Minnesota Department of **Human Services**

Fast Facts:
2013 Legislative Session

PMAP, Medical Education and Research Costs (MERC) investment

Issue:
The Medical Education and Research Costs (MERC) fund compensates hospitals and clinics for a portion of the costs of clinical medical training. These funds support clinical training in Minnesota's teaching hospitals, which are vital activities affecting not only the health care community but also the health of every citizen and the economy of the entire state.

Proposals:
The governor's budget proposes, effective July 1, 2013:
- Increasing MERC funding from the Prepaid Medical Assistance Program to $49.5 million for the FY 2014-15 biennium
- Distributing the additional funding to eligible hospital and clinical training sites according to the formula in current law.

Impact:
This proposal will:
- Ensure sufficient funding for facilities providing medical education and research.
- Prepare Minnesota for future health care workforce needs.
- Generate an equal amount of federal matching funding.

Fiscal impact:
- FY 2014: $6.40 million
- FY 2015: $6.40 million
- FY 2016: $6.40 million
- FY 2017: $6.40 million

Related information:
- Minnesota Statutes, section 256B.69 subd. 5c: https:/www.revisor.mn.gov/statutes/?id=256B.69
- Background and other information about MERC, Minnesota Department of Health website: http://www.health.state.mn.us/divs/hpsc/hep/merc/index.html

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