



Metro Minnesota Council on Graduate Medical Education  
420 Delaware Street SE, MMC293  
Minneapolis, MN 55455  
612-747-8480  
[www.MMCGMEServices.org](http://www.MMCGMEServices.org)

March 20, 2023

Re: Governor's Budget for Health Professional Training Funding

Dear Chair Liebling and Chair Wiklund,

On behalf of the Metro Minnesota Council on Graduate Medical Education ("MMCGME"), I am providing comments on the Governor's proposed changes to the State's funding of medical and health professional training funding and to express the urgency of restoring the funding that was completely eliminated in the state's budget forecast.

MMCGME represents a coalition of Minnesota's teaching hospitals and graduate medical education programs, including Hennepin Healthcare, HealthPartners, M Health Fairview, the University of Minnesota, the Minneapolis VA Health Care System, Allina Health System and Children's Minnesota amongst other affiliated hospital members. Our members provide 61 percent of Minnesota's physician residency and advanced practice professional training.

For approximately 20 years, the state has received critical federal Medicaid matching funds (~50%) for the costs of health professional training by hospitals and clinics to ensure we have an adequate supply of health professionals into the future. It is difficult to imagine Minnesota making its current health workforce crisis even worse by reducing our state's commitment to health professional training. Yet that is exactly what the state's November and February budget forecasts did this year. The entire base budget funding for the Medicaid portion of health professional training funding was **reduced to zero** after a disagreement with the Centers for Medicare and Medicaid Services (CMS) went uncorrected during the 2022 Session.

While thankfully the Governor's budget restores most of the Medicaid funding, this is not a new appropriation. It actually represents a **state funds reduction** during the largest budget surplus in Minnesota history. DHS concedes in their own change page that the state's contribution to health professional training funding will be reduced by about \$6 million (state share) per year.<sup>1</sup> Total state and federal combined Medicaid spending would remain the same due to a higher federal match percentage (FMAP) populations.

<sup>1</sup> Minnesota Dept. of Human Services FY2024-2025 Budget change pages, p. 402. <https://mn.gov/mmb-stat/documents/budget/2024-25-biennial-budget-books/governors-recommendations-january/human-services.pdf>

#### MEMBER ORGANIZATIONS:

Allina Health Services  
Hennepin Healthcare  
HealthPartners

Veteran's Administration Medical Center, Minneapolis

Children's Hospitals & Clinics of Minnesota  
M Health Fairview  
University of Minnesota Medical School



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We are respectfully requesting budget bill language changes (attached) that will help us work with DHS and MDH to maximize federal funding for medical education and ensure consistent funding for our clinical training sites. We are also asking that you add back the \$6 million annually that was part of the state's base budget commitment to health professional training prior to the November 2022 budget forecast.

We also express our strong support of HF2930/SF2995 proposed by the Minnesota Department of Health. We are particularly pleased to see the investments in expanding primary care rural training programs and for increasing funding for mental health grants for health care professionals. Collectively, all of the investments in HF2930/SF2995 will help to ensure that our health care training programs across the state can continue to provide a national leading health care workforce, but also to provide innovative ways to expand training to areas of our state – both rural and urban – that continue to have unmet health care workforce needs.

Our health care teaching programs have an incredible record of success in that 74 percent of those physicians and other providers that are trained in the state continue to practice in Minnesota once their training is complete.

Now more than ever, we need to ensure that our state continues to invest in the health care workforce of our future to provide and expand on the opportunities to train our state's future physicians, advanced practice providers and health care professionals.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelly Frisch".

Kelly Frisch, MD, Chair  
Metro Minnesota Council on Graduate Medical Education  
Board of Directors

CC: Josh Ney ([Josh.Ney@state.mn.us](mailto:Josh.Ney@state.mn.us))

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HealthPartners  
Veteran's Administration Medical Center, Minneapolis

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