

Current Trends in the Physician Recruiting Industry

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PHYSICIAN SHORTAGE

The healthcare industry is facing an impending physician shortage. The graying of the baby boomers and medical advances that prolong life coupled with the changing demographics and expectations of the physician workforce have translated into a concern about meeting the population's health care needs. The Association of American Medical Colleges (AAMC) Center for Workforce Studies was established in 2004 to enhance and make available comprehensive data and analyses regarding the supply and demand of physicians. The AAMC identified 35 recent studies on current and future physician workforce needs by state or specialty.¹ Conclusions reached from just a few of those studies:

- A 20% decrease in the age-adjusted supply of cardiologists with a substantial increase in the incidence and prevalence of cardiovascular disease²
- A shortage of 1,500 intensivists by 2020³
- A 48% rise in the demand for oncologists from 2005-2020, and a 14% rise in supply creating a shortage of 2,500-4,080 oncologists⁴
- A need for up to 36,000 additional geriatricians by 2030⁵

Thirty-six percent of active physicians are over the age of 55 and most will be retired by 2020. While the number of medical students in the U.S. will increase over the coming years, it takes at least a decade to impact the supply of U.S. educated physicians.

RESPONSES TO THE SHORTAGE

Shortages or even talk of shortages can manipulate markets that create problems for healthcare leaders who are facing daily challenges in recruiting and

retaining physicians. The AAMC recommended 30% growth in first year medical school enrollment by 2015. The 2007 entering class to U.S. medical schools is the largest in history, up 2.3% from 2006. Of the 126 existing medical schools, 11 have boosted enrollment by more than 10%. Ten new schools are under discussion, eight have added new campuses and five new schools are in the process of opening. Osteopathic schools have added ten new campuses since 2003. First year residency positions, however, have grown only 4% over the past 10 years. New U.S. medical school graduates will replace International medical school graduates in residency slots which won't increase the pipeline of physicians. The number of graduate medical education positions needs to be expanded to accommodate more medical school graduates.⁶

The way in which physicians practice may need to change based on shortages in certain specialties. The Institute of Medicine concluded that given the predicted shortage of geriatricians, all physicians who treat older adults will need to become more proficient in geriatric care.⁷ Medical education leaders have recommended the "Don't Kill Granny" curriculum which incorporates 26 competencies designed to teach medical students the basics of geriatrics. It has also been suggested that one way in which to deal with the projected shortage of oncologists is to have primary care physicians play a bigger role in monitoring patients in remission.

Other responses to the shortage are the increased recruitment and utilization of nurse practitioners and physician assistants. Another approach is to delay the retirement of older physicians by creating part-time and flexible schedules.



DEMOGRAPHIC CHANGES IN THE PHYSICIAN WORKFORCE

Fifty percent of medical students are women, and women often tend to work fewer hours than men. Physician Executive magazine reports that some hospitals discount the economic benefits of a female physician's labor at .8 FTE when estimating staffing needs.⁸ Women are twice as likely to go into primary care, which is good news for the specialties of family medicine, pediatrics, internal medicine and ob/gyn. However, with a country full of aging baby boomers that are more likely to need orthopedic surgeons, pulmonologists and cardiologists in the coming years, this trend creates a concern. Many experts think the shortage predictions in pulmonary medicine and cardiology are exacerbated by the increase of women in medicine.

EXPECTATIONS OF PHYSICIANS

The new generation of physicians has a significant focus on work/life balance and is not willing to work the long hours that prior generations of physicians have been working. In a 2006 study conducted by Merritt, Hawkins and Associates, 63% of surveyed residents said availability of free time is causing significant concern, up from 15% in 2001.⁹

Although it is well documented that women are often attracted to the option of part-time work, that trend is transcending gender, with an increasing number of male physicians seeking flexible work schedules. Many physicians new to the workforce

Continued on page 6

Current Trends in the Physician

Continued from page 5

are demanding more balanced lifestyles. In a survey conducted by AAMC of physicians in their 30s and 40s, 71% said time for family and personal time are the most important things.¹⁰ Medical students are demonstrating that work/life balance is greatly influencing how they pick a specialty. Students are choosing radiology, ophthalmology, anesthesiology and dermatology. Top tier students are migrating from specialties that manage disease toward specialties that improve the lives of physicians and patients - those with better compensation, more autonomy and more controllable work hours. As an example, last year Harvard had 383 applications for 6 slots in dermatology.¹¹

COMPETITION FOR PHYSICIANS

The attention being paid to the physician shortage has heightened the competition among hospitals and practices for physician talent, resulting in physicians being in strong positions to dictate the terms of employment. Two national physician search firms recently surveyed physicians about job solicitations revealing:

- 52% of residents surveyed indicated they had received 51 or more job solicitations during their training and 79% received 16 or more¹²
- 79% of 2006 primary care residents received 16 or more solicitations up from 16% in 1999 and 22% in 2003
- 78% of respondents received 3 or more solicitations a week, and 18% received 11 or more¹³

HOW PHYSICIANS SEEK PRACTICE OPPORTUNITIES

The way in which physicians seek positions is changing reflecting the preferences of the new generation of physicians. According to independent studies conducted in 2007 and 2004 for the *New England Journal of Medicine*, the top sources for leads in a job search were:

2007	2004
1) Personal/Professional Referral	1) Direct Mail
2) Physician Recruiters	2) Emails Sent to Physicians
3) Emails Sent to Physicians	3) Print Ads
4) Online Job Sites	4) Conferences
5) Print Ads	5) Online Job Sites

Studies conducted with final years residents by Merritt, Hawkins and Associates revealed the following as best resources for learning about positions:

2006	2003
1) Internet	1) Personal Networking
2) Personal Networking	2) Physician Recruiters
3) Physician Recruiters	3) Internet
4) Residency Programs	4) Residency Programs
5) Specialty Societies	5) Journal Advertising
6) Journal Advertising	6) Specialty Societies

The Delta Companies, a large, national search firm, reported response rates by recruiting method to be:

2007/2008	2003/2004
1) Direct Mail	1) Direct Mail
2) eMarketing	2) eMarketing
3) Personal Referrals	3) Email
4) Cold Calls	4) Journal Ads
5) Other Sources	5) Cold Calls

These studies indicate that personal referrals, direct mail and journal advertising continue to be effective ways in which to reach potential candidates, and that the Internet is being used more often than in previous years by physicians exploring practice opportunities. These studies mirror what the Physician Recruiting Department at Lehigh Valley Health Network (LVHN) has discovered from tracking the sources of our successful physician hires over the past two fiscal years. Following is LVHN data:

FY'08	FY'07
1) Personal Contacts (30%)	1) Personal Contacts (27%)
2) Websites (21%)	2) Websites (18%)
3) Direct Mail (15%)	3) Direct Mail (15%)
4) Print Advertising (11%)	4) Unsolicited Responses (5%)
5) Unsolicited Responses (4%)	5) Print Advertising (4%)

DIRECT MAIL - WHAT MESSAGE TO SEND TO WHOM

Direct mail continues to be a good way to make physicians aware of practice opportunities. However, the number of direct mail pieces that individual physicians receive has increased exponentially. Studies have been conducted that elucidate what messages are important to different generations.

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