

Meeting Minutes: Health Care Workforce & Education Committee

February 15, 2023

Committee Member Attendance

- Bradley Benson – M Health-Fairview
- Susan Culican – University of Minnesota
- David Dahlen – Mayo Clinic
- Roger Dearth – Mayo Clinic
- Kelly Frisch – HealthPartners
- Miranda Gilmore – Fraser Integrated Healthcare
- Kimberly Lakhan – College of St. Scholastica
- Deborah Mayland-Poyzer – Fairview Health System
- Rebecca McGill – St. Catherine University
- Robert Miner – Allina Health/Abbott Northwestern
- Christine Mueller – University of Minnesota
- Nate Mussell – Fairview
- Michelle Noltimier, Chair – HealthPartners Institute
- Sheila Riggs – University of Minnesota
- Thomas Satre – Vice Chair – CentraCare Health
- Troy Taubenheim – Chair - Metro Minnesota Council on GME
- Meghan Walsh – Hennepin County Medical Center
- Lynda Welage – University of Minnesota

Not in Attendance:

- Badrinath Konety – Allina
- Kathleen Macken – Allina Health
- Peter Nalin – University of Minnesota, Duluth

Health Department Staff: Cirrie Byrnes, Elizabeth Fenske, Joanne Madrid, Nitika Moibi, Zora Radosevich, Diane Reger

Department of Human Services Staff: Patrick Hultman

MERC staff can be contacted at health.merc@state.mn.us

Meeting Website <http://www.health.state.mn.us/facilities/ruralhealth/merc/committee/index.html>

Agenda Items

- Welcome – Troy Taubenheim, Chair
- Committee & Membership Updates
 - New Name: Health Care Workforce & Education Committee
 - Membership
 - New Vice Chair:
 - Dr. Thomas Satre
 - New Members:
 - Dr. Susan Culican
 - Dr. Kelly Frisch
 - Dr. Badrinath Konety
 - Nate Mussell, JD
 - Dr. Peter Nalin
- Health Care Loan Forgiveness Program Presentation – Elizabeth Fenske, MDH
- Summer Internship Program – Joanne Madrid, MDH
- Legislative Proposals on Health Care Workforce – Zora Radosevich, MDH
- Medical Education and Research Costs (MERC) Program
 - Funding – Patrick Hultman, DHS & Zora Radosevich, MDH
 - Current Cycle – Diane Reger, MDH
- Next Meeting
 - May 10, 2023, web-based teleconference, 1 – 3 p.m.
 - Submit topics to committee chairs or MDH staff

Meeting Notes

Welcome and Membership: Troy Taubenheim, chair, called the meeting to order at 1:02 p.m. He reported that the new name for the committee will be the Health Care Workforce & Education Committee. He acknowledged Michelle Noltmier for her contributions to the committee serving as past chair. He further announced that Dr. Tom Satre has accepted the nomination to serve as vice chair. He encouraged committee members interested in serving as second vice chair to submit their name to health.merc@state.mn.us. Troy reported that the Nominations Committee and committee membership approved adding five new members: Dr. Susan Culican, Dr. Kelly Frisch, Dr. Badrinath Konety, Nate Mussell, JD, and Dr. Peter Nalin.

MDH Programs:

Health Care Loan Forgiveness Program Presentation – Elizabeth Fenske, MDH, provided an overview of the program. She reported that currently 19 health care professions are eligible to apply for this funding. The current annual allocation is 3.2 million. An additional \$3 million was added in 2021 specifically targeted toward mental health professionals and rural primary care. An additional \$1.6 million was allocated in the 2022 session. The application cycle opens every November, closes in early January and is competitive. There has been an increase in applications, especially with the addition of mental health professions occurring in FY24. The award amounts

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have also steadily increased over the past few years. She explained that loans are applied for using the Foundant system. Questions about the program can be sent to elizabeth.fenske@state.mn.us.

Summer Internship Program – Joanne Madrid, MDH, provided an overview. She pointed out that there has been an increase to the number of host organizations, but the number of interns placed is decreasing. She attributes that to the increase in the amount paid to the intern by the host organization. Currently 106 students are placed with the program, which pays 50% of the intern’s salary over the summer months. A total of 491 interns have been placed since 2021. Questions about this program can be sent to joanne.madrid@state.mn.us.

Legislative Update:

Zora Radosevich, MDH, reported on several legislative proposals. The Revitalize the Health Care Workforce legislation has not yet been introduced. Components of the bill include an increase in funding for research looking at provider shortages and maldistribution of providers across the state, and funding for Rural Training Tracks and rural Clinical rotations and training for primary care providers, including oral health providers. Also proposed is additional funding for the International Medical Graduate (IMG) Program serving as an entry point for health care providers medically trained outside the country to secure employment. The clinical training component of this program has been found to be very effective for getting international providers into a residency program. Another component of the bill provides for site based clinical training; MDH is interested in exploring factors to address why sites are not currently offering clinical training and identify those sites that could possibly offer more clinical training experiences.

