Optimizing the Health Care Workforce - To Optimize the Value of Health Care

Learn
Serve
Lead

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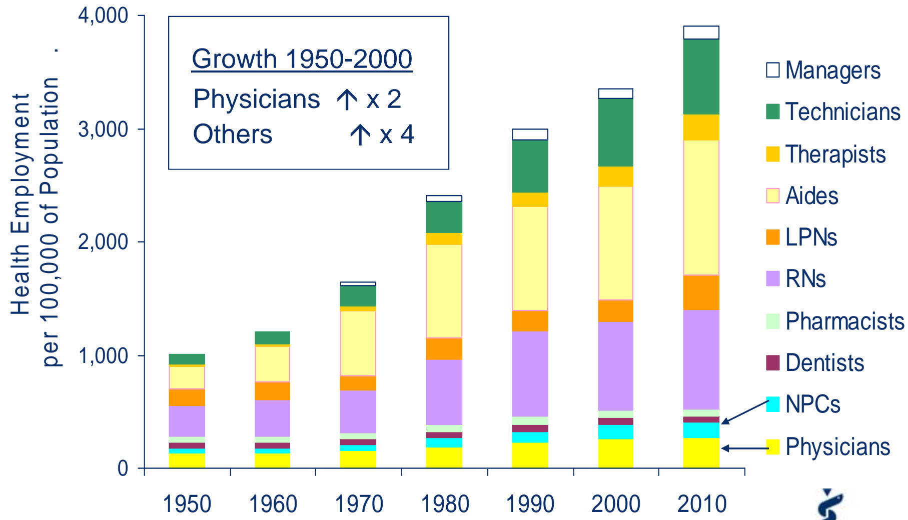
Association of
American Medical Colleges

Overview of Presentation

- Overview of the Health Workforce
- Key Physician Workforce Developments
- Factors Influencing Future Supply and Demand
- Physician Projections Through 2025
- A Word About Primary Care
- Assuring Access and Value
- National Developments Impacting on Workforce
- What Can a State Do to Encourage Value?
- Some closing thoughts


NATIONAL HEALTH CARE LABOR SUPPLY, 1950-2000
Growth 1950-2000
Physicians ↑ x 2
Others ↑ x 4
Health Employment per 100,000 of Population
4,000
3,000
2,000
1,000
0
1950
1960
1970
1980
1990
2000
2010
Managers
Technicians
Therapists
Aides
LPNs
RNs
Pharmacists
Dentists
NPCs
Physicians
Source: Richard Cooper

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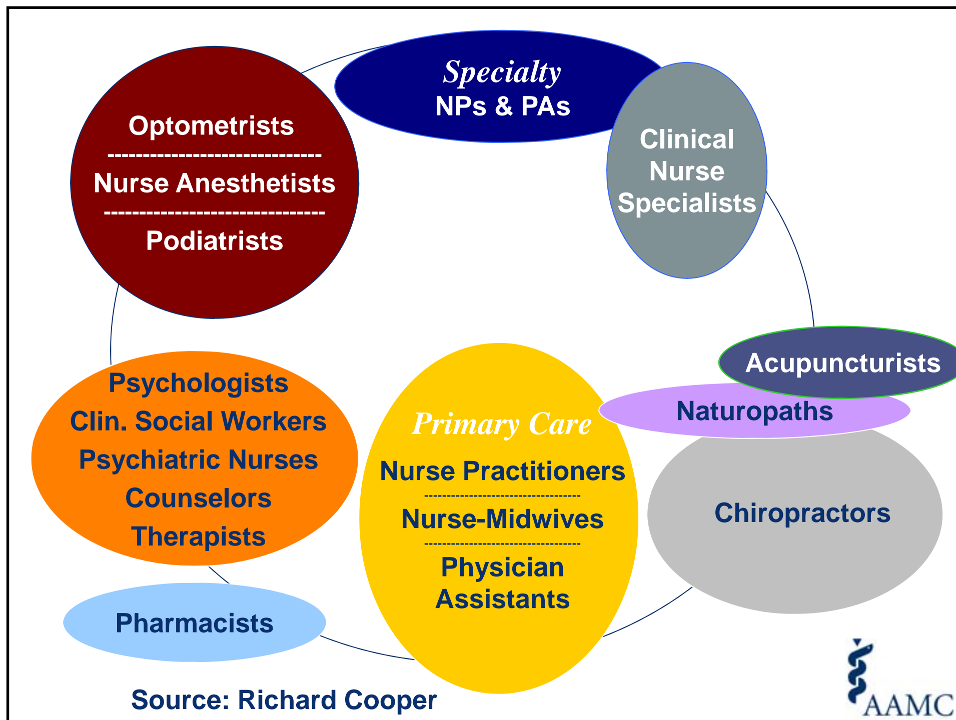
Specialty
NPs & PAs
Optometrists
Nurse Anesthetists
Podiatrists
Clinical Nurse Specialists
Acupuncturists
Naturopaths
Psychologists
Clin. Social Workers
Psychiatric Nurses
Counselors
Therapists
Primary Care
Nurse Practitioners
Nurse-Midwives
Physician Assistants
Chiropractors
Pharmacists
Source: Richard Cooper

