

EXPANDING  
PRIMARY CARE  
IN NEW YORK:

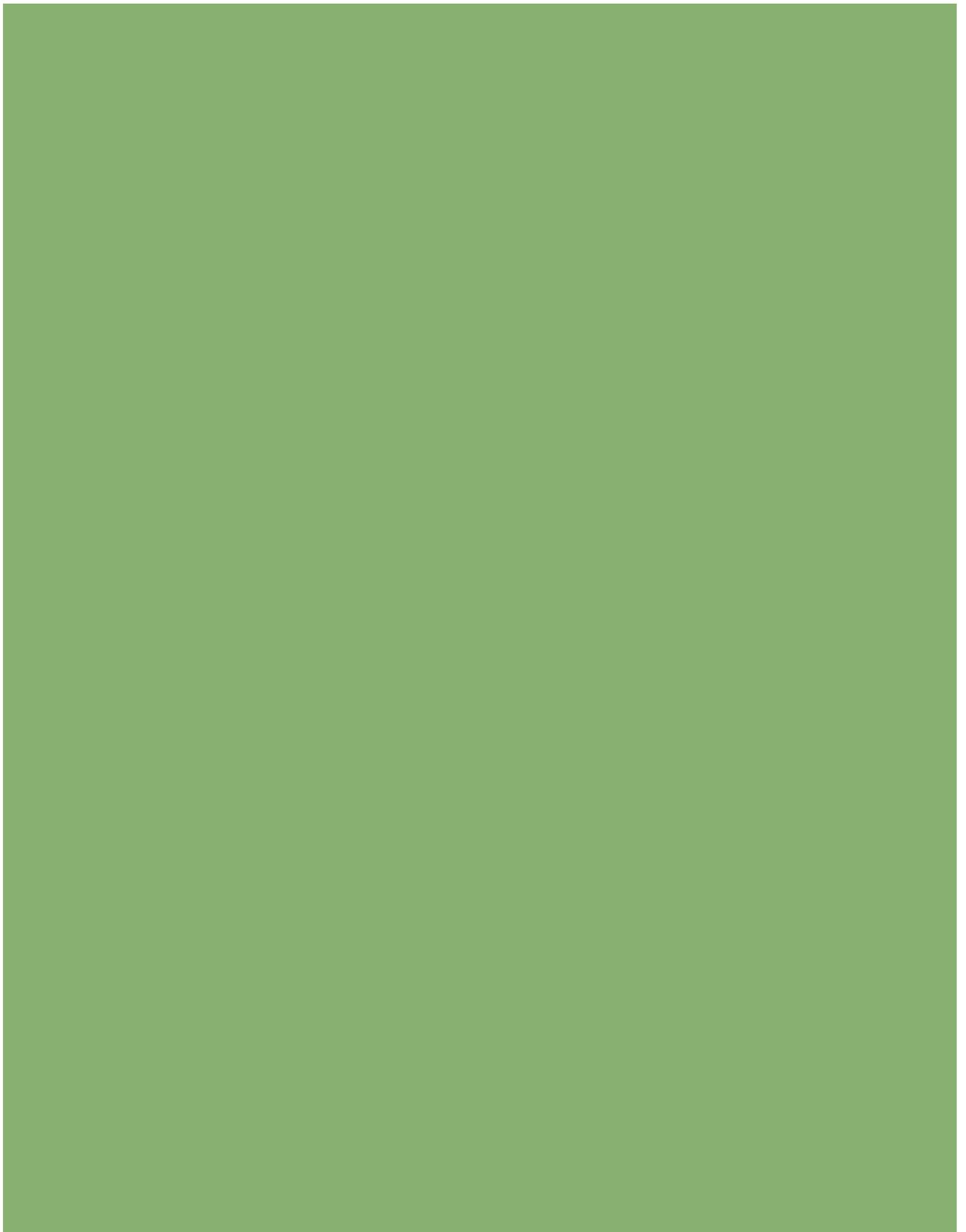


# *Where Are the Doctors?*

Results of HANYS'  
2015 Physician  
Advocacy Survey



Healthcare Association  
of New York State



# Executive Summary

This report summarizes the results of the Healthcare Association of New York State's (HANYS) eighth annual survey on issues related to physician shortages in New York State. HANYS' members report that they continue to struggle with the recruitment and retention of many specialists, particularly those in upstate regions. Primary care physicians (PCPs) are the most sought-after specialty and often the most difficult to recruit and retain.

