

## Meeting Minutes: MERC Committee

February 28, 2022

### Committee Member Attendance

- Felix Ankel – HealthPartners Institute
- Bradley Benson – M Health-Fairview
- David Dahlen – Mayo Clinic
- Kate Dean – Essentia Institute of Rural Health
- Roger Dearth – Mayo Clinic
- Miranda Gilmore – Fraser Integrated Healthcare
- Kimberly Lakhan – College of St. Scholastica
- Kathleen Macken – Allina Health
- Deborah Mayland-Poyzer – Fairview Health System
- Rebecca McGill – St. Catherine’s University
- Robert Miner – Allina Health/Abbott Northwestern
- Christine Mueller – University of Minnesota
- Michelle Noltimier, Chair – HealthPartners Institute
- Sheila Riggs – University of Minnesota
- John Rodewald - Park Nicollet Health Services
- Thomas Satre – CentraCare Health
- Troy Taubenheim – 1st Vice Chair - Metro Minnesota Council on GME

Not in Attendance:

- Mary Edwards – Fairview Health System
- Meghan Walsh – Hennepin County Medical Center
- Lynda Welage – University of Minnesota

**Health Department Staff:** Yende Anderson, Cirrie Byrnes, Susan Castellano, Teri Fritsma, Laura McLain, Nitika Moibi, Zora Radosevich, Diane Reger, Diane Rydrych, Angie Sechler

### Agenda Items

- Welcome – Michelle Noltimier, Chair
- Workgroup:
  - Update – Michelle Noltimier & Troy Taubenheim

- Presentation: Supply vs Demand – Teri Fritsma & Nitika Moibi
- Discussion – Felix Ankel, Michelle Noltimier & Troy Taubenheim
- Legislative Proposals on Healthcare Workforce – Zora Radosevich, MDH
- Grant Updates — DHS & MDH Staff
  - Medical Education and Research Costs (MERC) Grant
    - PMAP Directed Payments & MERC State Plan – Patrick Hultman, DHS
    - Current Grant Cycle – Diane Reger, MDH
- Future Meetings (Web Based Teleconferences, 1 – 3 p.m.)
  - Wednesday, May 18, 2022
  - Monday, August 15, 2022
  - Wednesday, November 16, 2022
- Topics
  - Submit topics to committee chairs or MDH staff

Teams meeting called to order by Chair Michelle Noltimier at 1:00 p.m.

**Workgroup Update:**

- Michelle Noltimier reviewed the goals of the workgroup that include uncovering systemic barriers to healthcare workforce along with developing breakthrough initiatives across sectors to provide for a robust healthcare workforce into the future. Both short term gains and long-term solutions will be explored as the group continues to challenge assumptions and then begin focusing on one healthcare profession at a time to determine the barriers and possible solutions. She pointed out that other topics will be discussed including mental health, primary care, preceptorship (including burnout), adequate student training (especially during COVID), and brain trust of those either leaving or retiring from the healthcare workforce. Troy Taubenheim stressed the need for development of a model that can be used to evaluate/test a wide range of healthcare professions.

**Presentation: Supply vs Demand/Discussion:**

- Teri Fritsma, MDH, gave a PowerPoint presentation on “Health Workforce Data - Physician Assistants”. She pointed out that no one data source or single number/formula can fully tell the complete story of workforce needs. Some of the highlights of her presentation include that the profession has more than doubled over the past decade; that it is one of the fastest growing healthcare professions in the state; that 90% are under the age of 44; only one quarter of the state’s PAs earned their degree in Minnesota; 84 % work in an urban setting; and rural areas could lose up to 20% of these healthcare professionals within the next five years. The maldistribution of PAs requires encouragement so that they either remain in rural areas or move to them along with promoting the continuation of telemedicine. Family considerations are the single largest influence on where these providers choose to live and work. COVID has caused burnout to the extent that 26% of the PAs surveyed in 2021 have identified that they are considering leaving the profession. Back in 2019, that number was only 9%.
- Kimberly Lakhani pointed out the importance of preceptors for retention and recruitment. Bradley Benson highlighted the role of in-house training to specialty-specific workforce. Clinical placement and preceptor barriers were also identified. Troy Taubenheim pointed out that possibly clinical training rotations could be given to students residing in Minnesota. There are not enough open spots and non-Minnesota based students are currently filling many of them. Michelle Noltimier reminded members that

data for other healthcare professions can be pulled, but that key information should be identified in order to ensure consistency with what the workgroup reviews during discussion of each profession.

