

Physician Workforce through 2030: Get Ahead of the Recruitment Curve



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Physician Search

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There's been heavy discourse the last few years about the growing physician shortage in the United States. Based on a recent detailed study, the Association of American Medical Colleges (AAMC) now projects a [shortage of](#) between 40,800 and 104,900 physicians by 2030.¹

A complex set of assumptions factor into the models resulting in projected shortages that vary in degrees of magnitude depending on the location, specialty and population served.

A complex set of assumptions and variables factor into the models resulting in projected shortages in varying magnitude depending on the location, specialty and population served.

The Affordable Care Act has helped push the [percentage of insured](#) Americans to nearly 90 percent, creating a greater need for primary care physicians to see new patients.²

At the same time, uncertainty around healthcare legislation and the sheer complexity of reimbursement is enough to steer many physicians – both aspiring doctors and those with years of experience – away from patient care.

Our population is shifting older; the Census Bureau projects that the [population 65 years and older](#)³ will become larger than the population under 18 years old by 2056. And while America ages, so does its doctors. [Nearly 30 percent of active physicians](#) are now over the age of 60.⁴

Recent changes in immigration and international travel policies may impact the supply of international medical graduates (IMGs). These physicians undergo rigorous screening by the Educational Commission for Foreign Medical Graduates as part of the J-1 visa process, and the U.S. relies on them for a significant portion of patient care, including in medically underserved communities.

However, the number of non-U.S. citizen IMGs who submitted program choices dropped slightly in 2017 after international travel restrictions went into effect. Because NRMP doesn't collect citizenship data during the Match registration process, they couldn't correlate the declining number of non-US IMGs to the executive order on international travel. But it has raised concerns [for physicians](#) and educators, alike.⁵

[In a statement issued prior to the Match](#), AAMC's President Darrell G. Kirch, MD, urged "the administration, at a minimum, to promptly apply waiver and other discretionary authorities to all affected health professionals, including those international medical graduates matching to residency training programs."⁶

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The question remains: What will healthcare organizations do about the physician shortage?

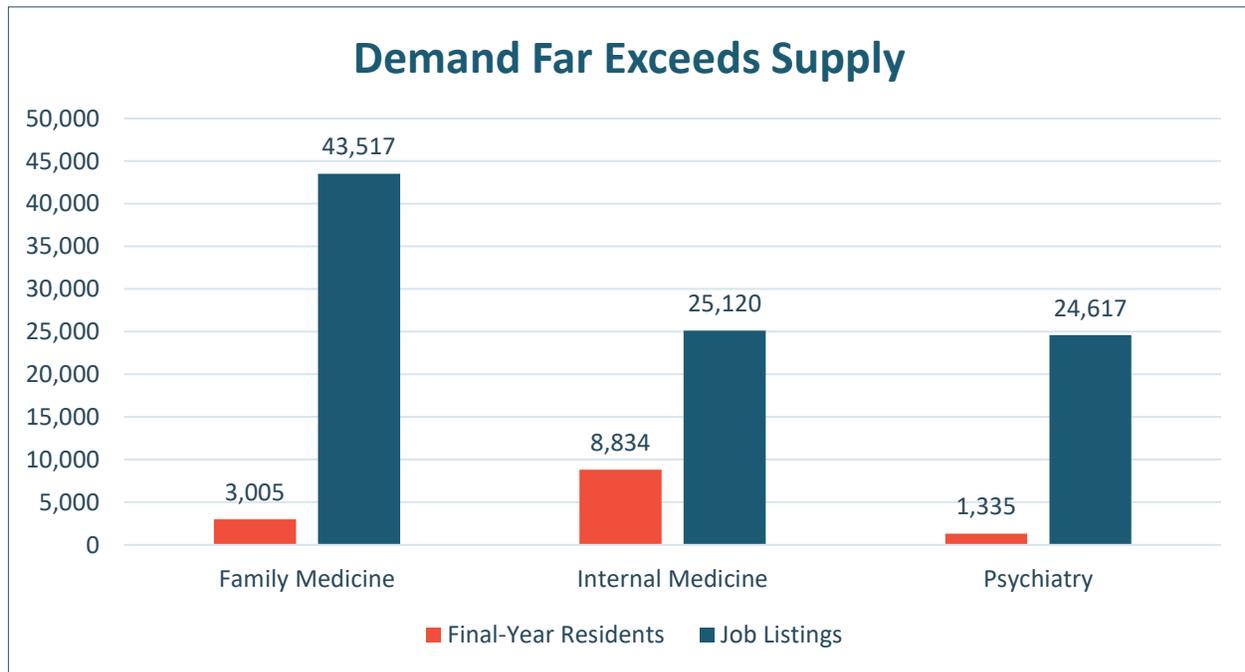
This report will demonstrate the prevalence of the physician shortage, including which specialties are being greatly affected and which areas are most underserved. Then, it will examine what hospital administrators and recruiters can do today to help prepare their organizations for tomorrow.

