

HANYS

ACCESS TO CARE IN CRISIS: PHYSICIANS IN SHORT SUPPLY

HANYS' 2008 PHYSICIAN WORKFORCE SURVEY

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Healthcare Association
of New York State



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KEY FINDINGS FROM THIS SURVEY:

- Hospitals and health systems report significantly increased physician shortages in 2007 for primary care general surgery, orthopedics, urology, and psychiatry, compared to last year's survey, which covered 2006.
- Twenty-five percent reported having to reduce or eliminate hospital services. In some cases, these services are no longer available, forcing patients to find care outside of their communities.
- Fifty-five percent reported having times when the emergency department lacked coverage for particular specialties, forcing patients to travel further to receive emergency care.
- To cope with shortages, three-fourths of members have had to employ temporary staff or *locum tenens* to cover needed services.
- Barriers to physician recruitment include lack of candidates, geographic location, inability to provide a competitive salary, and practice demands.

ABOUT THIS SURVEY

HANYS' 2008 Physician Workforce Survey adds to the growing library of data that establishes the physician shortage as one of the major health care concerns of many New York communities.

HANYS, Greater New York Hospital Association, Iroquois Healthcare Alliance, Nassau-Suffolk Hospital Council, Northern Metropolitan Hospital Association, Rochester Regional Healthcare Association, and Western New York Healthcare Association developed it to assist in crafting strategies to address the physician workforce challenges facing hospitals and communities. The survey reflects data for calendar year 2007.

Communities across New York State are experiencing growing physician shortages that are affecting access to care. HANYS' members report a dramatic increase in the number of departing physicians and severe difficulty in recruiting replacements. Both emergency and routine services are becoming less available in many New York communities.

The 2007 *Annual New York Physician Workforce Profile* completed by the State University of New York School of Public Health, Center for Health Workforce Studies (CHWS), highlighted alarming physician shortages in many regions of the state. While the CHWS study did not reveal a statewide decrease, the study found that the number of primary care physicians declined in 27 counties. The number of general surgeons declined in 28 counties and by 12% statewide over a four-year period.

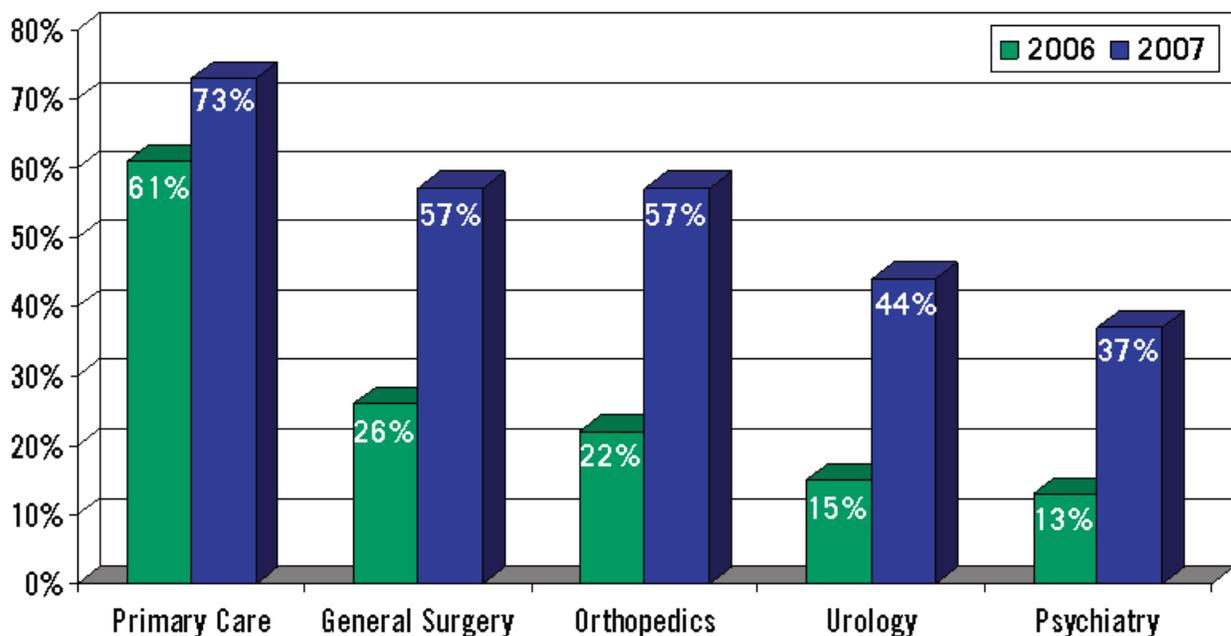
Governor David Paterson, the New York State Legislature, HANYS, and many key stakeholders—including the Associated Medical Schools of New York (AMSNY) and the Medical Society of the State of New York (MSSNY)—were successful in influencing the development and funding of the Doctors Across New York program. While Doctors Across New York is a good first step in addressing physician shortages in under-served areas of the state, many more measures must be taken to ensure the supply of physicians in the state's under-served communities.

