



American Academy of Pediatrics



STATEMENT FOR THE HEARING RECORD

UNITED STATES HOUSE OF REPRESENTATIVES

SUBCOMMITTEE ON HEALTH

COMMITTEE ON ENERGY AND COMMERCE

**Examining the Children's Hospital Graduate Medical Education
Program**

May 9, 2006

This statement is also endorsed by:

**Ambulatory Pediatric Association
American Pediatric Society
Association of Medical School Pediatric Department Chairs
Society for Pediatric Research**

The American Academy of Pediatrics (AAP), an organization of 60,000 primary care pediatricians, pediatric medical subspecialists and pediatric surgical specialists dedicated to the health, safety, and well-being of infants, children, adolescents, and young adults, would like to recommend swift mark up and reauthorization of the Children's Hospitals Graduate Medical Education (CHGME) program. This statement for the hearing record is endorsed and supported by the Pediatric Academic Societies, comprised of the American Pediatric Society, the Ambulatory Pediatric Association, the Association of Medical School Pediatric Department Chairs, and the Society for Pediatric Research. These organizations consist of pediatric researchers, full time academic and clinical faculty responsible for the training of pediatricians, and the leadership of medical school pediatric departments.

In today's increasingly price competitive health care marketplace, fewer and fewer payers of health care are able to cover the extra costs of teaching hospitals. By the late 1990s, Medicare was the only major, reliable payer of significant GME support for teaching hospitals. However, because they care for children, not the elderly, children's hospitals qualify for virtually no federal GME support through the Medicare program. As a result, there was an unintended but major gap in federal GME support for the nearly 60 eligible hospitals that amounted to about \$285 million in 1998.

Congress authorized the Children's Hospitals GME Program in 1999 and reauthorized it in 2000 through FY 2005, both times by unanimous consent. In doing so, Congress committed to closing the gap in federal GME support, not only because of its importance to children's hospitals but also because of its importance to the nation's pediatric workforce. Less than one percent of all hospitals, independent children's teaching hospitals train nearly 30 percent of all pediatricians and nearly half of all pediatric specialists. They also are the major pipeline for future pediatric researchers.

CHGME has been a success. It has moved children's hospitals much closer to the level of federal GME support other hospitals receive from Medicare – about 80 percent.

CHGME has made it possible for children's hospitals to increase the numbers of training programs they offer, the numbers of residents they train, and the quality of the training they offer to pediatric residents. Thanks to CHGME, between 2000 and 2004, CHGME receiving hospitals accounted for more than 80 percent of the new pediatric subspecialty

pediatricians. If CHGME hospitals had not trained more residents than in the past, the number of new general pediatricians would have declined.

H.R. 1246, a bill to reauthorize the CHGME program, currently stands before the committee. One hundred sixty-six (166) members of the House of Representatives, including many members of the Energy and Commerce Committee, cosponsor the bill and the Senate companion legislation passed last year. The American Academy of Pediatrics respectfully recommends swift reauthorization of this essential program.

This is an issue that affects the future health of all children and adolescents. We appreciate your consideration of our recommendation for this important investment in the future of health care for all children.