	18.0	\$1,800,000
Nicklaus Children's Hospital	Neurology - Pediatric	1.0	\$100,000
Orlando Health	Pulmonology	4.0	\$400,000
Tallahassee Memorial Hospital	General Surgery	12.0	\$1,200,000
UF Health Jacksonville	Psychiatry	4.0	\$400,000
Total GME Startup Bonus		66.0	\$6,600,000

Table 8 **GME Retention Program: FTEs in Deficit Physician Specialties by Hospital**

Hospital Name	SFY 2015-16		
	GME Resident FTE Count	FTEs in Deficit Specialties	Percent to Total
	A	B	C = B / A
All Childrens Hospital	56.41	12.59	22.32%
Anne Bates Leach Eye Hospital	26.50	18.52	69.89%
Aventura Hospital and Medical Center	28.01	6.01	21.46%
Baptist Medical Center Jacksonville	48.26	21.71	44.98%
Bayfront Health - St. Petersburg	38.56	39.56	102.59%
Bethesda Hospital East	12.87		
Boca Raton Regional Hospital	37.61		
Brandon Regional Hospital	20.40	0.48	2.35%
Broward Health Coral Springs	1.84	0.88	47.83%
Broward Health Medical Center	97.78	31.53	32.25%
Cleveland Clinic Hospital	76.37	22.61	29.60%
Delray Medical Center	15.01	2.00	13.32%
Florida Hospital	173.31	93.98	54.23%
Florida Hospital Carrollwood	2.00	2.49	124.49%
Florida Hospital Tampa	5.67	5.25	92.67%
Florida Hospital Wesley Chapel	0.86	0.50	58.14%
H. Lee Moffitt Cancer Center & Research Institute Hospital	100.35	72.24	71.98%
Halifax Health Medical Center	26.00	26.00	100%
Holy Cross Hospital	30.50		
Jackson Memorial Hospital	669.49	296.74	44.32%
JFK Medical Center	55.30	7.58	13.71%
Kendall Regional Medical Center	33.99	13.99	41.16%
Lakeside Medical Center	11.58	11.58	100%
Largo Medical Center	114.72	52.76	45.99%
Larkin Community Hospital	222.01	178.02	80.18%
Lee Memorial Hospital	20.00	20.00	100%
Manatee Memorial Hospital	43.92	14.00	31.87%
Mayo Clinic	123.99	79.23	63.90%
Memorial Hospital Jacksonville	1.19	1.19	100%
Memorial Regional Hospital	15.71	16.02	101.93%
Morton Plant Hospital	24.53	21.57	87.93%
Mount Sinai Medical Center	136.75	56.06	40.99%
Nemours Children's Hospital	0.30	0.30	100%
Nicklaus Children's Hospital	112.90	13.62	12.06%
North Florida Regional Medical Center	9.76	9.76	100%
Northside Hospital	34.40	5.00	14.53%
Oak Hill Hospital	20.00		
Ocala Regional Medical Center	14.94	4.94	33.05%
Orange Park Medical Center	17.00	7.00	41.18%
Orlando Health	226.66	95.50	42.14%
Osceola Regional Medical Center	36.86	7.62	20.66%
Palms West Hospital	22.00		
Palmetto General Hospital	84.00	21.00	25.00%
Regional Medical Center Bayonet Point	22.00		
Sacred Heart Hospital	51.18	14.76	28.84%
St. Lucie Medical Center	41.00	15.00	36.59%
St. Petersburg General Hospital	28.97	19.40	66.97%
St. Vincent's Medical Center Riverside	31.57	31.57	100%
Tallahassee Memorial Hospital	61.84	33.84	54.72%
Tampa General Hospital	271.67	170.40	62.72%
UF Health Jacksonville	255.74	145.19	56.77%
UF Health Shands Hospital	484.61	332.18	68.55%
University Hospital and Medical Center	21.00	21.00	100%
University of Miami Hospital	125.79	57.42	45.65%
University of Miami Hospital and Clinics	49.64	12.03	24.23%
Wellington Regional Medical Center	17.38		
West Kendall Baptist Hospital	12.00	12.00	100%
West Palm Hospital	20.50		
Westchester General Hospital	28.00	24.00	85.71%
	4,373.21	2,178.61	49.83%

