



Innovative Practices in Rural Healthcare: Attracting Physicians to Your State

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PHYSICIANS:

Are they REALLY an endangered species?

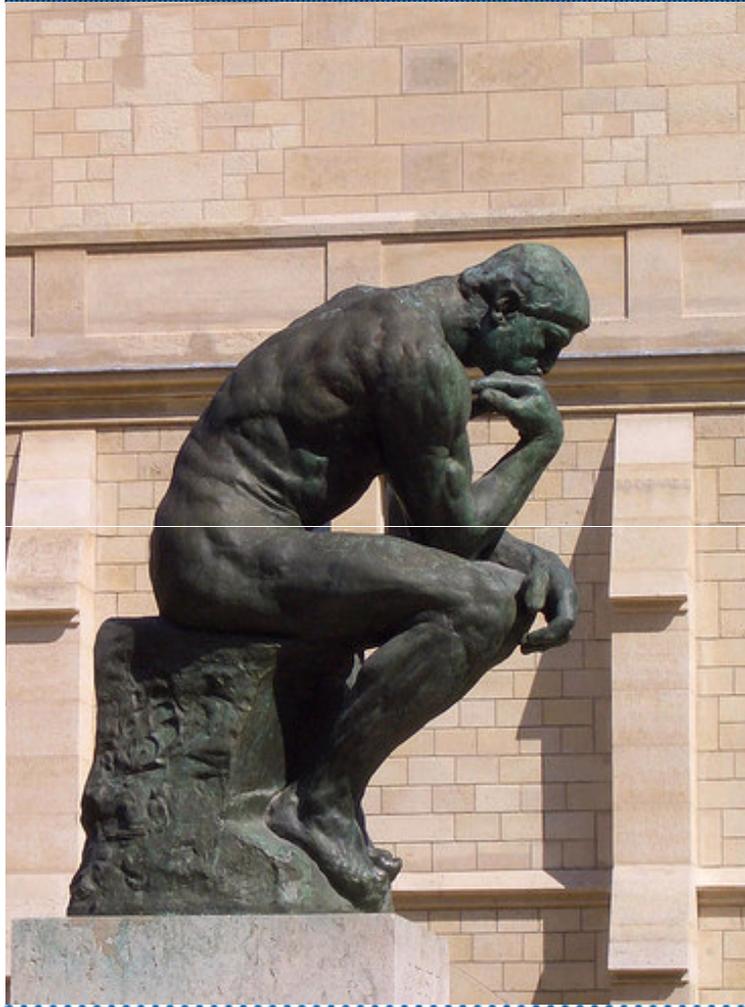


OR:

**...are we just
pushing the panic
button?**



AND:



**If there is a doctor
shortage,**

**what can our
States do about
it?**



PUTTING ON THE BRAKES

- 1997: Congress caps Medicare residency funding
- Total number of residents coming out each year is fixed at around 24,000
- 17,000 U.S. grads
- 6,000 – 7,000 foreign grads and U.S. IMGs
- 129 allopathic medical schools
(two added in 20 years)
- Cap on resident hours



WHILE DEMAND RISES

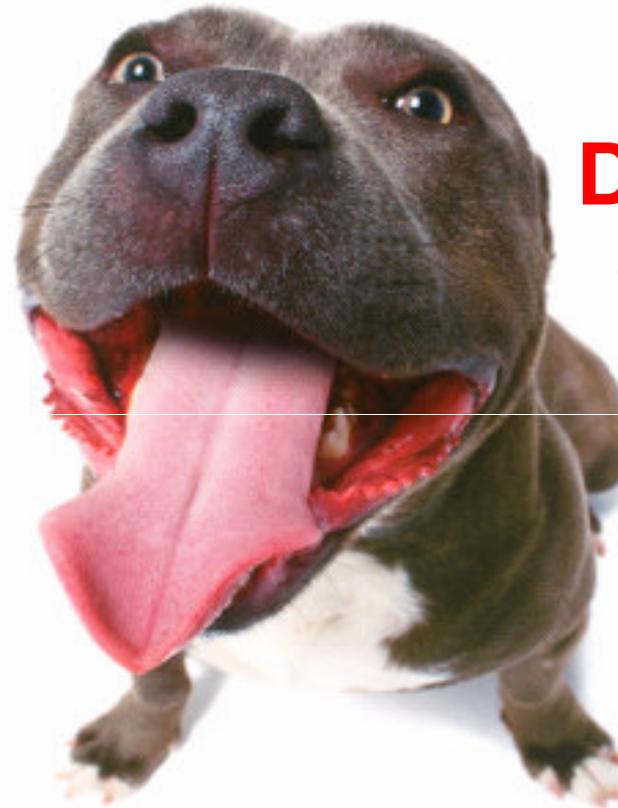
- **Adding 50 million patients**
- **Obesity increases 60% from 1991 to 2000**
- **ED visits rise 14% in *3 years* (1997-2000)**
- **Botox, bariatrics, non-invasive, gene therapy, etc.**
- **10,000 prescription drugs (up from 3,000 in 1970)**
- **33% of physicians 55 or older**
- **50% of medical students female**