- Ms. Radosevich reported that MERC based funding is dependent on Medicaid volume. There is a definite need to promote and expand clinical training outside of the MERC program.
- Additional funding is being pursued to provide a two-year extension of funding for the new Mental Health for Health Care Providers program. Applicants would be encouraged to address systemic changes to aid retention and avoid burnout of mental health providers.
- Another provision would allow a pilot using loan forgiveness as a recruitment tool. The recent addition of loan forgiveness to the Home and Community-based Services program will give us some insight into the potential for this use of loan forgiveness to help alleviate the shortages for these needed providers in areas of the state who have had extreme difficulty in hiring.
- Looking at continuing the funding for the Dental Innovations grant that has been funded through the MERC program but is being eliminated there as the new CMS guidelines revise that program.
- Expansion of the Summer Internship Program is expected to be sought.
- Mr. Taubenheim asked how the funding for the Rural Training Tracks would be used. It was explained that it could be used to support the clinic site, the preceptors, along with student support such as housing and other miscellaneous expenses. The intent behind the proposal is to be able to get programs started and know there is state funding available, if the program might not meet HRSA’s definition, but would be eligible for funding from state Rural Training Tracks program.

Medical Education & Research Cost (MERC) Program:

Legislative Proposals & CMS Update: Patrick Hultman, DHS, gave an update on the proposed model for the continuance of MERC funding after the expiration of the current PMAP waiver (\$49.5 m). He reminded committee members that current funding expired but that the payments will run through the existing process through 2022.

- He explained that the best option for the continuance of \$49.5 million in MERC funding still appears to be a Fee For Services (FFS) approach for hospitals and their affiliated sites. The proposed change would be accomplished through an increased FFS hospital payment rate. This will account for approximately 95% of current MERC funding and 70% of grantee sites. Those sites not affiliated with hospitals would continue to be eligible for funding from tobacco (\$7.5 million) and from a combination of funding from the General Fund and Health Care Access Fund (\$2 million). The proposal includes a limitation to the sites that would be eligible for the \$2 million; those funds would no longer be available to sites affiliated with a hospital.
- Mr. Hultman stressed that an advantage of using this option continues to be that inflation can be factored in with no capping of funds.
- The earliest date for any proposed changes remains January 2024.
- There will be no impact on the April 30, 2023, MERC funding of \$59.1 million.
- The \$21,714,000 which currently includes the University of Minnesota Board of Regents, Hennepin County Medical Center and the Dental Innovations Grant will not be included in the proposed model.
- Nate Mussell pointed out that using the new model will make the grant payment appear as a Medicaid payment (add on) which will be troublesome.
- Diane Reger assured committee members that the same MERC formula will be used with the new rate system.
- Kimberly Lakhan mentioned that she anticipates an impact to physician assistants with this proposed model along with the possible de-incentivizing of preceptors funded by MERC.
- Mr. Hultman pointed out that Medicaid rates are set every two years. With all the questions from committee members on how Medicaid reimbursement will work, he offered to invite DHS rate staff to attend the committee's May meeting to offer more information on this.

Grant Cycle Update: Diane Reger, MDH, reported that the MERC applications are currently being reviewed. There was a total of 547 distinct sites, 335 programs and 27 sponsoring institutions who applied in Step 1. Of those that initially applied, 458 distinct training sites qualified to apply in Step 2 (meeting the 0.1 FTE trainee minimum). Eleven chose to withdraw their applications and twenty-five sites submitted expenditures below minimum grant requirement.

- Revenue workgroup members received MA/PMAP revenue reports from DHS and summary reports from Diane for review.
- Clinical training expenditures submitted in Step 2 are being reviewed. Diane pointed out that costs vary even among trainee types and facility types. She asked that representative who submitted federal negotiated indirect rate agreements to double check their agreements to ensure that exclusions were reported as such in their submissions.

- Discussion surrounding using average costs vs actual costs for certain expenditures were touched on.
- Mr. Taubenheim asked if assistance is needed with reviewing expenditures. Ms. Reger stressed the need for caution as individual sites can easily be identified by the information they submit. With that in mind, Mr. Taubenheim offered to work with Ms. Reger. He asked expenditure workgroup members to reach out to MERC staff if interested in reconvening.
- Sponsoring Institutions will be receiving grant agreement in early April. They will need to be signed no later than April 15 to meet the funding deadline to sponsoring institutions by April 30. Sponsors will forward funding to their clinical training sites and submit financial confirmation to MDH no later than June 30.

With no further business, Chair Troy Taubenheim adjourned the meeting at 2:56 p.m.

Next Meeting

May 10, 2023, 1 – 3 pm, via Teams.

- Agenda and call-in information will be posted on the [committee website](#) a week before the meeting. Submit possible agenda items to the Committee Chair and/or MERC staff.