CALL TO ORDER

The meeting was called to order by Tim Putnam. The roll call counted 8 members present. Steven Becker participated by phone.

Tim Putnam welcomed Bryan Mills to his first in-person meeting. Board members introduced themselves and stated who they work for and their appointment on the Board. Commission staff and members of the audience also provided introductions.

APPROVAL OF MINUTES FROM PRIOR MEETING

The Chair called for review of the previous meetings and for any additions or corrections. Mark Cantieri moved to approve the minutes as they were and was seconded by James Buchanan. Motion passed 8-0.

BUSINESS ITEMS

a. Board Replacement for Marian University College of Osteopathic Medicine

Eugene Johnson explained that Dr. Paul Evans had formally resigned from his position with Marian University and the Board and is retired from Marian. Eugene explained that Dr. Donald Sefcik with Marina University was in attendance to listen in on the meetings’ proceedings. Eugene stated that he and Tim Putnam notified the Governor’s Office about the vacancy and were working with that Office to ensure the position on the Board is filled. He explained that the Governor’s will vet candidates for the position and will notify him, he will notify Tim and the Board, Marian will be contacted and steps will be finalized to ensure the Board is back to a full 10-person capacity.

b. Request for Proposals (RFP) for Statewide Evaluation of GME Expansion in Indiana

Tim Putnam asked Peter Nalin to please bring the Board up to speed on the work of his committee. Peter Nalin stated a subcommittee worked in concert with Eugene Johnson (as staff) of himself, Beth

1 Dr. Sefcik previously introduced himself and his role with Marian University’s College of Osteopathic Medicine
Wrobel and Paul Haut meet to develop the RFP. He explained that using a state framework for the RFP, the statute² and the suggestions of the committee the RFP was created so the Board could have high-quality, timely work available in this calendar year in alignment with when analysis and reports should be available. He stated that progress report milestones were also put in. He requested commentary, finishing touches and any edits in this meeting and, depending on assessment of the Chair, it could be brought to a vote today.

Dr. Nalin directed group to the timeline in the draft document and went over the proposed timeline. He stated the proposal was a robust document, not highly complicated and people may look at the work and jump at the chance to do it.

Tim Putnam stated the timeline gives interested applicants time to put together a good proposal. He asked, once awarded, how much time the vendor would have to produce the work product. Peter Nalin directed the group to the next page for a timeline of milestones the vendor would be expected to meet. He stated the advantage of the progress report method gives the Board a chance to use a “give and take” method; with a new Board and work goals, this method is more advantageous than the Board getting something in November that is misdirected to people’s expectations.

Tim Putnam added that there is a scoring piece and he’s used to a quantitative and qualitative method of reviewing RFPs. With state proposals, quantitative “rules the day” and the highest scoring proposal wins the bid. He stated that they want to ensure the weighting is what the Board wants to go with. Tim opened questioning.

Bryan Mills had two questions/suggestions. He stated that his first question concerned language regarding “the cost of hosting”; he stated “costs” is such a nebulous term and it may be good to better define what costs they want (direct, indirect, costs not funded by the government); he wants to ensure that the report makes the objective clear as that definition will make everything else clearer. Peter Nalin asked if adding direct and indirect before “costs” would better channel the direction requested; Bryan Mills stated at least “total costs” would make it as broad as it could be. His second point; he doesn’t think there’s as much of an understanding as to where feds fit in; what other funding source is there; and Board needs to have stake in the ground as to what that is; what Board wants that to be; if not; can see a conversation with the state where everyone is confused.

