

# Encouraging News About FAMILY PHYSICIAN RECRUITMENT

*Three developments predict a positive trend in job opportunities.*

## Joseph Hawkins

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As most family physicians know, the specialty is in a slump. Gone are the days when family physicians would find multiple recruitment letters in their mailboxes and juggle recruiters' calls day and night. But that's about to change.

Sometime in the near future, family physicians in America will discover that they are in demand once again. Though it may sound hard to believe, statistics show that this trend reversal is more than just wishful thinking.

### What the numbers say

Over the past several years, there has been a definite shift in medical specialty recruit-

ing, with family medicine bearing the brunt of this change. The reversal of fortunes between specialties is illustrated in Merritt, Hawkins & Associates' annual Review of Physician Recruiting Incentives. In each review, we quantify the number of physician searches we conduct from April 1 to March 31 of the subsequent year. We categorize the searches by the type of specialty recruited, and we track the types of recruiting incentives offered by our clients, which include hospitals, medical groups and individual physician practices.

From April 1, 1997, to March 31, 1998, we conducted 585 national searches for family physicians. This represented just over 34 percent of the total number of searches we conducted in that time. By contrast, we conducted only 165 searches for family physicians from April 1, 2003, to March 31, 2004. This represented just over 6 percent of all the searches we conducted during that period.

Compare this with similar numbers for a "hot" specialty such as radiology. From April 1, 1997, to March 31, 1998, we conducted 11 searches for radiologists. This represented just over one-half of 1 percent of all our searches. From April 1, 2003, to March 31, 2004, however, we conducted 202 searches for radiologists, represent-



## KEY POINTS

- Despite a significant decline in recruiting for family physicians over the past several years, this trend will reverse in the near future.
- With the U.S. population expected to increase by over 50 million by 2020, visits to physicians would increase proportionally, thus creating a demand for more physicians.
- The author's most recent survey shows that family physician search assignments are up 35 percent from the previous year's survey.

ing about 8 percent of our searches.

Our annual review also tracks the average financial packages our clients offer. (To see how these financial offers have changed in family medicine and radiology over the last several years, see "Comparing Average Income Offers," below.) The offers made to family physicians have not increased at the same rate as those to radiologists, but as

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the demand for family physicians gradually increases, I expect financial offers will follow suit. Increases may not be dramatic, but they should be steady. Because the market is always a bit behind, demand will need to increase for one or two years before the market adjusts and financial offers increase.

### The silver lining

So where is the good news in these rather bleak numbers, and why do I believe that family physicians will soon be back in demand? First you have to realize that the last time family physicians were in great demand, they really weren't. Hospitals, health systems and HMOs only *thought* they needed primary care physicians in what was going to be the era of gatekeeper medicine. That was the *industry's* idea, but in most areas of the country, it was not the *patients'* idea. What patients really wanted –

baby boomers, in particular – was greater access to referral specialists.

That continues to be the case today, and we project that these specialists will continue to be in demand for the foreseeable future. The market for family physicians, though, will not remain static. Changes are afoot that augur a better future for family physicians: the increasing U.S. population, the shortage of family physicians, and the recent increase in the number of search assignments for family physicians.

**Population growth.** The Census Bureau projects that the U.S. population will grow to about 335 million people by 2020, from approximately 282 million people in 2000.<sup>1</sup> This is equivalent to absorbing a population nearly the size of Great Britain's over a 20-year period. The federal Bureau of Health Professions (a division of the U.S. Department of Health and Human Services) indicates that Americans visit a physician an average of three times per year.<sup>2</sup> The

addition of over 50 million people will result in more than 150 million additional annual physician visits by 2020.

This assumes that the average number of annual physician visits remains three, but it is likely to increase. Because older people

## COMPARING AVERAGE INCOME OFFERS

|           | Family medicine | Radiology |
|-----------|-----------------|-----------|
| 1997-1998 | \$132,000       | \$189,000 |
| 1999-2000 | \$135,000       | \$225,000 |
| 2001-2002 | \$144,000       | \$286,000 |
| 2003-2004 | \$146,000       | \$336,000 |

Since 1997-98, income offers made to recruit family physicians have increased by only 10.6 percent, while offers made to recruit radiologists have increased by almost 78 percent. Recruiting offers made to family physicians also have lagged in comparison to many other specialties, such as orthopedic surgery, cardiology, anesthesiology, gastroenterology, urology and even internal medicine, though to a lesser degree. The income figures in our review represent the salary or guaranteed income offered, and they do not include signing bonuses, continuing medical education or relocation allowances, or other benefits.

## SPEEDBAR®



Family medicine is currently in a recruiting slump, demonstrated by one search firm's 28-percent decrease in search assignments for family physicians between 1997-98 and 2003-04.



Other referral specialties, such as radiology, have seen an increase in search assignments over the same time period.



Several recent changes point to a positive turnaround in family physician recruiting.



The population of the United States is expected to increase by over 50 million people by 2020, which will create more patient visits and a need for more family physicians.



A shortage of family physicians has resulted, in part, because medical students continue to gravitate away from primary care.



Women constitute more than half of family medicine residents, but because they tend to work fewer hours than men, this contributes to the family physician shortage.



The author's search firm conducted more searches for family physicians in 2003-04 than 2002-03, suggesting that hospitals and medical groups are noticing the shortage.



These statistics illustrate that family physicians will once again be in demand in both the near and distant future.

visit their physicians more frequently than younger people and because the U.S. population is aging, the average number of physician visits per person is going to significantly increase in the next 15 years. This means a large and growing demand for physicians of all kinds, including family physicians. This time, however, demand will be based on actual patient needs rather than on an untenable system of health care delivery.

**Shortage of family physicians.** For years, medical schools were encouraging more students to enter primary care, and throughout much of the 1990s, their wishes were granted. In 1993-94 there were 7,976 family medicine residents in the United

States.<sup>3</sup> By 1998-99 that number had grown to 10,607.<sup>4</sup> In recent years, though, this trend has reversed as medical students gravitated toward surgical and diagnostic specialties and away from family medicine. (See "Match Day 2005" on page 37.)

At the same time, family medicine residencies have become heavily populated by women, who now comprise 51 percent of all family medicine residents<sup>5</sup> and may work up to 11 hours less per week than male physicians.<sup>6</sup> The dramatic growth in the number of women in medicine is a positive development, but it is significantly inhibiting overall physician supply.

Additionally, there continues to be a shortage of physicians in smaller to mid-sized communities. These are the areas where family medicine opportunities are the most abundant. This does not mean, however, that there are no opportunities in larger cities. It only indicates that in most metropolitan areas, employers can find the family physicians they need without the assistance of a search firm. Unlike other specialties in which there are outright shortages, the supply of family physicians is in relative balance with demand, at least in the larger cities.

**Rise in search assignments.** In the last year, searches for family physicians have begun to increase again. In 2002-03, we conducted 122 search assignments for family physicians. In 2003-04, that number increased to 165. In their rush to recruit spe-

cialists, many hospitals and medical groups have neglected to fill primary care positions, and they now must address these needs.

Though referral specialists are the "big billers," primary care physicians remain important to hospitals as a source of revenue. The revenue they generate through patient referrals and procedures done in the hospital is a strong inducement to maintain a solid foundation of family physicians.

### The bottom line

The future of health care in the United States holds many uncertainties. As health care costs continue to rise, the trend throughout medicine is toward an increased

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demand for doctors accompanied by a diminished supply. But the fact remains that a well-trained family physician with a positive bedside manner will always be welcome somewhere. This was true when I started in physician recruitment 22 years ago, and I believe it will be true for years to come. **FPM**

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