## Reasons for the primary care shortage include:

- an aging primary care workforce;
- medical school debt;
- fewer residents choosing primary care (lower salary); and
- lack of interest in practicing in under-served areas of the state.

The primary care workforce is becoming increasingly important in this era of unprecedented healthcare delivery reform. There are a number of state and federal programs being implemented aimed at improving population health through establishing a value based system that relies on a strong team of primary care physicians and providers.

This report reflects the results from *HANYS' 2015 Physician Advocacy Survey* including responses from 103 member hospitals and health systems across the state. Of the 103 responding organizations, 13 are lead PPSs and 74 are members of a PPS. Together, these respondents encompassed nearly every PPS.

The survey was conducted in collaboration with Western New York Healthcare Association, Rochester Regional Healthcare Association, Iroquois Healthcare Alliance, and Suburban Hospital Alliance of New York State.

Respondents were asked questions about their credentialed medical staff, new hires,

separations/retirements, and the number of new physicians that are being actively recruited, by specialty.

Additionally, providers were asked about their strategies for enhancing their primary care workforce and the impact of healthcare transformation and reform on their hospitals/health systems.



# HANYS' Recommendations

- Expand the pipeline of PCPs who are likely to work in under-served areas.
- Adequately fund the Doctors Across New York Program each year to provide opportunities to recruit PCPs into under-served communities.
- Continue to fund the Primary Care Service Corps program to incentivize non-physician clinicians to practice in rural and under-served areas of the state.
- Utilize telehealth options in under-served areas to expand outreach of current primary care services.
- Collaborate with the New York State Area Health Education Center (AHEC) system to recruit and retain culturally diverse healthcare providers into under-served areas.
- Lift the cap on Medicare support for Graduate Medical Education. The Resident Physician Shortage Reduction Act of 2015 (S. 1148/H.R. 2124) would increase the number of Medicare-supported residency slots by 3,000 per year for each of five years from 2017 to 2021, for a total of 15,000 new slots nationwide.
- Educate medical students about the various innovative education models and incentive programs available for practicing in rural and urban under-served areas.

# Key Responses

- SEVENTY-ONE percent of respondents said that their current primary care capacity is insufficient to meet *current* patient needs and 77% said it is insufficient to meet *future* patient needs.
- EIGHTY-ONE percent of respondents indicated that PCPs are very difficult to recruit, while 84% indicated that recruitment of PCPs is one of their critical strategies for improving access to care.
- SEVENTY-TWO percent of respondents indicated that their ability to recruit PCPs remained the same or worsened. Only 14% indicated that it had improved.
- PCPs represent the **LARGEST** percentage (25%) of all physician specialties currently being recruited, among those responding.
- FIFTY-SEVEN percent of all respondents indicated that there are times when they have to transfer patients from the emergency department (ED) because the specialist they need is not available. Upstate, this number rises to 86% of respondents.

# Background

## National

According to the Association of American Medical Colleges (AAMC), enrollment in medical schools has increased by 25% since 2002, reaching an all-time high of 20,630 students.<sup>1</sup> Medical schools have also continued to diversify. Last year, several hundred graduating medical students did not match to a first-year residency program because of a shortage of residency slots. The American Association of Family Practitioners (AAFP) reported that 84 additional family medicine residency programs were added last year.<sup>2</sup>

According to the U.S. Census Bureau, the number of Americans over the age of 65 is expected to increase by 16% to 56 million people by 2020. The 65+ age group accounts for about 34% of all healthcare expenditures, due to co-morbid chronic conditions and the high cost of end-of-life care.

AAMC's most recent supply-and-demand forecast identifies a nationwide shortage of between 46,000 and 90,000 physicians overall through 2025.<sup>3</sup> This large estimated range reflects different modeling scenarios.

Despite additional family medicine programs, the percentage of physicians practicing in primary care is at an all-time low. This is at a time when healthcare reform across the country is very focused on primary care delivery models aimed at achieving the triple aim of better access, lower costs, and improved quality. Without an adequate supply of PCPs, this transition will be in jeopardy.

Merritt Hawkins, one of the largest physician recruitment firms in the country, has indicated that family physicians were the most frequently requested recruiting assignment, followed by internal medicine, hospitalists, and psychiatrists.<sup>4</sup>

It is imperative that the federal government lift the cap on Medicare support for Graduate Medical Education, which would create an additional 3,000 training slots per year for five years, under pending federal legislation.