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Physician Workforce: Recent Findings and Developments (1)

- AAMC analysis confirms likely significant physician shortage in coming years across a broad range of specialties
- Population growth, aging and medical advances are increasing demand
- Aging of physicians and work patterns of younger physicians will limit growth of supply
- Shortages are already apparent and competition for physicians is increasing

Physician Workforce: Recent Findings and Developments (2)

- The recession is slowing the shortage but health care reform will increase it
- MD and DO graduations will rise by nearly 7,000 per year between 2009 and 2020
- GME is unlikely to keep pace. This will exacerbate the shortage
- Increasing physician supply has to be part of a multi-faceted effort to assure access including increased use of non-physician clinicians and innovations in service delivery. We need to use all health professionals more effectively.

Recent Reports of Physician Shortages: Specialty Studies

Allergy & Immunology (2006)
Anesthesia (2003)
Cardiology (2009)
Child Psychiatry (2006)
Critical Care Workforce (2006)
Dermatology (2008)
Emergency Medicine (2006)
Endocrinology (2003)
Family Medicine (2006)
Gastroenterology (2009)
Geriatric Medicine (2009)
General Surgery (2007)
Generalist Physicians (2008)
Medical Genetics (2004)
Neurosurgery (2005)
Oncology (2007)
Pediatric Subspecialty (2007)
Psychiatry (2003)
Public Health (2007)
Rheumatology (2007)

Recent Reports of Physician Shortages: State Studies

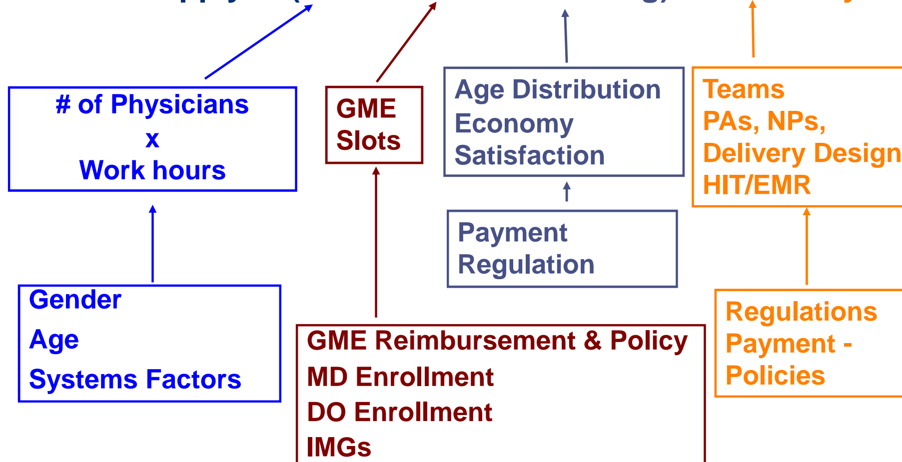
Alaska (2006)
Arizona (2005)
California (2009)
Colorado (2007)
Florida (2005)
Georgia (2008)
Idaho (2007)
Iowa (2007)
Kentucky (2007)
Maryland (2008)
Massachusetts (2008)
Michigan (2006)
Minnesota (2008)
Mississippi (2003)
Montana (2009)
Nebraska (2008)
Nevada (2006)
New Jersey (2009)
New Mexico (2006)
New York (regional) (2007)
North Carolina (2007)
Oregon (2004)
Pennsylvania (2008)
Texas (2008)
Utah (2006)
Virginia (2007)
Wisconsin (2004)

The Physician Workforce: How Colorado Compares

	Colorado	US	Colorado Rank
Students in medical or osteopathic schools per 100,000 population, academic year 2008-09	24.8	30.1	27
Residents/fellows in ACGME programs per 100,000 population	23.5	35.7	35
Active physicians per 100,000 population	255.3	254.5	18
Active primary care physicians per 100,000 population	90.4	89.6	24
Percent of medical or osteopathic school graduates (UME) retained in-state	42.6%	38.8%	19
Percent of residents/fellows (GME) retained in state	45.3%	47.4%	26
Percent of UME and GME retained in state	71.5%	66.2%	19

