

**62J.692 MEDICAL EDUCATION.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions apply:

(b) "Accredited clinical training" means the clinical training provided by a medical education program that is accredited through an organization recognized by the Department of Education, the Centers for Medicare and Medicaid Services, or another national body who reviews the accrediting organizations for multiple disciplines and whose standards for recognizing accrediting organizations are reviewed and approved by the commissioner of health.

(c) "Commissioner" means the commissioner of health.

(d) "Clinical medical education program" means the accredited clinical training of physicians (medical students and residents), doctor of pharmacy practitioners (pharmacy students and residents), doctors of chiropractic, dentists (dental students and residents), advanced practice registered nurses (clinical nurse specialists, certified registered nurse anesthetists, nurse practitioners, and certified nurse midwives), physician assistants, dental therapists and advanced dental therapists, psychologists, clinical social workers, community paramedics, and community health workers.

(e) "Sponsoring institution" means a hospital, school, or consortium located in Minnesota that sponsors and maintains primary organizational and financial responsibility for a clinical medical education program in Minnesota and which is accountable to the accrediting body.

(f) "Teaching institution" means a hospital, medical center, clinic, or other organization that conducts a clinical medical education program in Minnesota.

(g) "Trainee" means a student or resident involved in a clinical medical education program.

(h) "Eligible trainee FTE's" means the number of trainees, as measured by full-time equivalent counts, that are at training sites located in Minnesota with currently active medical assistance enrollment status and a National Provider Identification (NPI) number where training occurs as part of or under the scope of either an inpatient or ambulatory patient care setting and where the training is funded, in part, by patient care revenues. Training that occurs in nursing facility settings, rural health clinics, or federally qualified health centers is not eligible for funding under this section.

Subd. 2. [Repealed, 2007 c 133 art 2 s 13]

Subd. 3. **Application process.** (a) A clinical medical education program conducted in Minnesota by a teaching institution to train physicians, doctor of pharmacy practitioners, dentists, chiropractors, physician assistants, dental therapists and advanced dental therapists, psychologists, clinical social workers, community paramedics, or community health workers is eligible for funds under subdivision 4 if the program:

(1) is funded, in part, by patient care revenues;

(2) occurs in patient care settings that face increased financial pressure as a result of competition with nonteaching patient care entities, including training hours in settings outside of the hospital or clinic site, as applicable, including but not limited to school, home, and community settings; and

(3) emphasizes primary care or specialties that are in undersupply in Minnesota.

(b) A clinical medical education program for advanced practice nursing is eligible for funds under subdivision 4 if the program meets the eligibility requirements in paragraph (a), clauses (1) to (3), and is sponsored by the University of Minnesota Academic Health Center, the Mayo Foundation, or institutions

that are part of the Minnesota State Colleges and Universities system or members of the Minnesota Private College Council.

(c) Applications must be submitted to the commissioner by a sponsoring institution on behalf of an eligible clinical medical education program on a timeline determined by the commissioner. An application for funds must contain information the commissioner deems necessary to determine program eligibility based on the criteria in paragraphs (a) and (b) and to ensure the equitable distribution of funds.

(d) An applicant that does not provide information requested by the commissioner shall not be eligible for funds for the applicable funding cycle.

**Subd. 4. Distribution of funds.** (a) The commissioner shall annually distribute revenue credited or money transferred to the medical education and research costs account under subdivision 8 and section 297F.10, subdivision 1, clause (2), to all qualifying applicants based on a public program volume factor, which is determined by the total volume of public program revenue received by each training site as a percentage of all public program revenue received by all training sites in the fund pool.

Public program revenue for the distribution formula includes revenue from medical assistance and prepaid medical assistance. Training sites that receive no public program revenue are ineligible for funds available under this subdivision.

Training sites whose training site level grant is less than \$5,000, based on the formulas described in this subdivision, or that train fewer than 0.1 FTE eligible trainees, are ineligible for funds available under this subdivision. No training sites shall receive a grant per FTE trainee that is in excess of the 95th percentile grant per FTE across all eligible training sites; grants in excess of this amount will be redistributed to other eligible sites based on the formulas described in this subdivision.

