



Michael D. Maves, MD, MBA, Executive Vice President, CEO

February 23, 2007

The Honorable Bill Nelson
United States Senate
716 Hart Senate Office Building
Washington, DC 20510-0904

Dear Senator Nelson:

On behalf of the physician and medical student members of the American Medical Association (AMA), I want to express our support for S. 588, the "Resident Physician Shortage Reduction Act of 2007," which you recently introduced with Majority Leader Reid. This bill would expand the number of Medicare-supported physician residency training positions in states with a shortage of residents.

There is a growing consensus that the United States faces a future shortage of physicians. In its last report in 2005, the Council on Graduate Medical Education (COGME) predicted a shortage of physicians and recommended a 15 percent increase (from 2002 levels) in enrollment in U.S. medical schools over the next decade to meet future demand and need for physicians. COGME also recommended a commensurate increase in the number of residency and fellowship positions eligible for Medicare funding to parallel the increase in medical school graduates. However, the current cap on Medicare-funded residencies, which was enacted into law in 1997, acts as a disincentive for teaching hospitals to increase the size of their residency programs.

The AMA agrees with COGME's recommendations and supports legislative initiatives that would provide new money for graduate medical education and lift the current cap on Medicare-supported residency positions in physician shortage/underserved areas and in undersupplied specialties with the greatest need. In addition to limited residency positions, there are a variety of factors that influence geographic distribution and specialty choice by medical students and residents, including high student debt burden, reimbursement by both public and private payors, medical liability costs, and lifestyle decisions. We believe that the Resident Physician Shortage Reduction Act of 2007 is an important first step in addressing one aspect of projected physician shortages, and we appreciate your leadership on this important issue.

Sincerely,

A handwritten signature in black ink that reads "Mike Maves". The signature is written in a cursive, flowing style. To the right of the signature is a vertical red line.

Michael D. Maves, MD, MBA