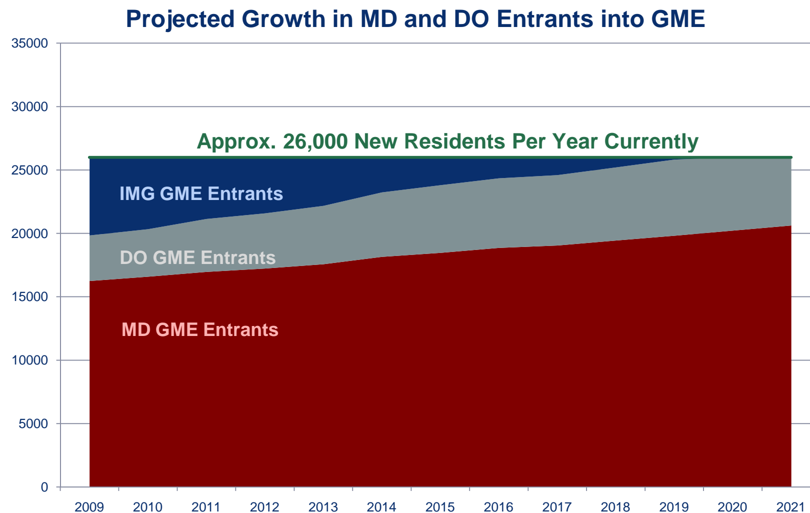
Sources: AAMC Data Warehouse STUDENT File (December 9, 2008)
Osteopathic Medical College Information Book: 2010 Entering Class
2009 AAMC/AMA National GME Census
2009 AMA Physician Masterfile (December 31, 2008)
U.S. Census Bureau

Complexities of Physician Supply



Center for Workforce Studies, 3-09

Unless GME Positions Grow, the Supply of Physicians Will Not Grow

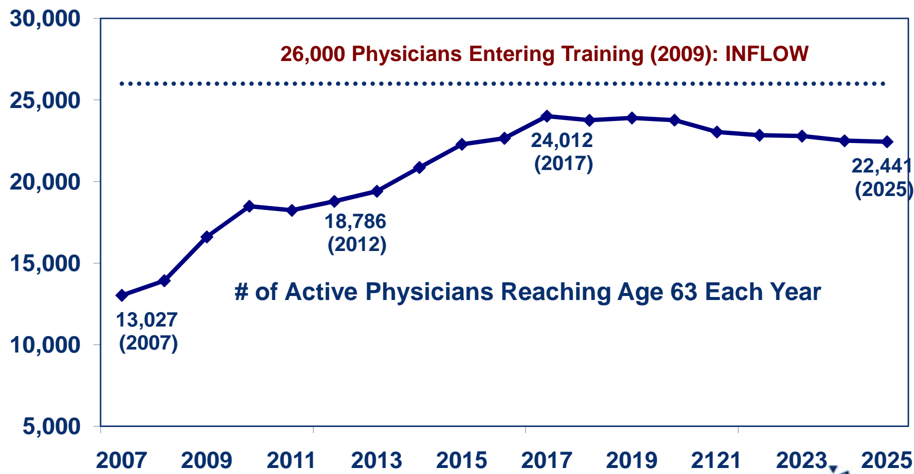


Preliminary Data Prepared by: Center for Workforce Studies (SAS) 7/09
Sources:2008: AAMC Dean's Enrollment Survey, 2008: AACOM Enrollment Analysis

Slow GME Growth: Will Growth Continue?

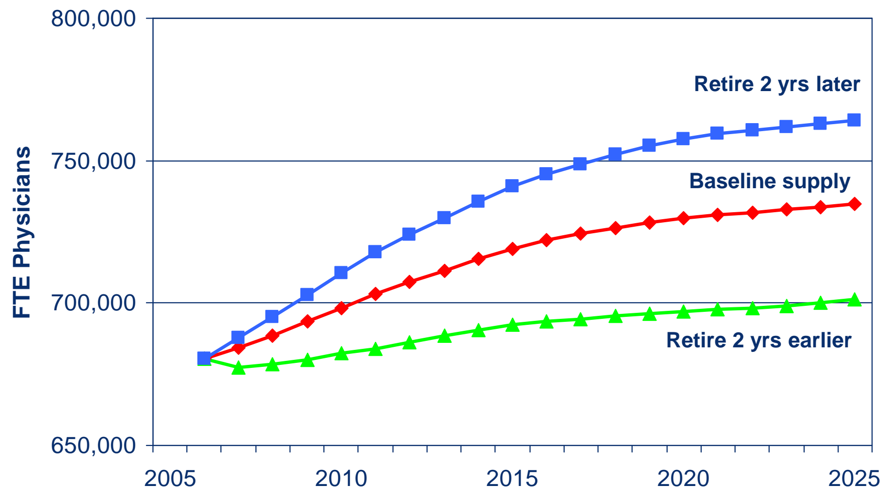
- Unknown how much – if at all - residency programs will continue to grow in the coming years. Federal funding cuts for GME would likely reduce growth
- The general fiscal health of hospitals may determine whether growth continues in the absence of new federal support for GME
- The increase in US MD and DO grads is likely to exceed the growth in GME positions
    - There will be more US grads to consider primary care but fewer IMGs to fill specialty and geographical gaps
- Without GME growth, US MDs and DOs are likely to displace IMGs and physicians per capita will peak about 2015