Table 9 **GME Retention Program: Payments in Deficit Physician Specialties by Hospital**

Hospital Name	SFY 2015-16	
	FTEs in Deficit Specialties	Retention Payment
All Children's Hospital	12.59	\$283,119
Anne Bates Leach Eye Hospital	18.52	\$416,431
Aventura Hospital and Medical Center	6.01	\$135,138
Baptist Medical Center Jacksonville	21.71	\$488,126
Bayfront Health - St Petersburg	39.56	\$889,503
Bethesda Hospital East		
Boca Raton Regional Hospital		
Brandon Regional Hospital	0.48	\$10,793
Broward Health Coral Springs	0.88	\$19,787
Broward Health Medical Center	31.53	\$708,967
Cleveland Clinic Hospital	22.61	\$508,303
Delray Medical Center	2.00	\$44,971
Florida Hospital	93.98	\$2,113,184
Florida Hospital Carrollwood	2.49	\$56,060
Florida Hospital Tampa	5.25	\$118,083
Florida Hospital Wesley Chapel	0.50	\$11,274
H Lee Moffitt Cancer Center & Research Institute	72.24	\$1,624,277
Halifax Health Medical Center	26.00	\$584,622
Holy Cross Hospital		
Jackson Memorial Hospital	296.74	\$6,672,315
JFK Medical Center	7.58	\$170,440
Kendall Regional Medical Center	13.99	\$314,572
Lakeside Medical Center	11.58	\$260,382
Largo Medical Center	52.76	\$1,186,375
Larkin Community Hospital	178.02	\$4,002,882
Lee Memorial Hospital	20.00	\$449,709
Manatee Memorial Hospital	14.00	\$314,797
Mayo Clinic	79.23	\$1,781,431
Memorial Hospital Jacksonville	1.19	\$26,758
Memorial Regional Hospital	16.02	\$360,170
Morton Plant Hospital	21.57	\$484,967
Mount Sinai Medical Center	56.06	\$1,260,535
Nemours Children's Hospital	0.30	\$6,739
Nicklaus Children's Hospital	13.62	\$306,149
North Florida Regional Medical Center	9.76	\$219,386
Northside Hospital	5.00	\$112,427
Oak Hill Hospital		
Ocala Regional Medical Center	4.94	\$110,979
Orange Park Medical Center	7.00	\$157,398
Orlando Health	95.50	\$2,147,437
Osceola Regional Medical Center	7.62	\$171,231
Palms West Hospital		
Palmetto General Hospital	21.00	\$472,195
Regional Medical Center Bayonet Point		
Sacred Heart Hospital	14.76	\$331,885
St. Lucie Medical Center	15.00	\$337,282
St. Petersburg General Hospital	19.40	\$436,218
St. Vincent's Medical Center Riverside	31.57	\$709,976
Tallahassee Memorial Hospital	33.84	\$760,908
Tampa General Hospital	170.40	\$3,831,524
UF Health Jacksonville	145.19	\$3,264,748
UF Health Shands Hospital	332.18	\$7,469,331
University Hospital and Medical Center	21.00	\$472,195
University of Miami Hospital	57.42	\$1,291,116
University of Miami Hospital and Clinics	12.03	\$270,455
Wellington Regional Medical Center		
West Kendall Baptist Hospital	12.00	\$269,826
West Palm Hospital		
Westchester General Hospital	24.00	\$539,651
Totals	2,178.61	\$48,987,024

Appendix B

Florida Graduate Medical Education (GME) Funding Timeline

State Fiscal Year (SFY)	GME Program / Policy
2013-2014 \$80M	July Medicaid Residency Program, Year-1 Created & \$80 M Appropriated
	September Medicaid Residency Program, Year-1 Self-Reported Resident FTE Count Release
2014-2015 \$80M	July Medicaid Residency Program, Year-2 \$80 M Appropriated
	July Medicaid Residency Program, FTE Count Audit Requirement Added
	September Medicaid Residency Program, Self-Reported Resident Count Released
2015-2016 \$180M	July Medicaid Residency Program, Year-3 \$80 M Appropriated
	July GME Start Up Bonus & Retention Created & \$100 M Appropriated
	July Medicaid Residency Program, IRIS Code Reporting of FTE Requirement Added
	September Medicaid Residency Program, Year-3 Self-Reported of Resident Count (using standardized IRIS Codes) Released
	March GME Start Up Bonus Applications Due / Approved
	March Audit of Yr 1 Medicaid Residency Program FTE Count
	April Retention Funds Distributed for Shortage Specialty FTE

Note: * of the \$93.4M in retention funds, \$42M represents the intergovernmental transfer (IGT) funds required for the federal match. Jackson Memorial Hospital and UF Health Shands provided the IGT match for SFY2015-16.

