New 2025 Physician Workforce Projections

Congressional Staff Briefing

Atul Grover, M.D., Ph.D.
March 25, 2015
AAMC: Med. Schools, Hospitals, MDs

Membership includes:

• **141** U.S. medical schools (MD programs)
  ▪ Nearly 300 major teaching hospitals
  ▪ Each = 4+ approved/active residency programs
• **41** Department of Veterans Affairs medical centers
• **93** Academic and scientific societies

Over **300,000 “voices”**:

• **128,000** faculty members
  ▪ Faculty in basic science and clinical departments
  ▪ Staff of physician practice groups and hospitals
• **86,000** medical students and **110,000** residents
AAMC Hospitals’ 3-Part Mission Advances Health

Extraordinary clinical care

• COTH hospitals comprise only 5% of all hospitals but account for:
  ▪ 37% of charity care
  ▪ 23% of all hospital care
    ✓ 25% of all Medicaid in-patient days
    ✓ 20% of all Medicare in-patient days
• 88,577 full-time MDs work in medical school clinical departments

Cutting edge research

• Over half of NIH Extramural Research Awards go to an AAMC medical school and/or teaching hospital

Education and training

• 74% of all residents train at an AAMC hospital
AAMC Has Commissioned New Physician Workforce Projections

Overview

• Workforce Projections
• The “Match”
• Federal Programs

New Projections Released to Public on March 3; Available at www.aamc.org
New Physician Workforce Projections: Continued Shortages
Indicators of Physician Shortages

Longer waiting times for an appointment
- Both primary care and specialists
- Most vulnerable – low income, complex patients

Backlog of unfilled positions for doctors – e.g.:
- 19% of WY population lives in underserved area
- 31% of MS population
- 25% of DC population

Classic example: VA waiting time delays
- Many vets waited months. Health worsened.
- Thousands of unfilled physician vacancies: In Oct. 70% of VA physician vacancies = specialists

Source: http://hrc.nwlc.org/status-indicators/people-medically-underserved-areas
In October, 70% of VA Physician Vacancies = Specialists

Percent of VA Physician Vacancies

- Prim. Care: 25%
- Specialists: 70%
- Other: 5%

Other = Non-Care Givers

Source: AAMC Analysis of Job Postings from VA Physician Careers Website, October 27 – 31, 2014
Highlights of Findings: Demand Is Growing Faster Than Supply

Continued Shortages for All Physicians

- All scenarios project continued shortages of total physician workforce in 2025

Shortages under Multiple, Different Scenarios

- Scenarios: Demographic, physician work hours and retirement, APRN, retail clinics
- Biggest factor: Demographics – aging Boomers
- Biggest shortages: surgical specialties
In Sum: New, National* Physician Workforce Projections for 2025

Primary Care: 12,500 – 31,100

Specialty Care: 28,200 – 63,700**
- Med specialists – 5,100 – 12,300
- Surg specialists – 23,100 – 31,600
- Other specialists – 2,400 – 20,200

All Physicians: 46,100 – 90,400**

* The study did not address regional and local shortages, only national
** Projections don’t add up because of microsimulation model used
Findings: What the Graphs Will Show You

Solid line = Demand

Dotted line = Supply

Time

Physicians
Findings: Demand Is Growing Faster than Supply

2025 Projections

All Physicians
Supply Versus Demand: All Physicians

[Graph showing supply versus demand for full-time equivalent physicians over the years 2013 to 2025, with different lines representing various demand and supply scenarios.]
All Physician Shortage Summary

Projected Shortfall of Physicians

Year | Projected Shortfall of Physicians
---|---
2015 | 110,500
2016 | 90,400
2017 | 75th Percentile
2018 | 25th Percentile
2019 | 46,100
2020 | 40,000
2021 | 60,000
2022 | 80,000
2023 | 100,000
2024 | 120,000
2025 | 2025 Range

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All Physicians: Continued Shortages in 2025

New Projections for 2025:
46,100 – 90,400 Shortage
Findings: Demand Is Growing Faster than Supply

2025 Projections

Primary Care Physicians
Primary Care Physician Shortage Summary

Projected Shortfall of Physicians

Year


2015 Range

25th Percentile

75th Percentile

12,500

31,100

44,900

(4,800)
Primary Care: Continued Shortages in 2025

New Projections for 2025: 12,500 – 31,100 Shortage
Findings: Demand Is Growing Faster than Supply

