GEORGIA HIGHER EDUCATION HEALTHCARE INITIATIVE

December 18, 2025

Ms. D'Lawren Hicks
Board of Community Health
Georgia Department of Community Health
PO Box 1966
Atlanta, GA 30301-1966

Dear Ms. Hicks:

The Georgia Higher Education Healthcare Initiative (GHEHI) appreciates the opportunity to provide these written comments to Georgia's Department of Community Health (DCH) regarding the Expansion of the Graduate Medical Education (GME) Residency Program State Plan Amendment (SPA). GHEHI was founded to provide data-driven analysis and practical recommendations to strengthen Georgia's healthcare workforce and improve health performance statewide. Georgia continues to rank among the lowest tiers nationally in physicians per capita and faces persistent shortages in primary care and other key specialties, particularly in rural and underserved communities. Expanding and improving GME is one of the most effective tools available to address these shortages, because physicians are far more likely to practice where they complete residency training.

GHEHI acknowledges the leadership of Governor Kemp, the General Assembly, and the Department of Community Health (DCH) in bringing forward this GME SPA. GHEHI also acknowledges the DCH Board's unanimous advancement of this proposal at its December Board Meeting. The Fiscal Year 2026 funding includes $4 million in state funds, which will leverage an estimated $7.8 million in federal Medicaid matching funds, for a total of approximately $11.8 million, to support a significant additional number of slots at $100,000 per slot, improve the quality of GME offered, and support a statewide strategy. Using Medicaid for residency training is a well-established strategy nationally: at least 43 states (including many that did not institute Medicaid expansion) and the District of Columbia reported making GME payments under Medicaid in 2022, and Medicaid is now the second-largest explicit public funder of GME after Medicare. The Expansion GME Residency Expansion SPA can become an important building block of a long-term physician workforce strategy that benefits patients in communities across Georgia. Speaking of the potential of this SPA to be leveraged well into the future, DCH COO Joe Hood noted at the December 11th Board meeting, "This was a base-budget appropriations and it is anticipated the legislature and governor will continue to support that in future budgets and this approval of this SPA will allow us to continue and have the normal planning process for the next cycle of GME in 2027 and going forward." GHEHI shares Mr. Hood's optimism that this method for growing GME is important enough and is being supported by state leaders in a way that is sustainable into the future, given the 2-to-1 Medicaid matching dollars the SPA generates for training future Georgia physicians.

Why this SPA matters for Georgia's workforce

Georgia's physician workforce challenges are well-documented. The American Association of Medical Colleges reports that Georgia ranks 40th nationally in physicians per 100,000 population.

Only 43 percent of Georgia medical school graduates who complete GME in other states return to practice. Only about 49 percent of residents who came in from other states who complete GME training in Georgia remain in the state after completing GME, but that figure soars to 73.1 percent if the resident completing Georgia residency went to medical school in Georgia.

Against that backdrop, every additional funded residency position—especially in high-need specialties and regions—has outsized value when Georgia medical students are targeted to fill them. The SPA proposed by Georgia's DCH responds directly to these needs. Under the public notice, eligible hospitals and qualifying institutions may receive $100,000 for each newly created resident position that is filled "on or before March 20, 2026," in one of several primary-care or shortage specialties, and located in a primary care professional shortage area, another professional shortage area, or a medically underserved area. The goal is to add 118 new GME positions beginning January 1, 2026, using a combination of state appropriations and federal Medicaid funds, while simultaneously developing a strategy to improve GME quality in Georgia. Targeting a flat, per-resident payment to rural and underserved communities is consistent with approaches used in other states. It aligns with national recommendations to direct new GME resources toward areas with the greatest unmet need. Targeting a high-quality GME environment will require DCH, the Board of Regents, and hospitals' best minds to find a pathway to improving Georgia's residencies to elite GME training levels.

GHEHI strongly supports this direction and views it as a necessary step toward modernizing Georgia's use of Medicaid for GME. Georgia is far behind its peer states in Medicaid GME funding received. In addition, experience from other states indicates that the design details of a SPA—eligibility language, outcome measures, and alignment with federal standards—determine whether it ultimately delivers on its promise. To maximize impact and accountability, GHEHI respectfully offers three recommendations: (1) strengthen transparency and outcomes tracking; (2) align the SPA with broader workforce and federal standards; and (3) broaden eligible specialties to include Emergency Medicine, General Surgery, and Neurology.

Recommendation 1: Strengthen transparency and outcome tracking

A. Clarify the "newly created" and timing language

As currently drafted, the notice specifies that eligible hospitals and qualifying institutions may receive payments for each "newly created resident position that is filled on or before March 20, 2026." While this language aims to focus funds on new capacity, tying eligibility to a single "on or before" date creates two problems:

- It allows hospitals to qualify for payments based on positions created before the program's effective date, rather than requiring additional growth in residency capacity going forward.
- It fails to track incremental growth over time because there is no explicit reference point for measuring change after the program's launch.