CONFIRMED: 200,000 Physicians needed by 2020

A GROWING GAP BETWEEN PHYSICIAN SUPPLY AND DEMAND

Supply
900,000



Demand
1.1 Million

Source: Health Affairs, Feb 2002



CONFIRMED BY WHOM?

American Medical Association

**The looming physician shortage
is “*no less ominous*” than the
threat of a pandemic**

**~ Dr. J. Edward Hill,
Past President, American Medical Assn.
American Medical News, Feb. 20, 2006**



amednews.com
— THE NEWSPAPER FOR AMERICA'S PHYSICIANS —



ALSO:



Association of American Medical Colleges
(seeks to increase medical school enrollment
by 30%)

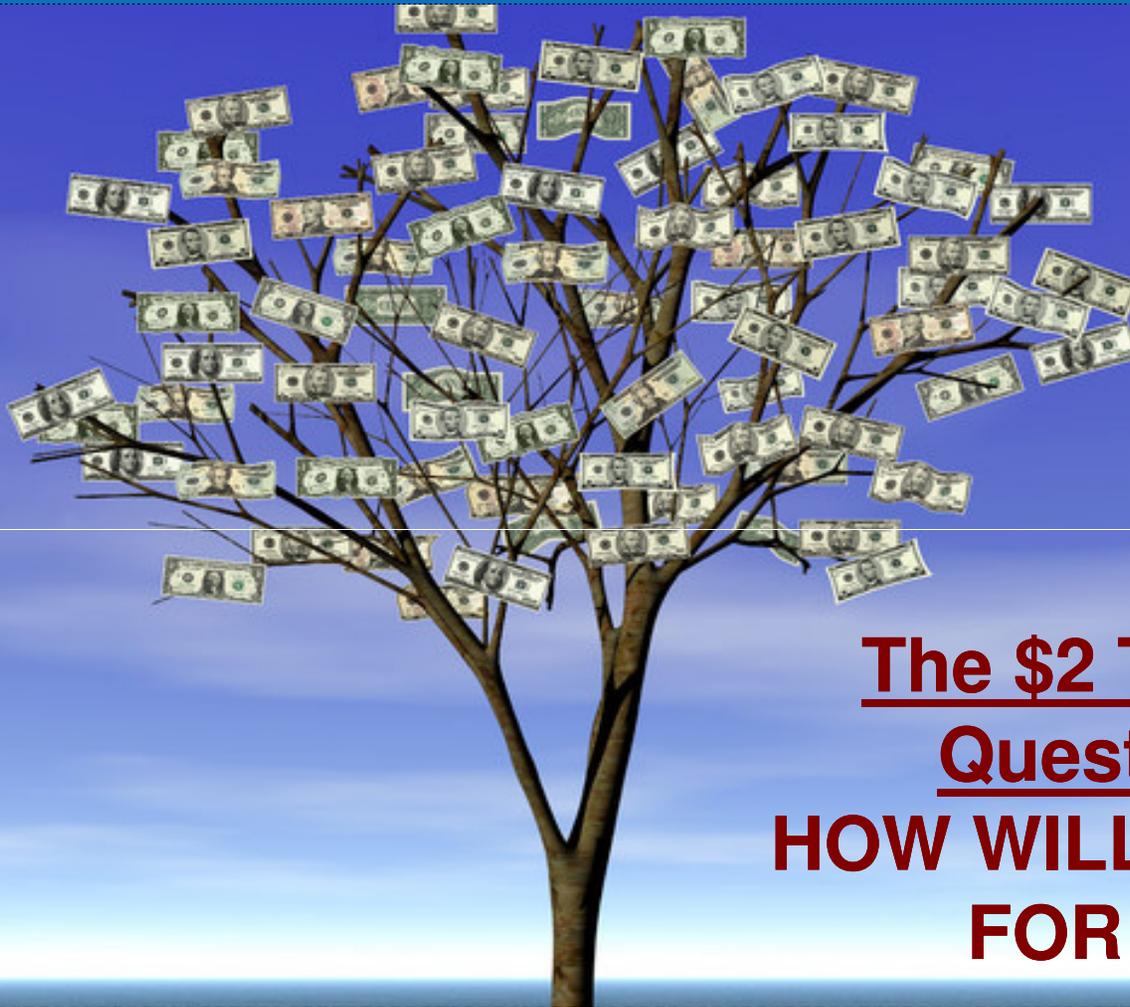
Council on Graduate Medical Education
(now projects a shortage of 90,000
physicians by 2020)