The overall response rate to *HANYS' 2008 Physician Workforce Survey* was 54%, with 118 hospitals and health systems completing the survey. Given the higher response rate (71%) outside of New York City (NYC), this report focuses on the results from outside of NYC but includes NYC figures in statewide tallies. Additionally, because of the size of the medical staff at many NYC hospitals, HANYS was unable to collect data by specialty in that region.

GROWING PHYSICIAN SHORTAGES IMPACTING MORE COMMUNITIES

Hospitals and health systems outside of NYC are reporting significantly increased physician shortages in 2007 for primary care, general surgery, orthopedics, urology, and psychiatry, compared to last year's survey, which covered 2006.

Change in Reported Shortages from 2006 to 2007



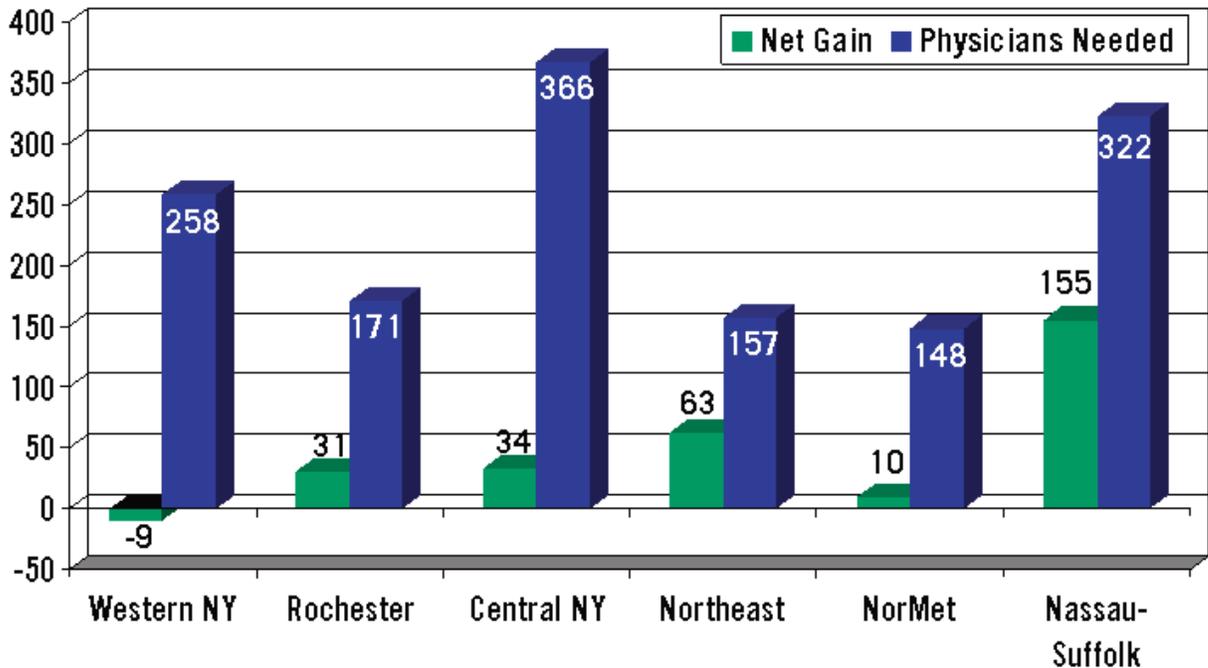
SUCCESSFUL PHYSICIAN RECRUITING IN 2007 MOSTLY OFFSET BY RETIREMENTS AND DEPARTURES