The Number of Active Physicians Approaching Retirement Age is Increasing Sharply



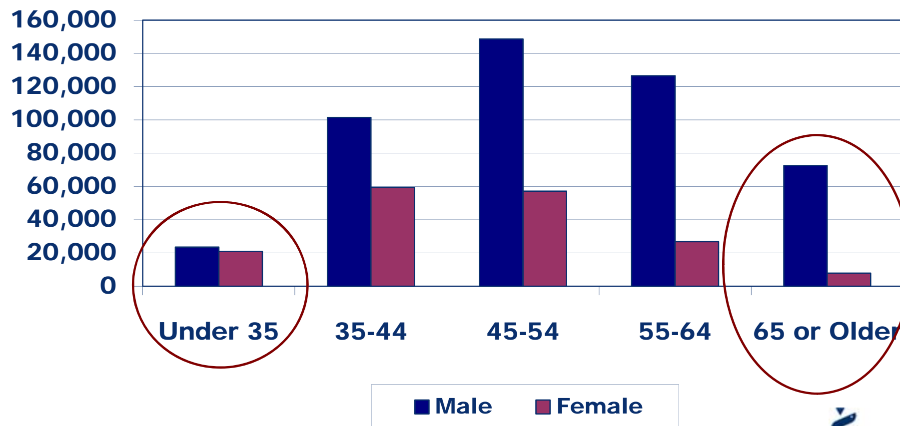
Sources: AMA Physician Masterfile (January 2007); AAMC CWS GME Analysis March 2009

The Impact of Changes in Retirement Patterns is Significant



Source: Michael J. Dill & Edward S. Salsberg. *The Complexities of Physician Supply and Demand : Projections Through 2025* (AAMC November 2008).

The Feminization of Medicine



Source: AMA Physician Masterfile (January 2007)

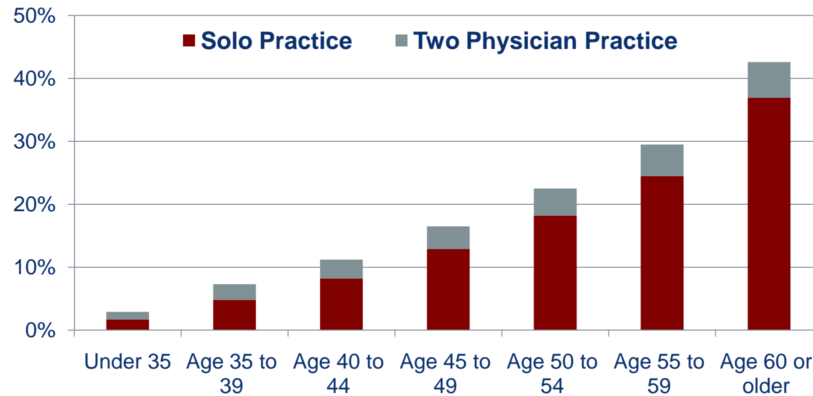
Time for family and personal life very important to young physicians, especially women physicians

Percent "Very Important" to Physicians Under 50

BALANCE	Male	Female
Time for family/personal life	66	**82**
Flexible scheduling	26	**54**
No / limited on call	25	**44**
Minimal practice mgmt resp	10	**18**
CAREER/INCOME		
Practice income	**43**	33
Long term income potential	**45**	36
Opportunity to advance professionally	29	27

Source: AAMC 2006 Survey of Physicians Under 50

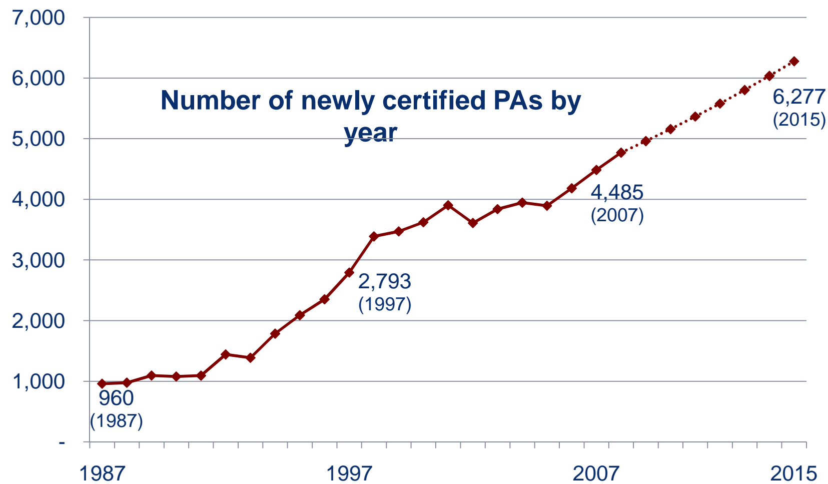
Younger Primary Care Physicians are Far Less Likely to be in Solo and 2-Person Practice