Specialties with Greatest Demand

Family Medicine, Internal Medicine and Psychiatry

Jackson Physician Search compared open jobs by specialties from ten top job boards and compared them to the number of third-year residents for those specialties, as provided by MMS data.

Assumptions that played into our research model: The turnover rate for doctors hovers around 6.8 percent, according to the [American Medical Group Association](#)⁷. We recognize that retirees – and practicing physicians who change jobs - both leave vacancies that will most likely be filled from the pool of graduating residents. Some are advertised on multiple job boards, while others are not advertised at all.



Source: Jackson Physician Search analysis of job board listings; MMS Resident Physician Data. May 2017.

Based on this analysis, the specialties with the greatest demand are: family medicine, internal medicine and psychiatry. Young medical students are forgoing these for more technical specialties that result in more defined hours, high mobility, higher incomes and the perception of greater prestige than primary care. The [stigma of mental health](#) may be a factor in turning medical students away from psychiatry, in which only half of residency programs in the U.S. are filled, according to Dr. Adam Brenner, a psychiatrist and associate professor at UT Southwestern Medical Center.⁸

Family Medicine

The ten job boards had roughly 43,500 family medicine openings as of May 2017, compared to just 3,005 final-year residents. The growing body of evidence that a primary care-based delivery system increases quality and decreases cost appears to be driving demand for family medicine physicians. But as articulated by many [authors and policy experts](#) such as Dr. Stephen Schimpff, high debt loads and a business model forcing them to see more patients per day, while earning an income about one half that of the specialists, are factors that discourage medical school graduates from selecting primary care as a career.⁹

Internal Medicine

Internal Medicine had more than 25,000 total openings compared to 8,834 final-year residents. But that gap is likely even wider, considering that many internal medicine residents go on to practice in sub-specialties such as gastroenterology, cardiology or endocrinology. The severity of the shortage of internists we see today was forecasted by a [Mayo Clinic study](#) of internal medicine residents conducted five years ago that found that only 21.5 percent of graduating residents planned to make a career out of general internal medicine.¹⁰

This continuing trend will only intensify the severity of the shortage. Only about half of internal medicine residents enter into an internal medicine fellowship. The other half, upon completing internal medicine residency, choose to pursue further training in one of [11 different internal medicine subspecialties](#).¹¹

Psychiatry

Our data demonstrates that unmet demand creates intense competition for candidates, with about 24,600 openings for psychiatry jobs versus only 1,335 final-year psychiatry residents.

