

## Meeting Minutes: MERC Committee

November 16, 2022

### Committee Member Attendance

- Felix Ankel – HealthPartners Institute
- Mira Jurich attending for Bradley Benson – M Health-Fairview
- David Dahlen – Mayo Clinic
- Roger Dearth – Mayo Clinic
- 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
- 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
- Meghan Walsh – Hennepin County Medical Center
- Lynda Welage – University of Minnesota

Not in Attendance:

- Bradley Benson – M Health-Fairview (Alternate sent)
- Kate Dean – Essentia Institute of Rural Health
- Kathleen Macken – Allina Health

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

**Department of Human Services Staff:** Susan Hammersten

### Agenda Items

- Welcome – Michelle Noltimier, Chair
- Membership

MERC staff can be contacted at [health.merc@state.mn.us](mailto:health.merc@state.mn.us)

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

- Committee & Memberships:
  - New Name: Health Care Workforce & Education Committee
  - Chair/Vice Chair 2023
  - Members up for three-year term:
    - Dr. Bradley Benson
    - David Dahlen
    - Kimberly Lakhan
    - Michelle Noltimier
    - Sheila Riggs, DDS
    - Dr. Thomas Satre
    - Dr. Meghan Walsh
    - Lynda Welage, PharmD
  - Members with terms ending:
    - Dr. Felix Ankel
    - Kate Dean
    - John Rodewald
- Workforce & Subcommittee Update – Nitika Moibi
- Legislative Update – Zora Radosevich, MDH
- Grant Updates
  - IMG Residency & Primary Care Expansion Grants – Yende Anderson, MDH
  - Medical Education and Research Costs (MERC) Grant
- Funding – DHS Representative & Zora Radosevich, MDH
- Current Grant Cycle Update – Diane Reger, MDH
- Future Meetings
  - Topics
    - Submit topics to committee chairs or MDH staff

**Welcome and Membership:** Michelle Noltimier, chair, called the meeting to order at 1:02 p.m. She acknowledged Felix Ankel, Kate Dean and John Rodewald for their contributions to the committee as their terms end January 2023. Ms. Noltimier mentioned that her chair position will be ending, and that Troy Taubenheim will be assuming the chair position for 2023. Both the first and second vice chair positions are now open. Responsibilities are outlined in the MERC Operating Guidelines previously sent out to members. If interested in serving in either of these roles, please send your name to [health.merc@state.mn.us](mailto:health.merc@state.mn.us). The Nominations Committee will then review all received and bring their recommendation forward to the full committee.

The following members renewed their three-year term: Dr. Bradley Benson; David Dahlen; Kimberly Lakhan; Michelle Noltimier; Sheila Riggs, DDS; Dr. Thomas Satre; Dr. Meghan Walsh; and Lynda Welage, PharmD.

**Workforce & Subcommittee Update:**

- Angie Sechler, MDH, presented data found on the Office of Rural Health and Primary Care’s Health Care Workforce Data & Analysis [dashboard](#) relative to the impact of COVID-19 on the healthcare workforce. Teri Fritsma, MDH, highlighted data on healthcare providers use of telehealth, how their training changed due to COVID-19 and the determinants of why providers choose to practice in rural. She explained that the document is embargoed at this point until publication but stated that some of the factors include loan forgiveness, educational experiences in rural and having the ability to have a broad scope of practice.

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- Nitika Moibi, also from MDH, reported that a survey launching in January will address preceptorship and will ask about factors that deter an organization from being preceptors. With work satisfaction and rural clinical training being large issues, funding has been secured for a rural physician training track program offered at CentraCare System-Willmar and the University of Minnesota.

#### **Legislative Update:**

- Zora Radosevich, MDH, reported on several legislative proposals. A HRSA grant will be funding Rural Training Tracks and Rural Clinicals. She further mentioned that workforce research will look at provider shortages and the maldistribution of providers across the state. Also proposed is additional funding for the International Medical Graduate (IMG) Program which serves as an entry point for healthcare providers medically trained outside the country to secure employment. It provides guidance, support, and possible funding of a residency slot. Another proposal is for site based clinical training which will explore the factors why sites are not currently offering clinical training and identify those sites that could possibly offer more clinical training experiences. The final proposal is for mental health for health care providers. An RFP is being prepared to look at expanding this beyond one year. An evaluation tool is being developed.
- Ms. Radosevich highlighted the need to expand loan forgiveness specifically to home and community-based providers. Work is being done on a definition for how best to describe where the greatest need lies along with ways to alleviate the struggle to recruit providers.
- Also reported was that the State Trauma Designation Program proposal will now include epidemiology studies this legislative session.
- She agreed support by MERC Committee members would be very helpful once these proposals are put into bill format.