Data refer to non-federal physicians providing direct patient care and were active at least 20 hours per week. Physicians whose primary specialty is anesthesiology, pathology, radiology, or a related subspecialty were excluded.

Source: AMA Physician Masterfile (December 31, 2008)

The Number of New PAs Entering Practice Each Year Has Grown 5 Fold in the Past 22 Years, and is Continuing to Rise

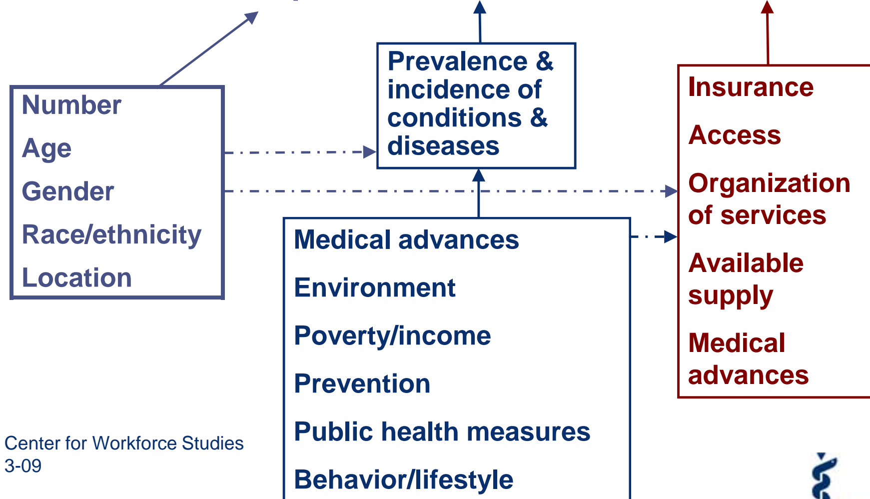


Source: National Commission on Certification of Physician Assistants, April 2008 & June 2009

Summary of Supply Trends

- Medical and osteopathic enrollment is growing but GME growth is uncertain
- The physician workforce is aging and a large cohort is approaching retirement
- The current recession will delay retirement but there is likely to be significant pent up desire for retirement
- Generational and gender are likely to impact on physician work effort
- The bottom line: after more than 50 years of growth, the physician supply per capita is likely to peak in the next decade

Complexities of Physician Demand



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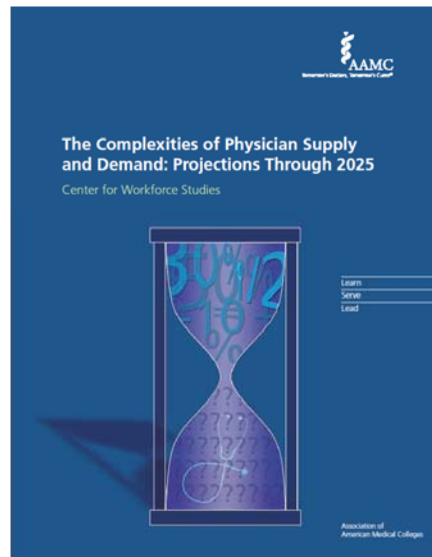
Drivers of Future Demand for Services

- Population growth
  - US Pop Growing by 25 million/decade
- Aging of the population
  - Over 65 will double 2000-2030
  - Major illness/chronic illness far more prevalent among the elderly
  - Over 65 make twice as many physician visits as under 65
- Public expectations
  - Baby boom generation: high resources and expectations
- Life Style factors
  - Rates of obesity, diabetes, etc. rising rapidly
- Economic growth of the nation
- Medical advances