15 State Medical Associations and Societies

15 Medical Specialty Societies.



MEANWHILE, HERE COMES HEALTH REFORM

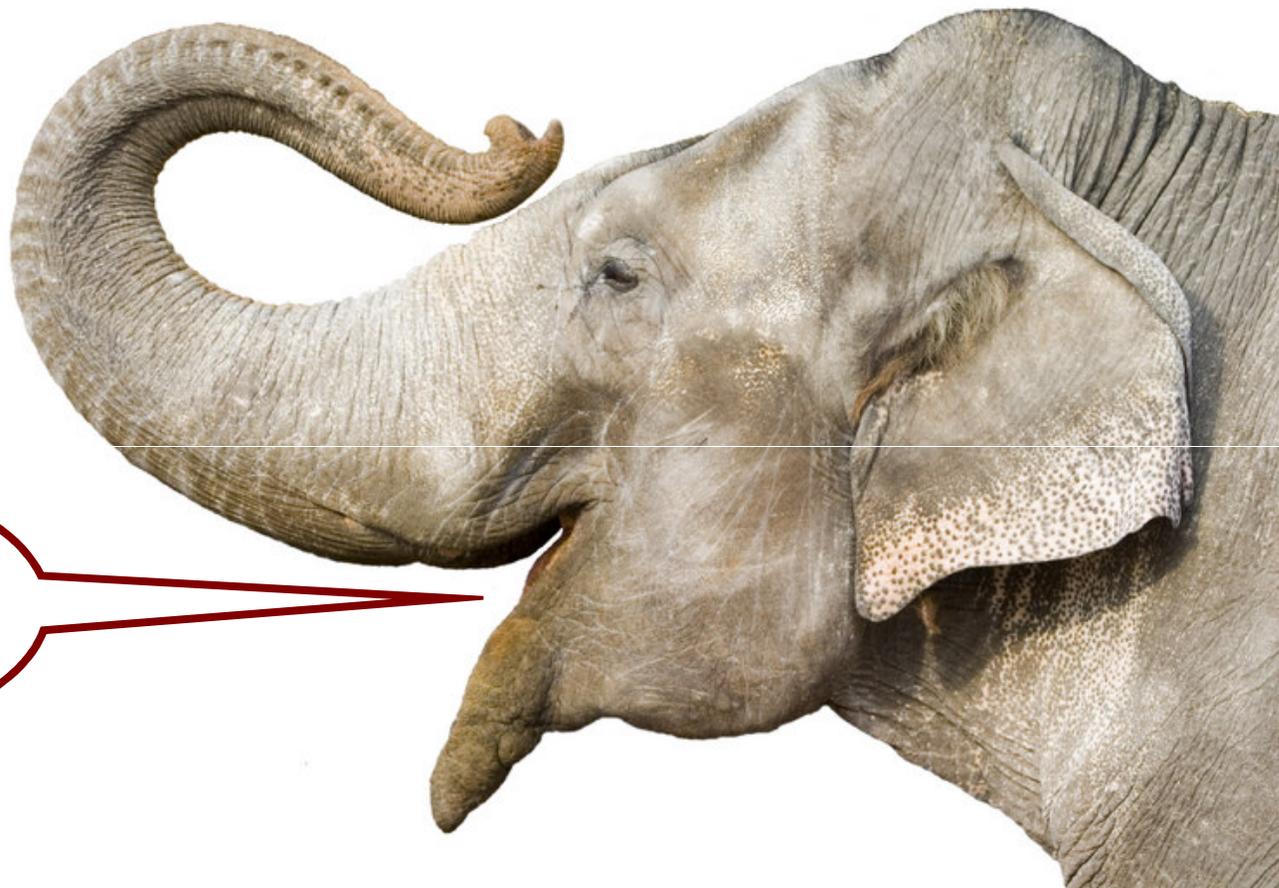


The \$2 Trillion
Question:
HOW WILL WE PAY
FOR IT?