Hospitals and health systems outside of NYC identified the current need for approximately 1,400 physicians. This statistic is particularly alarming, considering it does not include the needs of non-responding hospitals and health systems. Hospitals and health systems from outside NYC reported:

- the retirement of 1,466 physicians;
- the hiring of 732 physicians; and
- the addition of 1,031 physicians to hospitals' medical staffs.

While there was a net gain of approximately 300 physicians, more than half of that gain was on Long Island. Hospitals report a significant gap between successful recruiting and community need, even with these modest gains. This is particularly evident in areas north of NYC.

2007 Increases in Physicians and Physician Need by Region



Recruiting physicians is also expensive. Responding hospitals and health systems spent thousands of dollars for each physician hired and a total of \$29.1 million in 2007 on physician recruitment. Of this total, \$18 million was spent by upstate hospitals and \$12.1 million was spent by rural hospitals.

Physician Shortages Negatively Impact the Community

HANYS' members report a number of negative impacts from the physician shortage:

- Twenty-five percent reported having to reduce or eliminate hospital services. In some cases, these services are no longer available, forcing patients to find care outside of their communities.

- Fifty-five percent reported having times when the emergency department lacked coverage for particular specialties, forcing patients to travel further to receive emergency care.
- To cope with shortages, three-fourths of members have had to employ temporary staff or *locum tenens* to cover needed services. This expensive alternative depletes hospital finances. These physicians are also transient by definition and do not establish ongoing relationships with patients.
- Fifty-eight percent reported that they now pay for on-call services. This is a last resort for many hospitals whose physician numbers are dwindling, leaving them to rely on fewer physicians to take more on-call coverage.

The table below reflects these concerns by region:

	STATEWIDE	WESTERN NEW YORK	ROCHESTER	CENTRAL NEW YORK	NORTHEASTERN	NORTHERN METROPOLITAN	LONG ISLAND	RURAL
Use of <i>Locum Tenens</i>	74%	54%	94%	90%	81%	57%	64%	83%
Reduction in Services	25%	23%	13%	50%	43%	7%	5%	30%
Lack of ED Coverage	54%	54%	75%	50%	52%	57%	23%	62%
Paying for On-call*	57%	62%	56%	45%	52%	36%	77%	36%

*In the 2007 survey, 43% indicated that they were paying for on-call services.

RECRUITMENT AND RETENTION STRATEGIES CONTINUE TO FACE CHALLENGES

Impact of Retirement and Changing Generations on Recruitment

According to CHWS, the average age of physicians in New York State in 2007 was 51, and slightly older in rural counties.

Further, new physicians that are hired to replace retiring physicians are less likely to work the long hours of their predecessors. The 2007 resident exit survey that was completed by CHWS in March 2008 indicated that residents who intend to practice in the areas of primary care plan to work between 39 and 46 hours per week.

Fifty-three percent of *HANYS' 2008 Physician Workforce Survey* respondents reported that physicians are working fewer hours, with 58% from upstate New York reporting physicians reducing their hours and 64% of rural hospitals reporting a reduction in work hours. Hospital leaders report that newer physicians place a high value on personal quality of life issues and devote more time to non-work activities.

According to the Association of American Medical Colleges (AAMC), there is an increasing percentage of female medical school graduates (48% of medical school graduates in 2007 were women), and AAMC survey data indicate many more physicians are willing to take time off for family or work part time. Therefore, to meet a growing demand for health care services, it is increasingly necessary to recruit more than one new physician for every one that retires.