To better align with the General Assembly's stated intent to support "new and expanding residency programs," GHEHI recommends revising the operative language so that eligibility hinges on positions filled on or after a specified start date—for example, "on or after January 1, 2026," the effective date identified in the notice, or another date agreed upon with CMS—rather than "on or

before" a cut-off. Other states' Medicaid SPAs for GME use similar "on or after" formulations to clearly identify additional filled positions. Florida's Medicaid SPA applies its payment methodology to residency positions filled "on or after July 1, 2023," explicitly tying funding to additional filled GME slots from that date forward. Using a comparable approach in Georgia would ensure that new Medicaid dollars are focused on genuine growth in filled residency slots and measurable improvements in Georgia GME.

B. Publish clear, measurable goals and public data

Outcome tracking is essential. States that are considered national leaders in Medicaid-funded GME pair their payment policies with public reporting that shows where funds flow and what they accomplish. GHEHI recommends that Georgia's DCH:

- Establish clear, quantitative goals for the SPA, such as:
    - Total number of newly filled accredited positions supported per year (e.g., showing all additional filled 118 residency positions).
    - Geographic distribution with emphasis on shortage and medically underserved areas.
    - Over time, retention outcomes (for example, how many SPA-supported residents remain in Georgia practice three to five years after completion of GME), using Georgia Board of Health Care Workforce (GBHCW) retention data and licensure tracking.
- Create and maintain a public spreadsheet or dashboard on Georgia's DCH or GBHCW website showing the following for each participating site:
    - Number of newly filled (after a specific date) SPA-supported positions.
    - Rural/urban and shortage-area status of each training location.
    - Total Medicaid GME payments disbursed under the SPA for each fiscal year, detailing the amount paid to each teaching facility.

Providing this information would align Georgia with best practices in transparency and give policymakers, communities, and training institutions a clear view of how the program is shaping the physician pipeline. It would also support more informed decisions about future expansions by revealing which investments yield the strongest returns in terms of filled positions and long-term retention.

Recommendation 2: Align with broader workforce and federal standards

A. Reinforce focus on high-need locations and specialties

The DCH notice already defines important parameters: additional slots must be in primary care or specified shortage specialties (family medicine, internal medicine, pediatrics, obstetrics and gynecology, or psychiatry) and located in designated shortage or medically underserved areas. This targeting is consistent with workforce data showing that Georgia would need hundreds of additional primary care physicians to eliminate shortages, and that shortages are most acute outside major metro areas.

B. Use FTE methodology and Medicaid utilization thresholds consistent with other approved SPAs

As DCH finalizes the SPA for CMS review, GHEHI encourages DCH to ensure that the payment methodology is grounded in recognized federal standards, particularly in two areas:

- **Full-time equivalent (FTE) measurement.** CMS commonly uses resident FTE counts to determine GME payments, both under Medicare and in reviewing state Medicaid methodologies. The SPA should clearly specify how resident FTEs are calculated for the $100,000 payment (e.g., defining 1.0 FTE as a full-time resident occupying an approved position for a full year, with a pro rata adjustment for partial FTEs). Clear FTE definitions will support CMS review and ensure consistent treatment across teaching facilities.
- **Medicaid utilization benchmarks.** Many state Medicaid GME programs incorporate Medicaid utilization factors—such as the share of a hospital's inpatient days or discharges attributable to Medicaid—to calibrate funding. While Georgia's proposal appropriately uses a flat per-resident payment for simplicity and predictability, referencing Medicaid utilization benchmarks in the SPA or in supporting documentation can help demonstrate that payments are justifiably related to Medicaid's share of costs and beneficiaries, which CMS considers in its approval process.

Explicitly situating Georgia's methodology within familiar approved CMS frameworks will help expedite approval and reduce the risk of future adjustments or disallowances.

C. Integrate the SPA into a broader statewide workforce strategy

This SPA should be viewed as part of a larger, coordinated effort to strengthen Georgia's physician workforce. Georgia has several parallel initiatives, including GME expansion grants administered by GBHCW, service-cancelable loans for physicians, recent investments in a new medical school through the University System of Georgia, and investment of state funds in private medical schools. GHEHI recommends that DCH:

- Coordinate with GBHCW, the University System of Georgia, the Governor's Office of Planning and Budget, the General Assembly, and the State Auditor to ensure that SPA-funded positions complement, rather than duplicate, positions supported through other GME grants and other state programs.
- Share SPA outcome data with these entities and incorporate it into a comprehensive, statewide GME and physician workforce plan that requires measurement and improvement of targets for residents per capita, physician retention, and geographic distribution over the next decade.

