TESTIMONY OF MICHAEL KRYDA, MD
CEO – MINISTRY SAINT JOSEPH'S HOSPITAL (MARSHFIELD, WI)
VP MEDICAL AFFAIRS – MINISTRY HEALTH CARE
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Good morning, members of the Legislative Council Special Committee on Health Care Access. I want to thank you for looking into this significant issue that does or will affect all of Wisconsin citizens especially the rural areas of the state. I would also like to thank Marshfield's State Representative Amy Sue Vruwink for bringing you to Marshfield, where excellence in the provision of health care is the heart of the city.

I am Dr. Michael Kryda, and serve as CEO of Ministry Saint Joseph's Hospital in Marshfield. I am also the Vice President for Medical Affairs for the Ministry Health Care system. I trained as a Pulmonary/Critical Care physician and worked at Marshfield Clinic prior to assuming executive roles with Ministry Health Care.

Founded 127 years ago by the Sisters of the Sorrowful Mother, Ministry Health Care is a mission-driven health system sponsoring 15 hospitals in Wisconsin and Minnesota. In addition to our hospitals, we sponsor Ministry Medical Group, a primary care group employing more than 300 physicians, physician assistants, nurse practitioners, and other health professionals; Ministry Home Care, dialysis, DME, a Medicaid dental clinic, a community center in the heart of the City of Milwaukee (Agape Community Center), and other affiliated health services. Ministry Saint Joseph's Hospital in Marshfield is one of Wisconsin's largest hospital facilities providing a comprehensive range of services to the region. In collaboration with physicians of the Marshfield Clinic, we offer access to high quality care for patients from diverse and distant communities throughout the State and Upper Peninsula of Michigan. As a system that predominantly serves the rural populations of Wisconsin, we know firsthand the significance of the issue this Legislative Council Special Committee is studying

Today, I will address some potential opportunities for Wisconsin to ensure our citizens have access to primary care providers.

It is clear that the growth and aging of the US population will cause a continuing increase in demand for physician services. This is markedly true for the state of Wisconsin and the rural region we serve, as we in Marshfield are already experiencing the need to address the care needs of a large senior population. In January 2010, there were 198 primary care openings in Wisconsin – 110 positions in Family Medicine, 57 in Internal Medicine, 13 in OB/Gyn and 18 in Pediatrics. Disproportionately, the greatest need fall to both rural areas and central-city Milwaukee areas. Primary care is indeed where urban and rural needs and interests intersect.

National research has identified top four factors that physicians consider in evaluation a location for practice:

#1: Geographic location/lifestyle
#2: Financial package
#3: Education loan forgiveness
#4: Malpractice climate

Of these top four, Wisconsin currently does well under #4 – malpractice climate - thanks to the efforts of our legislature. While those of us who live in Wisconsin would also feel that the geography/lifestyle issues are met quite well by our attractive small communities and excellent schools, this fact needs to be marketed more effectively. To meet the financial demands noted as important for relocating physicians, Ministry Health Care has in place an aggressive national recruitment strategy and compensation packages, which includes signing bonuses, loan forgiveness, equitable salary, and production incentives. However, Ministry's proactive efforts will fall short of fulfilling future need if we as a state fail to develop an increase supply of primary care providers and a retention strategy to keep these individuals in Wisconsin.

There are four ways in which the state could increase supply and retention:

1. Develop and expand residency *rotations*
2. Increase residency *slots*
3. Create a generous *loan forgiveness* program
4. Expand *medical education*

While they would require an investment of dollars, paperwork and provider partners like Ministry Health Care, opportunities 1 through 3 can be developed fairly quickly, delivering quick results for Wisconsin. The fourth opportunity – to expand medical education – is more long-term and financially challenging, but could be accomplished by the development of an additional medical school, or expanded programs with current academic medical education centers that focus on primary care and meeting the needs of underserved areas of the state.

Option 1 – Residency Rotations in underserved areas:
Research has demonstrated that where a medical student trains in residency has a significant impact on where he or she will ultimately establish a practice. Residency rotations are short-term (often 6, 8, 12 weeks) and provide a trainee with exposure to alternative practice environments and geographies. Rotations to underserved areas could be integrated into the Resident's overall experiences. Arranging such opportunities is the simplest and least expensive way to create exposure to the attractions of rural medical practice. Ministry Health Care and other healthcare organizations in the state are ready resource to assist in the development of such programs.

Option 2 - Residency Slots:
Ministry Saint Joseph's Hospital has cosponsored with Marshfield Clinic for many years a Graduate Medical Education (GME) program here on our combined Marshfield campus. Both organizations invest significant funds and personnel to support a GME program here. Currently we train a total 53 residents in Pediatrics, Internal Medicine, General Surgery and Dermatology. We have an interest in expanding the programs and believe we can be part of the solution in

addressing the shortage of new physicians. Since we have experience and the necessary infrastructure to operate GME programs, we believe we would be a good candidate to extend residency slots into other areas of the state. However, residency expansion presents administrative challenges with both the federal government (CMS) and the accrediting body (ACGME), in addition to the added costs associated with such expansion. The average primary care residency comes at a cost of approximately $150,000 per position. While some funding support is available through the Medicare program, that source provides less than 40% of the total cost of our Graduate Medical program. As mentioned earlier, resident physicians are more likely to stay where they are trained, additional funding support for more residency positions from the state or other sources would represent an investment with a high potential for success in addressing the physician shortage.

Option 3 - Loan Forgiveness:
Many new physician graduates are entering residency training with education debts from undergraduate and medical school ranging $75,000 to $150,000 – and in some cases, more. Lifetime incomes from a primary care practice are lower than the income potential associated with specialty and subspecialty areas of medicine and surgery. The opportunity for loan forgiveness can be a critical factor in a new physician's decision to accept or decline a position to practice medicine in a particular location. While there are some loan forgiveness programs available from the Federal government, Military and some states, the funds available are not sufficient to meet the demand. The state of Wisconsin and other government entities should consider the creation of an aggressive loan forgiveness program and or medical school scholarships to reduce the debt burden of new physicians in exchange for a commitment from the physician to serve in specific areas of need within Wisconsin

Option 4 – Expanded Undergraduate Medical Education:
Expanding undergraduate medical education opportunities in Wisconsin is another mechanism to grow the physician supply and potentially increase the number of primary care physicians. There a number of ways in which this expansion could occur. One is to develop a separate, third medical school in Wisconsin, focused on the education of primary care physicians. There are several such programs around the country that could serve as a model for this state. A second option is to partner with an existing entity in or out of Wisconsin to develop a partnership program where a portion of the education – likely the last 2 years of medical school - is then obtained in a rural or underserved area in Wisconsin. The third medical education option is to encourage and support a current medical school facility in Wisconsin to expand its enrollment and include a primary care emphasis that will have a strong rural presence and partnership. Any medical school solution will represent the most expensive option and take the longest time to implement and experience an increase in the pool of new physicians. Further, a medical school expansion strategy without addressing the issue of cost of medical education and other issues related to primary care and rural healthcare will represent an incomplete solution.

All of the options discussed: rotations, residency slots, loan forgiveness, and expansion of undergraduate medical education, come with a cost. However, the physician shortage in Wisconsin is real and will worsen if Wisconsin does not decide to make investments to address this problem. Such investments will provide long-term benefits in improved access to care and a healthier state population.

Thank you for opportunity to discuss this important issue today, and I look forward to report of your findings and recommendations. At this time, I would be happy to answer any questions about my experiences as a physician and as a partner in an existing GME/residency program.