



## FACT SHEET

**For Immediate Release**  
**July 30, 2012**

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### **Graduate Nurse Education Demonstration**

In March 2012, the Centers for Medicare & Medicaid Services (CMS) issued a call for applications for a new initiative designed to increase the nation's primary care workforce by supporting facilities that train Advanced Practice Registered Nurses (APRNs). Under this new initiative from the Affordable Care Act, CMS will begin making reimbursement payments to eligible hospitals in 2012 from the \$200 million of available funds over the four year period of the Demonstration, helping the hospitals offset the costs of clinical training for APRN students.

### **Background**

#### *The Need for Training Opportunities*

Increasing the number of APRNs is an important way to increase the base of primary care providers in this country. In the past, the cost of clinical training has limited the ability of hospitals and other healthcare providers to accept more APRN students into their settings for clinical training.

#### *The Graduate Nurse Education Demonstration*

The Graduate Nurse Education Demonstration was mandated by Section 5509 of the Affordable Care Act. The primary goal of the Demonstration is to increase the provision of qualified clinical training to APRN students. The clinical training included in this Demonstration will provide APRNs with the clinical skills necessary to provide primary care, preventive care, transitional care, chronic care management, and other services appropriate for Medicare beneficiaries.

The Demonstration will be operated by the Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center was created by the Affordable Care Act to test innovative payment and service delivery models to reduce expenditures while preserving or enhancing the quality of care.

### **Demonstration Design**

Under the Graduate Nurse Education Demonstration, CMS will provide reimbursement to up to five eligible hospitals for the reasonable cost of providing clinical training to APRN students added as a result of the Demonstration. Hospitals participating in the Demonstration must partner with accredited schools of nursing and non-hospital community-based care settings. Under certain circumstances, hospitals participating in the demonstration may also partner with other hospitals in an effort to expand the number of APRN students trained. The Demonstration is expected to run for four years.

Payments to the participating hospitals will be linked directly to the number of additional APRNs that the hospitals and their partnering entities are able to train as a result of their participation in the Demonstration. The payment will be calculated on a per-student basis, comparing previous enrollment levels in APRN training programs with enrollment under the Demonstration.

The need for primary care access is especially critical in underserved areas of the country. CMS not only aims to increase the overall number of primary care providers, but also aims to bring new primary care access to underserved areas of the country. Hospitals participating in the Demonstration must partner with two or more community-based care settings and must conduct at least half of clinical training in such settings. These settings may include Federally Qualified Health Centers or Rural Health Clinics. Students receiving training funded by the Demonstration will be encouraged to practice in non-hospital settings, including in underserved areas of the country.

### **Participants**

The Demonstration allowed for a maximum of five hospital participants in the Graduate Nurse Education Demonstration. On July 30, CMS announced that the following organizations had been selected to participate:

- Hospital of the University of Pennsylvania (Philadelphia, PA)
- Duke University Hospital (Durham, NC)
- Scottsdale Healthcare Medical Center (Scottsdale, AZ)
- Rush University Medical Center (Chicago, IL)
- Memorial Hermann-Texas Medical Center Hospital (Houston, TX)

**Additional Information**

Additional information about the demonstration is available at:

<http://innovations.cms.gov/initiatives/GNE/>.