

Workforce Disruptions Hit Healthcare

In the wake of an economic recession and with unemployment rates hovering over seven percent, the healthcare workforce is experiencing a disruption of its own, i.e., a current and expected future healthcare provider shortage. In November of 2008, the Association of American Medical Colleges (AAMC) released its first projections on the physician workforce in over two years. At minimum, the AAMC projected a physician shortage of 124,000 with the most plausible scenario resulting in a shortage of 159,000 physicians by the year 2025.¹ Based on the number of physicians that would be required to make up the difference between services demanded and services provided in the current market, the ten percent [10%] physician shortage at present is expected to double in the next decade.² While projections show a future shortage of physicians, some US patients have already experienced difficulty in accessing physician services. According to a 2006 survey conducted by the Journal of the American Medical Association (JAMA), 75% of emergency departments have reported having inadequate on-call coverage, compared to 64% in 2004. The survey also found that, on average, emergency departments were “boarding” five patients per day due to the unavailability of physicians.³

In addition to the increased demand resulting from the growing baby boomer population, caps on medical school enrollment, contribute to the current (and projected future) shortage of physicians. In the 1970s, the number of medical schools increased from 79 to 127, and the number of medical school graduates doubled.⁴ In 1980 the Graduate Medical Education National Advisory Committee (GMENAC) projected a surplus of 70,000 physicians in the year 2000.⁵ Because of these figures, a cap on medical school enrollment was put in place to control supply of physicians to the market. Due to “tightly controlled” managed care in the 1990s, the projections of a physician surplus in the next decade were reaffirmed and the number of graduates per year remained unchanged for nearly twenty-five years.⁶ However, in 2006, foreseeing a physician shortage, the AAMC recommended a 30% increase in US medical school enrollment by 2015 in hopes of alleviating the shortage.⁷

In addition to the shortage of physicians across all specialties is a growing shortage of physicians seeking

to practice in primary care medicine. Perhaps the most glaring reason for the shortage is the gap in pay between primary care physicians and specialists. Specialists can often achieve twice the pay rate of a primary care physician and can work more predictable hours. Given that medical students graduate with a significant amount of debt (often over \$100,000), their reasoning for choosing a more lucrative specialization is obvious.⁸

Another reason for a shortage in graduating students specializing in primary care is medical schools’ focus on advanced specialization. Because many academic medical centers do not receive adequate educational funding, they rely on funds from more highly-paid specialties to help train medical students. Consequently, students often graduate with a preference toward specialty medicine. Training in primary care has also been affected by cuts to primary care training grants (Section 747, Title VII Public Health Service Act) that provide medical students with exposure to primary care settings outside the academic medical center, often in rural and medically underserved areas.⁹ Potential solutions to the shortage of primary care physicians include providing more financial incentives to attract new graduates to the primary care practice, as well as expanding exposure to primary care during medical school.¹⁰

While a significant physician shortage appears imminent, evidence of a growing nursing shortage has existed since the late 1990s.¹¹ In fact, numbers began dropping in the 1970s, when women began pursuing careers outside of the nursing and teaching field.¹² In 2000, 30 states experienced shortages greater than three percent. In recent years, the average age of registered nurses (RNs) has increased steadily due to fewer nursing school graduates; higher average ages of recent graduating classes; and, an aging of the nursing population as a whole.¹³ Growth in student capacity has slowed substantially, from a 16.6% increase per year as of 2003 to a meager 2% increase in 2008.¹⁴ Additionally, associate degree graduates are declining. According to the AACN, hospitals prefer to employ nurses with a bachelor’s degree.¹⁵ This shift from two to four year education will temporarily thwart the growth in supply needed to balance anticipated demands.¹⁶ Although there has been, and will continue to be, an increase in four-year nurses, the percentage of nurses working in hospital

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settings has been decreasing steadily, likely due to the advent of retail and work site clinics. Additionally, despite previous indications that there is a potential nursing shortage, recent reports simultaneously indicate that even nurses who have degrees are having trouble finding jobs as current nurses in the field postpone retirement.¹⁷

Despite the mild growth in nurses holding bachelor-degrees, future trends appear to be disconcerting. The US Department of Health and Human Services anticipates one million unfilled nursing positions by 2020.¹⁸ The six fold increase in denied applicants for nursing school since 2002 will undoubtedly contribute to the nursing shortage. Reasons for the halt in nursing education include financial deterrents to offering and expanding nursing education; paucity of training sites; and, a shortage of qualified nursing faculty.¹⁹