Florida Physician Workforce Analysis:

Forecasting Supply and Demand

January 2015



A study commissioned by the Teaching Hospital Council of Florida and the Safety Net Hospital Alliance of Florida in cooperation with IHS Global, Inc.

Overview

The Implications of Projected Supply and Demand for Graduate Medical Education

Graduate medical education has the single-most direct impact on the availability and quality of physicians who care for Florida's citizens. The Teaching Hospital Council of Florida understands that obtaining an accurate picture of the current and projected future adequacy of physician supply to meet demand in Florida is essential to inform policy and planning initiatives; guide medical school and graduate medical education training priorities and ensure that Florida has a future physician workforce that can provide access to high quality and affordable care.

The Teaching Hospital Council of Florida, along with the Safety Net Hospital Alliance of Florida, engaged IHS Global, Inc. to take a close look at projected supply and demand by physician specialty and by region within Florida in order to identify physician supply surpluses and deficits. The final report can serve as a planning tool for Florida's graduate medical education policy leaders.

The questions guiding the research study included:

- » Are there specialties where supply and demand currently are not in balance in Florida? If so, which specialties and what is the estimated gap between supply and demand?
- » To what extent will the future projected supply of physicians be adequate to meet projected statewide population services demand?
- » What are the potential implications of the Affordable Care Act (ACA), emerging care delivery models and other market factors on Florida's physician workforce supply and demand?

Study Methods

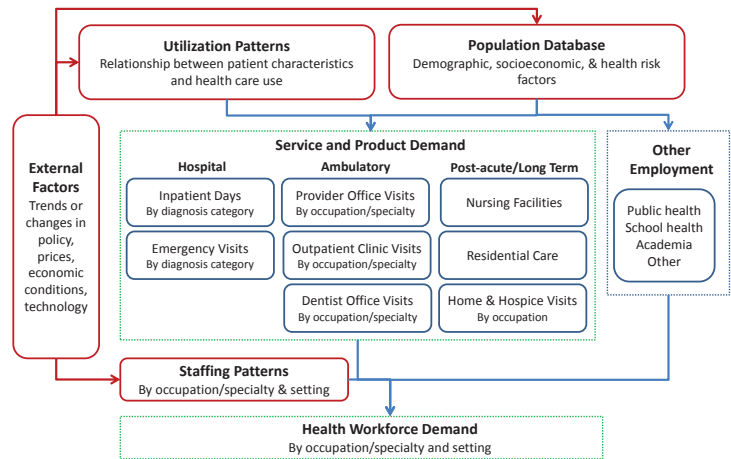
Calculating Physician Supply and Demand

DATA. The study combined data from a variety of sources to take a comprehensive look at the issues, pulling from:

- » Data on the physician workforce in Florida
- » Data on the demographics, socioeconomic, and health risk factors of the population in Florida
- » Data on health care use and delivery patterns from national sources
- » Computer simulation models: the Healthcare Demand Microsimulation Model and Health Workforce Supply Model

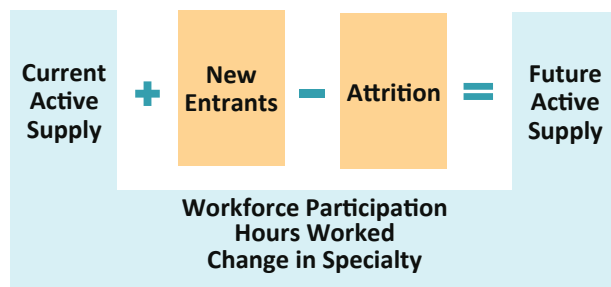
DEMAND. The demand model applies national health care use and delivery patterns to a population database that contains a representative sample of Florida’s population. The demand estimates and projections take into consideration current and projected future demographics, presence of disease and other health risk factors among the population, and medical insurance coverage changes associated with the ACA.