#### **Grant Updates:**

- IMG Residency & Primary Care Expansion Grant: Yende Anderson, MDH, reported that the grant application period starts December 2 and will be open for four weeks (closing January 6). A strong health equity component has been added to the RFP this time around. An emphasis on specialties in high demand, like psychiatry and pediatrics, will be prioritized. Grant recipients will be announced by February 2023.
- Medical Education & Research Costs (MERC) Grant: Susan Hammersten, DHS, gave a presentation on a proposed model for the continuance of MERC funding after the expiration of the current PMAP waiver. She explained that the current funding expired in 2021 but that the payments will run through the existing process through 2022.
  - She stated that the best option for MERC funding 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. It does, though, exclude pharmacy and independent clinics (including dental clinics). Other funding will be explored for training sites that are not affiliated with a hospital before any model is actually decided upon.
  - Benefits of this proposal include: reduced administrative complexity where the health plans are not intermediaries, full 90% federal match when services are provided to the childless adult population, MERC payments will remain an identifiable component of the hospital payment, and the application

process could potentially move to every other year (biannual) to align with setting hospital rates. Drawbacks include that DHS can't reach every training site via hospital rates, future changes would have to align with hospital rate rebasing schedule slightly delaying implementation of changes, and the need to capture training sites cycling in/out from MERC program.

- There was concern expressed by interested parties surrounding hospitals reaching their Upper Payment Limit (UPL). Susan indicated that this should not be an issue the majority of the hospitals which are privately owned. In addition, the proposal would not disadvantage the government-owned hospitals any more than they are under the current methodology.
- In the past, MERC grant funding was capped at a specific dollar amount (\$49.5 million). The Fee For Service approach of using the hospital rate allows funding to grow and factors in inflation. The earliest date for proposed changes will be January 2024 with the thought of still getting payments out in April 2023.
- The new proposal would include the \$49,552,000 currently known as the PMAP Carveout, but the remaining \$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. Alternative funding for Hennepin County Medical Center and the Dental Innovations Grant will be looked into.
- It is hoped that MERC funding and the hospital rates can be put on a calendar year cycle.
- Susan noted that some, small critical access hospitals may not have enough billing activity for inpatient hospital services to allow the MERC funding to be paid out. In those instances, the MERC funding can be added to the outpatient rate for those hospitals.
- Ms. Hammersten emphasized that this proposal must go to the Legislature for consideration in the next session and that timelines are tight. She asked that any questions or comments be directed to either her directly or through [health.merc@state.mn.us](mailto:health.merc@state.mn.us) to capture a list of concerns within the next few weeks before this moves further along.
- The PowerPoint presentation will be sent out to all MERC members.
- A question was raised on the option of using proxies for expenditures in the future. Ms. Hammersten indicated that no changes to the formula were being proposed. Diane Reger indicated that proxies that were once used for the expenditure process were based on training costs for specific programs. The current expenditures are collected based on trainee type and are not specific to the teaching program (primary vs specialty). A formula change would require legislative changes.
- Grant Cycle Update: Diane Reger, MDH, reported on the MERC application cycle stating that 547 distinct sites, 335 programs and 27 sponsoring institutions applied in Step 1. Step 2 of the grant will be opening for 458 distinct training sites who met the 0.1 FTE trainee minimum. Expenditures are due by December 15.
  - Funding will be sent to sponsoring institutions by April 30 with funds being sent to programs by June 30.
  - Ms. Reger briefly reviewed how the MERC formula is determined. She reported that 140 sites from the prior year did not apply this grant cycle. This year, 153 sites applied that didn't the prior year. She noted there were two new documents sent out to sponsoring institutions—Conflict of Interest and Due Diligence. Both forms are necessary per Grants Central.
- Other Grants: none identified.

**Upcoming 2023 Meetings:** All meetings will be held from 1 – 3 pm via Teams.

- February 15, 2023 (new date)
  - May 10, 2023
  - August 2, 2023
  - November 1, 2023
- 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.

With no further business, Chair Michelle Noltimier adjourned the meeting at 2:44 p.m.