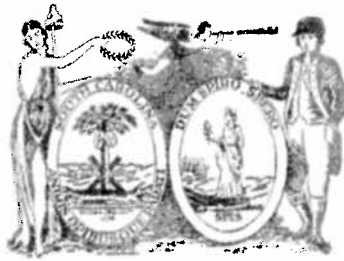


State of South Carolina

Executive Department



FILED

JAN 28 2015

Mark Hammond
SECRETARY OF STATE

Office of the Governor

EXECUTIVE ORDER NO.

2015-03

WHEREAS, the General Appropriations Acts for Fiscal Years 2013-14 and 2014-15 directed the Department of Health and Human Services to develop and implement a methodology to improve accountability and outcomes for the Graduate Medical Education (GME) and Supplemental Teaching Payment programs (STP); and

WHEREAS, to ensure that the resulting changes in policy would be developed through an open and collaborative process that allowed for the broadest range of participation from interested and affected stakeholders, the Department established the GME Advisory Group; and

WHEREAS, after a series of public meetings, the GME Advisory Group submitted its report in January 2014, entitled *Leveraging Graduate Medical Education to Increase Primary Care and Rural Physician Capacity in South Carolina*; and

WHEREAS, the report found that Medicaid GME and STP payment methodologies in South Carolina do not incorporate meaningful performance measures and are not structured to support the state's goals of developing a physician workforce that meets the needs of rural and other underserved communities; and

WHEREAS, although the GME Advisory Group's 2014 report recommended further research on a variety of topics, those avenues have not yet been formally explored; and

WHEREAS, the need to expeditiously complete this research has been further reinforced by a subsequent notice from the Centers for Medicare and Medicaid Services (CMS) that CMS would no longer allow South Carolina to use its existing STP payment methodology after July 1, 2014, which the Department successfully petitioned to extend

January 28, 2015

to September 30, 2015 on the basis that it would use the additional time to gather additional public input and comment.

NOW, THEREFORE, pursuant to the powers conferred upon me by the Constitution and the Statutes of the State of South Carolina and the United States, I hereby establish the Medical Education Advisory Council ("Council"), which shall be constituted and shall execute its duties and responsibilities as follows:

1. **Mission**: To advise the Department of Health and Human Services in its efforts to:
 - a. Improve accountability in the Medicaid medical education programs, promote the development of a "physician pipeline" that better meets the needs of rural and other underserved communities; and
 - b. Obtain CMS approval of a new STP payment methodology.
2. **Membership**: The Council shall consist of at least fifteen members, one of which shall be appointed by the Chairman of the Senate Finance Committee and one of which shall be appointed by the Chairman of the House Ways and Means Committee. The remaining members shall be appointed by the Governor as follows, one of whom shall be designated by the Governor as Chair:
 - a. The president of a public college or university
 - b. The dean of a college of medicine accredited by the Association of American Medical Colleges
 - c. The dean of a college of osteopathic medicine accredited by the American Association of Colleges of Osteopathic Medicine
 - d. Five executives or board members of Medicaid-participating hospitals or health systems
 - e. A physician nominated by the South Carolina Medical Association
 - f. The director of a residency program in family medicine
 - g. Three or more additional members, representing the academic, non-profit, philanthropic, or other communities with an interest in the Council's mission
3. **Duties and Responsibilities**:
 - a. Building upon the previous work of the GME Advisory Group, the Council shall develop recommendations for South Carolina's GME and STP programs that:
 - i. Promote accountability by establishing performance measures for and regular reassessments of GME/STP-funded programs;

January 28, 2015

- ii. Evaluate various methods through which a portion of the funds currently dedicated to these programs could be targeted toward new initiatives designed to meet South Carolina's physician workforce goals;
 - iii. Place a particular emphasis on the needs of rural and underserved communities in South Carolina; and
 - iv. Provide the Department of Health and Human Services with a report that reflects the opinions, insights, and experiences of the fullest range of stakeholders and which can inform the Department's submissions to CMS.
- b. The Council shall conduct a minimum of two public meetings and may conduct more as it deems necessary. It must solicit written recommendations from interested or affected parties and provide any opportunity for public comment at each of its meetings.
- c. In making final recommendations, the Council must evaluate and consider any public testimony or written submissions.
4. **Recommendations:** The Council shall submit its recommendations to the Director of the Department of Health and Human Services, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee no later than August 1, 2015, after which the Council shall be dissolved. This provision shall not be construed as to limit the Department's ability to establish advisory groups in the future.

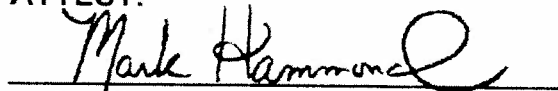
This Order shall take effect immediately.



GIVEN UNDER MY HAND AND THE
GREAT SEAL OF THE STATE OF
SOUTH CAROLINA, THIS 28th DAY
OF JANUARY, 2015.


NIKKI R. HALEY
Governor

ATTEST:


MARK HAMMOND
SECRETARY OF STATE