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**Mayo Clinic: Alix School of Medicine and Family Medicine Residency**

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<https://college.mayo.edu/>

**AT A GLANCE**

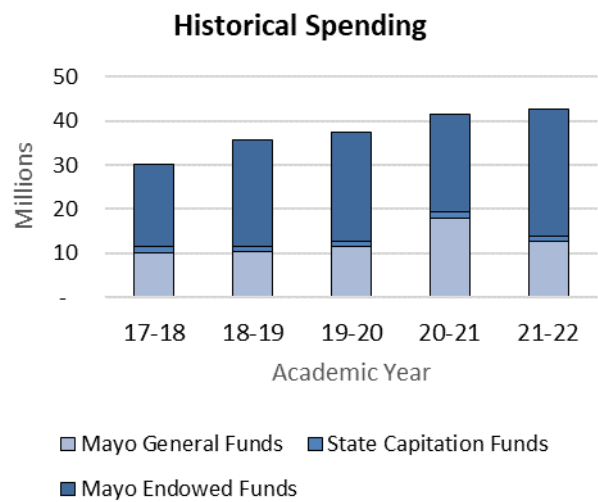
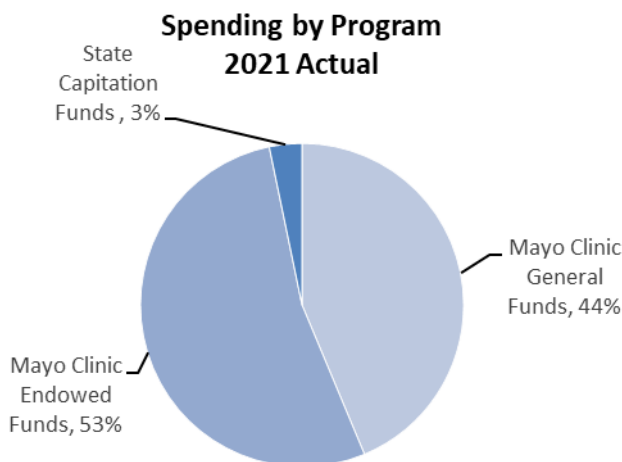
- Mayo Clinic operates hospitals and clinics throughout Minnesota with the main facility located in Rochester, Minnesota. In addition, Mayo Clinic has facilities in Wisconsin, Iowa, Arizona, and Florida.
- In 2021, more than 473,000 patients were served in Rochester, as well as 365,000 patients served throughout Mayo Clinic Health System across southern Minnesota.
- Total expenditure toward the educational mission of Mayo Clinic was \$416.4 million in 2021.
- Capitation funds are used for tuition grants for Minnesota residents attending Mayo Clinic Alix School of Medicine and for Family Medicine resident salaries.
- Minnesota Residents have comprised 34% of all Mayo Clinic Alix School of Medicine students.
- On average, Mayo Clinic Alix School of Medicine graduates have 60% of debt compared to the typical U.S. medical school graduates.
- From 1978 to present, 304 trainees have graduated from our Rochester Family Medicine Residency.
- In 2022, the Family Medicine-Mankato Residency program was transitioned to Mayo Clinic School of Graduate Medical Education sponsorship. To date, they have had 114 graduates.
- Forty-five percent (45%) of the Family Medicine-Rochester program graduates chose to stay in Minnesota, with 39% of total graduates practicing in rural Minnesota. Of the Mankato graduates, 61% have remained in Minnesota, with 44% of those practicing in rural Minnesota.

**PURPOSE**

The mission of Mayo Clinic Alix School of Medicine is to provide an outstanding medical education that results in an inspired and diverse workforce of physicians and scientists who are leaders in advancing exemplary, equitable, and affordable clinical care, healthcare system design, and related innovation, as well as to alleviate human suffering and best serve critical health needs of our broadly diverse and increasingly connected nation and world.

The Mayo Clinic School of Graduate Medical Education Family Medicine Residency Programs educate and inspire medical school graduates to pursue careers as family physicians. The program emphasizes training in rural primary care, augmented by subspecialty training.

**BUDGET**



**Total Expenditure in 2020-2021: \$41,377,000**  
**Source: Mayo Clinic Education Finance Department**

**Source: Mayo Clinic Education Finance Department**

The overall operating expenses in 2021-2022 for the Alix School of Medicine and the Family Medicine Residency Program were \$42,663,000. State Capitation of \$1,351,000 represents 3.2% of the overall operating expenses.