Source: Economic And Demographic Trends Signal An Impending Physician Shortage,
Health Affairs, Vol. 21, No. 1 2002

THE ELEPHANT IN THE ROOM NO ONE IS TALKING ABOUT

**PHYSICIAN &
NURSE SUPPLY!**



IMPLICATIONS OF HEALTHCARE REFORM



- Increasing coverage = increased demand

- The Lewin Group projects that demand created by universal access would require:
 - 35,000 more physicians costing \$9 billion
 - 40,000 more nurses costing \$3 billion
 - 15,000 pharmacists costing \$2 billion
 - 4,000 dentists costing \$700 million

SOURCE: Forbes.com 03/26/07

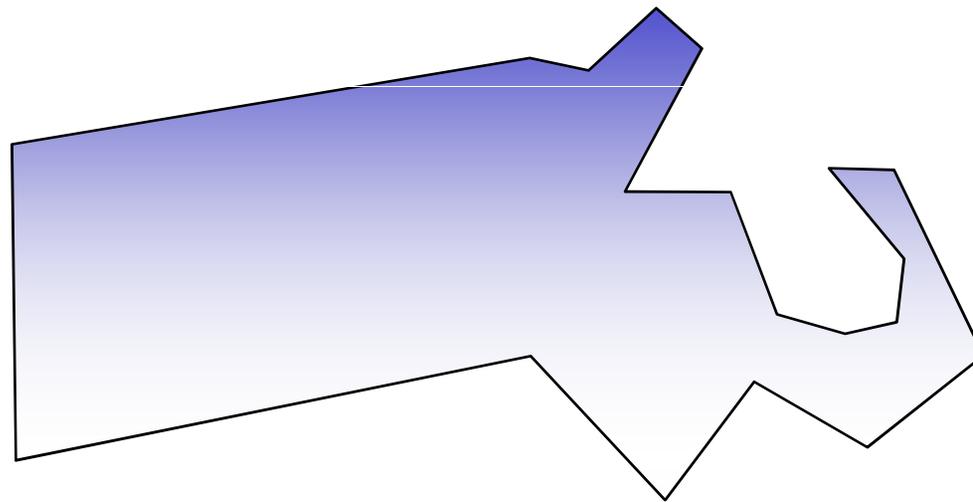


WHAT'S MISSING FROM THIS PICTURE?

ASK MASSACHUSETTS

**“DOC SHORTAGE LOOMS IN MASSACHUSETTS...
Newly insured can't find primary care physicians”**

UPI, July 28, 2007



IN AN ERA OF DOCTOR SHORTAGES,



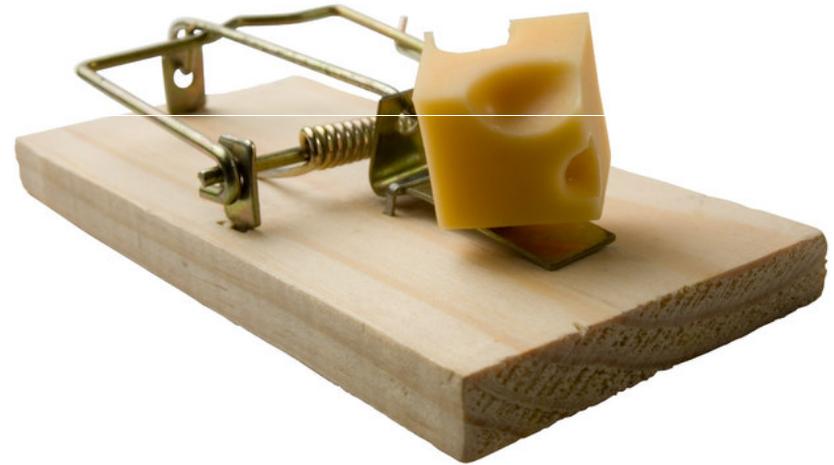
What can States do to promote physician recruitment and retention?



