Texas Children's Hospital

Baylor College of Medicine

Testimony of Gordon E. Schutze, M.D., F.A.A.P.
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Before the House Committee on Energy and Commerce Subcommittee on Health
"Reauthorization of the Children's Hospital Graduate Medical Education Program"

May 23, 2018

Chairman Burgess, Ranking Member Green, and members of the Subcommittee, thank you for the opportunity to speak in support of H.R. 5385, "The Children's Hospital GME Support Reauthorization Act of 2018." I am Dr. Gordon E. Schutze, a professor of pediatrics and executive vice chairman of the department of pediatrics at Baylor College of Medicine and Texas Children's Hospital. In addition, I am the holder of the Martin I. Lorin, M.D. endowed chair in medical education and serve as the Baylor International Pediatric Aids Initiatives executive vice president as well. Over the past years, I have served as a general pediatric residency program director, as well as a program director for pediatric infectious diseases subspecialty training program, and a Pediatric Global Health residency program. I am appearing today on behalf of Texas Children's Hospital and the 220 nationwide members of the Children's Hospital Association.

I wish to thank the Subcommittee for its long history of support for the Children's Hospitals Graduate Medical Education Program (CHGME) and for children's health. I also want to specifically thank Rep. Green and Rep. Burgess for introducing this bipartisan legislation which would reauthorize the CHGME program for five years and strengthen vital pediatric training programs.

The CHGME program represents our nation's most significant investment in strengthening the pediatric workforce. CHGME was created in 1999 with bipartisan support because Congress recognized that a dedicated source of funding for training the next generation of pediatricians and pediatric specialists in children's hospitals was needed. Prior to the establishment of the CHGME program, children's hospitals were effectively left out of the federal GME system of support provided through Medicare,

because we treat children, mostly through Medicaid and the Children's Health Insurance Program. Unfortunately, the average CHGME payment per full-time equivalent (FTE) resident represents approximately half of what Medicare GME provides to support training at general acute care hospitals.

Since the establishment of the program, CHGME funding has enabled children's hospitals to dramatically increase training overall, and in particular grow the supply of pediatric specialists — the area of greatest shortage in children's health care. Today, only 1 percent of all hospitals in the United States — that is 58 children's hospitals – are eligible to receive CHGME —Yet, these institutions train approximately half of the nation's pediatricians, more than 7,000 FTEs annually — including 44 percent of all general pediatricians and 57 percent of all pediatric specialists.

Between 2000 and 2015, CHGME-supported hospitals collectively increased the number of residents trained by 113 percent. Over the same time frame, CHGME hospitals also increased the number of pediatric subspecialists they train by 206 percent. Today, in the majority of pediatric subspecialist fields tracked by the American Medical Association, more than 65 percent of residents are trained at CHGME hospitals and in some fields, such as pediatric rehabilitation medicine, virtually all physicians receive their training at CHGME hospitals.[i]

H.R. 5385 strengthens our nation's commitment to bolster the pediatric workforce today and into the future by supporting the training of doctors who care for children living in every state — in cities, rural communities, suburbs and everywhere in between. My own hospital, Texas Children's Hospital, is the academic home for the Department of Pediatrics at the Baylor College of Medicine, and we serve as the principal training site for the Medical College's pediatric residency program, pediatric fellowship programs, and medical student pediatric education. The department is one of the largest, if not the largest, academic pediatric department in the United States, with over 1,300 faculty members.

While our primary academic partner is Baylor College of Medicine, we also train physicians from University of Texas Health Science Center at Houston, Methodist, and University of Texas Health

Science Center at Houston School of Dentistry. CHGME funding supports the provision of their curriculum under the expertise of a highly qualified faculty with a diverse population of patients and health needs.

In fiscal year 2017, the cost of training these residents and fellows amounted to $42.7 million, of which approximately 25 percent of the cost was subsidized with CHGME funding. This Health Research and Services Administration (HRSA) dollars totaled approximately $10.9 million.

