

Mechanisms to obtain funding for expansion of your fellowship or for a new 0/5 residency

With the approval of the Primary Certificate in Vascular Surgery, there is the opportunity for existing training programs to expand and create new positions, and for vascular practices currently without fellowships to set up new training programs. With these new opportunities comes the challenge of funding these new positions and/or programs.

The Society for Vascular Surgery and the Association of Program Directors in Vascular Surgery have jointly developed several strategies to consider when seeking funding for:

- A new vascular surgical fellowship or residency
- Conversion of an existing vascular fellowship to a 0/5 residency

Background

New training pathways for vascular surgery now include five-year residencies in vascular surgery that can be entered directly from medical school (0/5 programs). Securing funding for these new training pathways is challenging, as they fall under the existing FTE residency caps, which were established by the Balanced Budget Act (BBA) of 1997. The BBA froze reimbursable numbers of residency slots as of 1996, except for rural hospitals.

The only way that hospitals can increase residency numbers is by finding alternative funding or by eliminating other ACGME hospital positions. As vascular training program directors work with their hospital administrators and department chairs to identify sources of funding for new programs or conversion of 5+2 programs to 0/5, they might consider one or more of the following strategies.

What is the math?

- 1) To establish a traditional 5/2 vascular fellowship, your hospital would need to provide two positions per year.
- 2) To establish a 0/5 residency in vascular surgery, your hospital will need to provide an additional five positions per year (albeit one position will be necessary the first year that the residency begins, two in the second year....and five positions in year five).
- 3) To convert a 5/2 fellowship to a 0/5 residency will require your hospital to eventually provide an additional three positions per year.

Strategies

1. The funding that hospitals receive to support fellows during post graduate years 6 and 7 in 5+2 programs is 50% of the amount received by hospitals to support a resident during years 4 and 5 of a 0/5 program. CMS pays for “fellowship” positions or positions beyond the traditional 5 year surgical training at 1/2 the usual level. Thus, if you convert a 5+2 program to a 0/5 program, the hospital

will receive twice as much funding when the two “fellowship” years are converted to two “residency” positions.

2. Many general surgical programs have preliminary or undesignated positions. Individuals that match into these positions will participate in a general surgical residency for two years and then accept a position in a surgical subspecialty, or in another specialty, or in a general surgical residency at another institution. The quality of candidates that accept these positions is variable. One of these positions could easily be converted into the first two years of a 0/5 vascular residency program. Presuming that your institution attracts strong vascular fellowship candidates, this “preliminary position” will now be consistently filled with strong first and second year residents, improving the quality of your general surgical residency. This will be appealing to your department chair and general surgery program director. If you acquire one of these preliminary, two year, positions for your 0/5 vascular residency, you will need the hospital to fund only an additional three positions per year, not five.
3. If you are converting a 5+2 position to a 0/5 and also have access to a preliminary general surgical position at your institution, you would then have four of the five positions necessary for your new program. Since the resources provided to the hospital by CMS for your current 2-year fellowship will double when these positions are converted to a 0/5 program, these additional resources could easily provide funding for the “missing” fifth year. Converting your existing 5+2 program with the acquisition of a preliminary position should allow full funding of a new 0/5 vascular residency.
4. Each year, in every hospital in the country, many ACGME-approved positions go unfilled. Some of these positions are repetitively unfilled. A logical argument could be made to eliminate repetitively unfilled positions at your hospital and contribute the funding to your new vascular surgery residency. Data from 2005-2006 show that almost all specialties filled less than 100 percent of their designated positions. (See box below.) Aggregate information on unfilled positions by specialty is available from the ACGME in its GME Data Resource Book. The GME office in your institution can also provide you this data for your own institution.

Percentage of filled residency positions in selected specialties, 2005 – 2006

Allergy and immunology – 86%

Emergency medicine – 89%

Nephrology – 91%

Rheumatology – 90%

Neurological surgery – 95%

Pathology – 88%

Plastic surgery – 92%

Preventive medicine – 52%

Psychiatry – 86%

Diagnostic radiology – 94%
Neuroradiology – 79%
Interventional radiology – 55%
General surgery – 88%

5. Many hospitals are now employing physician extenders for surgical services since the 80-hour work week has diminished the amount of time that surgical residents can provide patient care. *Physician extenders are frequently used for busy vascular services.* Transfer of the resources now used to pay physician extenders to the funding of a 0/5 residency program is a much more cost-effective way for hospitals to gain additional manpower for patient care. From the hospital's perspective, it is more cost-effective to fund an additional residency position than to employ physician extenders. Even with the 80-hour work week, residents cost less per hour than do physician extenders.
6. It will be helpful to discuss your plans with your hospital administrator. When doing so, you might use the following talking points:
 - Vascular surgery has been and remains an extremely profitable business for hospitals (an analysis of the impact of vascular surgery on hospital profitability will be forthcoming from the SVS within the next few months). As the marginal profit related to cardiac catheterization procedures diminishes, many hospitals are looking to expand their vascular programs in order to increase revenue.
 - Creation or expansion of a vascular fellowship or residency raises the prestige of the institution. The institution now becomes a training site for new vascular specialists.
 - Creation of a training program increases the ability of an institution to care for more complex patients and a higher volume of patients.
 - Creating or expanding vascular training programs is a first step in creating a tertiary vascular referral service that will directly contribute to hospital profitability.
7. A 0/5 Vascular Surgery Residency could be created through the conversion of an existing general surgery categorical 5-year position. This may be an appealing alternative for general surgical residencies with a large number of categorical positions and a marginal number of complex general surgical procedures (e.g. esophageal/pancreatic/endocrine/thoracic interventions). That said, it would be unusual for a general surgical program to “give up” one of its categorical positions for a vascular residency.