WHAT CAN OUR STATES DO?

Build a better mousetrap.

See that your state offers
the optimum medical
practice environment



BUILD A BETTER MOUSETRAP

A good place to start:

TORT REFORM



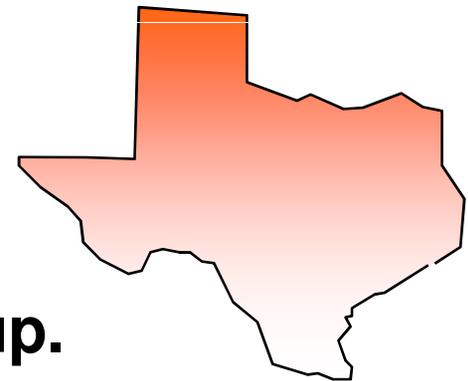
Exhibit A: TEXAS

**2003: \$250,000 cap on non-economic damages
(pain and suffering)**

**The number of licensed physicians in Texas since 2003
has increased 18%**

That's 8,840 additional doctors

The state licensing board cannot keep up.



Another Good Place to Start:

LICENSURE

Make licensure as efficient as possible:

- Increase in temporary licensing
- Temporary licensing for locums
- Reduce unnecessary steps for qualified, “clean” doctors
(screening departments, face-to-face board meetings)



Exhibit B: Also TEXAS

The wait to get into Texas can be up to one year.



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MAKE PAYMENTS FAIR

Medicaid will never be a cash cow for doctors.

But can it at least cover their costs?



Consider tax breaks for doctors who will take Medicaid patients



REMBEMBER, TODAY, DOCTORS WANT TO BE EMPLOYED

What is the corporate practice of medicine policy in your state?



WHAT ABOUT “SPECIALTY HOSPITALS?”

Consider Certificate of Need policies.

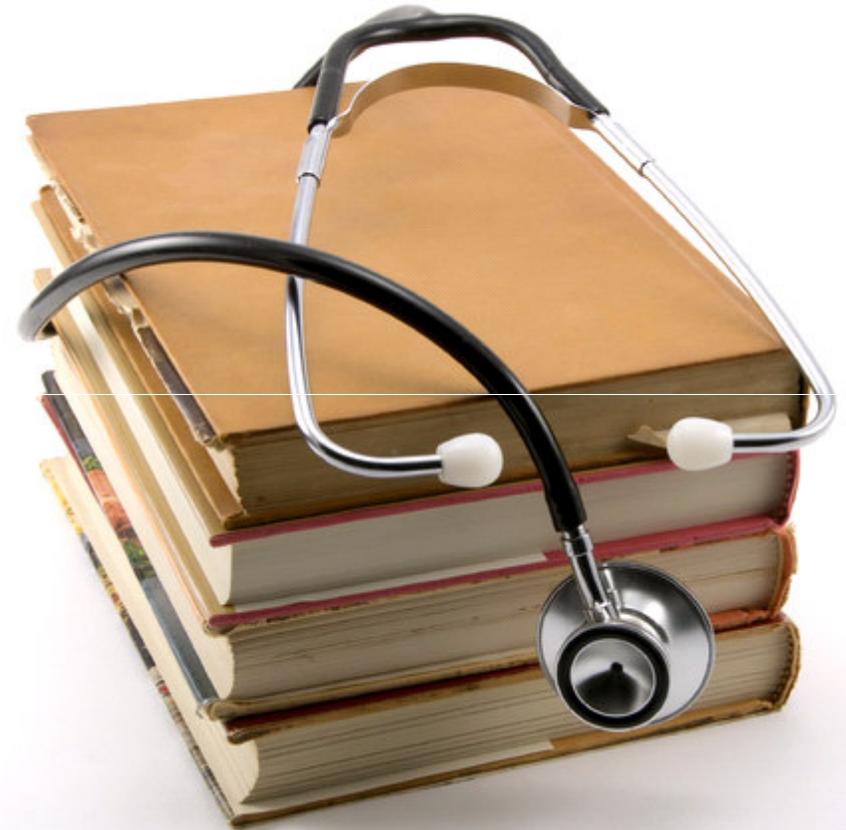
Can physicians practice in doctor owned hospitals in your state?

