THE PHYSICIAN RECRUITING

MAKEOVER: HOW TO MAKE YOUR COMMUNITY HEALTH CENTER A DOCTOR MAGNET

MERRITT HAWKINS
an AMN Healthcare company
THERE’S BAD NEWS
FIRST, THE BAD NEWS

THE PHYSICIAN SHORTAGE IS LIKELY TO GET WORSE BEFORE IT GETS BETTER
50 million more people from 2000 to 2020

(we will be adding the population of England)
150,000,000 Additional Physician Visits Per Year
By 2020 Based On Population Growth Alone
(3.0 visit per/pop X 50 million population growth)

Does not factor in age demographic
75 MILLION BABY BOOMERS BEGAN TURNING 65 IN 2011
Physician Visits By Age

- 66+ yrs.: 6.0 visits
- 46-65 yrs.: 5.4 visits
- 35-45 yrs.: 3.4 visits
- 23-35 yrs.: 2.2 visits
- 16-24 yrs.: 1.5 visits
- 0-15 yrs.: 2.0 visits

Source: National Ambulatory Medical Care Survey; www.cdc.gov
By 2030, the entire country will be as old, on average, as Florida is now.

Source: U.S. Census Bureau
PHYSICIAN SUPPLY HAS BEEN STATIC FOR ABOUT 20 YEARS

24,000 – 25,000 new doctors per year
MEDICAL STUDENTS ARE TAKING THE ROAD TO SUCCESS

Radiology
Ophthalmology
Anesthesiology
Dermatology
The Physicians Foundation reports physicians are working 6% fewer hours versus four years ago...

A loss of 44,000 FTEs

Source: The Physicians Foundation/ Merritt Hawkins 2012 Survey of America’s Physicians
HEALTH REFORM IS UPON US

THE GOAL:

EXPAND ACCESS TO 32 MILLION PEOPLE
HEALTH REFORM: HOW MANY MORE PCs?

32 million newly insured patients \times 2 additional patients visits per year = 64 million patient visits divided by 4,000 = 16,000 additional primary care doctors

Source: The Lewin Group
WE HAVE SEEN THIS MOVIE BEFORE
A TEST CASE: MASSACHUSETTS

98% of residents covered

RESULT:

Doctor Shortage Looms in Massachusetts

Newly Insured Can’t Find Primary Care Physicians

In Massachusetts, Universal Coverage Strains Care

** New York Times, April 4, 2008

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40% of family physicians in Massachusetts no longer accept new patients, up from 30% in 2007.

Almost 60% of general internists have stopped taking new patients, up from 49% in 2007.

Yet Massachusetts has 108 primary care physicians per 100,000 population, third highest in the country (the national rate is 79 per 100,000 pop.).

Source: Massachusetts Medical Society
A GROWING GAP

The Coming Gap Between Physician Supply & Demand (2020)

Supply 0.9 Million

Demand 1.1 Million

Source: Council on Physician and Nurse Supply
Doctor Deficits

- Primary care: 46,000 (37% deficit)
- Surgery: 41,000 (33% deficit)
- Other patient care: 29,000 (23% deficit)
- Medical specialties: 8,000 (7% deficit)

Source: Association of American Medical Colleges/Modern Healthcare/December 1, 2008
NOW, THE GOOD NEWS

CHCs ARE IN THE SPOTLIGHT

- $2 billion from the recovery act
- $11.5 billion from Health Reform
- Teaching Health Centers (THCs) to train physicians
- $1.5 billion for National Health Services Corp
- 10% bump in Medicare fees for primary care and general surgeons working in HPSAs
A NEW MANDATE, A NEW CHALLENGE

- From 20 million patients per year to 40 million
- 1,750 current physician openings
- 5,000 current clinicians openings
- Number of centers / delivery sites to increase
MORE GOOD NEWS

- Physicians are seeking alternatives to traditional practice
- Part-time, employment, locum tenens, independent
- One size does not fit all
- Between 2000 and 2007, the number of patients seen at the nation’s community health centers grew by 67%
**WHAT TO YOU PLAN TO DO IN THE NEXT ONE TO THREE YEARS?**

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue as I am</td>
<td>48.8%</td>
</tr>
<tr>
<td>Cut back on hours</td>
<td>22.0%</td>
</tr>
<tr>
<td>Retire</td>
<td>13.4%</td>
</tr>
<tr>
<td>Switch to concierge practice</td>
<td>6.8%</td>
</tr>
<tr>
<td>Relocate</td>
<td>10.9%</td>
</tr>
<tr>
<td>Cut back on patients seen</td>
<td>9.6%</td>
</tr>
<tr>
<td>Seek a non-clinical job in healthcare</td>
<td>9.9%</td>
</tr>
<tr>
<td>Seek employment within a hospital</td>
<td>5.6%</td>
</tr>
<tr>
<td>Work part-time</td>
<td>6.5%</td>
</tr>
<tr>
<td>Work locum tenens</td>
<td>6.4%</td>
</tr>
<tr>
<td>Seek a non-clinical job</td>
<td>6.4%</td>
</tr>
<tr>
<td>Close my practice to new patients</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Source: The Physicians Foundation/ Merritt Hawkins 2012 Survey of America’s Physicians
ARE FEMALE PHYSICIANS MORE OPTIMISTIC THAN MALE DOCTORS?