## **STRATEGIES**

The State Capitation funds are used in direct support for the Minnesota residents attending Mayo Clinic Alix School of Medicine (MCASOM). As of July 2022, 34% of the matriculants to MCASOM were Minnesota residents. In the past five years, 40% of MCASOM graduates have chosen a career in primary care. Primary care includes Family Practice, Internal Medicine, Obstetrics and Gynecology, Pediatrics and Psychiatry. To accomplish this, MCASOM recruits and matriculates high achieving Minnesota undergraduate students who aspire to serve society as physicians by assuming leadership roles in medical practice, education, and research. MCASOM offers students opportunities to experience clinical rotations in regional and rural practices. MCASOM remains committed to and focused on containing educational costs for students below the median for private medical schools and mitigating educational debt, which allows students to choose a career in primary care.

The Mayo Clinic School of Graduate Medical Education Family Medicine (Rochester) Residency training program prepares the prospective family physician for primary care medicine in all settings, with special emphasis on population health, team-based care and a practice orientation towards rural and smaller communities. The residents-in-training spend a major portion of their training providing ambulatory, primary and continuity care to patients. The residents participate fully in the department's population management initiatives to improve quality and decrease costs of employee/dependent healthcare. The three-year Family Medicine training program was established in 1978, beginning with four residents. It currently has a maximum of 27 resident training positions. Over time it has grown in size and success, with all training positions filled for the past 42 years. The program has graduated 286 family physicians. The Minnesota capitation appropriation has supported residents' training stipends since 1978.

In July 2021, Mayo Clinic School of Graduate Medical Education assumed sponsorship of the Family Medicine (Mankato) Family Medicine Residency training program. To expand services provided by these residents, we are requesting expansion of capitation funding to include the 15 residents appointed to this Residency program (five residents in each year of a three-year program). Using the current funding model for the Rochester based Family Medicine Residency program would result in adding \$311,111 each year to the base of \$686,000 in each year the biennium for the Mankato program.

## **SERVICES PROVIDED**

In 2009, Mayo Clinic Alix School of Medicine (MCASOM) launched the REACH Clinic in conjunction with the Rochester Area Salvation Army's Good Samaritan Health Clinic (GSHC). The GSHC is a program for residents of Olmsted County and adjacent counties who do not have insurance or are underinsured and is staffed by volunteer physicians, pharmacists, nurses, other healthcare professionals and medical students. There were 63 REACH Clinic days in 2021, serving 492 patients.

Successful physicians of the future will not only need to understand the traditional basics of medicine, but they will also need to understand and effectively navigate the rapidly changing healthcare delivery system. The goal of MCASOM's Science of Healthcare Delivery curriculum is to produce physicians that understand and can improve systems of care to create superior patient outcomes at lower costs.

By 2050, one out of every five American will be over the age of 65. In turn, physicians must be well-equipped to provide patient-centered, safe, compassionate, competent care to the burgeoning population of older adults. MCASOM's Senior Sages Program focuses on preparing medical students to provide this care to aging Minnesotans by pairing each student with an expert (i.e., Senior Sage) for unique learning opportunities over their four-year course of studies.

The Rochester-based Family Medicine Residency has established a Family Medicine Clinic focused on rural health, based in Kasson, and serving the communities in Dodge and Olmsted County. Patients include significant socioeconomic diversity with many Spanish-speaking patients. Residents engage in patient home visits and community education in local schools. Dodge County community health priorities addressed by the Family Medicine residents include obesity, mental health, tobacco use, substance abuse, and motor vehicle injury protection. The community health priorities they address in Olmsted County include motor vehicle injury protection, vaccine preventable diseases, obesity, mental health, and financial stress.

Community engagement is a hallmark of the Family Medicine Residency in Mankato. Residents are actively engaged with the community in a variety of venues including the St. Peter Free Clinic, community garden addressing food insecurity, nursing home care and home visits, development and delivery of health education for infants and adolescents at the Children’s Museum of Minnesota, and a host of other commitments in the rural Southwest Minnesota region.

### RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of Mayo Clinic Alix School of Medicine (MCASOM) students who were Minnesota Residents	36%	34%	2020 vs 2022
Quantity	Percent of MCASOM graduates who chose to practice in primary care	40%	40%	2020 vs 2022
Quantity	Percent of debt MCASOM graduates have compared to the national average of \$203,062	32%	60%	2020 vs 2022
Quantity	Percent of Rochester Family Medicine Residency Graduates practicing in Minnesota	56%	45%	2020 vs 2022
Quantity	Percent of Family Medicine Residency Graduates practicing in rural Minnesota	49%	39%	2020 vs 2022

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
<b><u>Expenditures by Fund</u></b>								
1000 - General	1,351	1,351	1,351	1,351	1,351	1,351	1,799	1,799
<b>Total</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,799</b>	<b>1,799</b>
Biennial Change				0		0		896
Biennial % Change				0		0		33
Governor's Change from Base								896
Governor's % Change from Base								33