(b) Money appropriated through the state general fund, the health care access fund, and any additional fund for the purpose of funding medical education and research costs and that does not require federal approval must be awarded only to eligible training sites that do not qualify for a medical education and research cost rate factor under sections 256.969, subdivision 2b, paragraph (k), or 256B.75, paragraph (b). The commissioner shall distribute the available medical education money appropriated to eligible training sites that do not qualify for a medical education and research cost rate factor based on a distribution formula determined by the commissioner. The distribution formula under this paragraph must consider clinical training costs, public program revenues, and other factors identified by the commissioner that address the objective of supporting clinical training.

(c) Funds distributed shall not be used to displace current funding appropriations from federal or state sources.

(d) Funds shall be distributed to the sponsoring institutions indicating the amount to be distributed to each of the sponsor's clinical medical education programs based on the criteria in this subdivision and in accordance with the commissioner's approval letter. Each clinical medical education program must distribute funds allocated under paragraphs (a) and (b) to the training sites as specified in the commissioner's approval letter. Sponsoring institutions, which are accredited through an organization recognized by the Department of Education or the Centers for Medicare and Medicaid Services, may contract directly with training sites to provide clinical training. To ensure the quality of clinical training, those accredited sponsoring institutions must:

(1) develop contracts specifying the terms, expectations, and outcomes of the clinical training conducted at sites; and

(2) take necessary action if the contract requirements are not met. Action may include disqualifying the training site under this section or the removal of students from the site.

(e) Use of funds is limited to expenses related to eligible clinical training costs. The commissioner shall develop a methodology for determining eligible costs.

(f) Any funds that cannot be distributed in accordance with the commissioner's approval letter must be returned to the medical education and research fund within 30 days of receiving notice from the commissioner. When appropriate, the commissioner shall include the undistributed money in the subsequent distribution cycle using the applicable methodology described in this subdivision.

Subd. 4a. MS 2022 [Repealed, 2023 c 70 art 5 s 16]

Subd. 5. **Report.** (a) Sponsoring institutions receiving funds under this section must submit a medical education grant verification report (GVR) to verify that the correct grant amount was forwarded to each eligible training site.

(b) The reports must provide verification of the distribution of the funds and must include:

(1) documentation of any discrepancies between the grant distribution notice included in the commissioner's approval letter and the actual distribution;

(2) a statement by the sponsoring institution stating that the completed grant verification report is valid and accurate; and

(3) other information the commissioner deems appropriate to evaluate the effectiveness of the use of funds for medical education.

Subd. 6. **Other available funds.** The commissioner is authorized to distribute, in accordance with subdivision 4, funds made available through:

(1) voluntary contributions by employers or other entities;

(2) allocations for the commissioner of human services to support medical education and research; and

(3) other sources as identified and deemed appropriate by the legislature for inclusion in the fund.

Subd. 7. MS 2022 [Repealed, 2023 c 70 art 5 s 16]

Subd. 7a. MS 2022 [Repealed, 2023 c 70 art 5 s 16]

Subd. 8. **Federal financial participation.** The commissioner of human services shall seek federal financial participation for the dedicated revenue for medical education and research costs provided under section 297F.10, subdivision 1, clause (2).

Subd. 9. **Review of eligible providers.** The commissioner may review provider groups included in the definition of a clinical medical education program to assure that the distribution of the funds continue to be consistent with the purpose of this section. The results of any such reviews must be reported to the chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and finance.

Subd. 10. [Repealed, 2007 c 147 art 15 s 22]

**History:** 1999 c 245 art 2 s 10; 2000 c 494 s 1-3; 2001 c 161 s 14; 1Sp2001 c 9 art 2 s 2,3; 2002 c 220 art 15 s 1,2; 2002 c 277 s 32; 2002 c 375 art 3 s 1; 2002 c 379 art 1 s 113; 1Sp2003 c 14 art 7 s 16-19; art

*12 s 1; 1Sp2003 c 21 art 9 s 1,2; 2004 c 228 art 1 s 16; 2005 c 10 art 1 s 81; 2005 c 84 s 1-3; 1Sp2005 c 4 art 2 s 1; 2007 c 147 art 15 s 5-8; 2009 c 79 art 5 s 4; 1Sp2010 c 1 art 21 s 1; 1Sp2011 c 9 art 2 s 3; art 6 s 13; 2013 c 108 art 12 s 4-9; 2015 c 71 art 8 s 6; 2016 c 158 art 2 s 17; 2022 c 58 s 170; 2022 c 98 art 14 s 1; 2023 c 70 art 5 s 1-5*