2025 Projections

“Med/Surg” Specialties
“Med/Surg” Specialty Shortage Summary

Projected Shortfall of Physicians

Year

2015

Range


Projected Shortfall of Physicians

Year
“Med/Surg Specialties:” Cont’d. Shortages

New Projections for 2025: 28,200 – 63,700 Shortage
Projected Med/Surg Shortage Larger Than Projected Primary Care Shortage

Ranges of Projected Physician Shortages in Year 2025

- **Primary Care Range**
  - Low End of Range: 12,500
  - High End of Range: 31,100

- **Med/Surg Specialty Range**
  - Low End of Range: 28,200
  - High End of Range: 63,700
Explanations
Why a Physician Shortage?  
Demand Is Growing Faster than Supply

- Many factors, but demographics = biggest
- The population is growing larger, older
  - The elderly have greater health care needs, particularly specialty care
  - 46% projected growth in elderly; 5% for young
  - Medicine keeps more people alive longer; living quality lives, but with more illnesses
  - Over next 20 years, 36 million people added to Medicare (using most services) ~ 20% population

- Even the best prevention will not eliminate disease but, rather, delay it
Population growth

Number in millions

Year


Projected

75+ years
65–74 years
45–64 years
18–44 years
Under 18 years

SOURCE: CDC/NCHS, Health, United States, 2009, Figure 1A. Data from the U.S. Census Bureau.
A Growing, Aging Population Matters

Physician utilization/100,000 people by age

Changing Demographics, Not ACA, Drives Increased Demand for Physician Services

Growing elderly population plus retirement of third+ of doctors in next decade = big factors in shortage

<table>
<thead>
<tr>
<th>Care Setting</th>
<th>Growth from Changing Demographics</th>
<th>Growth from ACA Coverage Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office visits</td>
<td>+14%</td>
<td>+4%</td>
</tr>
<tr>
<td>Outpatient visits</td>
<td>+15%</td>
<td>+2%</td>
</tr>
<tr>
<td>Emergency visits</td>
<td>+12%</td>
<td>+0%</td>
</tr>
<tr>
<td>Hospital inpatient days</td>
<td>+23%</td>
<td>+1%</td>
</tr>
</tbody>
</table>
Why a Physician Shortage? Supply Not Likely to Keep Pace with Demand

• Number of physicians per capita will decrease in next decade if we don’t train more

• Number of hours /week worked = big difference
  ▪ Older physicians work longer hours than younger “Millennials” – Will that continue?

• Age of retirement also a big factor
  ▪ 36% of doctors now = age 55+
  ▪ Most will retire in the next decade
  ▪ But will they retire sooner or later – even a year or 2 delay makes a big difference to future supply
The “Match” in 2015
Why a Physician Shortage? Another Factor Is Too Few Residency Slots

“Match Day” Illustrates How this Works

Imagine you are someone who wants to be a practicing doctor…
What Does It Take to Become a Doctor?

Years and years of learning and assessment

4 years + 4 years + 3 to 7+ years = Life-long

Learning

Premedical

Medical School

Residency and Fellowships

Practice

Assessment

In between med school and residency is the “Match”…
Before a Med School Grad Can Practice, She or He Must Undergo Residency Training…

- To get a residency, MD school grads and many DO school grads apply through the “Match”
- The “Match” is a computerized system that matches applicants with residency programs
- The results are announced one day each March – “Match Day.” This year it was March 20.
- BUT…
BUT Many MD, DO School Grads Don’t Match in First Round

• Just because a student successfully graduates doesn’t mean she or he will be matched.

• On Match Day 2015, over 1,700 new MD, DO grads were not matched

• Thousands more also didn’t initially match:
  ▪ 858 previous years’ MD grads of US schools
  ▪ 2,354 US MD grads of overseas schools
  ▪ 3,725 non-US grads of overseas schools

• Many match in 2nd round called SOAP* – but many others remain without a residency

Source: NRMP

*SOAP results not released until April
Active Physicians by Specialty - Primary Care Overshadows Specialists: 2014 Picture

Source: AAMC Center for Workforce Studies
Primary Care Continues to Over Shadow Specialties in Match: 2015 Picture

In 2015 Match, 27,293 residencies = offered nationwide. Potential primary care residencies = 46.3%.