James Buchanan seconded Bryan Mills thoughts and stated the institute of medicine and RAND study both charged by CMS to determine cost of residency programs; conclusion was that it’s a black box; there’s no unified nomenclature regarding cost of residency training such as “direct” or “indirect”; peer review literature often uses full costs before offsetting revenue. Outpatient clinics may not be counted but are often some of the biggest costs sinks. He suggested that the RFP ask that the vendor look at full costs minus offsetting revenues. Bryan Mills asked should that be broken down by specialty; both James Buchanan and Tricia Hern stated yes. Dr. Nalin stated he was taking notes and asked the Board if language should be changed to read “total direct, indirect and net costs of hosting specific residency programs to an entity and specifically the cost of training per resident.” He asked if that captures what Board wants to get in costs. The feedback was “yes.”

² 2015 HEA 1323
Tim Putnam asked if could be broken down by identified primary care specialty. He also asked if vendor could define their methodologies.

Beth Wrobel asked for potential non-state funding streams and Tricia Hern stated “clinical revenues and other funding sources.” Dr. Nalin pointed the Board to the section of RFP where the Board is requesting vendor to evaluate funding sources that Indiana is not using that would impact the ability to expand GME including federal sources; he wondered if clinical revenues should be added there. Bryan Mills supported including clinical revenues; Beth Wrobel also requested including teaching health centers.

Tim Putnam stated one thing that will help when defined is to categorize certain aspects; he and others agreed that some items could be grouped. Long-term goal is to have work to show the legislature, institutions Board hopes becomes more interested in GME and to get communities more interested in GME.

Peter Nalin mentioned that some expansion might be general surgery, psychiatry; might be the high need accounted for; want to ensure vendor is looking at primary care and other likely expansion programs; working with Board to assess; psychiatry and general surgery are not currently included but he has heard those disciplines come up around the state as high-value and expansion areas.

Tim Putnam noted that a list of primary care areas were listed in the RFP but general surgery was not listed as an area of evaluation. He asked if this should be included. Steven Becker said he thinks the Board would want to add that; while some colleagues would not want to be considered primary care; general surgery is becoming a big shortage so it should be included. He also stated clinical revenue is really variable and while good to have a ballpark, the group need to realize that it’s really at a wide spectrum.

James Buchanan stated by breaking out three primary care specialties; continuity clinics would be different. One piece IOM and RAND report came back to say its’ a black box. There should be consideration of revenue differentiation. Is there FQHC clinical service revenue or continuity clinic in the FQHC? Is residency performing revenue producing hospital service lines such as OB or inpatient medicine? Are rotations revenue producing or non-revenue producing preceptor rotations? Don’t want to lead consortia or virgin hospitals wrong; the Board doesn’t want to mislead them with full costs. If a residency program is already established, then to expand involves lower incremental costs vs. someone starting a new GME program which will have greater costs as they have to also include a new GME office/personnel. Many costs like security, HR, IT and housekeeping aren’t always uniformly being tracked which is why you see a wide variation in costs; stepdown cost methodologies are not standardized. Caution: if researchers couldn’t come up with easily discernable residency costs, the Board may also be challenged; group may get numbers they can work with but they might not be as defined and standardized as some want.

Bryan Mills asked is it possible to have direct cost and then what would be called a “reasonable overhead allocation” and use that as opposed to including multiple variables; trying to get back to when Board presents; will reduce random variability in the discussion vs. conversations that should be more direct.
Steven Becker stated that the taskforce that promoted the bill thru the legislature\(^3\) did some of this work and came up with number of $140k per spot; tried look at residency programs in-state, IU Health, and the IU School of Medicine to get a ballpark estimate on what their feelings were for cost; might be a reasonable place to start.

Tim Putnam asked if that was direct and indirect inclusive; Steven Becker stated he believed it was both but was hard costs and did not include things facilities and things of that nature. James Buchanan stated that some things, like half-time program director, one program coordinator were included, however, continuity clinics weren’t part of that number. Tim Putnam stated that most have seen this with other programs; variable costs; allocation of overhead is not new from the administrative side.

Bryan Mills stated there must be some recognition of total costs; worst outcome from his perspective is they accept report and fund; Board can’t operate on what was funded because incidentals not included; if costs not correct people won’t do it or, worse yet, they start and stop it. He doesn’t want to undersell.

