

## Why GAO Did This Study

An adequate, well-trained physician workforce is essential for providing access to quality health care. While a number of factors affect the supply and distribution of physicians, GME is a significant determinant. A significant portion of GME training funds come from federal programs and states.

This report (1) describes the amount and distribution of federal government and state Medicaid agency spending on GME; (2) describes what is known about GME costs; and (3) examines the extent to which the federal government collects information to understand its investment in GME. GAO reviewed reports, agency websites, and interviewed agency officials to identify federal programs that fund the clinical training of residents and were authorized through 2017. GAO analyzed 2015 data—the most recent data available at the time of GAO’s analysis—including from a state survey. All 50 states and the District of Columbia responded to the survey. GAO reviewed literature, interviewed experts from seven organizations knowledgeable about GME costs, and analyzed Medicare data. GAO also reviewed documentation from HHS and the Department of Veterans Affairs (VA) and interviewed agency officials.

## What GAO Recommends

GAO recommends that HHS coordinate with federal agencies, including VA, to (1) identify information needed to evaluate federal GME programs, and (2) identify opportunities to improve the quality and consistency of information, and implement these improvements. HHS concurred with both recommendations.

View [GAO-18-240](#). For more information, contact James Cosgrove at (202) 512-7114 or [cosgrovej@gao.gov](mailto:cosgrovej@gao.gov).

# PHYSICIAN WORKFORCE

## HHS Needs Better Information to Comprehensively Evaluate Graduate Medical Education Funding

### What GAO Found

Federal agencies and state Medicaid agencies spent over \$16.3 billion in 2015 to fund graduate medical education (GME) training for physicians—commonly known as residency training. The federal government spent \$14.5 billion through five programs, and 45 state Medicaid agencies spent \$1.8 billion. About half of teaching sites that received funding—such as teaching hospitals—received funds from more than one of the five programs.

**Federal Spending on Graduate Medical Education (GME) Training, 2015**

Program	Total GME spending (dollars in millions)	Percent of total spending (percent)
HHS programs		
Medicare	10,335	71
Medicaid (federal share)	2,351	16
Children’s Hospital GME Payment Program	249	2
Teaching Health Center GME Program	76	1
VA program	1,499	10
<b>Total</b>	<b>14,509</b>	<b>100</b>

Source: GAO analysis of Departments of Health and Human Services (HHS) and Veterans Affairs (VA) data; and GAO web-based survey administered to state Medicaid agencies. | GAO-18-240

GME training costs vary due to the characteristics of teaching sites, such as the number of residents trained and their specialty, which can make it difficult to compare training costs across sites. Further, challenges exist in measuring training costs because some costs, such as faculty teaching time, are difficult to identify. Also, there is no standard method for identifying and capturing training costs, and each teaching site may vary in how it does so.

While federal agencies generally collect information needed to manage their individual programs, this information is not sufficient to comprehensively understand whether the federal investment in GME training meets national physician workforce needs. The information agencies collect is not always complete or consistent within or across programs. For example, national data on GME training costs are not systematically collected, and some agencies lacked data to understand the total amount spent, or the outcomes of their programs, such as where supported residents went on to practice. GAO recommended in 2015 that the Department of Health and Human Services (HHS) develop a comprehensive planning approach to identify and address areas of health care workforce need. HHS concurred and identified steps it could take. While HHS has yet to take these steps, the information currently available is also insufficient for such planning. Comprehensive information is needed to identify gaps between federal GME programs and national physician workforce needs—particularly the distribution of physicians geographically or across specialties—and to make or recommend to Congress changes to improve the efficient and effective use of federal funds to meet those needs.