<sup>1</sup> *Medical School Applicants, Enrollees Reach New Highs*, AAMC, October 22, 2015

<sup>2</sup> *2015 Match Results for Family Medicine*, AAFP

<sup>3</sup> *The Complexities of Physician Supply and Demand: Projections from 2013 to 2025, Final Report*, Prepared for AAMC by IHS, Inc. March 2015

<sup>4</sup> *2014 Review of Physicians and Advanced Practitioner Recruiting Incentives*, Merritt Hawkins

## New York State

According to the Robert Graham Center, New York State will need 1,220 additional PCPs by 2030. These physicians are needed because of increased utilization due to aging, population growth, and a greater number of insured people through the Affordable Care Act (ACA).<sup>5</sup>

Currently, New York State retains only 45% of its medical residents.<sup>6</sup> Since New York trains many more physicians than other states, it is not surprising that many would leave the state, but the number who remain in the state after completing their residency has been declining since 2001.

Nationally, 68% of medical residents tend to practice in the state where they were born and completed their education and training. Medical students who attend school in their home state and go on to receive their training in that state are far more likely to stay than those from out-of-state.

In New York State, only 29% of physicians currently provide primary care.<sup>7</sup> More than one third of nurse practitioners (NPs) and 24% of physician assistants (PAs) provide primary care. Only 21% of all PCPs work in health centers, clinics, or hospital settings. While New York State remains the third highest state for the number of physicians per 100,000 population, there are still under-served areas in the state.<sup>8</sup> Additionally, 30% of New York's physicians are over the age of 60.

New York State has a total of 93 federally-designated Health Professional Shortage Areas with 70 special population (low-income, Medicaid-eligible)

designations and 23 geographic designations. These areas have the most difficulty recruiting PCPs and other specialists. Twenty-six percent of New York State residents live in rural areas.

In New York's rural counties, the physician supply per 100,000 population is 81, compared with 114 in the entire state. Rural counties also have a much higher number of deaths attributable to heart disease, lung cancer, and cerebrovascular disease.<sup>9</sup>

In New York State, the Delivery System Reform Incentive Payment (DSRIP) program has created 25 Performing Provider Systems (PPSs) to address the care of patients enrolled in Medicaid and reduce avoidable hospital use by 25% over five years. Many of the DSRIP projects include a focus on enhanced primary care delivery and the co-location of primary care and behavioral health services. The PPSs have informed the New York State Department of Health (DOH) and the DSRIP Project Approval and Oversight Panel that one of the biggest hurdles they face is a shortage of primary care providers and behavioral health specialists.

<sup>5</sup> *New York: Projecting Primary Care Physician Workforce 2010-2030*, Robert Graham Center, 2013

<sup>6</sup> *2014 New York Residency Training Outcomes, A Summary of Responses to the 2014 New York Resident Exit Survey*, CHWS 2014

<sup>7</sup> *The Primary Care Workforce in New York State, Research Brief*, CHWS, July 2015

<sup>8</sup> *2013 State Physician Workforce Data Book*, AAMC, November 2013

<sup>9</sup> *New York Physician Workforce Profile*, 2014 Edition, CHWS

## Doctors Across New York (DANY)

HANYS has been advocating for annual and predictable funding for the DANY program since its inception in 2008. While DANY is not the sole solution to alleviating the physician shortage, it is an important tool and could have a more significant impact if it were funded and implemented annually. To date, there have only been four rounds of solicitation/funding in eight years.

In the past two Requests for Application cycles, the program had more applicants than available awards. The large number of applicants resulted from successful advocacy by HANYS and the Workforce Advisory Group to streamline the program and provide additional state funding.



DANY has been a very important recruitment and retention tool, particularly for upstate and rural facilities. Thirty-four percent of upstate respondents indicated that they have used DANY as a recruitment tool for loan repayment and 21% have used it for practice support. For Cycle 4, 36% indicated that they applied for DANY funds to retain physicians, while 41% indicated they applied for DANY to recruit physicians. Among rural respondents, 54% indicated that they applied to DANY to retain physicians, while 43% applied to recruit new physicians to their communities.

HANYS urges New York State to make a commitment to adequately fund DANY in each fiscal year to support a minimum of 150 new awards annually to optimize the hiring process of new physicians. This would help alleviate shortages that healthcare providers have identified.