The shortage of mental health professionals is at unsafe levels. Without more psychiatrists coming into the field, it will be hard to fill the gap. The [American Hospital Association](#) cites ample evidence of the unmet need, including the challenge of mal-distribution. There is a concentration of psychiatrists, psychologists and other behavioral health professionals in affluent urban and suburban areas, while there is a shortage of 2,800 psychiatrists in rural and underserved areas. In the field of psychiatry, nearly 55 percent of providers are 55 years or older. Recently only 4 percent of U.S. medical school graduates had applied for residency training in psychiatry.¹²

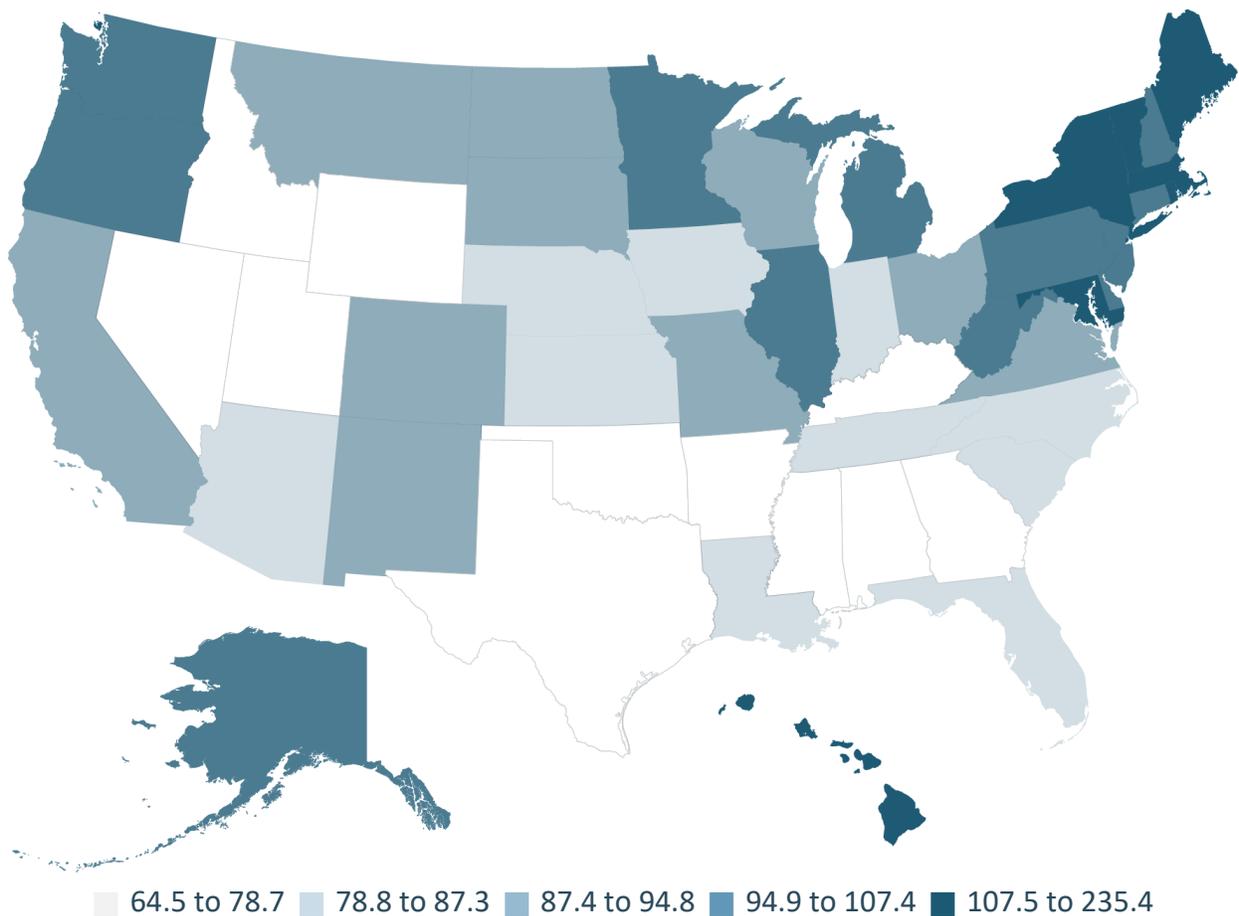
Of course, these three specialties are hardly the only areas where shortages lie. In Georgia, the state with the highest maternal mortality rate in the nation, hospitals are closing their obstetrics practices. More than 40 Georgia counties lack obstetrical providers, and there are less than 75 hospitals in the entire state with labor and delivery units, Pat Cota, Georgia OB/GYN Society, said in an [interview](#) with Georgia Health News.¹³

The Disparity of Physician Workforce Coverage

Not only are there not enough doctors to go around, they aren't evenly distributed. The resulting barriers to accessing specialty care creates significant - even tragic - disparities in health and well-being among many rural Americans.

