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## CMS Issues GME/IME Resident Cap Adjustments

By: [Thomas W. Coons](#)

Under Section 5503 of the Affordable Care Act (ACA), Congress ordered reductions in the GME and IME FTE resident caps for certain hospitals that were not “using” those FTEs. Congress further authorized the redistribution to certain hospitals of the estimated number of FTE resident slots resulting from those reductions. More specifically, effective for cost reporting periods beginning on or after July 1 of this year, hospitals’ FTE resident caps were to be reduced by 65% of their total “unused” or “excess” resident slots. Congress then authorized the Centers for Medicare and Medicaid Services (CMS) to increase the resident caps for certain qualifying hospitals that submitted timely applications for the additional FTEs. The majority (70%) of the redistributed resident slots were to go to hospitals located in states with resident-to-population ratios in the lowest quartile in the nation, with the remainder (30%) of the redistributed slots going to hospitals located in states, territories, or the District of Columbia that are among the top ten in terms of ratio of HPSA population to total population and/or to hospitals located in rural areas of any states. Thus, while hospitals in any state or locality could qualify for a decrease in their FTE counts due to a lack of use of those slots, only certain hospitals could qualify for an increase.

On Tuesday, August 16, 2011, CMS placed on its website files reflecting those hospitals that suffered decreases in their FTE caps and those that received increases. To see the list of hospitals receiving FTE resident cap increases or decreases, click on the following link [www.cms.gov/AcuteInpatientPPS/06\\_dgme.asp](http://www.cms.gov/AcuteInpatientPPS/06_dgme.asp) and open the file called “Section 5503 Cap Decreases and Increases.”

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