To further illustrate the size and scope of our medical education training program below is an outline of what Children's Hospital Graduate Medical Education funds support within Texas Children's Hospital and our teaching partners:

- Texas Children's Hospital has 1,153 people training in our hospital GME programs amounting to 426 Full Time Equivalents (FTEs).
- 216 of these FTEs are pediatric residents and 194 are pediatric fellows.

None of this would be possible without CHGME. Furthermore, there are no adequate substitutes for CHGME to support training at eligible children's hospitals. Other potential sources of support, such as Medicaid GME or grant funding, are not available to many children's hospitals and cannot support training on the scale necessary to meet current and future workforce needs. The Children's Hospital GME Support Reauthorization Act of 2018 would help address this funding shortfall by increasing the authorization level for CHGME to $330 million a year.

However, much remains to be done to continue to expand access to care for our America's children. Nationally, workforce shortages persist, most acutely among pediatric subspecialties, such as developmental pediatrics, child and adolescent psychiatry, and pediatric genetics and genomics. Many hospitals struggle to fill vacancies for these types of providers and in other areas, wait times can exceed two or three months. CHA survey data shows, for example, average wait times of 18.7 weeks for developmental pediatrics and 9.9 weeks for child and adolescent psychiatry. [ii] In certain areas of the country, localized shortages in pediatric primary care also persist.

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The national population of children is predicted to continue at a growth rate of 3 percent through 2030. At the same time, the health care needs of the pediatric population are increasing as the number of children with complex medical conditions is growing at a faster rate than the overall child population, requiring an increasing number of specialty care providers.[iii]

CHGME has an indisputable track record of success. Thanks to CHGME, children's hospitals have developed training programs in highly specialized disciplines that target the unique needs of children with complex medical conditions— examples include pediatric surgical oncology, radiation oncology, pediatric pathology and bone marrow transplantation. For some of these disciplines, only a small number of institutions provide training. Reauthorizing CHGME will help children's hospitals continue to address these workforce gaps and increase access to these vital specialized services.

CHGME is operated in a data-driven and transparent manner. The Health Resources and Services Administration (HRSA), which administers the program, collects information on program outcomes and uses these performance measures for ongoing evaluations. Children's hospitals that receive CHGME support are required to annually report data to HRSA on:

1. Types of residency training programs, such as general pediatrics, internal medicine/pediatrics, and pediatric specialties
2. Number of training positions for residents,
3. Types of training provided for residents related to the health care needs of different populations, such as children underserved for reasons of family income or geographic location
4. Changes in residency training , including changes in curricula and training experiences, and changes for the purpose of training residents in the measurement, improvement, quality and safety of patient care

In addition, HRSA is authorized to implement a quality bonus system for the CHGME program, which it plans to do by fiscal year 2019.

Reauthorizing the CHGME program is a vital step forward in helping children achieve their full health potential. Through its passage, Congress is helping ensure graduate medical education programs that will have the resources and talent to care for the next generation of software engineers, entrepreneurs, professional dancers, Olympic athletes, teachers, and caregivers. In summary, the CHGME program is critical to protecting gains in pediatric health and ensuring access to care for children nationwide. On

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behalf of Texas Children's Hospital, the Children's Hospital Association and the children and families we serve, thank you for your support for this critical program. A robust pediatric workforce is essential to ensuring that no child lacks access to high-quality medical care. Please advance H.R. 5385, The Children's Hospital GME Support Reauthorization Act of 2018.

Respectfully submitted,

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[i] "Percentage of Pediatric Specialists Trained at CHGME Recipient Hospitals" Children's Hospital Association fact sheet, issued April, 2018.
[ii] "Pediatric Workforce Shortages Persist", Children's Hospital Association fact sheet, issued January, 2018.
[iii] "Summary of Available Evidence and Methodology for Determining Potential Medicaid Savings from Improving Care Coordination for Medically Complex Children," p. vi, prepared for Children's Hospital Association by Dobson DaVanzo & Associates, issued October 2013.

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