Conceptual Model for Projecting Physician Demand



SUPPLY. The supply model uses a microsimulation approach to model the likely career decisions of physicians taking into consideration the number, specialty mix and demographics of new entrants to Florida’s physician workforce, and patterns of out-of-state migration, retirement patterns and hours worked. Supply data and inputs come primarily from the AMA Master File and the 2012 and 2013 biannual Physician Workforce Licensure Surveys administered by the Florida Department of Health.

Conceptual Model for Projecting Physician Supply



Microsimulation model. Individual physicians are unit of analysis

Primary data source: Combined 2009-2013 Physician Workforce Licensure Surveys administered by Florida Dept. of Health

ANALYSIS. The analysis compares current and projected future supply to the number of physicians required to provide a level of care consistent with the national average, and taking into consideration national shortages for primary care, psychiatrists and select other specialties.

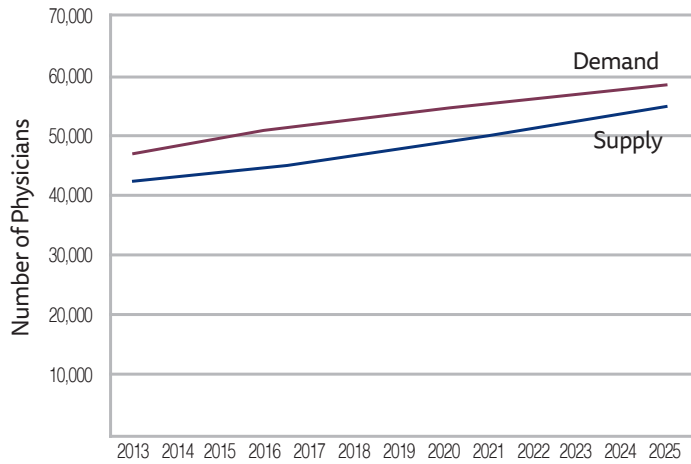
Statewide Findings

Shortfalls and Surpluses by Specialty

The IHS study made a number of key findings regarding Florida's ability to meet projected demand in some areas of practice into 2025 as well as the practice areas where a surplus of physicians is projected in the same timeframe. This report outlines the highlights.

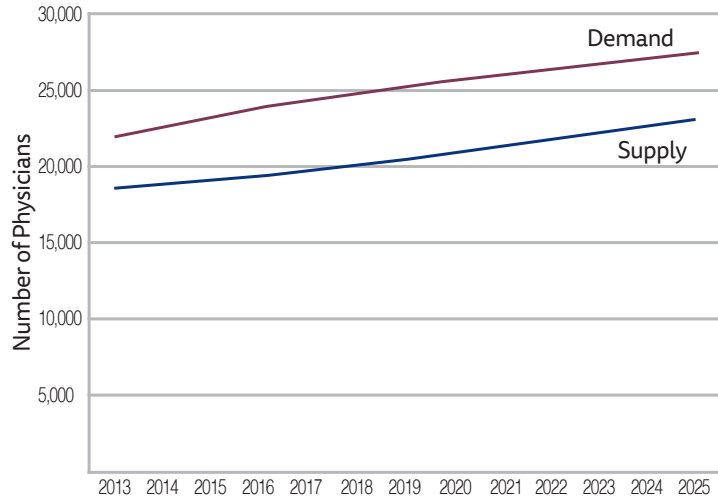
Moderate Overall Shortfall of Physicians

Florida has an estimated 11% shortfall of physicians. Supply is growing at a slightly higher rate than demand (29% vs 24%). By 2025, a 7% shortfall is projected.



Critical Shortfall of Physician Specialties

The supply of specialists in Florida is insufficient to provide a level of care consistent with the national average, after taking into consideration differences in the demographics and health risk factors between Florida and the nation. The current 18% shortfall is likely to persist. By 2025, a 19% shortfall is projected.



Severe Shortfall in Some Physician Specialties

Specialties where the state's supply of physicians is projected to be much smaller than required to provide a level of care consistent with the national average include psychiatry, general surgery, rheumatology, thoracic surgery, hematology/oncology, and pulmonology/critical care.