# Overall Findings

Of the 103 survey respondents, 58 were from the upstate area, which includes the following regions: Western New York, Rochester, Central New York, and the Northeast. The remaining 45 respondents were from the Long Island, Hudson Valley, and New York City regions.



# Overall Need for Primary Care Physicians

Respondents indicated a total need for 801 more physicians, of which 25% are primary care, representing the largest percentage of physicians being actively recruited.

Additionally, 71% indicated that they do not have adequate primary care capacity to meet *current* need, and 77% do not feel that they have adequate primary care capacity to meet *future* need. Further, 81% indicated that PCPs are very difficult to recruit, while 89% plan to hire more non-physician clinicians (NPCs) to meet their needs.

Seventy-two percent indicated that their ability to recruit PCPs has remained the same or worsened;

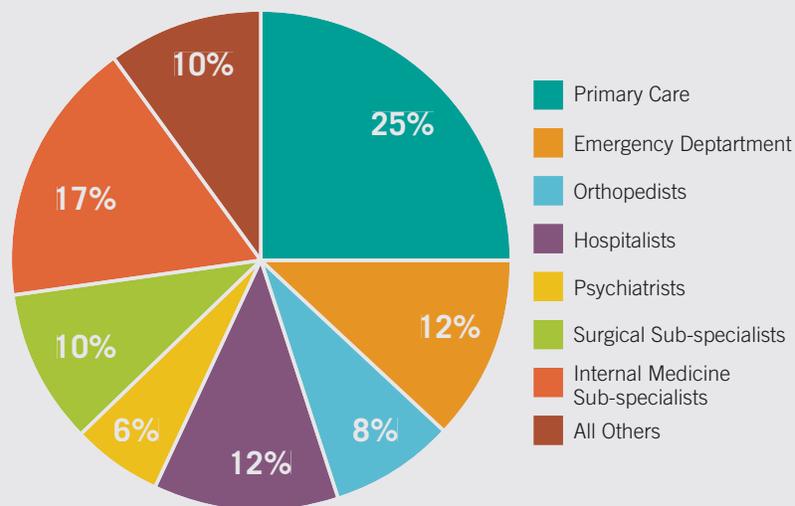
only 14% indicated that their recruitment of PCPs has improved.

According to a recent Center for Health Workforce Studies (CHWS) report, the distribution of PCPs in different parts of the state varies widely:<sup>10</sup>

GEOGRAPHIC AREA	NUMBER OF PCPS	PER 100,000 POPULATION
Statewide	22,171	114
Downstate	14,876	123
Upstate (non rural)	7,296	98
Rural	2,526	81

<sup>10</sup> New York Physician Workforce Profile, 2014 Edition, CHWS

## Need for Physicians by Specialty Statewide



# Strategies for Growing Primary Care Capacity

Hospitals and health systems across the state are increasingly focusing on an expansion of primary care services. The survey respondents reported providing primary care at more than 830 locations, and 55% indicated that they had increased their primary care over the past three years.