Beth Wrobel asked does Board need a totally new one and the costs to add on and stated they were assuming this is a blended costs. Steven Becker stated he thinks you’re going to have startup costs that can’t be reasonably calculated; thinks what group wants to say if you go with a figure like $140k or consultant says that amount the Board says what that amount is so that entity going in knows that there are additional costs depending on where they are at. He stated his four partner facilities were using a figure of around $130k and they realized that did not include the cost of building new facilities. It needs to be clear what that figure is, and maybe each entity needs to have a capability study done to determine estimated true costs; estimated true cost of what they may be are not identical numbers.

Tricia Hern stated she feels that’s why it’s more important that the group frame it in a way that the institutions that want to participate see it as an investment; they have to contribute 25%; realistically it’s probably going to be more than that over the long haul; how does group frame this as an investment and participation and note that this funding alone, just like GME dollars does not offset all cost similar to federal dollars and that’s the goal.

Tim Putnam stated that Steven Becker and multiple institutions came together and said “let’s do this analysis ourselves” and what the Board would like to have is something legislators see as benefit for something to invest in for benefit of citizens of Indiana but also go out to those who have not formed a consortium and say that “these entities can do this” and this is the groundwork. The Board wants to spur them to have the discussion. Hopefully they will do their own needs assessment and analysis and go from there.

Steven Becker recommended group decides exactly what’s included in those costs, lots of programs (IUSM, Fort Wayne, and Southwest) can provide data to give the best picture of costs and best starting point. Tim Putnam and Bryan Mills both agreed that external partners who’ll need to make decisions on starting new residency programs will want to know what outcomes happened in Southwest Indiana, how much is theory, what really occurred and reconciled to reality.

Steven Becker stated that the selected consultant could be required to put together a PowerPoint for use of the Board and Tim Putnam pointed out that this was included in the draft. He then asked if

\(^3\) 2015 Legislative Session
anything should be added and asked if anything should be added. Peter Nalin and Steven Becker both agreed that general surgery and emergency medicine should be added. Tim Putnam asked if there were any objections to these additions and there were none. Tim Putnam stated on the bullet point outline “viable program beyond traditional programs”; he would like to expand to include vulnerable/underserved communities and areas with immediate thoughts running to inner-city and rural areas; getting physicians trained in areas where there’s a scarcity is very important and feels worthwhile to add that. James Buchanan stated that rural, FQHC, and community health centers are also located in those underserved areas which can serve as residency training centers. Beth Wrobel stated she’ll have a HPSA, MUA or MUP.

Beth Wrobel suggested adding training to take place in designated, underserved areas and Tim Putnam agreed. Bryan Mills asked if something relative to addictions should be included. Beth Wrobel stated it could be included within mental health. Dr. Mark Cantieri stated within his profession, and his specialty being neuromuscularskeletal medicine, their emphasis is on how to treat chronic pain with other entities without the use of opiates; stated he and his college of training⁴ are working with newborns with birth trauma; he has experience with cranial manipulation; some of the things they are doing with pain can help with some cost issues and they complement the piece of discussion of the opiate epidemic. He requested adding a review of one and stand along neuromuscularskeletal residencies if the Board saw no issue with it. Tim Putnam saw no downside and no other Board members saw any issues.

Tim Putnam asked if there was anything else needed to change the proposal.

Tricia Hern stated maybe an expected timeline to start up a residency program should be included; maybe estimated timeline for virgin program vs. expansion. Peter Nalin offered “new” as opposed to expansion as language for the document.

James Buchanan stated two pieces could be added; new program for entities who have existing residency programs and new program for virgin entities with no GME experience; a consultant he recently spoke with stated to him it could be done in existing programs in one maybe two years but virgin programs are looking at four to five years.

