

Provider Supply Series – Par III - The Primary Care Deficit: Is it Too Late to Fix?

In last month's installment of the HC Topics *Provider Supply Series* discussed the impact of the Graduate Medical Education National Advisory Committee's (GMENAC) seminal 1980 report's recommendation to reduce U.S. medical school enrollment. In the decade following the report's release, federal funding for medical education was reduced and concerns about a shortage of internal medicine physicians grew in response to impending increases in demand (i.e., the increasing number of elderly patients).¹ By the 1990s, an undersupply of physicians in primary care, internal medicine, and pediatrics had developed.² This third article in the *Provider Supply Series* will address the continuation of the 1990s physician shortage; examine the failure of governmental policies to meaningfully address the perceived shortage; and, consider present day concerns about the physician workforce.³

Following the GMENAC report's projection of a physician surplus, numerous restrictions were placed on medical education in an effort to stem the perceived increase in physician supply. These efforts continued into the 1990s, until the Council on Graduate Medical Education published predictions that physician staffing ratios would be better than adequate by the year 2000. In response to these predictions, Congress enacted the Balanced Budget Act of 1997 to cap the number of medical residency positions available in order to further decrease the amount of federal funding allocated for physicians in training.⁴ In what was expected to reduce the need for specialists and begin correcting for their oversupply, the advent of managed care in the 1990s led to a short-lived resurgence of medical students entering primary care training. Following a hallmark high in 1997, family practice residency programs' enrollment steadily declined as specialty programs enrollment began to resurge.⁵ Waning in popularity and feasibility, managed care received considerable backlash from physicians, and in touting its beneficial effects on physician supply, proponents neglected to account for the aging baby boomer population's growing demand for healthcare services and high expectations for care.⁶ In rural and inner-city areas, physician shortages persisted despite the per capita supply of physicians more than doubling during this period and the use of government programs to incentivize providers to settle in underserved areas.⁷

In its recent assessment of the physician workforce,

despite a projected 22 percent increase in the demand for physicians' services by 2020, the Department of Health and Human Services (HHS) noted that the physician-to-population ratio is expected to decline going forward.⁸ HHS attributed a large portion of the growth in demand to specialties that care for elderly patients, i.e., cardiology and internal medicine. Despite the growing need for primary care physicians, medical students' interest in the field remains low.⁹ Lower incomes, less prestige, and difficult workloads are all cited as major factors in medical students' decision to enter specialties instead of primary care, and rural areas in particular are seen as nonviable locations for physician practices.¹⁰

In addition to a declining supply of new primary care physicians, the existing workforce is anticipated to undergo a significant shift over the next two decades, as one in three physicians is currently over the age of 55 and likely to retire in the near-term, with many of the soon to be retirees being primary care physicians.¹¹ Combined with an aging population and healthcare reform's significant expansion in access to care, the strain on the physician workforce is rapidly becoming untenable.

In response to these alarming trends, the Association of American Medical Colleges (AAMC) and other industry stakeholders advocate increasing medical school enrollment in combination with an increase in Medicare-funded residency positions.¹² The AAMC recommended a 30 percent increase in medical school enrollment by 2015. 2011 data indicates enrollment is on track with that goal.¹³ However, action from Congress is still needed to ensure that the additional medical school graduates being produced will have residency positions waiting for them, and further incentives are required to encourage medical students to enter primary care. With the need for primary care physicians quickly becoming more pronounced, policymakers and the healthcare industry are considering policies to reduce the pay and workload disparities between primary care and specialist physicians in order to attract more medical school graduates into this critical field. A growing sentiment is that all such measures may be "too little – too late."

Next month's HC Topics will conclude the *Provider Supply Series* by addressing *The Physician Workforce: What the Future Holds*.

Provider Supply Series - Part I - GMENAC: The Start of Supply Regulation

Provider Supply Series – Part II - The Aftermath of GMENAC

- 1 “National Study of Internal Medicine Manpower” By Lu Ann Aday et al., Archives of Internal Medicine, Vol. 148, 1988, p. 1509.
- 2 “A Shortage of Physicians or a Surplus of Assumptions?” By Jonathan P. Weiner, Health Affairs, Vol. 21, No. 1 (2002), p. 160; “Foreign Medical Graduates and U.S. Physician Supply: Old Issues and New Questions” By Stephen S. Mick, Health Policy, Vol. 24, 1993, p. 222, 223.
- 3 “Fighting Hand to Hand over Physician Workforce Policy” By Kevin Grumbach, Health Affairs, Vol. 21, No. 5 (2002), p. 24.
- 4 “How to Fix the Doctor Shortage” By Darrell G. Kirch, The Wall Street Journal, January 4, 2010, <http://online.wsj.com/article/SB10001424052748703483604574630321885059520.html> (Accessed 7/01/12).
- 5 Kevin Grumbach, 2002, p. 20-22.
- 6 Ibid, p. 22; Darrell G. Kirch, January 4, 2010; “More Doctors Relocating as Hospitals Compete to Employ Physicians; Signing Pays” The Medicus Firm, February 3, 2012, <http://dochunterdiary.com/more-doctors-relocating-as-hospitals-employ-more-signing-pays/2012/02/03/> (Accessed 7/1/12).
- 7 Jonathan P. Weiner, 2002, p. 162; “Physicians in Rural America” By Roger A. Rosenblatt, Western Journal of Medicine, Vol. 173, No. 5 (November 2000), p. 351.
- 8 “The Physician Workforce: Projections and Research into Current Issues Affecting Supply and Demand” Bureau of Health Professions, Health Resources and Services Administration, U.S. Department of Health and Human Services, December 2008, p. iv.
- 9 “Why is There a Shortage of Primary Care Doctors?” Association of American Medical Colleges, <https://www.aamc.org/linkableblob/70310-6/data/primarycarefs-data.pdf> (Accessed 6/30/12).
- 10 Ibid; “Rural Research Focus: Rural Physician Shortages” By George E. Wright et al., Health Resources and Services Administration, <ftp://ftp.hrsa.gov/ruralhealth/RRF-RHHA.pdf> (Accessed 6/30/12).
- 11 Association of American Medical Colleges, <https://www.aamc.org/linkableblob/70310-6/data/primarycarefs-data.pdf> (Accessed 6/30/12).
- 12 Darrell G. Kirch, January 4, 2010.
- 13 “AAMC: First-Year Med School Enrollment on Track for 30% Boost” By Ashok Selvam, Modern Healthcare, May 3, 2012, <http://www.modernhealthcare.com/article/20120503/NEWS/305039973> (Accessed 7/1/12).



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