**Legislative Proposals on Healthcare Workforce:**

- Zora Radosevich, MDH, gave an overview of the current legislative proposals. The Governor’s supplemental budget proposal included funding for Rural Training Tracks and Rural Clinicals Grants, Workforce Research, International Medical Graduates (IMG) Training Grants, Site-based Clinical Training Grants, and mental health supervision needed to diversify the healthcare workforce. Other proposals included funding for training of licensed providers and extending Loan Forgiveness programs to increase and diversify the healthcare workforce especially targeted at those working in rural and underserved areas across the state. She will continue to update MERC members as these proposals move through the legislative process.

**Medical Education and Research Costs (MERC) Grant:**

- Patrick Hultman, DHS, gave a PowerPoint presentation on PMAP Directed Payments and the MERC State Plan. He reported that a large portion of the funding for the MERC grant is currently operating under an extension of the PMAP waiver. CMS has not approved the waiver moving forward. He provided a timeline to explain when the MERC formula grant will be impacted and a table outlining the current funding. If a new payment model is not in place by April 2024, he indicated only half of the current \$49.5 million from the PMAP waiver will be available. Then in April 2025, funding from the PMAP waiver will no longer be part of the MERC formula grant. This would leave \$9.5 million for MERC funding.

## Current MERC Funding and Payment Summary

MERC Payment	Annual Amount	Federal Authority	Funding Source	Payment Frequency
Distribution Formula (PMAP)	\$49,552,000	PMAP waiver	MA Account	Annually
Distribution Formula (FFS)	\$7,500,000	State plan	Settlement fund	Annually
U of M (metro)	\$17,400,000	PMAP waiver	U of M transfer	Monthly
U of M (rural)	\$2,157,000	PMAP waiver	U of M transfer	Monthly
HCMC	\$1,035,360	PMAP waiver	U of M transfer	Monthly
Dental Grantees	\$1,121,640	PMAP waiver	U of M transfer	Monthly
Other	\$2,000,000	n/a	GF and HCAF	Annually

- He noted a new managed care directed payment is likely the best option to sustain Medicaid funding for medical education. DHS is reviewing ten states currently operating under this system. He pointed out that he will be working with Kathleen Kuha (also of DHS) to develop a proposal by Labor Day for a new funding model. His hope is that by having a proposal in place, a six-month extension will be granted. He stated that since the tobacco match is already approved in the State Plan, he sees no reason for loss of that funding. Zora Radosevich assured members that MDH will continue to work closely with DHS on this and she will report out to committee members on any further developments. Please direct any questions, concerns or considerations to [health.MERC@state.mn.us](mailto:health.MERC@state.mn.us).
- Diane Reger, MDH, reported on the current FY2022 grant cycle. The total amount of funding through the MERC grant is \$59,127,000. A review is currently taking place and the formula is expected to result in approximately 386 sites qualify for funding. Funding will be released by April 30 to sponsors. The sponsors have 60 days to forward funding to clinical training sites. Grant Verification deadlines are June 30 for sponsors and July 15 for training sites.

**Future 2022 Meetings:**

- May 18; August 15; November 16
- 1 – 3 p.m.  
Via Teams (refer to meeting agenda for call-in information closer to meeting time)
- Submit possible agenda items to the Committee Chair and/or MERC staff

With no further business, Chair Michelle Noltimier adjourned the meeting at 3:01 p.m.