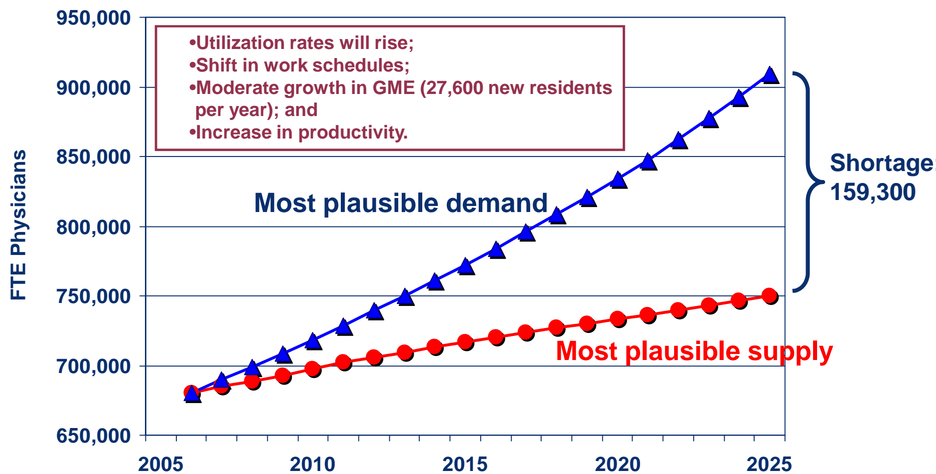
Recent AAMC Report Projecting Physician Supply and Demand Through 2025



Overview of Methodology

- Baseline projections based on current supply and production levels and current practice and utilization patterns applied to projected future population
- Use of most recent data available
- Development of alternative scenarios for the future for supply and demand
- Compare supply and demand in terms of full time equivalents (FTEs)

Projections of FTE Physicians: Most Plausible Scenario



Source: Michael J. Dill & Edward S. Salsberg. *The Complexities of Physician Supply and Demand : Projections Through 2025* (AAMC November 2008)

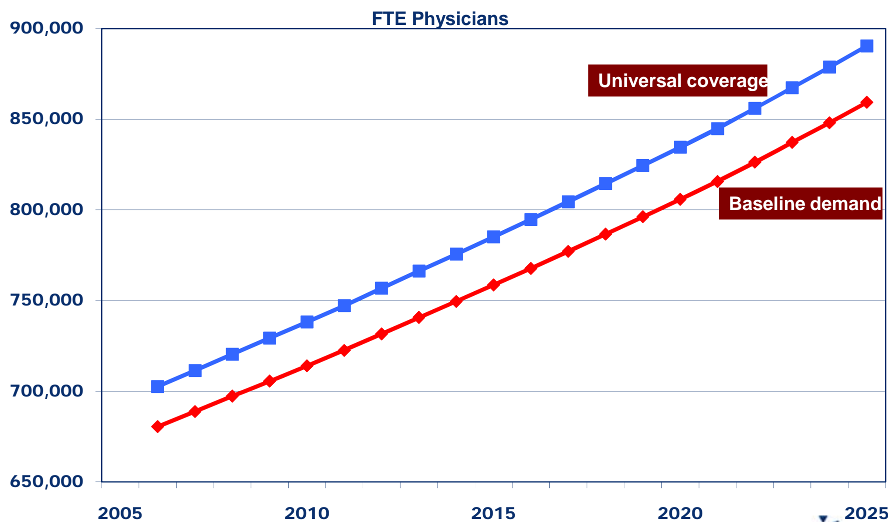
Baseline Projections: Primary Care and Surgical Specialties Face Greatest Shortages; Health Reform Will Increase Demand and Shortages

	Projected baseline shortage in 2025 (FTEs)	Pct. of total shortage
Total Patient Care Physicians	-124,000	100.0%
General Primary Care	**-46,000**	**37.3%**
Medical Specialties	-8,000	6.3%
Surgical Specialties	-41,000	32.9%
Other Patient Care	-29,000	23.4%

Source: Michael J. Dill & Edward S. Salsberg. (2008). *The Complexities of Physician Supply and Demand Projections Through 2025*;

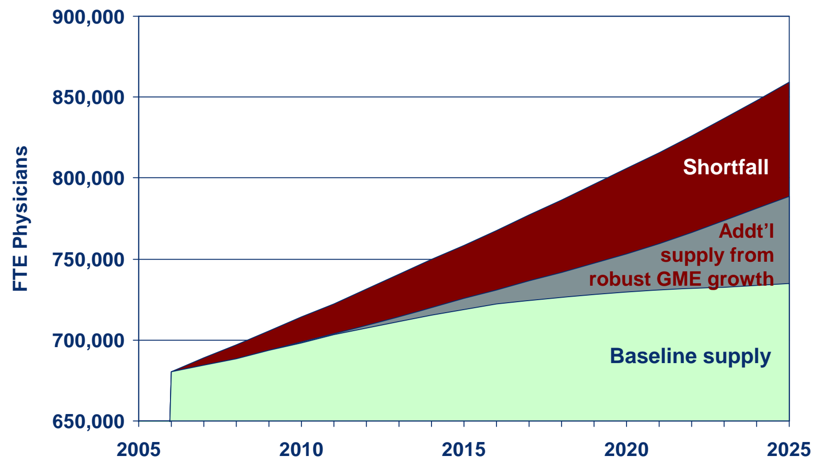
Note: These are baseline projections

Universal Health Coverage Will Significantly Increase Demand for Physician Services



Source: Michael J. Dill & Edward S. Salsberg. (2008). *The complexities of physician supply and demand : projections through 2025*; Baseline projections

Expansion of UME and GME Will Not Meet All of Future Demand: Still Need System Improvements



Source: Michael J. Dill & Edward S. Salsberg. (2008). *The Complexities of Physician Supply and Demand: Projections Through 2025*; Baseline projections. Center for Workforce Studies, Association of American Medical Colleges.