Nationally, there are, on average, 91.1 active primary care physicians per 100,000 people, but some states fared better than others, according to the AAMC, which based their distribution map on census and American Medical Group data.

Active Physicians Per 100,000 Population



Within every state, there is a wide gap in ease of accessing specialists in urban areas compared to rural areas. [National Rural Health Association \(NHRA\) reports](#) that urban areas have 263 specialists per 100,000 people, compared with 30 specialists per 100,000 people in rural areas.¹⁴ In rural communities, people are at greater risk for injury-related death, have higher occurrences of diabetes and coronary heart disease, and lack adequate resources for treatment of addiction and behavioral health issues.

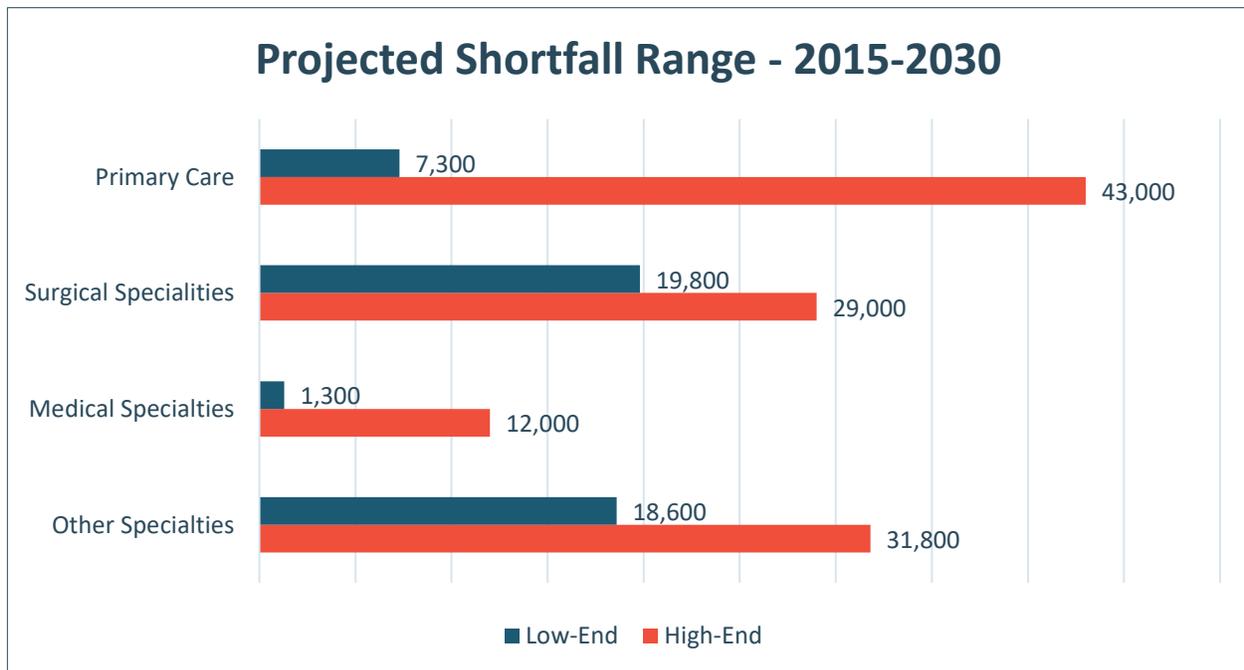
National Rural Health Snapshot	Rural	Urban
Percentage of population	19.3%	80.7%
Number of physicians per 10,000 people	13.1	31.2
Number of specialists per 100,000 people	30	263
Population aged 65 and older	18%	12%
Average per capita income	\$45,482	\$53,657
Non-Hispanic white population	69-82%	45%
Adults who describe health status as fair/poor	19.5%	15.6%
Adolescents who smoke	11%	5%
Male life expectancy in years	76.2	74.1
Female life expectancy	81.3	79.7
Percentage of dual-eligible Medicare beneficiaries	30%	70%
Medicare beneficiaries without drug coverage	43%	27%
Percentage covered by Medicaid	16%	13%
<small>Source: Health Resources and Services Administration and Rural Health Information Hub. https://www.ruralhealthweb.org/about-nrha/about-rural-health-care </small>		