Complicating the challenge for under-served areas of New York State, the number of physicians training in primary care, internal medicine, obstetrics/gynecology, and pediatrics is declining at both the state and national level, according to AAMC and CHWS data. More physicians are coping with high education debt and low reimbursement by choosing higher-paying specialties.

Hospitals Are Turning to Physician Employment

With increased recruitment and retention difficulty, hospitals are turning to employing physicians as an important strategy to maintain supply. Seventy-eight percent of respondents indicated directly hiring 967 physicians in 2007. Thirty-three percent of new hires were in NYC.

Only 18% of new hires were in primary care; 3% were in general surgery, and the remainder were in medical and surgical specialties.

Further, 43% of respondents provided one or more incentives, such as practice support or sign-on bonuses, to 123 additional physicians not employed by the facility (98% of whom were outside of NYC) to persuade them to join the medical staff of the hospital.

Hiring physicians is frequently cited as the only available option for bringing physicians on staff. It is important to note that by hiring physicians directly, hospitals are diverting resources from other areas and accepting business risk in order to guarantee the income of physicians.

Barriers to Recruitment

Respondents outside of NYC cited their geographic location as the most critical barrier to physician recruitment. They also indicated a lack of candidates available to meet their community's needs, and an inability to pay a competitive salary. Other barriers to recruitment are practice demands and working conditions, which reflect quality of life issues.

Rural hospitals responded that the lack of candidates was the number one barrier, followed by geographic location, lack of a competitive salary, and practice demands.

Coping Mechanisms

TELEMEDICINE

Many responding hospitals and health systems are using telemedicine and mid-level practitioners to cope with shortages. When asked about their current use of telemedicine, an overwhelming majority of respondents indicated using telemedicine, primarily for radiology. When asked about interest in future use of telemedicine, the response rate was very high, with the greatest interest reported in stroke management (42%) and psychiatry (46%).

TELEMEDICINE	STATEWIDE	WESTERN NEW YORK	ROCHESTER	CENTRAL NEW YORK	NORTHEASTERN	NORTHERN METROPOLITAN	LONG ISLAND	RURAL
Currently Use Telemedicine	78%	92%	88%	70%	71%	64%	95%	77%
Interested in More Telemedicine	70%	100%	63%	85%	67%	36%	73%	77%

USE OF MID-LEVEL PRACTITIONERS

Ninety-six percent of respondents indicated that their facilities employ mid-level practitioners. Approximately 36% indicated that they use mid-levels when unable to hire physicians.

CONCLUSION

Physician shortages pose a serious threat to the health of New York State residents, particularly for those who reside in rural or urban under-served areas. Action is needed at both the state and federal levels to increase the number of physicians interested in practicing in under-served areas of the state. In addition, New York must think about creative ways of delivering care amid physician shortages.

HANYS' advocacy agenda addresses many of the issues raised by this survey. HANYS' goals for this year include:

- advocating for additional funding for the Doctors Across New York program;
- increasing the number of clinical physician teaching sites in physician shortage areas;
- increasing the percentage and number of medical students who are predisposed to stay in under-served areas by identifying the right student candidates at the time of enrollment;
- encouraging experienced physicians to teach and mentor medical students and residents in under-served communities and provide financial support to replace income lost as a result of voluntary teaching activities;
- continuing to expand the number and size of pipeline programs to encourage people to choose a career in medicine and practice in under-served communities;
- increasing Medicaid payments for physicians' services, especially with regard to primary care, to a level commensurate with cost;
- implementing medical malpractice reform;
- working with Area Health Education Centers to promote primary care practice among students;
- increasing the number of mid-level practitioners to help offset the physician shortage;
- exploring opportunities to fund telemedicine initiatives in rural, under-served areas of the state that would specifically ease physician workforce shortages; and
- identifying regulatory and system reform ideas that assist communities with recruitment and retention of physicians and help hospitals better utilize the physician workforce.

