

Resident rotator bill voted out of Ways & Means Committee: Next step, consideration by the full House of Representatives

June 27, 2019

The Ways & Means Committee of the US House of Representatives on June 26 reported out favorably for consideration by the full chamber a bipartisan bill containing provisions that would help hospitals whose per resident amounts (PRAs) and caps were inadvertently established by small numbers of resident rotators. At a markup session yesterday, the committee approved by a vote of 41-0 HR 3417, the Beneficiary Education Tools, Telehealth, and Extenders Reauthorization Act of 2019, or the BETTER Act of 2019.

This bill incorporates, at Section 201, a version of language first introduced as the Advancing Medical Resident Training in Community Hospitals Act, which we have written about previously here. If passed, this legislation would address the following three problems:

- **Accidental establishment of a hospital's resident limit, or "cap":** The bill would permit community hospitals whose caps were accidentally established by small numbers of resident rotators to build and receive Medicare funding for new residency programs. Under the legislation, any hospital whose cap was established based on training fewer than 3.0 full-time equivalent (FTE) resident rotators from new residency training programs between October 1, 1997, and the date of enactment, would be permitted to establish new GME caps.
- **Accidental establishment of a hospital's per-resident amount (PRA):** The bill would permit community hospitals whose PRAs were accidentally established by small numbers of resident rotators to build and receive Medicare funding for new residency training programs. Under the legislation, any hospital whose PRA was established based on training fewer than 3.0 FTE resident rotators between October 1, 1997, and the date of enactment, would be permitted to establish a new PRA.
- **Extremely low base-year cap:** Any hospital whose base-year GME cap was set based on the training of less than 1.0 FTE resident prior to October 1, 1997, would be permitted to establish a new FTE cap.

Moving forward, a hospital's GME caps and PRA would not be established until the hospital trained more than 1.0 FTE resident in a given fiscal year.

The GME @ Dentons team anticipates that the full House will vote on the BETTER Act of 2019 in the coming weeks, and we will provide updates as they become available. We continue to advocate on behalf of our clients on resident rotator issues.

Your Key Contacts



Lori Mihalich-Levin
Partner, Washington, DC
D +1 202 408 6942



Susan Banks
Partner, Denver
D +1 303 634 4329

lori.mihalich-
levin@dentons.com

susan.banks@dentons.com



Allison M. Cohen
Managing Associate,
Washington, DC
D +1 202 408 7927
allison.cohen@dentons.com



Sander Lurie
Principal, Washington, DC
D +1 202 408 7003
sander.lurie@dentons.com