Population Health Goals Present New Challenges Ahead

Addressing key challenges means making investments in a healthcare system that provides high-quality, cost-efficient healthcare while also developing the physicians needed to transform the current system and to maximize population health.

The AAMC’s recent study on the dynamics of supply and demand in the dawning era of population health is aptly titled, “The Complexities of Physician Supply and Demand 2017 Update: Projections from 2015 to 2030.” These findings point not only to challenges, but opportunities for healthcare organizations to differentiate themselves.

The study assesses the complex scenarios and assumptions that influence the capacity of the nation’s future physician workforce. Because it takes at least seven years to train a doctor, the projections extend to 2030 and offer insights into the directional changes expected in the physician workforce.



NOTE: Demand projections are reported as full-time-equivalent (FTE) physicians, where an FTE is defined for each specialty as the average weekly patient-care hours for that specialty.

Source: “The Complexities of Physician Supply and Demand 2017 Update: Projections from 2015 to 2030.” IHS Markit for Association of American Medical Colleges. February 2017.

Key findings

- Physician demand will continue to grow faster than supply, leading to a projected total physician shortfall of between 40,800 and 104,900 physicians by 2030.
- Demographic trends —specifically, population growth and aging—continue to be the primary drivers of increasing demand from 2015 to 2030.
- For all specialty categories, physician-retirement decisions are projected to have the greatest impact on supply.
- The ratio of physicians to Advanced Practice Nurses (APRN) and Physician Assistants (PA) is projected to fall over time as the APRN and PA supplies grow at faster rates than physician supply.
- Achieving population health goals may actually raise demand for physicians in the long term.
- If underserved populations had care utilization patterns similar to populations with fewer access barriers, demand for physicians could rise substantially.

These findings point not only to challenges, but opportunities for healthcare organizations to differentiate themselves through investments in technology, staffing models, delivery systems, workplace amenities and incentives that will make the practice of medicine more attractive and rewarding for physicians at every stage of their careers.

What Recruiters Can Do Now

By forming a strategic physician recruitment plan, creating a rewarding workplace, fostering a strong organizational culture, and incorporating non-traditional incentives, healthcare facilities can make smart hiring choices and stay ahead of the curve of the physician shortage.

Although location and the size of the candidate pool are factors well beyond the control of the recruiter, a strategic recruitment plan that enables the in-house recruiter to critically evaluate the needs of their community and organization will help a hospital attract and retain physicians. Organizations can achieve their recruitment and retention goals by addressing incentives, the structure of the medical practice, the organization's overall culture and engagement with the community as key differentiators that influence the quality of life a physician will experience.

Hospitals will succeed when they demonstrate that recruitment and retention are their top priority. For example, [Canton-Potsdam Hospital](#) successfully doubled the size of their medical staff by engaging their leaders and physician champions into the interview team. They deliver an unparalleled interview experience and offer unique incentives that are relevant and attractive to top candidates. By engaging candidates in their healthy culture and removing barriers to “yes,” they facilitate faster hires.¹⁵

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Physicians know they can make more money elsewhere, but may be more interested in a positive work environment where they feel they are making a difference. Doctors who serve in medically underserved areas may be eligible for programs such as the National Health Service Corps’ loan repayment program, state loan repayment programs and the Conrad 30 waiver program for international doctors serving in the United States. Facilities in underserved areas should include in their recruitment process the resources to help doctors apply for these programs.

