

ISSUES AFFECTING FQHC'S

What will it take for Federally Qualified Health Centers to survive in today's healthcare physician recruiting climate?



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*Jackson Physician Search in partnership with
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A vast majority of all health centers are reporting a clinical and physician vacancy. Over the years, health centers have evolved to provide much more than primary care services in their community, but we are entering a critical time, and the shortage of physicians and clinicians overall is set to make a massive impact in the world of Community Health.

This paper examines some of the challenges that centers are facing today regarding recruitment and retention. Staffing shortages and difficulty in attracting physicians are overcome through a proactive and strategic approach to recruitment. Today, two of the top challenges are the shrinking candidate supply and changing compensation trends.

Today's top challenges for FQHC recruitment are **1. Shrinking Candidate Supply** and **2. Changing Compensation Trends.**

Neither of these issues are insurmountable, but they are a driving force in changing the community and rural health center model.

Shrinking Candidate Supply

Since the freezing of residency slots back in 1997, the supply of physicians entering the workforce has remained stagnant, while the patient population has grown. With the fact that Community Health Centers are expected to manage the care of 35 million+ patients by 2020, the shrinking candidate supply is now being felt.

In years past, CHCs around the country competed for talent amongst themselves and medical groups, while the hospitals essentially "played in a different sandbox." This separation is no longer the case.

When looking at primary care today, there are 6,500+ open, full-time primary care physician needs posted monthly. While we are seeing Family Practice residency match rise, the growth isn't fast enough. With some reports showing that less than 6% of graduating medical students plan to practice Family Medicine and only 2% deciding to pursue a career in internal medicine, we are now at a tipping point. The reality is that CHCs are no longer just competing amongst themselves, but instead are fighting against hospitals and health systems of all sizes to attract talent.

Changes in compensation models is another factor in the shrinking candidate pool.

Changing Compensation Trends

Due to the rules of supply and demand, we are now living in a new reality within community health. Clear differentiators, such as quality of life benefits are no longer available solely to those pursuing community health center positions. Large healthcare systems have utilized their resources to level that playing field leaving rural and community health centers to compete in "apple to apple" comparisons.

As the candidate pool has continued to contract, historical draws to community health, besides the mission, are diminishing. Hospitals of all sizes are now offering positions with no call, no weekends, and also student loan repayment. All of this, in addition to offering higher salaries and larger sign-on bonuses, further changes the recruitment landscape.

Physician Salary Changes

Specialty	2015	2016	2017	% Change
Dentistry	\$163,536	\$192,947	\$193,847	18.53%
Family Medicine (with OB)	\$223,893	\$238,510	\$242,932	8.50%
Family Medicine (without OB)	\$230,456	\$233,770	\$236,934	2.81%
Family Medicine: Ambulatory Only (No Inpatient Work)	\$221,322	\$228,409	\$233,512	5.51%
Family Medicine: Sports Medicine	\$267,997	\$267,878	\$272,237	1.58%
Family Medicine: Urgent Care	\$272,209	\$263,535	\$275,418	1.18%
Infectious Disease	\$258,217	\$262,110	\$272,842	5.66%
Internal Medicine: General	\$247,319	\$247,953	\$249,335	0.82%
Internal Medicine: Ambulatory Only (No Inpatient Work)	\$233,404	\$245,163	\$250,964	7.52%
Obstetrics/Gynecology: General	\$330,695	\$340,691	\$322,900	-2.36%

OB/GYN: Gynecology (Only)	\$240,155	\$241,903	\$232,670	-3.12%
Occupational Medicine	\$244,024	\$245,614	\$239,651	-1.79%
Pediatrics: General	\$231,636	\$228,441	\$231,539	-0.04%
Psychiatry: General	\$255,543	\$267,765	\$264,602	3.55%
Psychiatry: Child and Adolescent	\$264,812	\$256,560	\$277,300	4.72%
Urgent Care	\$239,536	\$239,919	\$254,711	6.34%

This report shows that we are seeing an upward trend in overall compensation for most specialties touching community health. Above and beyond this trend though, is the gap with which CHCs have historically paid lower than competing hospitals or groups. Today, we must account for groups and hospitals guaranteeing the first 1-3 years of employment salary, inclusive of productivity. Overall, while the above figures show an average of 2.81% increase in Family Practice, we see a much larger step up for FQHCs.

What Can Be Done?

While the challenges highlighted above are quite large, here are four things that FQHCs can do to help attract and retain staff.

1. Develop a Brand Strategy and Recruitment Marketing Plan

Almost 62% of FQHC CEOs highlighted the importance of marketing towards the achievement of organizational goals, less than a quarter of FQHCs have fully implemented marketing plans.

Developing an organizational brand and fostering an attractive work environment and culture can help community health centers stand out to younger physicians who aren't even aware of CHC opportunities. Branding vision, organizational culture, and values are all playing a larger role in attracting physicians who are willing to consider work environment and quality of life over the bells and whistles offered by larger systems.