APPLICATION FOR A CERTIFICATE OF NEED Except for Transfer of a Certificate of Need	
LEGAL NAME OF APPLICANT	FACILITY/PROJECT NAME
AUTHORIZED REPRESENTATIVE/CONTACT PERSON	CHIEF EXECUTIVE OFFICER
MAILING ADDRESS	STREET ADDRESS/SITE LOCATION
CITY, STATE, AND ZIP CODE	CITY
TELEPHONE (AREA CODE AND NUMBER)	DISTRICT/SUBDISTRICT (IF APPLICABLE)



RURAL PRACTICE TRACKS

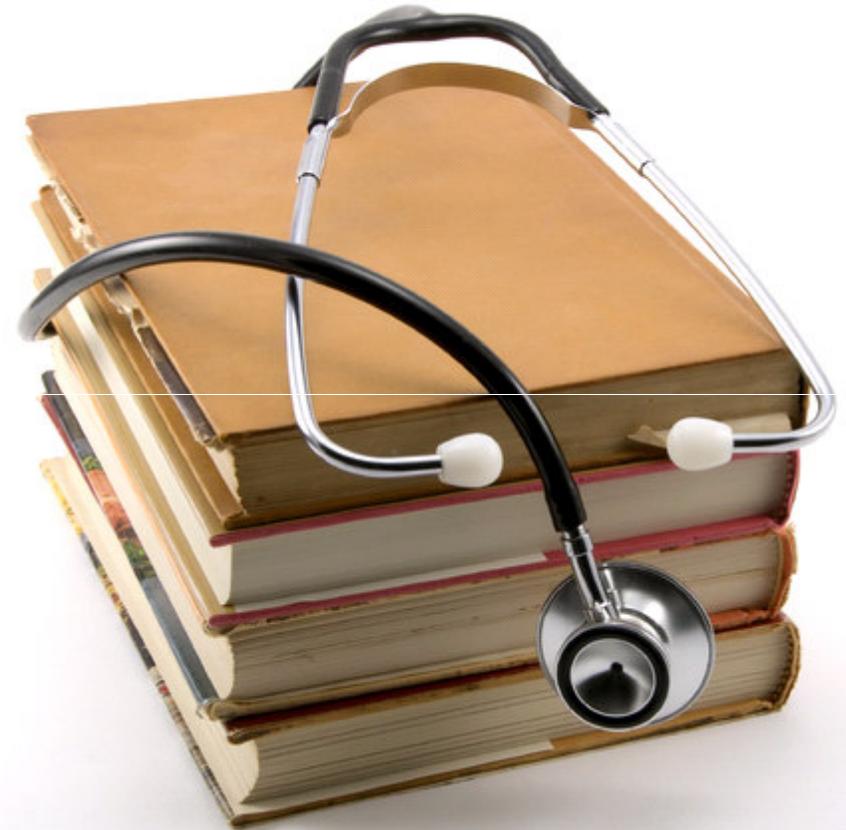
Encourage medical schools to expose students first hand to rural medicine