A Word About Primary Care

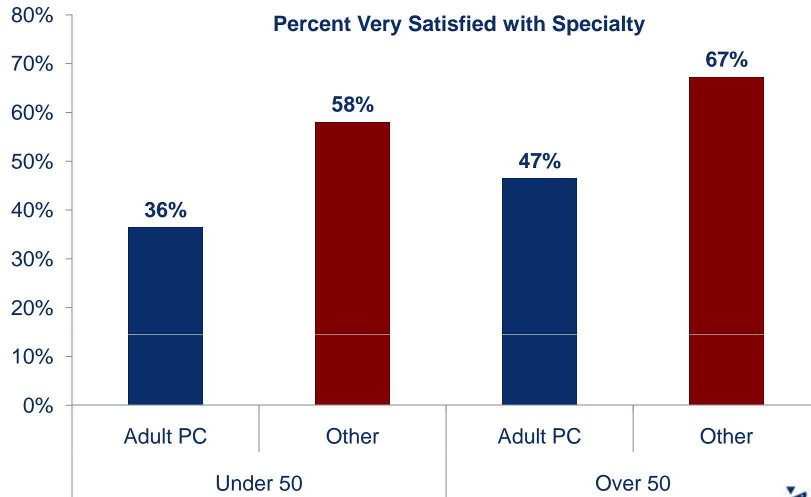
The Primary Care Crisis: What It's Not

- It's not pediatrics
- It's not that the total supply of physicians isn't growing
- It's not that the supply of primary care physicians isn't growing
- It's not that new physicians aren't going into primary care
- It's not that the supply of PAs and NPs isn't growing

The Crisis in Adult Primary Care

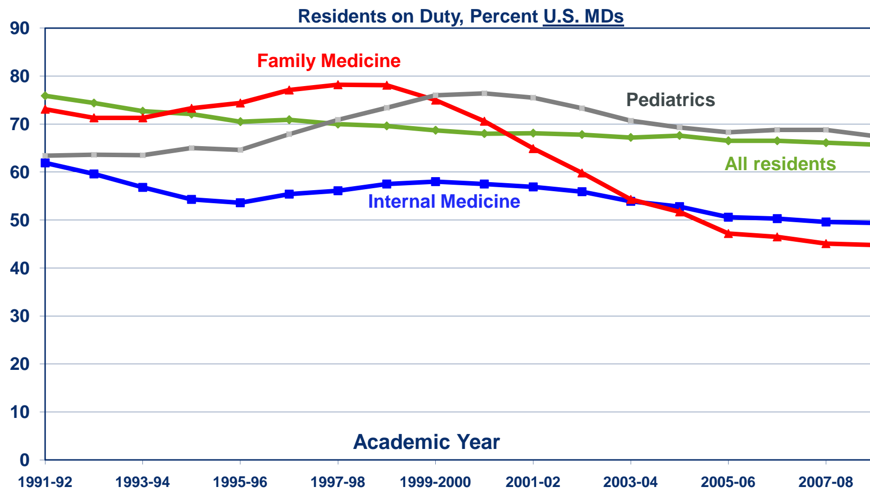
1. Primary Care is an essential component of an effective health care system/health reform
2. Growing demand
3. The Supply will peak shortly
4. Adult primary care physician dissatisfaction
5. Decreasing interest in primary care by US grads
6. The mal-distributed of the existing supply

Adult Primary Care Physicians Over and Under 50 are Less Satisfied Than Non-Primary Care Physicians



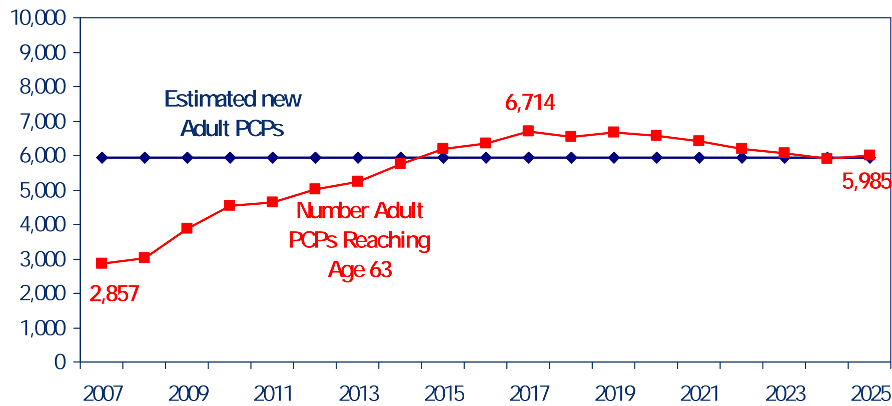
Source: AAMC/AMA 2006 Survey of Physicians Over/Under 50