Statewide Findings

Moderate to Severe Shortfall For Some Physician Specialties

Specialty In Deficit	2025 Supply	2025 Demand	2025 Deficit	Physician Gap / Supply
Psychiatry	2,150	3,340	(1,190)	-55%
General Surgery	1,450	2,170	(720)	-50%
Rheumatology	280	400	(120)	-43%
Thoracic Surgery	260	360	(100)	-38%
Allergy / Immunology	240	330	(90)	-38%
Hematology & Oncology	1,010	1,370	(360)	-36%
Pulmonology & Critical Care	950	1,250	(300)	-32%
Radiology	2,450	3,150	(700)	-29%
Cardiology	1,930	2,420	(490)	-25%
Anesthesiology	2,790	3,440	(650)	-23%
Endocrinology	570	680	(110)	-19%
Obstetrics / Gynecology	2,510	2,960	(450)	-18%
Orthopedic Surgery	1,630	1,900	(270)	-17%
Urology	710	820	(110)	-15%
Otolaryngology	610	700	(90)	-15%
Ophthalmology	1,240	1,420	(180)	-15%
General / Family Practice	7,180	8,100	(920)	-13%
Infectious Disease	590	640	(50)	-8%
Nephrology	700	730	(30)	-4%
Neurology	1,320	1,370	(50)	-4%
	30,570	37,550	(6,980)	-23%

Abundance of Some Specialties

Florida will likely have more than sufficient plastic surgeons and pediatricians to provide a level of care consistent with the national average, though there may be factors in Florida that increase demand for these specialties beyond those characteristics used in the demand model.

Specialty In Surplus	2025 Supply	2025 Demand	2025 Surplus	Physician Gap / Supply
Geriatric Medicine	610	410	200	33%
Pediatrics	4,680	3,440	1,240	26%
Dermatology	1,140	880	260	23%
Emergency Medicine	3,220	2,520	700	22%
Plastic Surgery	720	590	130	18%
Neurological Surgery	460	420	40	9%
Other Specialties	2,650	2,490	160	6%
General Internal Medicine	9,530	8,990	540	6%
Vascular Surgery	290	280	10	3%
Gastroenterology	1,100	1,090	10	1%
	24,400	21,110	3,290	13%

Source: IHS projections Prepared October 30, 2014

Regional Findings

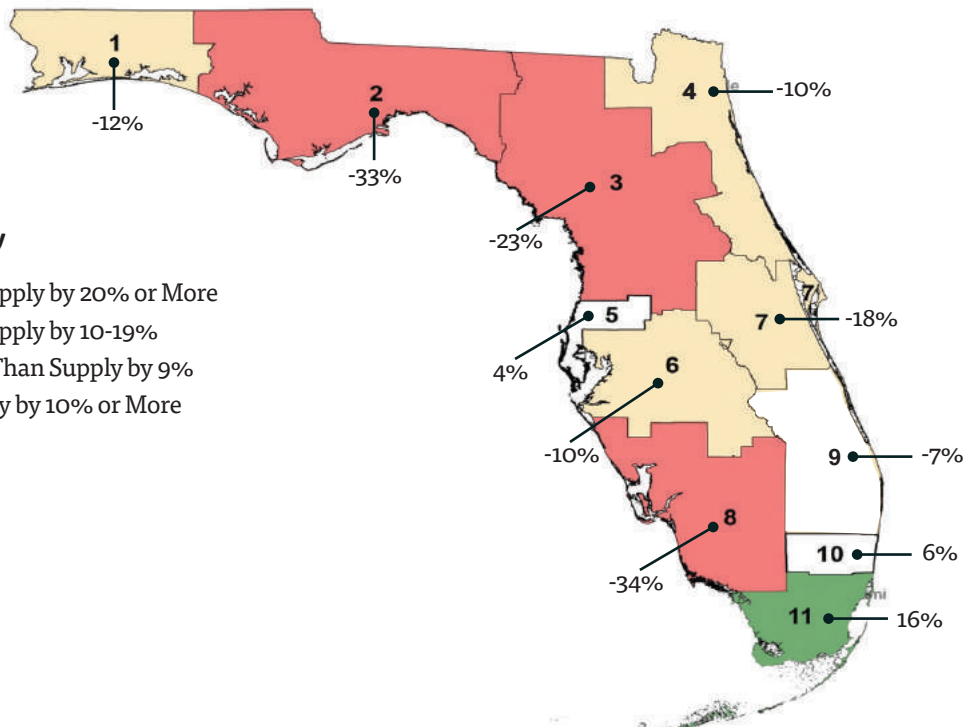
Adequacy of Physician Supply Varies by Medicaid Region



