Georgia Preceptor Tax Incentive Program (GA-PTIP)

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Objectives

• Discuss the rationale for the newly created tax deduction commencing July 2014
• Understand the definitions as set forth in the law (SB 391)
• Understand the mechanics for gathering and certifying eligible rotations
• Answer some Frequently Asked Questions

History of the Preceptor Tax Deduction Legislation

• 2012 Primary Care Summit recommendation
• First of its kind, nationally
• Began as HB 922 sponsored by Rep. Ben Harbin; passed as SB 391 on Sen. Don Balfour’s Tri-Care Bill
• Department of Revenue language negotiated for Tax Manuals for 2014

What need does it meet?

159 Counties:
• 6 without a Family Physician
• 31 without a General Internist
• 63 without a Pediatrician
• 79 without an OB/GYN
• 66 without a General Surgeon

HRSA: Projected Demand for Primary Care Physicians

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Primary Care physician demand (FTE)</td>
<td>212,500</td>
<td>241,200</td>
</tr>
<tr>
<td>General</td>
<td>194,400</td>
<td>187,300</td>
</tr>
<tr>
<td>Pediatrics</td>
<td>44,800</td>
<td>38,700</td>
</tr>
<tr>
<td>Family Medicine</td>
<td>3,300</td>
<td>2,300</td>
</tr>
<tr>
<td>Pediatrics</td>
<td>3,300</td>
<td>3,300</td>
</tr>
<tr>
<td>Primary Care physician supply</td>
<td>205,000</td>
<td>195,000</td>
</tr>
<tr>
<td>Supply and demand</td>
<td>(7,500)</td>
<td>(20,400)</td>
</tr>
</tbody>
</table>

* National demand projections assumes that in 2010 the national supply of primary care physicians was adequate except for the approximately 7,500 FTEs needed to de-designate the primary care HPSAs.
* This category includes general family practice, and general internal medicine.

Training Challenges: Community Based Training Sites to Support Education

• MEDICAL STUDENTS: Each medical / osteopathic student has approximately 7 required core clerkship rotations in their third year (Family Medicine, Internal Medicine, Pediatrics, Emergency Medicine, OB/GYN, Psychiatry, and General Surgery).
  – Each rotation lasts 4-6 weeks on average
  – Approximately 40% of these required clerkship rotations occur in community based settings with non-compensated volunteer faculty
  – In 2012, there were approximately 594 3rd year Georgia medical students at five schools
  – 594 x 7 required core clerkships = 4,158 rotations
  – 4,158 x 40% in community settings = 1,663 rotations in non-compensated community sites
  – In 2020 it is estimated that Georgia will have 803 3rd year medical students needing +3,212 off campus community based training with a CBF member
Solution: Provide tax incentives for primary care community based faculty precepting 3rd and 4th year Georgia medical students

- Off-shore and out-of-state medical schools are using Georgia CBF and paying them
- To not disadvantage NP and PA programs who used the same physicians they were included as eligible rotations as well
- The Tax Deduction is intended to assist Georgia programs (MD, DO, NP, and PA) with providing the community based educational resources needed to graduate students in primary care

Definitions: **Preceptor**

- A licensed Georgia Physician (either MD or DO) providing uncompensated community based training for medical, nurse practitioner, or physician assistant students matriculating at a Georgia program (public or private) for selected rotations

Definitions: **Community Based Faculty**

“Community based faculty physician” means a non-compensated physician who provides a minimum of three and a maximum of ten clerkships within a calendar year.

“Medical core clerkship”, “physician assistant core clerkship”, or “nurse practitioner core clerkship” means a clerkship for a student who is enrolled in a Georgia medical school, a Georgia physician assistant school, or a Georgia nurse practitioner school and who completes a minimum of 160 hours of community based instruction in family medicine, internal medicine, pediatrics, obstetrics and gynecology, emergency medicine, psychiatry, or general surgery under the guidance of a community based faculty physician.

Eligibility

- Licensed physician in GA
- Cannot receive direct compensation for teaching medical, osteopathic, NP, or PA students
- Deduction only available for rotations supporting Georgia medical, osteopathic, NP, or PA programs
- Must complete a minimum of three rotations to be eligible; deductions are provided retroactively once eligibility is established
- A maximum of 10 rotations may be claimed for deductions each calendar year

Eligibility-Continued

- The only rotations available to receive the deductions are:
  - Family Medicine
  - General Internal Medicine (inpatient and ambulatory)
  - General Pediatrics
  - OB/GYN
  - Psychiatry
  - Emergency Medicine
  - General Surgery

Definitions: **Rotations**

- A rotation is defined as 160 hours of community based clinical training
- It can be accrued from multiple programs
- Hours do not have to occur within one student rotation
Eligible Programs: **Physician**
- Emory University School of Medicine
- Medical College of Georgia (Georgia Regents University)
- Mercer University School of Medicine
- Morehouse School of Medicine
- Philadelphia College of Osteopathic Medicine, Georgia Campus