FP and IM Attracting Fewer US MDs Than GME In General and Percent Decreasing



Source: *JAMA* Graduate Medical Education. Prepared by AAMC Center for Workforce Studies, June 2009 (SD).

Adult PC Physicians Retiring May Exceed Number Entering In the Next Few Years



Note: Adult primary care includes family medicine and internal medicine.
Sources: JAMA 2008;300(10)
AMA Physician Masterfile (January 2008)

ASSURING ACCESS AND VALUE

Strategies to Help Assure Access and *Increase Value* (1)

Increase the overall supply of practitioners

- Expand GME with a preference for primary care

  Nationally: The Resident Physician Shortage Reduction Act of 2009 (S. 973; H.R. 2251)

- Respond to the needs and factors that drive satisfaction of older and younger physicians, such as flexible scheduling, *reduction in paperwork, and tort reform*
- *Make more effective use of physicians and other health professionals*

Oncologists Views on Addressing Shortages

	Results of 2006 Practitioner Survey	% Significant Potential
Increase Efficiency	**Reduction of paperwork and regulations**	61%
	Improved IT such as electronic medical records	43%
Increase / extend oncology workforce	**Increased use of NPs/PAs**	36%
	Train more clinical oncologists	34%
	Increased use of oncology nurses and CNS	32%
	Create incentives to delay retirement	28%
Increase use of related care providers	Hospice and palliative care providers	26%
	Social workers, counselors and patient educators	24%
	Hospitalists	20%
	Pain and symptom management specialists	17%
	Primary care providers to care for patients in remission	15%

Strategies to Help Assure Access and *Increase Value* (2)

Increase use of non-physician clinicians, other health professions and other support staff

- *Increase use of teams (inter-disciplinary education and practice)*
- *Increase supply of PAs, NPs, RNs, health educators, nutritionists, and other health workers*
- *Expand scope of practice of NPCs and other health professionals and support staff*
- *Supportive payment policy, such as for teams and email communication*

Strategies to Help Assure Access and *Increase Value* (3)

Address mal-distribution

- Expand National Health Service Corps (NHSC)
- Expand state loan repayment
- *Link providers and systems in rural and urban communities*
- Revise medical school admissions policies, encourage students from rural communities and increased diversity
- Supportive payment policy

Strategies to Help Assure Access and *Increase Value* (4)

Redesign the delivery system

- *Support and incentives for integrated delivery systems*
- *Encourage innovations: Patient Centered Medical Home, Accountable Care Organizations (ACOs) and Health Innovation Zones (HIZs)*
- *Payment policy reform*
- *Improve efficiency and effectiveness, including through improved IT and EMR*
- *Expand telemedicine and email communication*

National Developments

- The American Recovery and Reinvestment Act
- Health care reform
- Federal budget
- Title VII reauthorization
- Medicare reform
- Delivery system reforms
- Medical education and training reforms

The American Recovery and Reinvestment Act: Building the Infrastructure

- National Health Service Corps
- Title VII
- Community Health Centers
- Health Information Technology

Health Care Reform and the Physician Workforce

- Demand: Expansion of coverage
- Supply
  - Encourage primary care
  - Support for Title VII
  - Support for expansion of GME(?)
  - Health Workforce Planning Infrastructure (?)
- Delivery System
  - Payment policy reform
  - Support for medical homes, ACOs and HIZs
  - Support for CHCs

What Can a State do to Encourage Value?

1. Promote model service delivery and innovations to improve quality, contain costs and prepare the next generation of physicians
2. Promote inter-professional education and practice
3. Support increased numbers and expanded roles of non-physicians where appropriate
4. Institute supportive payment policies
5. Promote HIT and the electronic medical record
6. Reduce paperwork and tort reform

Some Final Thoughts about Workforce Planning and Value

- Design or at least envision the delivery system first and then plan the workforce
- Collaboration including with the health professions, health care organizations, practitioners, payers and consumers
- Authority for demonstrations and innovations including regulatory flexibility and funds for evaluation (evidence based planning)
- The importance of focusing on chronic care
- On going data collection and analysis; preferably through a unit responsible for workforce data and analysis

Sixth Annual

AAMC Physician Workforce Research Conference

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Alexandria, Virginia