11 Medicaid Regions

- » Shortfalls across all regions for general surgery, hematology/oncology, psychiatry, pulmonology/critical care, radiology
- » In Regions 2, 3 and 8, demand appears to be consistently higher than supply both in 2013 and 2025
- » In Region 11, supply is sufficient to provide a national average level of care for many specialties

2025 Physician Shortfalls in Most Medicaid Regions



2025 Total Adequacy of Supply

- Demand is Greater Than Supply by 20% or More
- Demand is Greater Than Supply by 10-19%
- Demand is Greater or Less Than Supply by 9%
- Demand is Less Than Supply by 10% or More

Regional Findings

2025 Physician Deficits by Specialty & Region (Percentages)

Specialty	Medicaid Region											State
	1	2	3	4	5	6	7	8	9	10	11	
Psychiatry	-51%	-46%	-34%	-108%	-47%	-38%	-122%	-65%	-56%	-61%	-22%	-55%
General Surgery	-17%	-14%	-75%	-46%	-70%	-22%	-47%	-107%	-73%	-74%	-26%	-50%
Rheumatology	0%	-225%	-131%	-139%	-24%	-60%	-153%	-32%	2%	-32%	10%	-43%
Allergy & Immunology	8%	-120%	-191%	-46%	26%	-3%	-34%	-82%	-80%	-100%	-5%	-38%
Thoracic Surgery	-333%	-33%	-6%	-86%	-4%	-29%	-55%	-57%	-30%	-88%	-13%	-38%
Hematology & Oncology	-79%	-214%	-11%	-35%	-40%	-11%	-73%	-97%	-54%	-8%	-5%	-36%
Pulmonology & Critical Care	-68%	-185%	-37%	-36%	-44%	-67%	-84%	-63%	-2%	16%	-1%	-32%
Radiology	-61%	-71%	-40%	-14%	-24%	-13%	-37%	-97%	-35%	-7%	-3%	-29%
Cardiology	-81%	-100%	-47%	-39%	-14%	-43%	-33%	-34%	-15%	-10%	10%	-25%
Anesthesiology	-3%	-113%	-35%	-20%	-47%	-14%	-42%	-107%	-22%	20%	-4%	-23%
Endocrinology	-229%	-340%	-67%	-7%	0%	-91%	-8%	-94%	6%	15%	13%	-19%
Obstetrics/Gynecology	-13%	-44%	-90%	-18%	-26%	-16%	-34%	-57%	-6%	17%	4%	-18%
Orthopedic Surgery	6%	-25%	-78%	-47%	-8%	-21%	-32%	-27%	8%	7%	1%	-17%
Ophthalmology	-96%	-58%	-43%	-50%	4%	-7%	-41%	8%	6%	-5%	-2%	-15%
Otolaryngology	0%	-26%	-55%	-21%	-9%	-26%	-28%	-14%	16%	-28%	-5%	-15%
Urology	-20%	-17%	-21%	-48%	-17%	-4%	-12%	-21%	-3%	-15%	-10%	-15%
General/Family Practice	7%	7%	-29%	10%	15%	-37%	-7%	-54%	-56%	-17%	1%	-13%
Infectious Diseases	-69%	-62%	-41%	8%	-29%	4%	13%	-39%	-56%	-13%	23%	-8%
Nephrology	-257%	-29%	7%	15%	13%	-4%	4%	-27%	-42%	25%	-17%	-4%
Neurology	-17%	-42%	-21%	11%	-22%	-1%	-18%	-18%	-12%	4%	24%	-4%
Total (specialties modeled)	-12%	-33%	-23%	-10%	4%	-10%	-18%	-34%	-7%	6%	16%	-7%

■ Demand is Greater Than Supply by 20% or More
 ■ Demand is Greater Than Supply by 10-19%
 ■ Demand is Greater or Less Than Supply by 9%
 ■ Demand is Less Than Supply by 10% or More