- Family medicine: 3,195
- Internal medicine: 6,770
- Pediatrics: 2,668

Total: 12,633 = potential primary care

12,633 = 46.3% of all residencies offered

In contrast:

- Child neurology – 104 residencies offered = 0.38% of all offered
- Thoracic surgery – 35 residencies offered = 0.13% of all offered
- Dermatology – 22 residencies offered = 0.08% of all offered

Source: NRMP  * = PGY-1 positions
Why a Shortage of Residency Slots for MD, DO School Graduates on Match Day?

In response to physician shortage projections more than 10 years ago…

• MD, DO schools began increasing number of students admitted – med school entrants to increase 30% by 2018

But since 1997 Medicare caps # of residencies at each hospital for which it will pay part of GME costs

• Cap = 1996 level - that has limited growth in residencies

We have ↑ # of MD, DO school grads…

• But growth in residency slots is not keeping pace
Federal Program Recommendations
Medicare GME Payments 101

1. Direct Graduate Medical Education (DGME) Payments—Resident Training
   - Partially “reimburse[s] teaching hospitals for Medicare’s share of the costs of salaries and fringe benefits paid to residents, interns, and teaching faculty, and certain overhead costs relating to teaching activities.” U.S. Congress, 1999

2. Indirect Medical Education (IME) Payments—Patient Care
   - Percentage add-on reimbursement to the basic per-case (MS-DRG) payment paid to teaching hospitals

Since 1997, Medicare DGME and IME support capped at 1996 levels.
Medicare Only Covered 20% of All DGME Costs of Teaching Hospitals in FY 2012

Teaching Hospital DGME Costs FY 2012

Total DGME Costs = $16.2 billion

- Medicare Payments: $3.3 billion
- DGME Costs Absorbed by Hospitals: $12.9 billion
How Do We Avoid a Doc Shortage in 2025, and Make Sure Med Grads Get Residencies Today?

• Despite cap on Medicare GME, the law permits creation of new teaching hospitals
  ▪ They can have new residency slots and receive Medicare GME support
  ▪ AAMC helps hospitals explore becoming teaching hospitals

• But few hospitals decide to become teaching hospitals, because the costs are prohibitive
  ▪ Even with Medicare GME payments most states have few teaching hospitals
Major Teaching Hospitals = 5% of All Hospitals

Examples – major teaching hospitals % of all hospitals, varies by state:

- Kansas – 0.6%
- Texas – 2%
- Colorado – 2%

VS

- Mass. – 15%
- New York – 25%
- Wash., DC – 31%

The law does permit hospitals to become new teaching hospitals:

AAMC has prepared guide to help them

There is another way to see these numbers…
Another Way to See How Few Hospitals = Teaching Hospitals

NUMBER OF ALL TEACHING HOSPITALS COMPARED TO ALL HOSPITALS BY STATE AND USA IN FY 2012

<table>
<thead>
<tr>
<th></th>
<th>All Hospitals</th>
<th>Teaching Hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td>TX</td>
<td>602</td>
<td>59</td>
</tr>
<tr>
<td>KS</td>
<td>155</td>
<td>8</td>
</tr>
<tr>
<td>CO</td>
<td>97</td>
<td>18</td>
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<td>MA</td>
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<td>NY</td>
<td>219</td>
<td>94</td>
</tr>
<tr>
<td>USA</td>
<td>6240</td>
<td>1102</td>
</tr>
</tbody>
</table>
Percent of Hospitals in Each State = Teaching
How Do We Avoid a Doc Shortage in 2025, and Make Sure Grads Get Residencies Today?

AAMC recommends a comprehensive strategy:

- Promote innovations in health care delivery – new ways to deliver care – team-based care, technology, etc.
- Increase residency slots Medicare will support
  - Lift Medicare GME cap modestly
  - Help hospitals that want to become teaching
  - Champion accountability for use of GME funds
- Strengthen federal investment in programs such as NHSC and Title VII that address maldistribution in rural, poor, underserved areas
Innovation in Care Delivery

- AMCs = leaders in exploring models of delivery of care at local, regional, national levels
  - More health professionals, more teamwork, more reimbursement reform, more technology

- AMCs = leaders in CMMI awards
  - 45% of Health Care Innovation Award grantees
  - 34% of the Innovation Advisors Program
  - 18% of all CMS Accountable Care Organizations (ACOs)
  - 38% of Pioneer ACOs
  - 17% of Medicare Shared Savings Program participants