By embedding the SPA within a broader, multi-agency strategy, Georgia can maximize the impact of each Medicaid dollar and ensure that new positions align with long-term statewide workforce goals.

Recommendation 3: Expand eligible specialties to Emergency Medicine, General Surgery, and Neurology

GHEHI also respectfully requests that DCH broaden the list of eligible residency types to include Emergency Medicine, General Surgery, and Neurology, in addition to the primary care and behavioral health specialties already identified.

A. Evidence of high demand and low supply

Workforce analyses from GBHCW and other sources, including the National Center for Health Workforce Analysis projections, show that Georgia faces significant shortages and growing demand in every physician specialty, particularly outside major metropolitan areas:

- **Emergency Medicine.** Many Georgia hospitals—especially rural and small urban facilities—report chronic difficulty recruiting and retaining board-certified emergency physicians, relying heavily on locum tenens coverage to maintain 24/7 emergency services. This reliance increases costs and can destabilize emergency departments that are critical to trauma care, stroke response, and other time-sensitive conditions. Adding Emergency Medicine as an eligible specialty would directly support hospitals that commit to building sustainable, locally based ED physician teams.
- **General Surgery.** GBHCW data indicate that Georgia's ratio of general surgeons to population lags national benchmarks, with non-metro counties experiencing the greatest shortages. Limited access to general surgeons contributes to delays in both elective and urgent procedures, forcing patients to travel long distances and increasing the risk of complications. Residency programs in General Surgery with a rural or community-based focus can help address this gap and, in other states, have been shown to improve local retention.
- **Neurology.** Georgia also faces an acute shortage and maldistribution of neurologists, which affects care for stroke, epilepsy, multiple sclerosis, dementia, and other complex neurologic conditions. Long wait times for neurology appointments and limited access in rural areas are well-documented. Targeted support for Neurology residencies, particularly those with rotations in community hospitals and tele-neurology hubs, would strengthen the state's capacity to respond to high-burden conditions like stroke.

Given these documented shortages, adding Emergency Medicine, General Surgery, and Neurology to the SPA's eligible residency types would allow Georgia to target GME resources toward specialties with high unmet need, limited training capacity, and consequences especially severe for patients.

B. Implementation options

DCH could operationalize this recommendation in several ways while maintaining the SPA's focus on shortage and underserved areas:

- Add Emergency Medicine, General Surgery, and Neurology to the list of qualifying specialties in the SPA text, while retaining the requirement that positions be located in a designated shortage or medically underserved area.
- Coordinate with GBHCW and the State Office of Rural Health to identify high-priority regions for each specialty, ensuring that SPA-supported positions line up with documented gaps and existing program development efforts.

These steps would preserve the SPA's primary care emphasis while acknowledging that a functional, patient-centered health system also requires adequate emergency, surgical, and neurologic capacity.

VI. Conclusion

In summary, GHEHI applauds the Department of Community Health and the Board of Community Health for advancing a Medicaid State Plan Amendment to expand Graduate Medical Education in Georgia. The proposed SPA leverages $4 million in state funds and $7.8 million in federal Medicaid matching funds to support 118 new residency positions in shortage and underserved areas—an important first step toward using Medicaid more fully to build Georgia's physician workforce.

To ensure that this opportunity delivers maximum value for Georgians, GHEHI respectfully recommends that DCH:

1. **Strengthen transparency and outcomes tracking** by clarifying the timing language so that payments are tied to positions filled on or after a specified start date, and by establishing public, measurable goals and dashboards that track where new positions are created and with what long-term retention.
2. **Align the SPA with broader workforce and federal standards** by clearly defining resident FTE methodology, referencing Medicaid utilization benchmarks as appropriate, and coordinating closely with state agencies, the Governor's office, General Assembly and other partners so that SPA-funded positions complement other state investments and fit within a comprehensive, data-driven workforce plan.
3. **Expand eligible residency types** to include Emergency Medicine, General Surgery, and Neurology, in light of documented shortages and high demand in these specialties, particularly in rural and underserved regions.

GHEHI strongly supports the goal of using Medicaid to strengthen Graduate Medical Education in Georgia and believes this SPA can be an important milestone in creating a more robust and better distributed physician workforce. GHEHI simply asks that the SPA be implemented with maximum transparency, rigorous measurement, and a clear focus on filling additional residency slots in high-need communities so that every dollar moves Georgia closer to the health performance its residents deserve.

Thank you again for your consideration and for your work on behalf of Georgia's communities and the institutions that train physicians across our state.

Sincerely,

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