2025 Physician Deficits by Specialty & Region (Numbers)

Specialty	Medicaid Region											State
	1	2	3	4	5	6	7	8	9	10	11	
Psychiatry	(40)	(36)	(70)	(183)	(72)	(115)	(235)	(115)	(128)	(112)	(84)	(1,190)
General / Family Practice	23	22	(177)	100	103	(268)	(64)	(263)	(312)	(98)	15	(920)
General Surgery	(11)	(9)	(91)	(73)	(65)	(47)	(80)	(109)	(101)	(77)	(56)	(720)
Radiology	(42)	(39)	(83)	(43)	(51)	(45)	(100)	(173)	(97)	(16)	(8)	(700)
Anesthesiology	(3)	(60)	(81)	(63)	(84)	(51)	(121)	(177)	(69)	74	(17)	(650)
Cardiology	(38)	(40)	(80)	(73)	(22)	(86)	(66)	(62)	(36)	(18)	31	(490)
Obstetrics / Gynecology	(12)	(33)	(121)	(47)	(41)	(51)	(103)	(94)	(17)	51	17	(450)
Hematology & Oncology	(22)	(30)	(14)	(39)	(31)	(17)	(66)	(71)	(55)	(8)	(7)	(360)
Pulmonology & Critical Care	(18)	(28)	(34)	(35)	(28)	(60)	(65)	(47)	(3)	19	(1)	(300)
Orthopedic Surgery	4	(13)	(79)	(66)	(10)	(41)	(55)	(39)	17	12	2	(270)
Ophthalmology	(25)	(18)	(39)	(51)	4	(12)	(51)	11	9	(6)	(3)	(180)
Rheumatology	0	(9)	(21)	(25)	(6)	(18)	(29)	(10)	1	(8)	5	(120)
Endocrinology	(16)	(17)	(24)	(5)	0	(39)	(6)	(31)	5	11	13	(110)
Urology	(5)	(4)	(14)	(29)	(9)	(4)	(10)	(14)	(3)	(9)	(9)	(110)
Thoracic Surgery	(10)	(3)	(2)	(18)	(1)	(10)	(16)	(12)	(9)	(14)	(5)	(100)
Allergy / Immunology	1	(6)	(21)	(11)	8	(1)	(10)	(14)	(16)	(14)	(2)	(90)
Otolaryngology	0	(5)	(22)	(13)	(4)	(18)	(19)	(8)	15	(13)	(4)	(90)
Neurology	(7)	(14)	(23)	19	(18)	(2)	(25)	(20)	(16)	5	51	(50)
Infectious Disease	(9)	(8)	(18)	6	(10)	3	11	(17)	(25)	(6)	24	(50)
Nephrology	(18)	(6)	6	14	7	(3)	3	(14)	(23)	21	(15)	(30)

Other Impacts on Physician Supply and Demand

Emerging care delivery models will continue to affect care use and delivery patterns, which in turn will affect demand for physicians. As Florida works to attract, train and retain physicians to care for its growing, diverse and aging population, the state will face increased competition from other states who are dealing with similar trends.

Conclusions

- » **Demand for physicians in Florida exceeds supply** for many medical specialties.
 - » **The shortfall of primary care physicians is small**, and if current trends continue, this shortfall will disappear within the next decade.
 - » There is an overall shortfall of specialists **with some specialties in a severe deficit** that is projected to persist for the foreseeable future.
 - » While supply might be adequate to provide a national average level of care for some specialties, **there is substantial variation across the state** in access to care as evidenced by the application of this data across Florida's 11 Medicaid Managed Assistance regions and the large number of areas and communities designated as Health Profession Shortage Areas.
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Study Sponsors

The Teaching Hospital Council of Florida was founded in 1989, and includes Florida's first teaching hospital that has been training physicians for almost 100 years. Last year, Council member hospitals trained 3,392 medical residents in 268 accredited programs around the state, accounting for 66 percent of Florida's graduate medical education (GME) programs.