In addition to shortages in the physician and nursing professions, there have also been shortages in the allied health workforce. New technologies and procedures have introduced a plethora of new allied health professionals to the medical workforce, including, e.g.: cardiovascular technologists, CT tech, MRI techs, nuclear medicine technologists, occupational therapists, PT, radiology technicians, repertory therapists, speech language pathologists, and ultrasound/vascular technicians.²⁰ The US Department of Labor reports that allied health professionals represent 60% of the US healthcare workforce, providing diagnostic, technical and therapeutic direct patient care and support services.²¹ However, there is a projected shortage of 1.6 to 2.5 million allied health professionals predicted by FuturePoint Summit, a national coalition of academic and business leaders in healthcare, backed by the University of Missouri-Columbia.²² Factors driving allied health shortage are similar to that of the nursing shortage, i.e., allied health professionals earn more money working, rather than teaching, which results in a lack of faculty. Additionally, underfunded educational institutions and community colleges do not inform wait-listed students regarding the availability of seats at other teaching institutions.²³

Unfortunately, there does not appear to be a “quick-fix” solution to counteract the shortages facing the healthcare workforce, mainly due to the time investment required to

train healthcare professionals, e.g., it can take up to 15 years to train certain specialized physicians, and the increasing demand for healthcare services by the growing baby boomer population. Despite not having an immediate impact, experts have suggested that the best way to combat the current (and projected future) shortage is to: (1) increase medical school, nursing school, and allied health program enrollment; (2) expand the number of educational institutions providing the healthcare training services; (3) provide financial incentives where needed to encourage acceptance of faculty positions, and, (4) increase the number of residency positions available to medical school graduates.

¹ The Complex Dynamics of the Physician Workforce: Projected Supply and Demand through 2025” By Michael J. Dill and Edward S. Salsberg, Center for Workforce Studies, Association of American Medical Colleges, November 2008, p. 6.

² Looming Shortage of Physicians Raises Concerns about Access to Care” By Mike Mitka, Journal of the American Medical Association, vol. 297, no. 10, pp. 1045-1046.

³ Looming Shortage of Physicians Raises Concerns about Access to Care” By Mike Mitka, Journal of the American Medical Association, vol. 297, no. 10, pp. 1045-1046.

⁴ The Complex Dynamics of the Physician Workforce: Projected Supply and Demand through 2025” By Michael J. Dill and Edward S. Salsberg, Center for Workforce Studies, Association of American Medical Colleges, November 2008, p. 11.

⁵ The Complex Dynamics of the Physician Workforce: Projected Supply and Demand through 2025” By Michael J. Dill and Edward S. Salsberg, Center for Workforce Studies, Association of American Medical Colleges, November 2008, p. 12.

⁶ Looming Shortage of Physicians Raises Concerns about Access to Care” By Mike Mitka, Journal of the American Medical Association, vol. 297, no. 10, pp. 1045-1046.

⁷ The Complex Dynamics of the Physician Workforce: Projected Supply and Demand through 2025” By Michael J. Dill and Edward S. Salsberg, Center for Workforce Studies, Association of American Medical Colleges, November 2008, p. 9.

⁸ “Can’t find a Doctor? You’re not Alone,” By Nancy Shute, The U.S. News and World Report, March 19, 2008, <http://health.usnews.com/articles/health/living-well-usn/2008/03/19/cant-find-a-doctor-youre-not-alone.html>; “Match Day: High-Paid Specialties

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⁹ Fewer Medical Students Choose Family Medicine in 2009 Match,” By Barbara Bein, the American Academy of Family Physicians, March 19, 2009, <http://www.aafp.org/online/en/home/publications/news/news-now/resident-student-focus/20090319match.html> (Accessed 3/27/09)

¹⁰ What Doctor Shortages Mean for Healthcare,” By Rebecca Ruiz, Forbes, December 2, 2008, http://www.forbes.com/2008/12/02/health-doctor-shortage-forbeslife-cx_rr_1202health.html (Accessed 3/27/09)

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- ¹¹ Jobs Scarce, Even for Nurses: Economic Crisis Freezes Field Once Short of Workers,” By Ashley Hasley, III, Washington Post, April 5, 2009
- ¹² Nursing, doctor numbers worsen,” By Gregory Lopes, The Washington Times, July 27, 2007, <http://www.newser.com/archive-science-health-news/1G1-166859372/nursing-doctor-numbers-worsenbusiness.html> (accessed 4/10/09)
- ¹³ Projected supply, demand, and shortages of registered nurses: 2000-2020,”By the United States Department of Health and Human Services, Health Resources and Services Administration, Bureau of Health Professions, National Center for Health Workforce Analysis, July 2002, www.ahcancal.org/research_data/staffing/Documents/Registered_Nurse_Supply_Demand.pdf (accessed 4/10/09).
- ¹⁴ Enrollment growth in U.S. nursing colleges and universities hits an 8-year low according to new data released by AACN,” by the American Association of Colleges of Nurses, December 3, 2008, <http://www.aacn.nche.edu/Media/NewsReleases/2008/EnrlGrowth.html> (accessed 4/13/09).
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