- 35.5% of female physicians rate their morale as positive compared to 31.0% of male physicians.
- 26.2% of female physicians say health reform will improve care, compared to 21.5% of male physicians.
- 45.8% of female physicians say electronic medical records will improve quality of care, compared to 40.5% of male physicians.
- 24.7% of female physicians are optimistic about the future of the profession, compared to 16.2% of male physicians.
- 42.6% of female physicians are positive about the medical profession, compared to 33.8% of male physicians.
- 58.8% of female physicians support a single payer system, compared to 47.4% of male physicians.

A meat patty and lettuce on a bun

1970.......25 cents
2010.......$1
HEALTHCARE: NO LONGER “TAKE TWO ASPRIN...”

- Close to 200 Board Certified Specialties
- Over 10,000 prescription drugs
- Organ Transplants
- Face Transplants
- Teleradiology/Telemedicine
- Non-invasive Techniques
- Gene Therapy
- Qualcomm Tricorder X Prize, a $10 million global competition
THE RIGHT MODEL AT THE RIGHT TIME?

Source: The Physicians Foundation, Health Reform and the Decline of Physician Private Practice
CASE HISTORY: UNITED HEALTH CENTERS OF SAN JOAQUIN VALLEY

- 7 sites, 25 doctors, 5 PAs, 2 NPs
- Salary with production bonus, full benefits
- 23 appointments, $17,000 bonus
- 25 appointments, $29,000 bonus
- $200,000 income achievable
- Pay for call (not obligatory) and hospital duties
- Retention bonus
- Loan forgiveness through NHSC

Source: The Physicians Foundation, Health Reform and the Decline of Physician Private Practice
CASE HISTORY: UNITED HEALTH CENTERS OF SAN JOAQUIN VALLEY

- No overhead, staffing worries
- 7 weeks of leave, 9 paid holidays
- 40 hours, no fixed schedule, tailored practice
- 10 doctors work part-time
- Can teach medical students

Source: The Physicians Foundation, Health Reform and the Decline of Physician Private Practice
THE COMMUNITY HEALTH CENTER “BRAND”

- Service Driven
- Intellectually Stimulating
- Minimal Administration
- Loan Forgiveness
- Fair Compensation
- Quality of Life
- Secure Patient Base / No Practice Marketing

A “medical mission” without the need for a passport
BECOMING A DOCTOR MAGNET:  
A SOUND MODEL IS A GOOD BEGINNING

JUST AS IMPORTANT:  
A SENSE OF URGENCY

Hospitals, medical groups, other CHCs – all are looking for the same doctor you are
THE RIGHT MINDSET

PHYSICIANS ARE THE KEY TO CARE AND REVENUE
Despite the growing number of providers, physicians are at the center of the system and control 87 percent of all spending on personal health.

Quality  
Cost  
Effectiveness  
And  
Alignment  
Are largely in their hands

(Clinicians generate between $1,800 and $2,300 per day in net revenues for their affiliated community health centers.)

Source: Boston University School of Public Health, Feb. 2009, NACHC
A CHANGING MINDSET

In a matter of two years:

1. The recruitment process
2. The focus on retention
3. Financial considerations
First and foremost consider the “primacy of the workshop”.

Give physicians a haven.

- Physician communication (formal and informal)
- Physician employment
- Pay for ED call
- Hospitalist program
- Gain Sharing/Joint Ventures
- Appropriate nurse staffing
- Timely test turnaround
- Access to patient data
- Consistent OR availability
- Enhanced ER triage
- Convenient parking
- Marketing/Contracting
4 GENERATIONS OF DOCTORS

- **Traditionalist**: 1945 and before
- **Baby Boomers**: 1946 - 1964
- **Gen X**: 1965 - 1981
- **Gen Y**: 1982 - Present
ARE PA’S AND NP’s THE ANSWER?

83,000 Physicians Assistants
2/3 in specialties
1/3 in primary care
Median salary: $91,000

155,000 Nurse practitioners
75% in primary care
25% in specialties
Mean salary: $93,310

A 20% deficit of by 2025

Source: American Academy of Physician Assistants, American Academy of Nurse Practitioners, “Physician shortage isn’t the only looming one,” Advance for Nurse Practitioners & Physician Assistants, July 28, 2011
WHO IS WRITING YOUR GRANT APPLICATIONS?