***Broward Health | Jackson Health System | Mount Sinai Medical Center | Orlando Health
UF Health Shands Hospital | UF Health Jacksonville | Tampa General Hospital***

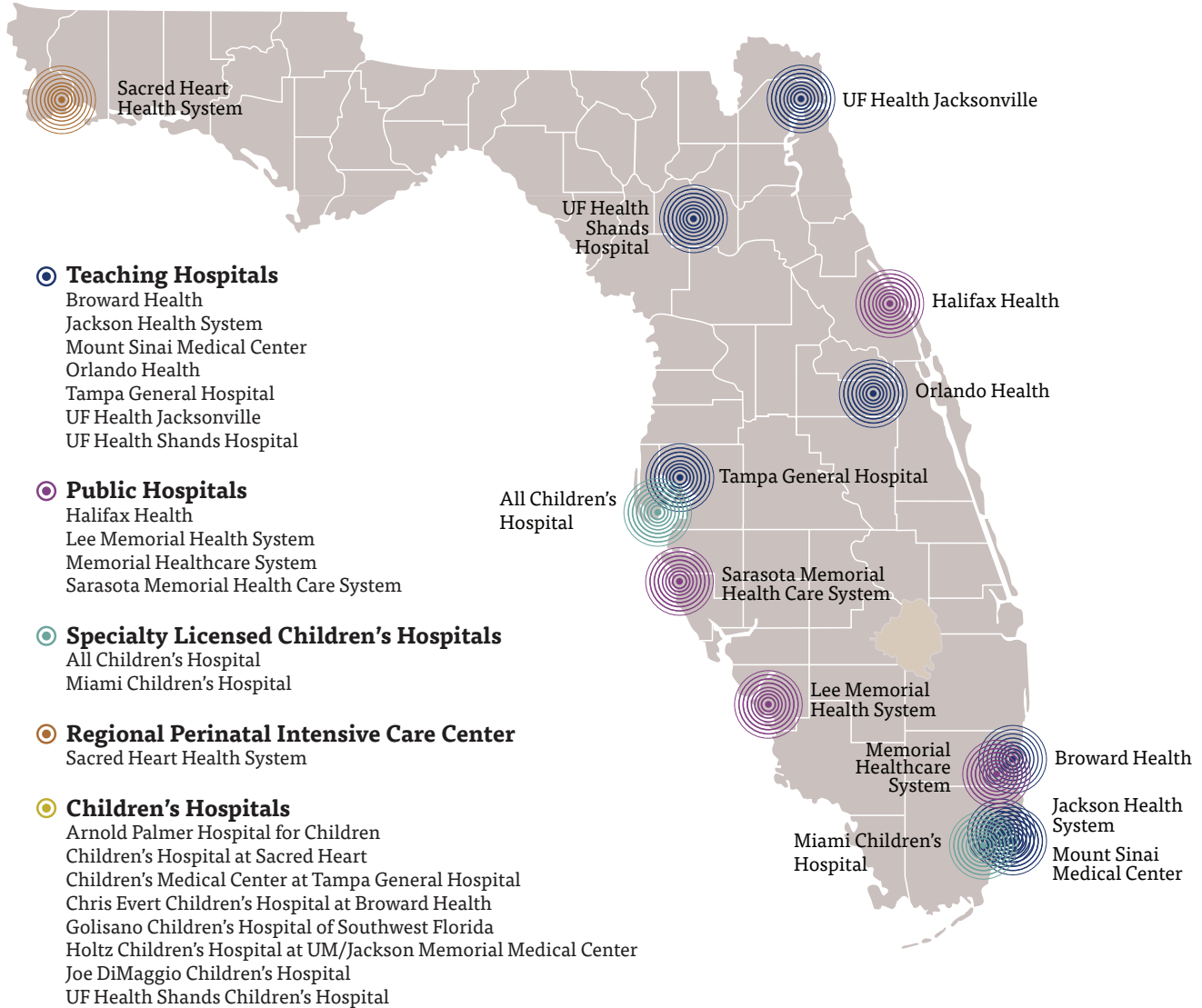
The Safety Net Hospital Alliance of Florida includes all members of the Teaching Hospital Council of Florida, and advocates on behalf of its 14 members that are teaching, public, children's and regional perinatal intensive care hospitals. The Alliance members provide the most highly specialized medical care in Florida. Last year, the Safety Net Alliance member hospitals trained 3,646 medical residents in 292 accredited programs around the state, accounting for 72 percent of Florida's graduate medical education programs.

***All Children's Hospital | Broward Health
Halifax Health | Jackson Health System | Lee Memorial Health System
Memorial Healthcare System | Miami Children's Hospital | Mount Sinai Medical Center
Orlando Health | Sacred Heart Health System | Sarasota Memorial Health Care System
Tampa General Hospital | UF Health Jacksonville | UF Health Shands Hospital***

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