Eligible Programs: **Physician Assistant**
- Emory University PA Program
- Georgia Regents University PA Program
- Mercer University PA Program
- South University PA Program
- PCOM-GA Campus PA Program

Eligible Programs: **Nurse Practitioner**
- Albany State University
- Armstrong Atlantic University
- Brenau University
- Emory University
- Georgia College and State University
- Georgia Regents University
- Georgia Southern University
- Kennesaw State University
- Mercer University
- University of North Georgia
- Valdosta State University

Example: **Dr. Arms**

<table>
<thead>
<tr>
<th>Program</th>
<th>Hours</th>
<th>Hours toward deduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emory PA student</td>
<td>4 weeks (160 hours)</td>
<td>160 hours</td>
</tr>
<tr>
<td>Mercer medical student</td>
<td>6 week rotation</td>
<td>240 hours</td>
</tr>
<tr>
<td>North Georgia NP student</td>
<td>8 hours/week for 12 weeks</td>
<td>96 hours</td>
</tr>
<tr>
<td>MCG student</td>
<td>6 weeks</td>
<td>240 hours</td>
</tr>
<tr>
<td>PCOM osteopathic student</td>
<td>12 weeks</td>
<td>480 hours</td>
</tr>
<tr>
<td>South PA student</td>
<td>6 weeks</td>
<td>240 hours</td>
</tr>
<tr>
<td>GRU-CON NP student</td>
<td>20 hours/week for 5 weeks</td>
<td>100 hours</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>1,556 HOURS</td>
</tr>
</tbody>
</table>

Dr. Arms’ total deductions
- 1,556 hours / 160 hours = 9.8 rotations
- Minimum # of rotations is 3
- Maximum # of eligible rotations is 10
- So Dr. Arms is eligible for 10 rotations each worth $1,000 in deductions for a total earned deduction of $10,000

Definitions: **Certification**
- The Statewide Area Health Education Centers Program Office at Georgia Regents University shall administer the program and certify rotations for the department.
Clarification: **Certifications**

- **Only** the Statewide AHEC Program Office can certify eligible rotations.
- Individual academic programs will report completed qualifying rotations to the Statewide AHEC Program Office.

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**2014 Special Eligibility Caveats**

- Because the deduction is effective from July 1, 2014 forward, the following pro-rated guidelines will apply for the current year:
  - Only need 1 completed rotation to be eligible
  - Rotations completed in July 2014 will count, even if they began in May or June.

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**GA-PTIP: MECHANICS**

**GA-PTIP Website:**

- [www.gru.edu/ahec/ptip](http://www.gru.edu/ahec/ptip)
  - Will be live by mid-September
  - Will feature two online reporting portals:
    - Physician Registration
    - Program Reporting
  - Will provide FAQs, Eligibility Guidelines, Training Opportunities, Program Guidelines, News and Updates

**Provider Portal**

- One time online registration through the new secured website portal
- Will not need to renew annually but can edit if key information changes

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**Program Portal**

- Programs will submit reports of eligible **completed** rotations through secure online portal
- Each program will be issued a unique password to enter data
Statewide AHEC Program Office

- Will maintain website and portals
- Data will be summarized at the Statewide AHEC Program Office
- Tax Deduction Certification letters will be issued by the Program Office in January of each year for the last full calendar year
- Provide a report to the Legislature each year

FREQUENTLY ASKED QUESTIONS

Will I receive one final document at year end to attach to my tax filing?

Yes. You will receive from the Statewide AHEC in January a letter certifying your contributions for the preceding calendar year’s work. It will be sent no later than January 30 of each year. By your signature to the letter you will attest that you are otherwise uncompensated to teach students.

Can I carry over rotations into the next calendar year for eligibility?

- No. All rotations must be used in the year earned. So if you actually supported 12 rotations in 2014, you would receive a $10,000 deduction for 2014 but would not be able to “carry over” the remaining two rotations into 2015.

If my partner(s) precept part of the time but I do the majority of the supervision, do I have to divide the earned deduction with them?

- You can choose from several options:
  – Claim the rotation fully
  – Alternate claiming rotations with your partner
  – Each claim a percentage of the hours earned
  – BUT the program must list your contribution in one of these ways

If a student only needs 80 hours, will that count as a rotation?

- No. However, those 80 hours would be recorded and if you precepted another student for 80 hours they would be added together to give you one rotation.
If my practice receives financial support from a program, does that disqualify me from claiming the deduction?

- No. Only if you personally receive direct compensation will you be disqualified to receive the deduction.

What about rotations I support from other programs?

- Only rotations provided to the Georgia programs listed previously will be eligible for the deduction.

Special Thanks
To the Medical College of Georgia @ Georgia Regents University for underwriting the administrative costs to provide this incentive for our valued community based physicians who are supporting our primary care education pipeline.

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Other Questions?
Program Evaluation
http://www.surveymonkey.com/s/GAPTIP