MORE RESIDENCIES

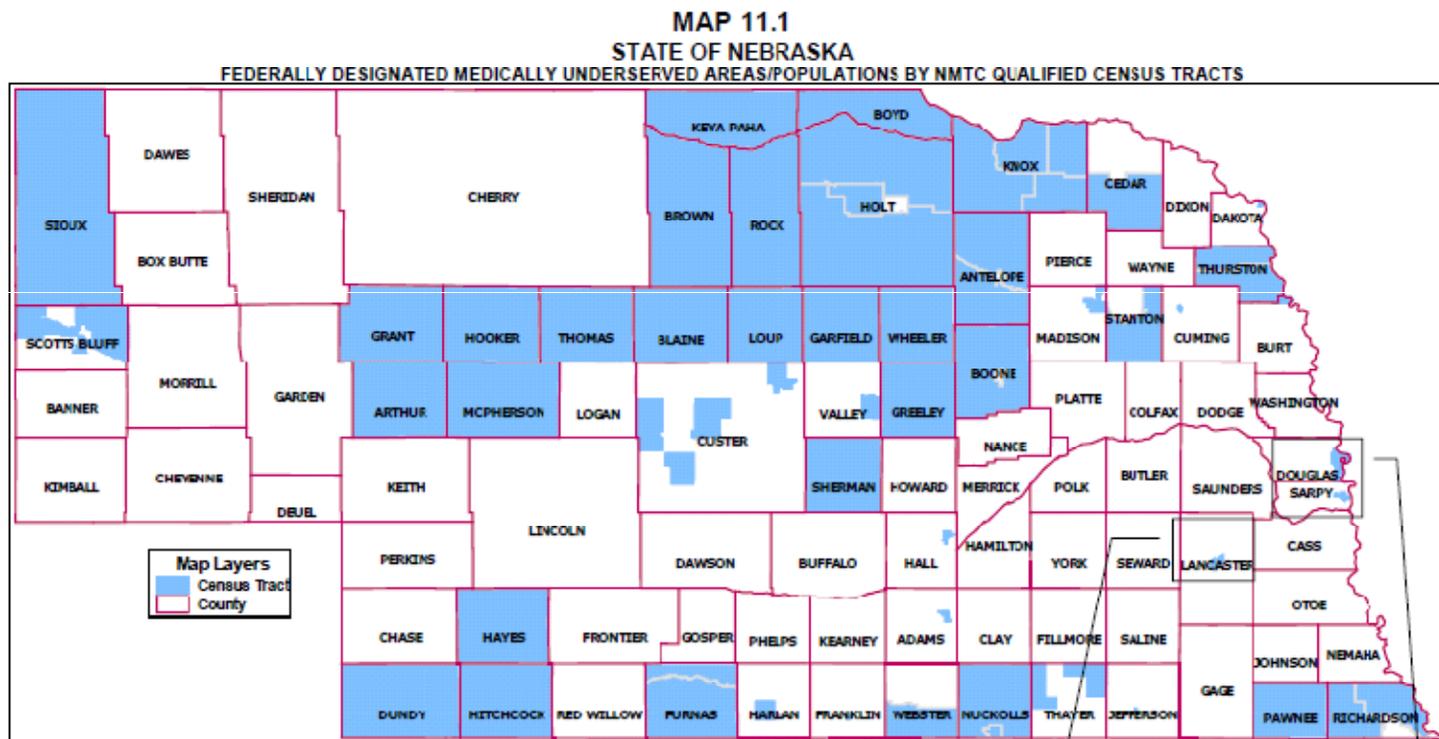
**Seek federal/state
funding for expanded
residency training
programs**

**Focus on rural-based
preceptor programs**



LOAN REPAYMENT

Support state loan repayment programs for primary care providers who agree to practice in federally designated shortage areas



Source: "Physicians Offer Insights on Practicing Rural Medicine", *HealthLeaders* April 2008
Rural Kentucky's Physician Shortage, University of Kentucky, Sept. 2005

THE CONRAD 30



Does your state use all of its allotted “J-waivers?”