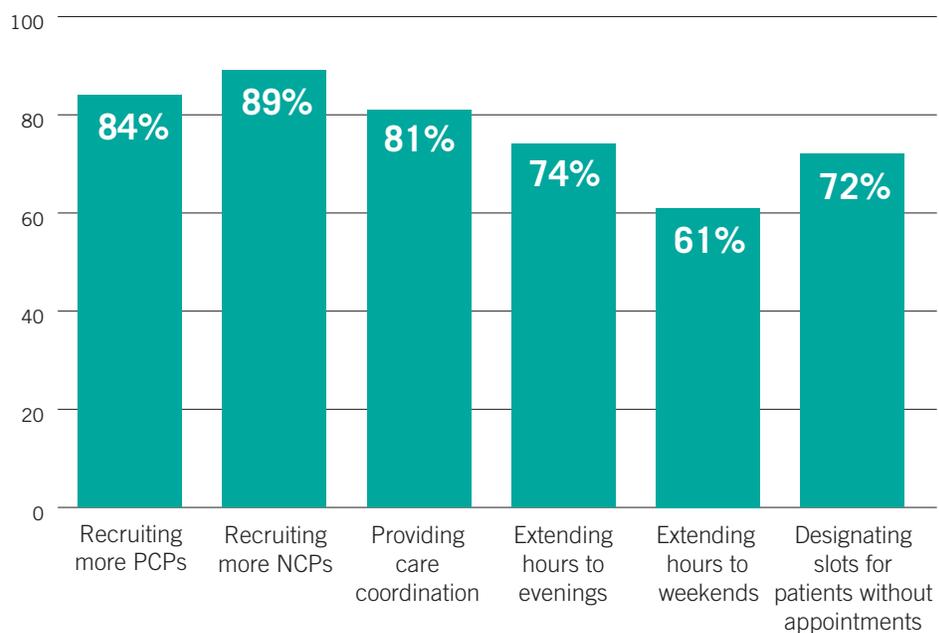
2013 2014 2015

## Strategies

Respondents report that they are engaged in several strategies to respond to growth in the demand for primary care. Together, these facilities indicated that they provide primary care in more than 830 locations. Strategies across the state for dealing with primary care access issues are strikingly similar. While the vast majority of respondents are working to recruit PCPs to meet demand and are increasing capacity at their primary care clinics, that task remains extremely difficult.

Respondents were asked to identify the key strategies that they are employing to grow their primary care capacity. The responses include:

### Strategies for Growing Primary Care Capacity



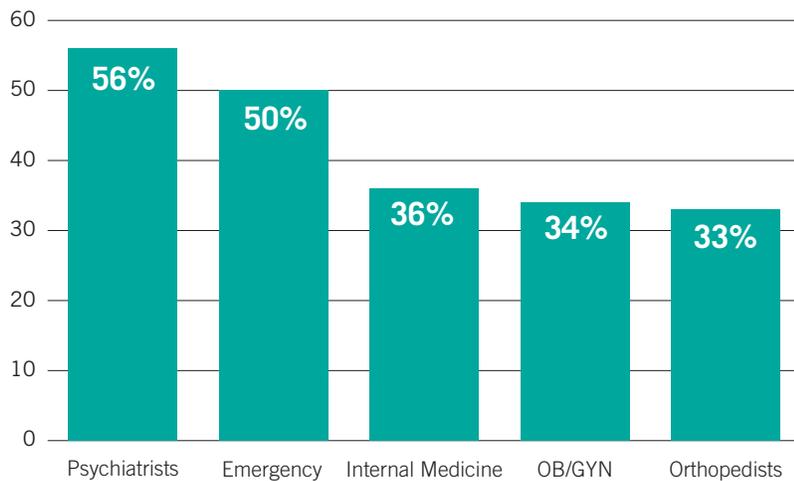
# Physician Recruitment

Statewide, respondents reported that in the past year, 2,379 physicians retired or left their practices. They anticipate an additional 233 will do so within the next year. Substantial areas of the state experienced a net loss of physicians, although statewide there was a net gain. The survey responses show that upstate communities had a net loss of 199 physicians (after recruitment). Downstate providers reported a net gain of 559 new physicians.

Many of the upstate providers are rural hospitals. Upstate respondents indicated that they are recruiting a large majority (81%) of the PCPs, adding 162. Recruitment of PCPs both upstate and in rural areas is a much higher percentage of all active recruitments than downstate.

Respondents reported that the following specialists were the most difficult to recruit:

