

GME @ Dentons: Upcoming Deadline for Section 5506 Slots from Two Closed Hospitals

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Teaching hospitals interested in applying for DGME and IME slots available from closed hospitals — Westlake Community Hospital in Melrose Park, IL (CCN 14-0240), and Astria Regional Medical Center, in Yakima, WA (CCN 50-0012) — must submit applications to CMS by March 29, 2021.

On December 29, 2020, in the CY 2021 OPPS Final Rule, CMS announced the opening of the application process for Rounds 18 and 19 of the Affordable Care Act's section 5506 closed hospital slot redistribution. Hospitals have 90 days from that date to apply.

In Round 18, CMS will redistribute Westlake Community Hospital's FTE cap slots. In Round 19, CMS will redistribute Astria Regional Medical Center's FTE cap slots.

Below are details on the closures and the slots to be redistributed through both rounds:

Provider Name	CCN	City/State	CBSA code	Terminating date	IME FTE resident cap (including +/- MMA Sec. 422)	DGME FTE resident cap (including +/- MMA Sec. 422)
Westlake Community Hospital	14-0240	Melrose Park, IL	16984	Aug. 14, 2019	36.33 (36.87-0.54)	39.28 (41.24-1.96)
Astria Regional Medical Center	50-0012	Yakima, WA	49420	January 15, 2020	12.03 (3.74 + 8.29)	13.02 (8.18-0.16+5.00)

Applications for Westlake and Astria FTE resident cap slots must be **received** by the CMS Central Office (**not** just postmarked) by March 29, 2021.

Background on the Section 5506 closed hospital slot redistribution program

Section 5506 of the Affordable Care Act (ACA) requires 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 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 closed hospitals' slots.

The ACA specifies that hospitals in the same geographic region as the closed hospital will receive priority for the

closed hospital's slots. Among other criteria, CMS also gives preference to hospitals that:

- Assume an entire program from the closed hospital;
- Previously received slots from the closed hospital under a GME affiliation agreement and will use the awarded slots to continue to train at least the number of residents the receiving hospital had trained under the affiliation agreement; and
- Take in residents displaced by the hospital closure and will continue to train residents in the same programs as the displaced residents, even after the displaced residents complete their training.

The GME @ Dentons team is happy to answer any questions you may have about this announcement, the application process for closed hospital slots, and broader inquiries about Medicare funding of graduate medical education.

Your Key Contacts



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