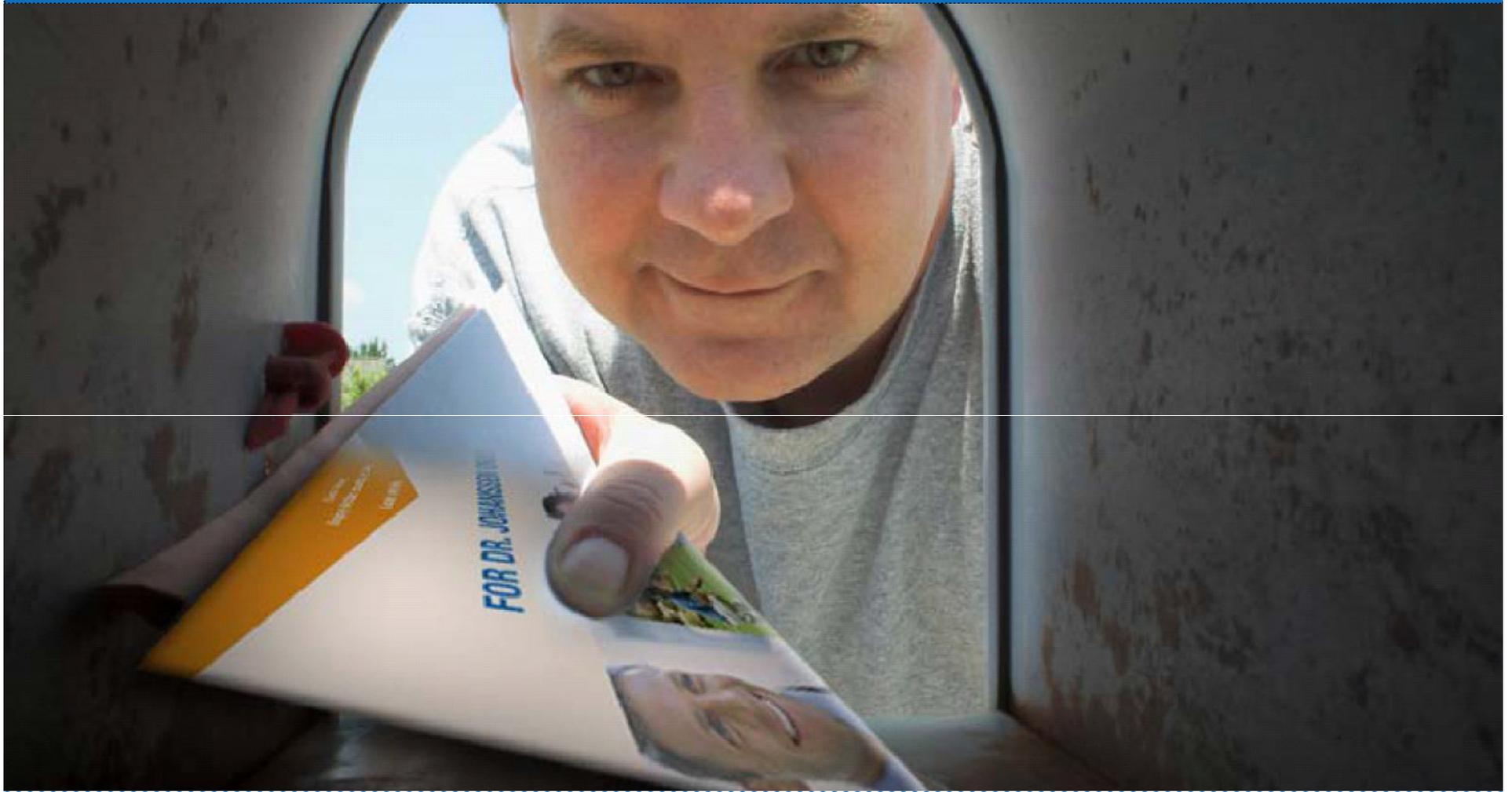
HEALTH REFORM



- **Make it physician friendly**
- **Include tort reform component, fair payment**



PHYSICIANS HAVE QUESTIONS...



RURAL PRACTICE HAS ANSWERS...

Rural communities must market the lifestyle advantages of rural medicine and offer creative benefits focused on making that lifestyle more attractive to physician recruits.

The inherent advantages include:

- Slower pace of life
- Greater feeling of safety for self and family
- Less traffic and pollution
- Shorter commutes
- Equivalent or higher net income
- Lower housing costs
- Less competitive lifestyle
- Closer proximity to outdoor recreational opportunities
- Elevated status in community

Source: "Physicians Offer Insights on Practicing Rural Medicine", *HealthLeaders* April 2008



SPOTLIGHT RURAL HEALTHCARE

About 30% of the U.S. population lives in rural areas but only 10% of the nation's doctors practice there.*

*“Nowadays doctors want good quality of life, good schools, freedom from hassle and... interesting work for their spouses.”**

Get the entire community involved:

- Have the mayor write a letter to every potential doctor
- Involve the Chamber of Commerce (Community/Internet Testimonials)
- Ask local banks to donate money to pay off physician loans
- Ask more affluent families to set up a foundation or trust to recruit new doctors
- Sell them a “Country Doctor” way of life

*Source: “Wooing white coats takes more than beautiful scenery” The Daily Courier” 05.02.08



SPOTLIGHT RURAL HEALTHCARE



**“2006 COUNTRY DOCTOR OF THE YEAR
BRINGS MODERN MEDICINE TO
“ELIZABETHAN” ISLAND”**

**“Doctor Has Been Flying to
Remote Tangier Island for 27
Years”**

Dr. David Nichols, M.D.



ABC, USA Today, and National Public Radio are just a few of the nationwide media outlets covering Dr. Nichols inspiring story.



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