- AMCs = 2/3 of awardees receiving PCORI funds

- Goal is high quality, cost effective care in which all providers work at the top of their training
Modest Increase in Residency Slots

Raise # of residency slots Medicare will support

- Lift 1997 cap on number residents for which a hospital can receive Medicare GME payment - 3,000/year/5 years
  - Bipartisan legislation to be introduced this spring
- Provide technical assistance to hospitals exploring the option to become a teaching hospital
  - AAMC has updated handbook, provides staff assistance
- Champion add’l. accountability for use of GME payments
  - Establish Medicare IME Performance Adjustment Program – reward performance
  - Require HHS Secretary to publish annual report on use of Medicare GME payments
National Health Service Corps (NHSC)

There are shortages of doctors in low-income, rural/urban areas - medically underserved areas

NHSC provides loan repayment to physicians who go to underserved areas after residency
  - Also scholarships to students

Program proven to address maldistribution of docs
  - 55% of NHSC clinicians stay in underserved areas at least 10 years

NHSC Stakeholders Coalition, including AAMC, recommends $287.4 million discretionary appropriation for FY 2016
Title VII Funding for Health Professionals

Title VII of PHSA helps address geographic distribution and specialty shortages by authorizing grants for education and training:

• Workforce supply, including primary care and interdisciplinary educational opportunities
• Workforce distribution, including training opportunities in rural and underserved settings
• Workforce diversity, including recruitment, retention, and faculty development


Separately AAMC recommends $300 million for CHGME.
In the End, This Is What It’s All About…
Before Q&A, a few words about…

• The Congressional Academic Medicine Caucus

• George Washington University Medical Center’s PME – April 9

• Packets for New Member Offices
114th Congressional Academic Medicine Caucus

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Encourage Your Member of Congress to Join the CAMC

Rep. Roe’s office:  
John.Martin@mail.house.gov

Rep. Castor’s office:  
Elizabeth.brown@mail.house.gov

* If your Representative was a member in the 113th Congress, they will automatically be rejoined. If they no longer wish to be a member, they must opt-out of the caucus.

For more info on the caucus:  [www.aamc.org/CAMC](http://www.aamc.org/CAMC)
CAMC Website

The Congressional Academic Medicine Caucus (CAMC) is an informal, bipartisan group of Members of Congress dedicated to maintaining and strengthening our nation’s reputation as having the world’s most advanced medical care. CAMC members strive to educate their colleagues on the unique health care, research, and training missions of teaching hospitals and medical schools.

CAMC Co-Chairs

Kathy Castor (D-FL)
Kathy Castor is Tampa Bay’s first female Congressman. She was elected in 2012. Rep. Castor is the first Florida congresswoman in history.

Phil Roe (R-TN)
Rep. Phil Roe, M.D., is a practicing radiologist. In 1975, he received his medical degree from the University of Tennessee College of Medicine. Dr. Roe received his medical degree from the University of Tennessee College of Medicine. He is an author of several books, including “Understanding the Medical Profession.”

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Congress of the United States
Washington, DC 2015

Join the Congressional Academic Medicine Caucus

Dear Colleagues,

We invite you to join our efforts to promote excellence in medical education and ensure the highest quality training, innovative research, and patient care opportunities are available for the next generation of physicians by joining the Congressional Academic Medicine Caucus. This bipartisan caucus provides a forum for members to engage in a constructive dialogue about the challenges and opportunities surrounding graduate medical education (GME) in the United States.

We take pride in the groundbreaking advances happening in our nation’s teaching hospitals and medical schools, and recognize the unique medical care, research, and education opportunities that GME providers offer. Teaching hospitals maintain cutting-edge services and are often on the forefront of medical innovation. All while treating the nation’s most vulnerable patient populations—regardless of their ability to pay.

American medical schools and teaching hospitals create an environment where the full spectrum of medical research—from basic discovery to clinical and community implementation—occurs, resulting in improvements in clinical care and physician training. Expanding the opportunities to address these and other research-related challenges facing academic medicine has never been more imperative.

We encourage you to consider joining our efforts to strengthen and support medical education and research, and to learn more about the value of the Congressional Academic Medicine Caucus.

Sincerely,

Kathy Castor
Chair

Phil Roe, M.D.
Member of Congress

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