

# POLICY PRIORITIES TO IMPROVE OUR NATION'S HEALTH PHYSICIAN WORKFORCE ISSUES



## ISSUE SUMMARY

The United States is facing a serious shortage of physicians, largely due to the growth and aging of the population and the impending retirements of older physicians. While medical schools have increased enrollment by nearly 30% since 2002, the 1997 cap on Medicare support for graduate medical education (GME) has stymied commensurate increases in residency training, creating a bottleneck for the physician workforce.

In addition to raising the Medicare caps, support for non-GME physician workforce programs, such as the State Conrad 30 J-1 visa waiver, the National Health Service Corps (NHSC), and Title VII/VIII health professions training programs, can help recruit and retain physicians where they are needed most.

## Issue

An independent study commissioned by the AAMC projects a shortage of between 42,600 and 121,300 physicians by 2030, largely due to the growth and aging of the population and the impending retirements of older physicians. The impact of this shortage will disproportionately affect vulnerable and underserved populations in the United States. Currently, more than 84 million people live in rural or inner-city locations that have been designated as primary medical care health professional shortage areas. The nation needs more doctors and a more diverse workforce that is responsive to and capable of providing optimal care for our increasingly diverse population.

## Background

According to the U.S. Census Bureau, the nation grew by more than 27 million people in the most recent decade and the number of people over the age of 65 will grow by 50% between 2000 and 2030. During that same period the number of people 80 and older will also increase dramatically: from 9.3 million in 2000 to 19.5 million in 2030. By 2056, for the first time in recorded history it is expected that the population aged 65 and older will exceed the size of the population under age 18. Over one-third of the current physician workforce is aged 55 or older and likely to retire in the coming decade. These changes will significantly increase demand for physicians' services. Patients aged 65 and older typically average six to seven medical visits per year compared with two to three visits annually for those under 65. Moreover, with advances in technology older adults are receiving care that might not have been possible even 10 years ago.

The nation is already feeling the strain of physician workforce shortages. For example, the Department of Veterans Affairs has experienced prolonged wait times for patient visits, and Indian Health Service physician vacancy rates persist in the 20% range due to a shortage of physicians. The Health Resources and Services Administration estimates that over 84 million individuals currently live in federally designated Health Professional Shortage Areas.

An independent study commissioned by the AAMC projects a shortage of between 42,600 and 121,300 physicians by 2030. Projected shortfalls in primary care range between 14,800 and 49,300 physicians, and projected shortfalls in nonprimary care specialties range between 40,300 and 76,900 physicians by 2030. If the physician pipeline is not increased, the U.S. physician workforce will be seriously challenged to meet the needs of a growing and aging nation. This shortage of physicians will profoundly affect access to health care, including longer waits for appointments and the need to travel farther to see a physician. Shortages can contribute to higher costs through increased use of emergency rooms and higher prices. They can reduce the quality of care if practitioners are overloaded or people delay getting services. Already, many areas of the country and a number of medical specialties—especially primary care and some of the surgical specialties—are reporting a scarcity of physicians. The elderly, the poor, rural residents, those who suffer from health and health care disparities, and the 20% of Americans who are already medically underserved will bear the brunt of these challenges.

In response to these challenges, in 2002 the AAMC called for a 30% increase in medical school enrollment and a commensurate increase in GME training positions. Although medical school enrollment has increased by nearly 30% since 2002, this alone will not be sufficient to produce enough physicians to meet the needs and desires of the nation. Until the Medicare cap on residency funding is lifted, this growth in medical school enrollment will not be reflected in a proportionate increase in new physicians, as each medical school graduate needs to complete residency training before entering practice. In the 115th Congress, the AAMC endorsed the Resident Physician Shortage Reduction Act of 2017, bipartisan legislation introduced in the House and Senate (H.R. 2267, S. 1301) that, as a first step, modestly raises the teaching hospital caps on Medicare GME support to produce about 3,750 more physicians per year.

Federal recruitment and retention programs help ensure a diverse and well-distributed physician workforce. For example, Titles VII and VIII workforce development and pipeline programs train providers in interdisciplinary settings to improve the supply and diversity of the physician workforce. The NHSC offers scholarships and loan repayment for U.S. primary care providers in underserved areas. International medical graduates also play an important role in the U.S. physician workforce, representing about a quarter of practicing physicians. The J-1 visa helps ensure a balanced physician immigration policy that prevents “brain drain,” while improving access in our nation’s underserved communities through programs like the State Conrad 30 J-1 Visa Waiver program. In the last decade alone, Conrad 30 has directed nearly 15,000 physicians into rural and urban underserved communities. All these programs are critical to helping ensure access to high-quality physician care.

### AAMC Policy Recommendations

- Increase the Medicare resident caps: The Medicare resident caps have been in place for more than 20 years. These caps limit the ability of teaching hospitals and medical schools to respond to the physician needs of their communities and the nation.
- Support non-GME incentives and programs: These incentives and programs, including Conrad 30, the NHSC, and Title VII/VIII, are used to recruit a diverse workforce and encourage physicians to practice in shortage specialties and underserved communities.

### Related Issues

- Health Professions Programs (Title VII)
- Public Service Programs
- Diversity and Inclusion
- Research Training and Workforce
- Medicare Mission Payments to Teaching Hospitals
- Medicaid and the Children’s Health Insurance Program
- Medicare Physician Payment and Quality
- Alternative Payment Models

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### Web Resources

#### AAMC Workforce Studies

[aamc.org/data/workforce](http://aamc.org/data/workforce)

#### Physician Shortage and Projections

[aamc.org/data/workforce/reports/439206/physicianshortageandprojections.html](http://aamc.org/data/workforce/reports/439206/physicianshortageandprojections.html)

#### GME Funding and Its Role in Addressing the Physician Shortage

[news.aamc.org/for-the-media/article/gme-funding-doctor-shortage](http://news.aamc.org/for-the-media/article/gme-funding-doctor-shortage)

#### Transition to Residency

[aamc.org/t2r](http://aamc.org/t2r)