Tim Putnam reviewed the additions that were discussed and confirmed the additions the Board discussed and requested. He stated it would be reformatted as requested and entertained a motion to approve the RFP with the requested additions. Beth Wrobel moved to approve and Peter Nalin seconded the motion. Motion passed 8-0.

Tim Putnam restated that the Board is bound to the highest scoring proposal and asked Peter Nalin to cull down to a number the Board to review. Eugene Johnson stated that CHE will select a minimum of three vendors and that the RFP will available on CHE’s website. He stated he would work with the Chair and review committee.

Bryan Mills asked about the scoring of proposals and asked if range of scoring should be shown. Tim Putnam stated that he looked at the scoring as a maximum of points available. The Board discussed and agreed that an amount for the budget should remain not listed. Tim Putnam then walked thru the process of scoring with Bryan Mills and the full Board. Bryan Mills stated he’d give a much higher rate to

⁴ Osteopathic medicine
references if this RFP was in his own organization. Beth Wrobel stated that it’s the letter that would be provided and vendors are not going to provide bad references. Bryan Mills stated references are worth zero unless you can have engagement. Tricia Hern asked if the review committee could get references and contact those references.

Steven Becker asked if references would be made related to project GME. Beth Wrobel stated that they should be similar projects and Steven Becker stated he felt related project experience is critical. Tim Putnam stated projects of similar scale would carry more weight.

Tim Putnam asked if the weighted scoring structure should be changed. Bryan Mills suggested changing the weighting and there was discussion about weighting. Beth Wrobel suggested moving experience and references under one category and Bryan Mills and Tim Putnam agreed that this could be a 50 point category. Eugene Johnson stated that could costs of proposals could be weighted at 25 points and completeness of proposal at 25 points.

Tim Putnam restated the changes to the point structure and entertained a motion to approve the updates. James Buchanan moved to approved and Bryan Mills seconded. Motion passed 8-0.

Tim Putnam discussed the timeline and asked if everyone was ok with it. Steven Becker stated that he did not have issues with it; the window for review was tight. Tim Putnam went over the dates again. Beth Wrobel asked what inquiries about the RFP had been made. Eugene Johnson stated he’d discussed the potential RFP with one entity and that two other entities may in interested. He stated that he and Peter Nalin had discussed several months ago that IU may want to submit a proposal. He stated Steven Becker mentioned potential vendors; Steven Becker listed some names of other entities that could be interested.

Beth Wrobel mentioned asking questions and Bryan Mills stated he liked the idea of having a dialogue with vendors either in-person or via video phone conference. Eugene Johnson and Dominick Chase discussed options for evaluating presentations as part of the RFP scoring. Beth Wrobel suggested 30-minute presentations and then scoring. Tim Putnam stated that the last 25 points in the scoring rubric allowed for scoring based on presentations. Dominick Chase stated that there’s an option to have entities to come and present. Dominick Chase stated that if scoring comes in and the Board was not happy the Board could throw it out and resubmit RFP if necessary.

Tim Putnam asked for a modification of the completeness of proposal and presentation portion of the RFP. Eugene Johnson stated he would need to add a bullet saying that entities may be required to present as part of the scoring. Tim Putnam entertained a motion to modify the RFP as discussed. Bryan Mills made motion and was seconded by Beth Wrobel. Motion passed 8-0.

PUBLIC TESTIMONY

Tim Putnam asked Dr. Donald Sefcik about anything occurring at Marian University’s College of Osteopathic Medicine. Donald Sefcik stated that infrastructure was good, the school would have senior students in two months and the university President signed off on two new hires. He stated that it is an exciting time at Marian.

Board members discussed the match process and outcomes at their entities.

OLD BUSINESS
Eugene Johnson discussed setting up a central repository for GME-related data via Synplicity.

**NEW BUSINESS**

James Buchanan stated he wanted to make group aware of virgin hospital issue and fractional pieces of small FTEs; stated AAMC worked with CMS to administratively interpret the register and get rid of factional pieces; it did not work and they’d need to address legislatively; he gave two bills for the Board to be aware of, HR 1432 and S2671 supported by various family medicine academies and AAMC to get rid of fractional FTE caps so that virgin hospitals can expand GME.