Multiple reports have shown that physicians receive an average of 20-40 job offers per month. Additionally, 53% of all physicians are contacted multiple times per week, with less than 10% of the information provided being relevant to them. The right program will at a minimum, get you out there and in front of more candidates than pre-strategy.

2. Develop Local & Regional Outreach Campaigns

While some community health centers have access to local residents through training partnerships, many still do not gain this access. For those centers without these partnerships, a good first step to keeping local talent is to develop a relationship with your local and regional academic institutions.

In addition, focusing on building overall community relationships that drive awareness, as part of a brand strategy, allows locals to see the need for high-quality physicians. This approach is a long-term strategy but can reap dividends of having a local candidate move back to the area or someone not leave in the first place.

Doing simple things like speaking to a group of residents, inviting medical school students to tour your facility, or allowing shadowing with your medical staff can drastically increase your visibility in your local and regional market.

3. Develop a Comprehensive Retention Program

Recruiting today is not just about filling open positions, but also retaining those providers you already have. Replacing a physician can take upwards of 12-24 months, and vacancy costs can reach into the hundreds of thousands of dollars.

We see many facilities scrambling to replace a physician that “unexpectedly” resigned. By developing a good retention program, you reduce the amount of reactive recruitment you are doing and move to a proactive strategy.

A good place to start is an internal review of your physician and provider staff by performance, responses to physician satisfaction surveys, level in their career, and tenure with your facility. This audit illustrates when future needs may arise and how you can potentially shift your delivery model to meet your need.

Internal auditing can be a time-consuming process, with the understanding that it is a long-term play. We have helped many organizations tackle recruitment challenges while they developed their auditing

plans. Not only will this approach result in better hires now, but future reductions in the usage of temporary spend and less reliance on outside recruitment support.

4. Review Your Compensation Model & Delivery Team

While many centers have historically been paying a lower salary vs. others, it is becoming much more difficult to do so today. While you cannot overpay for a physician, there are ways to combat this trend.

One option is to add productivity metrics to your plan allowing a physician or provider to make more overall. These should not be unrealistic targets but tiered based on your data where a physician or provider can earn more by treating more patients, providing the highest quality of care, and so forth.

You can also look at a quality of life structure with a 3- or 4-day work week, which is already becoming much more the norm today. This flexible structure allows you to attract individuals who can spend the needed time with patients, and also have time to focus on their home life. By creating this balance, you can potentially reduce an overall increase in your compensation.

Finally, you can consider a larger number of NP or PA providers to supplement your physicians. This trend has been coming for some time and while you still need the physicians in your centers, developing a comprehensive strategy to include nonphysician providers, can be cost-effective and ensure the patient population is being seen as needed.

Conclusion

There is no one size fits all answer to the recruitment and retention strategies for community health centers. You are providing one of, if not the most vital, service in your area and so a multi-pronged approach to attacking these challenges is vital for success in today's highly competitive market.

If you implement some of the steps above, you will increase your reach and exposure to candidates. In addition to the four items above, one final option is developing strategic partnerships with organizations that bring their expertise to you. Strategically aligning with an experienced, nationally recognized physician recruitment firm augments the resources you are committing to finding and retaining critical staff.

Finally, and as a reminder, you also have access to a large variety of endorsed partners through your association CommonWealth Purchasing Group, which can help you save significantly in all areas of your operations.

Here at JPS, we are truly appreciative of all of our partnerships across the country and thank the team at CommonWealth for being a leader in the FQHC space to help drive savings and efficiencies for their members.

To speak further about specific questions regarding physician and advanced practice provider recruitment, feel free to contact [Scott Halterman](#) at CommonWealth Purchasing Group or [reach out to a JPS Consultant here](#).

About Jackson Physician Search

Jackson Physician Search specializes in permanent recruitment of physicians and advanced practice providers to CHCs, hospitals, health systems, academic medical centers and medical groups 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 company has been recognized as one of the Best Places to Work by Modern Healthcare and Fortune and is certified as a great workplace by the independent analysts at Great Places to Work®.

About the Commonwealth Purchasing Group

CommonWealth Purchasing, LLC (CPG) is a group purchasing organization formed in 1998 by the Massachusetts League of Community Health Centers. CPG has more than 575 members in 40 states, and range from small single-site organizations to multi-site systems. CPG members typically save between 18% and 20% each year on medical, office, dental supplies, recruitment services, patient communications and much more.

All CPG activities and initiatives are designed to help community health centers and other non-profit human service providers save money and improve services. We contract with high-performing vendors in product areas where community health centers and similar organizations make the majority of their purchases. These long-standing relationships provide us with direct access to senior managers and the ability to resolve member problems quickly and efficiently.

CPG's National Advisory Board—made up of members, including CEOs, CFOs, and COOs from national health centers and associations—meets quarterly to provide strategic advice, feedback on program performance and impact, ideas about additional product sectors and potential new vendors, and other similar issues.