A [survey of physicians](#) conducted by the American Medical Association found that administrative burden, stress, and lack of time were among the top three challenges of respondents.¹⁶ So, integrating the recruitment of advanced practice providers with physician recruitment and retention initiatives will increase the quality and speed with which you can build the teams you need to efficiently meet the demand for patient care. Structuring the system so that everyone “practices at the top of their license,” by reducing paperwork, clerical activities and other tasks not necessary for a physician or advanced practitioner to perform, can help create a less stressful, more patient-driven practice that will attract top physicians, NPs and PAs.

As a way to brand themselves, facilities are vying to be recognized on “Best Places to Work” lists, which are published annually by a variety of organizations. In a HEALTHeCAREERS [survey of healthcare employers](#), 79 percent said brand (what candidates think, feel and share about an organization as a place to work) and culture are primary focuses in their organizations.¹⁷ Employers cited in the survey competitive salary, vacation and time off, retirement planning and savings, treating employees with respect and recognizing/rewarding outstanding effort as cultural improvements any organization can offer with little to no cost.

Creating a rewarding work environment is a huge part of a recruitment plan. For some, a rewarding work environment attracts doctors who believe in mission-focused medicine and may be more inclined to want to practice in an underserved area. An attractive incentive for these physicians is offering leave for medical missions abroad.

Innovative programs that improve working conditions for physicians allow organizations to differentiate themselves. Practices have been incorporating technological initiatives, such as online messaging portals that strengthen the doctor-patient relationship while also making communication more efficient. Adopting telemedicine practices can help close coverage gaps for specialists you can't afford to have in-house.

Summary

Due to a shortage of graduating residents, high rates of retirement and uneven distribution of doctors, the physician shortage is the growing challenge all hospitals, medical groups and healthcare organizations face. Competition amongst facilities will intensify as they vie for new hires in a tight physicians' market.

Time spent without a physician equals lost revenue, which can easily exceed \$1 million per physician per year.

Organizations should keep in mind that time spent without a physician equals lost revenue, which can easily exceed \$1 million per physician per year. In the same vein, the community and state also lose revenue without a placement. An incoming physician creates a large economic impact by paying taxes, creating other

jobs at the hospital, and using local goods and services in the area he or she lives.

In some cases, an outside firm may be brought in to conduct the physician search because of their reach and experience in assessing the practice, competitiveness of the compensation package, interview process and cultural fit with the organization and community. This approach can deliver broader reach, better interviews, faster placement and improved retention – all of which increase return on the investment made in recruitment.

By focusing on long-term goals and needs, recruiters can staff the right physicians in the right specialties to reduce costly gaps in coverage and create healthy growth for their facilities.

About the Author

With over 30 years in healthcare strategy, Tony Stajduhar is a recognized leader and innovator in the recruitment of physicians and advanced practice providers. As president of Jackson Physician Search, he leads one of the most respected firms in the nation known for exceptional customer service, powered by proven recruitment strategy and search technology.

He is a sought-after speaker for healthcare industry groups, national medical associations and residency programs. Based in Atlanta, Tony can be reached at tstajduhar@JacksonPhysicianSearch.com or 866.284.3328.

About Jackson Physician Search

Jackson Physician Search specializes in permanent recruitment of physicians and advanced practice providers to hospitals and health systems across the United States. The company is recognized for its track record of results built on their clients' trust in the skills of their team and the transparency of their process.

Jackson Physician Search attracts and retains the most talented and motivated recruitment professionals in the industry. The has been recognized as one of the Best Places to Work by Modern Healthcare and certified as a great workplace by the independent analysts at Great Place to Work®.

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