## Percent Reporting Most Difficult to Recruit



## Physician Recruitment— Percent of Respondents Actively Recruiting

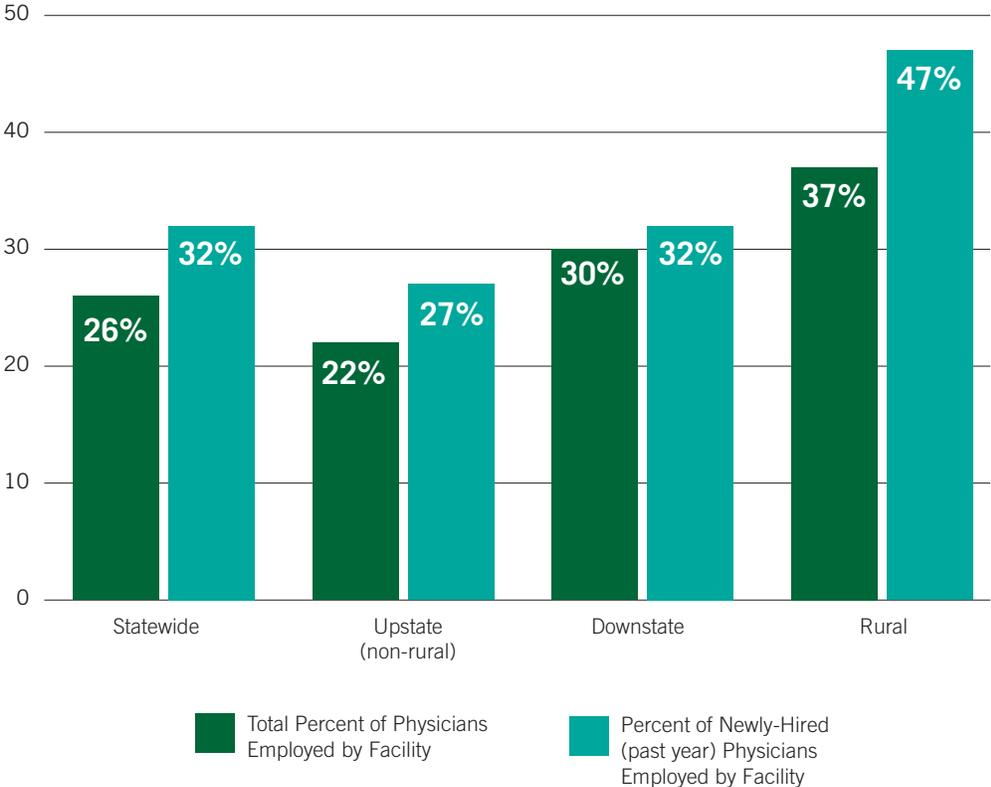
Physician Type	Upstate (non-rural)	Downstate	Rural
<b>Primary Care</b>	29%	17%	26%
<b>Internal Medicine/ Sub-specialists</b>	18%	15%	13%
<b>Psychiatry</b>	6%	7%	6%
<b>Emergency Department</b>	9%	18%	12%
<b>Hospitalists</b>	13%	10%	13%
<b>Surgical Sub-specialists</b>	9%	13%	12%
<b>Orthopedists</b>	7%	10%	9%
<b>All Others</b>	9%	10%	9%

# Employed Physicians

A national trend has emerged in recent years: newly-trained physicians are often choosing to be employed in group practices or by a hospital/health system as opposed to opening private practices. Physicians who are aging out are also choosing to have their practices acquired by larger systems.

The results from HANYS' survey show that rural hospitals are directly employing a larger percentage of physicians than non-rural facilities. Of the nearly 28,000 physicians who are credentialed at responding facilities statewide, 26% were reported to be directly employed by facilities. Of those who were hired in the past year (2,780), 32% were employed by the facility.

## Facility-Employed Physicians



# Emergency Room Care/Coverage

Respondents were asked if there are times when they have to transfer patients to another facility because a specialty physician is not available. Fifty-seven percent of respondents indicated that this was the case and cited the following specialists as not always available:

SPECIALIST	PERCENT REPORTING
Surgical Sub-specialists	43%
Neurosurgeons/Neurologists	43%
Medical Specialists	22%
General Surgeons	10%
Other	33%

Eighty-six percent of upstate respondents indicated that there were times when they had to transfer patients from their ED to another facility because they lacked specialist coverage at the time; 93% in rural areas.

# Need for Primary Care

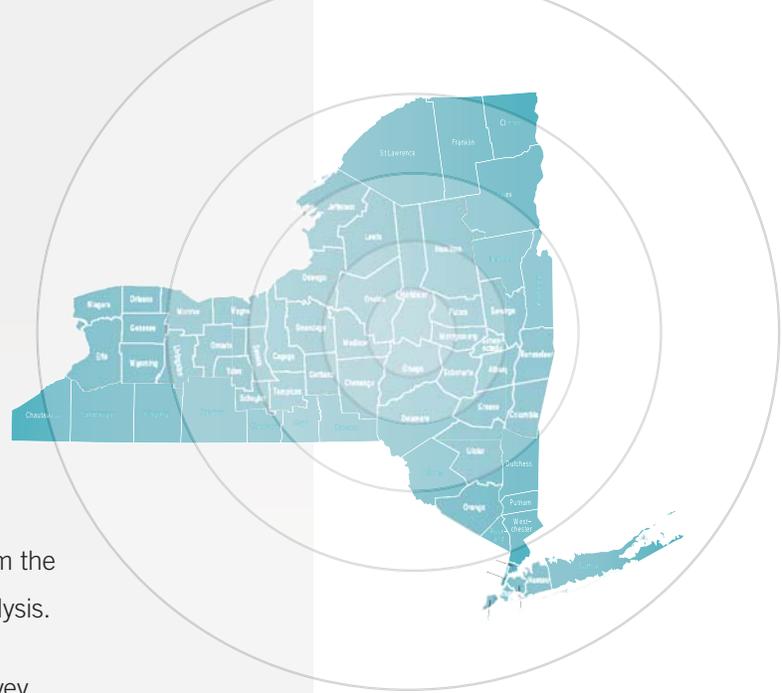
PCPs are extremely difficult to recruit for a number of reasons, including shortages, lower salaries, and geographic location of position.