IS PHYSICIAN STAFFING PART OF THE EQUATION?

NACHC CAN ASSIST YOU!
STANDARD RECRUITING CONTRACTS TODAY TYPICALLY WILL COVER...

- Salary and production bonus
- Income guarantee
- Educational loan forgiveness
- Continuing Medical Education
- Duties/Patient Encounters
- Hours/Schedule
- Vacation
- Benefits
- Termination
INCENTIVES SHOULD BE “IN THE BALL PARK”

CHC RANGES FOR FAMILY PRACTICE

$90,000 to $220,000
Family Practice Compensation Surveys

Community Health Centers $168,500
Medical Group Management Association (MGMA) $200,701
Hospital & Healthcare Compensation Services (HHCS) $191,835
American Medical Group Association (AMGA) $231,318
Hay Group $168,700
Merritt Hawkins $189,000
NACHC $158,550
THE BOARD MUST BUY-IN

EDUCATION IS KEY

MERRITT, HAWKINS & ASSOCIATES
GUIDE TO PHYSICIAN RECRUITING

By James Merritt, Douglas Hawkins, and Philip Miller

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The Loan Repayment Program offers two levels of funding, based upon the need of the community in which a provider works. The LRP will provide up to $60,000 to primary care providers practicing at an NHSC-approved site with a HPSA score of 14 or above and those practicing at an NHSC-approved site with a HPSA score of 13 and below, up to $40,000.

Source: nhsc.hrsa.gov
SOURCING CANDIDATES

LEAVE NO STONE UNTURNED

Networking with staff/community/residencies

The Internet (your site, employment sites, the Chamber site)

Direct mail (for “passive” candidates)

Journal ads (focus on residents)

Physician conventions

High-need doctors (residents, military, J-1s)
MEASURABLE ACTIVITY = MEASURABLE RESULTS

This is the "science" of physician recruiting
SOMEONE HAS TO GET ON THE PHONE
Usually after hours or on weekends

Suggested Telephone Metrics/In-House Recruiters

- 100 dials per week
- 10 physician contacts per week
- 3 Healthcare Center opportunity presentations
- 1-2 candidate referrals from physicians contacted
- 1 potential candidate sourced per week
A CANDIDATE IS ON THE PHONE

NOW, WHAT DO YOU SAY?

THE “SCREEN” IS THE “ART” OF PHYSICIAN RECRUITING, AND A KEY PART OF THE “ICEBERG”
THE ARC OF PERSUASION

14 Days

- Interviews
- Reaffirms
- Seeks Guidance
- Takes Direction
- Seeks Advice
- Physician Investigates
- Satisfy Needs
- Paint Opportunity
- Establish Needs
- Communication

SCREENING

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NOW, THE STAGE IS SET

You’ve got a lot of sweat equity in this search, BUT...

- You know your candidate (written profile, professional and personal)
- The candidate knows you (setting, hours, finances, mission, etc.)
- Your offer is ready
- Your team is ready
- The interview itinerary is ready

EXPECTATIONS ARE CLEAR on both sides.
WHAT IS THE INTERVIEW FOR?

*Confirmation* not *Exploration*

THE “70/30” RULE

ONE INTERVIEW ONLY, PHYSICIAN AND SPOUSE

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THE DECISION

THE PYRAMID OF INTEREST

Interest Builds
- Personal Interview
- Set Up Interview
- Present Opportunity
- Establish Needs
- Credibility
- Screen
- Initial Contact

48 Hours

Interest Declines
- Negotiating Starts/Breeds Mistrust
- Insecurity Builds
- Seeks Advice
- Seeks Other Opportunities
- Moves On
  1. Accepts another opportunity
  2. Stays put
  3. Thinks, thinks...

3-7 days

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SUCCESS!

Now, it is time to incorporate the new physician into the *Retention Program* while the *Recruitment Cycle* begins again.
Our unique Pro Bono Physician Search Program was developed in part to acknowledge our gratitude to the healthcare industry and to help fulfill our commitment to community service.

In addition, the Pro Bono Physician Search Program is intended to highlight a longstanding and persistent problem – the shortage of physicians in thousands of communities throughout the country.

Through our Pro Bono Physician Search initiative, Merritt Hawkins provides a full service physician recruitment program to a medically underserved community, waiving our customary retainer and fees. The program saves the selected community or hospital recruitment costs. Of more significance, the program provides a qualified physician to provide care where medical services are urgently needed.

A Raised Hand – Blog by Kurt Mosley


Follow on Twitter: @Kurt_Mosley
If you would like a copy of the Physicians Foundation survey or “10 Keys to Physician Retention” whitepaper, email me at: Kurt.Mosley@amnhealthcare.com

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