Tim Putnam asked was there anything else needing to be addressed. Bryan Mills stated that, to Beth Wrobel’s point, the Board needs to know specifically how many Indiana physicians did not match in Indiana as a current data point. Tricia Hern discussed the process and explained the process that occurred during the matching process. She stated that the match process is complete but they could have gone thru the SOAP process.

Board members discussed the match process and the desire to get students into primary care. James Buchanan stated that’s why he wanted to include family and community medicine. He stated how we convince people to go into primary care; Indiana already did not fill all its primary care slots; with Marian graduating their first class in 2017 it could be a game changer.

Tricia Hern asked if legislation gave latitude to encourage students to go into primary care; if you created slots and it’s hard to have supply and demand match up sometimes and work might not be realized; newer residences are a challenge because a certain person has to want to go into a rural or underserved area. Beth Wrobel stated they’d need to start looking at the next step; her meeting with HRSA last week discussed cap on loan repayment. She feels students go into specialty care because of the loan burden and it needs to be part of Board’s work as to what options are available to encourage students to matriculate into primary care.

James Buchanan stated that this is one reason he added in the RFP about identified best practices to promote and encourage medical students to complete residency in home state of medical school training; wants consultant to take good look at that.

Donald Sefcik stated he feels that the incentives may be on the wrong end. He said Marian will be discussing two of the primary variables reported in the literature that predict who will go into primary care; those who grew up in rural areas and who grew up at or below the 60% percentile of family income growing up. He believes that if these groups are granted preferential admittance there may be a reduction in GPA, MCAT scores; Marian will see how far they can push that. James Buchanan discussed loan payback and interest rates and the impact of debt. He stated he wonders if proposal could be put forth to discuss loan reduction. Bryan Mills mentioned that even if forgiven there’s a tax burden. Tim Putnam stated he feels the Board has the ability to have a broader discussion even beyond GME.

Steven Becker stated that he feels what’s happening up in Gary with the consortium is a fairly reasonable reflection of what the Board will receive in terms of costs. Stated from his region, they feel a community-based internal medical program is critical; there’s shortage of internists in his region; realize
that a percentage will go into specialty but they expect to recruit a different caliber of type of person in the internal medicine program that they hope will practice community-based medicine.

Tim Putnam asked if there was better language for community-based internal medicine practice; James Buchanan stated that that is the language used within academic programs. Steven Becker stated he feels there’s a severe shortage of internal medical residency programs; there are three programs in the whole state; producing more internists will be created by supply and demand and regions need to have flexibility to determine their region’s needs.

Tim Putnam asked if a student finishes a med-peds program are they more prone to go into a subspecialty or to go into community medicine. Steven Becker stated he’d expect this to be the case but that Peter Nalin is likely the expert on that.

James Buchanan stated that the AAMC and their position on internal medicine residency and family medicine where you get into payer pieces on what defines primary care; those who advocate for primary care, state community-based internal medicine; if you expand internal medicine residencies as a whole they are going to funnel into the subspecialties. In general surgery, big deficit and challenge in rural areas obtaining general surgeons is them not feeling comfortable at time of residency graduation of being the only surgeon and not having a mentor to teach ongoing skills needed to be in rural practice. Steven Becker stated he felt community-based internal medicine program is the best that could be done with it.

Tricia Hern mentioned perhaps including outpatient community-based in pediatrics as well; suspect there is a fair number that specialize but not sure of the rate. Steven Becker stated so much peds is now outpatient that the Board won’t need this information for its perspective.

Tim Putnam entertained a motion to adjourn. Bryan Mills made the motion and it was seconded. Vote to adjourn was 8-0. Tim Putnam announced next meeting date of Tuesday, May 17, 2016.