When upstate respondents were asked about their ability to hire PCPs:

- eighty-one percent indicated that recruitment is very difficult;
- sixty-two percent indicated that they believe their primary care capacity is insufficient for *current* patient need; and
- seventy-nine percent indicated that they believe their current capacity is insufficient to meet *future* demand.

These numbers are very troubling in light of healthcare reform initiatives that are currently being implemented, which require strong primary care capacity.

# Unique Rural Responses



Since some of the responses from rural hospitals differ from the rest of the respondents, rural hospitals merit their own analysis.

Fifty-seven percent of rural hospitals responded to the survey.

Key takeaways include:

- Twenty-six percent of all physicians being recruited are for primary care.
- Nearly half (47%) of newly hired physicians are directly employed.
- Seventy-one percent of rural hospitals believe they do not have the primary care capacity to meet *current* need.
- Seventy-one percent do not think they have the primary care capacity to meet *future* need.
- Seventy-five percent said that recruiting PCPs is very difficult.
- Fifty-four percent used DANY to help retain physicians in their community, while 43% utilized DANY to recruit new physicians.
- Twenty-nine percent responded that the DANY program needs to be more consistent with an annual funding stream.
- Rural facilities represent 145 primary care sites.
- Ninety-three percent indicated that there were times when their ED did not have a needed specialty physician available and had to transfer patients to another facility; the most common specialties were neurology and surgical sub-specialists.
- Fifty percent of rural respondents indicated that they have had to reduce or eliminate services at their facility due to a lack of provider availability.

# Conclusion

Healthcare delivery is changing quickly and the availability of primary care services will be critical to the success of system transformation. PCPs have emerged as the most difficult-to-recruit specialty. PCPs comprise the largest percentage of all recruitment types, representing a larger issue for upstate and rural providers.

New York State must act quickly to remedy this PCP shortage. Part of the fix is to ensure that DANY is adequately and regularly funded and that the application and award process is conducted in a consistent manner to optimize recruitment and retention on a continuous basis. By funding and educating medical students and residents about this program, many more residents who may not otherwise choose to be PCPs could change their minds if they were able to relieve their debt from medical school. Primary care is not as lucrative a specialty as many others, which is one reason many residents decide to sub-specialize.

Growing the physician education and training pipeline is another approach to address the PCP shortage. However, students need to be informed about the state's healthcare transformation and the new innovation models being implemented that focus on and emphasize primary care. This pipeline can be nurtured by connecting students with programs and systems that provide incentives for practicing in under-served areas, such as the New York State Area Health Education Center system.

Telehealth opportunities should also be taken advantage of to the fullest extent. New policies and technologies provide hospitals, health centers, and physicians with the ability to extend their current outreach into areas that previously were unattainable. A new point of contact will increase patients' ability to access primary care services and will allow for maximum utilization of available healthcare providers.

Programs like Primary Care Service Corps (PCSC) must also continue to be funded. The PCSC program provides loan repayment for NPCs such as PAs and NPs who are willing to work in under-served areas of the state in return for loan repayment. Utilizing more NCPs will help many of the primary care teams provide the necessary services to their patients.



PRINTED BY



**Printing Services**

---

HIGH-QUALITY

---

AFFORDABLE

---

TIMELY

---

If we can help you with your printing needs,  
**call us at (855) 853-5234.**

Check us out online at  
**[hansprintingservices.com](http://hansprintingservices.com).**

Healthcare Association of New York State  
One Empire Drive, Rensselaer, NY 12144  
(518) 431-7600 [www.hanys.org](http://www.hanys.org)

 [@hanyscomm](https://twitter.com/hanyscomm)

©2016 HEALTHCARE ASSOCIATION OF NEW YORK STATE