**Expenditures by Program**

Mayo Medical School	665	665	665	665	665	665	1,113	1,113
Mayo Family Practice	686	686	686	686	686	686	686	686
<b>Total</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,799</b>	<b>1,799</b>

**Expenditures by Category**

Grants, Aids and Subsidies	1,351	1,351	1,351	1,351	1,351	1,351	1,799	1,799
<b>Total</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,799</b>	<b>1,799</b>

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
<b>1000 - General</b>								
Direct Appropriation	1,351	1,351	1,351	1,351	1,351	1,351	1,799	1,799
<b>Expenditures</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>1,799</b>	<b>1,799</b>
Biennial Change in Expenditures				0		0		896
Biennial % Change in Expenditures				0		0		33
Governor's Change from Base								896
Governor's % Change from Base								33

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
<b>Direct</b>				
<b>Fund: 1000 - General</b>				
<b>FY2023 Appropriations</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>2,702</b>
<b>Forecast Base</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>	<b>2,702</b>
<b>Change Items</b>				
Family Medicine Residency Program		448	448	896
<b>Total Governor's Recommendations</b>	<b>1,351</b>	<b>1,799</b>	<b>1,799</b>	<b>3,598</b>

# Mayo Clinic: Alix School of Medicine and Family Medicine Residency

## FY 2024-25 Biennial Budget Change Item

### Change Item Title: Family Medicine Residency Programs

Fiscal Impact (\$000s)	2024 Projection	2025 Projection	2026 Projection	2027 Projection
General Fund				
Expenditures – Mankato	311	311	311	311
Rochester	137	137	137	137
Revenues	-	-	-	-
Net Fiscal Impact = (Expenditures – Revenues)	448	448	448	448
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Request:

The Governor recommends an increase of 20 percent in capitation funding for the Rochester (Kasson)-based Family Medicine Residency program and expansion of funding to include the 15 residents appointed to the Mankato-based Family Medicine Residency program. Using the current funding model, addition of the Mankato residents would result in adding \$311,111 in each year of the biennium and adding \$137,000 for funding of the 27 Rochester/Kasson residents.

### Rationale/Background:

To address the increasing need for rural health care throughout Minnesota, Mayo Clinic has expanded Mayo Clinic’s investment in Family Medicine physicians by transitioning sponsorship of the Mankato residency program from the University of Minnesota to Mayo Clinic. State appropriations currently cover less than 15 percent of the overall operating expenses for the Rochester (Kasson)-based program. Funding for the program has been static since 2008. In recognition of continued financial pressures, Mayo Clinic is advocating for a 20 percent increase in state funding for the Rochester (Kasson) program in addition to funding for the recently acquired Mankato program.

### Proposal:

This proposal is to expand services provided by Family Medicine resident physicians. Mayo Clinic is requesting expansion of capitation funding to include the 15 residents appointed to the Mankato Family Medicine Residency program (five residents in each year of a three-year program) and increasing funding for the Rochester/Kasson Family Medicine Residency program (nine residents in each year of a three-year program).

### Impact on Children and Families:

- Mayo Clinic’s Family Medicine residency programs prepare the prospective family physician for primary care medicine in all settings, with special emphasis on population health, team-based care, and a practice orientation towards rural and smaller communities.
- Community engagement is a hallmark of both Family Medicine Residency programs. The Kasson Family Medicine Clinic is the only medical clinic in Dodge County. Rochester/Kasson residents volunteer at The Center Clinic, which offers free healthcare to the underserved population, many of whom are Spanish-speaking. Residents learn the determinants of health, how they affect patient care, and development a commitment to the underserved.
- Mankato residents are actively engaged with the community in a variety of venues including the St. Peter Free Clinic, community garden addressing food insecurity, nursing home care and home visits, development, and delivery of health education for parents of infants and adolescents at the Children’s Museum of Minnesota, and a host of commitments in the rural Southwest Minnesota region.



- Physicians of the future will not only need to understand the traditional basics of medicine, but they will also need to understand and effectively navigate the rapidly changing healthcare delivery system. A goal of our residency programs is to produce physicians that understand and can improve systems of care to create superior patient outcomes at lower costs.
- By 2050, one out of every five Americans will be over the age of 65. Our resident trainees have extensive experience in providing quality patient-centered, safe, compassionate, competent care to this burgeoning population of older adults.
- As the emerging state population continues to be driven by communities of color, the residency programs maintain an environment in which individual differences are valued. By so doing, our residents learn to embrace the depth of diversity that is prevalent in our patient base and the communities we serve.

**Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

**Results:**

Our goal is to increase the number of Family Medicine physicians serving both urban and rural areas of Minnesota. Quantitative measures will be analyzed based on percentage of graduates that choose to practice in the state of Minnesota overall and the subset serving rural Minnesota.