TITLE 540. HEALTH CARE WORKFORCE TRAINING COMMISSION

CHAPTER 15. INTERNSHIP AND RESIDENCY PROGRAM

540:15-1-1. Purpose

Section 697.1 of Title 70 of the Oklahoma Statutes indicates that the legislature recognizes that there is a need to upgrade the availability of health care services for people of Oklahoma, and thus, there is a need to improve the balance of health care workforce distribution in the state both by type of practice and geographic location. Furthermore, the Legislature recognizes the need to accommodate the increasing number of graduates from the medical and osteopathic colleges of Oklahoma by retaining their services as practicing physicians in the state and by attracting graduates from schools outside the state. Therefore, it is the intent of the Legislature to increase the number of internship and residency programs offered for the training of physicians throughout the state through the sharing by the state of the costs of such internships and residencies with hospitals and other clinical residency training establishments. These programs shall be designed primarily to emphasize the training of primary health care and family practice physicians and to develop workforce programs to service directly the rural and nonmetropolitian areas of the state of the state of the cost.

Recognizing the need to upgrade the availability of health care services for Oklahomans and to improve the balance of health care workforce distribution in the state both by type of practice and geographic location, the Oklahoma Legislature developed a program whereby the state could share the costs of internship and residency programs with accredited and approved hospital and accredited clinical programs throughout the state in cooperation with the University of Oklahoma College of Medicine ("OU"), OU Medicine at Tulsa ("OU Tulsa"), and the Oklahoma State University College of Osteopathic Medicine ("OSU"). [70:625.14; 697.1; and 697.2] The purpose of this program is to increase the number of internship and residency programs ... throughout the state, with an emphasis on training primary health care and family/general practice physicians for the rural and medically underserved areas of the state. [70:625.14; 697.1; and 697.2]

540:15-1-2. Statutory administration of program

Section 697.2 of Title 70 of the Oklahoma Statutes provides that the Health Care Workforce Training Commission is authorized to establish and administer cost sharing programs for internship and residency physician training. [70:697.2]

The Health Care Workforce Training Commission ("HWTC") is statutorily authorized to *establish and administer cost-sharing programs for internship and residency physician training*. [70:625.14 and 697.2]

540:15-1-3. Terms and conditions of assistance

Section 697.2 of Title 70 of the Oklahoma Statutes states that financial assistance for internship and residency training shall be provided to Oklahoma allopathic and osteopathic institutions engaged in postgraduate training on a cost sharing basis as follows:

(1) Salary, fringe benefits, training and program administration of the interns and residents as may be arranged by contract for reimbursement with an accredited and

approved hospital and accredited clinical programs throughout the state[70:697.2]

(2) The Commission shall conduct the coordination and selection of internship and residency programs to assure the effective operation of these programs.

(3) Not less than seventy-five percent (75%) of the subsidy for these programs shall be used in the training of primary health care and family/general practice physicians for the rural and medically underserved areas of the state [70:697.2]; the subsidy to a given training institution shall not exceed any maximum or minimum amount which may be prescribed by law or as determined by the Commission.

(4) No less than forty percent (40%) of all participating residents and interns in each school year must participate in a rural program outside the Oklahoma City and Tulsa metropolitan areas. [70:697.6]Residents and interns shall allocate the time spent in rural programs outside the Oklahoma City and Tulsa metropolitan areas in accordance with primary care specialty accreditation standards.

(a) Sections 625.14 and 697.2 of Title 70 of the Oklahoma Statutes authorize the Health Care Workforce Training Commission ("HWTC") to reimburse certain costs associated with internship and residency training programs (hereinafter, "Resident Expenses"), including salary, fringe benefits, training, and administrative costs, in order to help increase the number of Oklahoma residency programs, especially those established and accredited in rural hospitals. (b) In order to be approved for HWTC reimbursement, a residency program:

(1) Must be affiliated with the University of Oklahoma College of Medicine ("OU"), OU Medicine at Tulsa ("OU Tulsa"), or the Oklahoma State University College of Osteopathic Medicine ("OSU"), which, for the purpose of this Section, shall mean that the residency program is:

(A) Funded and/or operated by OU, OU Tulsa, OSU, or the medical school's respective Hospital Trust Authority; or

(B) Formally recognized by OU, OU Tulsa, or OSU. Provided, however, a residency program located in the Oklahoma City or Tulsa metropolitan statistical area will not be deemed to be formally recognized unless it is owned by OU, OU Tulsa, OSU, or the medical school's respective Trust Authority;

- (2) Must be accredited by the Accreditation Council for Graduate Medical Examination ("ACGME");
- (3) Cannot submit a request for reimbursement of any expense that has been or is to be paid by another third-party funding source, including, but not limited to, the Centers for Medicare & Medicaid Services ("CMS"), Health Resources & Services Administration ("HRSA"), or Indian Health Service ("IHS");
- (4) Must require at least forty percent (40%) of all residents and interns to participate in a rural residency program outside the Oklahoma City and Tulsa metropolitan areas, with the residents allotting their time in accordance with primary care specialty accreditation standards;
- (5) Must spend at least seventy-five percent (75%) of the HWTC reimbursements on expenses related to the training of primary health care and family/general practice physicians in areas of the State that are both rural and medically underserved; and
- (6) Must comply with all other applicable program requirements as established by <u>HWTC or Oklahoma law.</u>
- (c) An approved residency program seeking reimbursement of Resident Expenses shall submit

information sufficient to establish the program budget for the upcoming State Fiscal Year (July 1 through June 30), including, but not limited to, the estimated amount of Resident Expenses and all sources and amounts of anticipated third-party funding. This information shall be submitted in the format as required by agency staff no later than April 1 of each year. HWTC will apply the following order of priority, in terms of reimbursing Resident Expenses:

(1) HWTC will divide the appropriations it has received from the Legislature for the purpose of reimbursing Resident Expenses, by the total amount of unfunded Resident Expenses, so that all approved programs receive the same percentage of reimbursement.
(2) In the event the Legislature reduces the agency's appropriations for the purpose of reimbursing Resident Expenses, each approved residency program will receive the same percentage reduction in reimbursement.

(3) In the event that the agency's appropriations for the purpose of reimbursing Resident Expenses exceed the cost of fully reimbursing all unfunded salary expenses for all approved residency programs, the remaining appropriations will be distributed equally based on the total number of residents associated with an approved residency program (i.e., on a per-resident basis).

(4) The Commission may direct the agency through formal action, to use carryover funds that had been designated for HWTC program placement and administrative costs to further reimburse Resident Expenses on a per-resident basis, provided that:

(A) HWTC program placement and administrative needs have been fully funded for the upcoming State Fiscal Year;

(B) The following incoming residents will receive an additional weight of 0.5 for the associated approved residency program:

(i) Incoming residents who will be attending OU, OU Tulsa, or OSU for medical school; and

(ii) Incoming residents who lived in Oklahoma for four (4) or more years in the past decade and who are returning to an Oklahoma residence from out of state; and

(C) Residents who establish an Oklahoma medical practice after graduation will receive an additional weight of 2.0 for the associated approved residency program.

(d) Reimbursement of Resident Expenses shall be made by HWTC only to the entity that paid for the Resident Expenses. Supporting documentation must be provided to HWTC upon request.