

# CMS announces awardees for three rounds of redistributed slots from closed hospitals

February 2, 2017

The Centers for Medicare & Medicaid Services (CMS) on January 31 **released** the awardees of resident cap increases from Rounds 8, 9, and 10 of the Affordable Care Act's (ACA, P.L. 111-148 and P.L. 111-152) Section 5506 closed hospital residency slot redistribution program.

Applications for Rounds 8, 9, and 10 were due on October 31, 2016. Teaching hospitals applied for the slots available as a result of the closures of three hospitals: (1) Pacific Hospital of Long Beach, CA, on August 1, 2013; (2) Huey P. Long Medical Center in Pineville, LA, on June 30, 2014; (3) and St. Joseph's Hospital in Philadelphia, PA, on March 13, 2016.

Through Round 8 awards from Pacific Hospital of Long Beach, CMS awarded 25.92 DGME slots, and 20.47 IME slots to College Medical Center (CCN 05-0776), which was formerly Pacific Hospital of Long Beach. The hospital went through a change of ownership and appears to have reapplied for and was awarded its own original slots. Twenty-six hospitals applied for but were not awarded any Round 8 slots.

Through Round 9 awards from Huey P. Long Medical Center, CMS redistributed 4.00 DGME and IME slots to Rapides Regional Medical Center (CCN 19-0026) and 7.04 DGME and IME slots to Our Lady of the Lake Regional Medical Center (CCN 19-0064). Twenty hospitals applied for but were not awarded any Round 9 slots.

Through Round 10 awards, CMS redistributed 5.88 DGME and IME slots to Aria Health (CCN 39-0115) and 2.48 DGME and IME slots to Abington Memorial Hospital (CCN 39-0231). Thirty hospitals applied for but were not awarded any Round 10 slots. In the aggregate, Rounds 8, 9, and 10 redistributed a total of 45.32 DGME and 39.87 IME slots from the 3 closed hospitals to 5 awardee hospitals.

Section 5506 of the ACA required CMS to implement the closed hospital residency slot redistribution program. Under the program, CMS is required to take all of the DGME and IME residency slots from hospitals that closed on or after March 23, 2008, and to permanently redistribute them according to certain criteria. Prior to the ACA, hospitals that took on displaced residents from closed hospitals could only receive cap slots temporarily until the displaced residents completed their training, but there was no provision for the permanent redistribution of these slots. Through all ten rounds of Section 5506 redistributions, CMS has now redistributed 1,344.44 DGME and 1,272.8 IME slots.

The ACA specified that hospitals in the same geographic region as the closed hospital would receive priority for that closed hospital's slots. Among other criteria, CMS also gave preference in distributing these permanent slots to hospitals that:

- Assumed an entire program from the closed hospital;
- Received slots from the closed hospital under a GME affiliation agreement and would use the slots to continue to train at least the number of residents the hospital had trained under the affiliation agreement; and
- Took in residents displaced by the hospital closure and would continue to train residents in the same programs as

the displaced residents, even after the displaced residents completed their training.

The GME@Dentons team listed above can answer your questions about the most recent rounds of awards, or broader inquiries about Medicare funding of graduate medical education.