


# HEALTHCARE REFORM: WHAT IT MEANS TO PHYSICIANS AND RECRUITERS

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## The future?

- ❑ Increased competition for physicians
- ❑ Decreased number of physicians
- ❑ Younger physicians are not seeking to work the same number of hours as their predecessors
- ❑ Surveys stating that physicians will stop practicing BECAUSE of healthcare reform

### Physician Survey: Health Reform's Impact on Physician Supply and Quality of Medical Care

- ▣ Survey of 1195 physicians
  - Impact of health reform on their practices, income, job satisfaction, and future career plans.
- ▣ BLS predicts a more than 22% increase in physician jobs, while nearly 1/3<sup>rd</sup> of physicians indicated that they will want to leave medical practice after health reform is implemented (many of them primary care).
- ▣ Many feel that health reform will cause income to decrease and lead to an increase in workload.
- ▣ They recommend a more gradual, targeted approach to health reform.
- ▣ Physicians will be more in demand.

Medicus Firm

### The Patient Protection and Affordable Care Act and the Health Care and Education Affordability Reconciliation Act

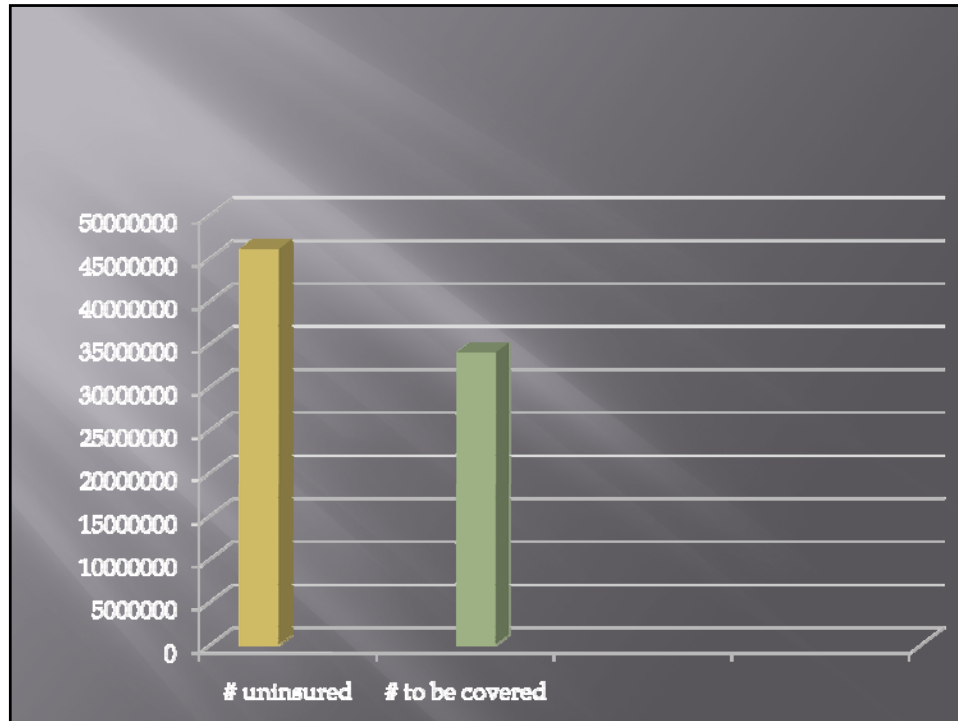




Rep. Peter Hoekstra, R-Mich.

## Pres. Obama's Charge

- ❑ The cost of healthcare causes a bankruptcy in America every thirty seconds. Medical costs are the leading cause of personal bankruptcies. By the end of the year, it could cause 1.5 million Americans to lose their homes.
- ❑ Healthcare costs remain one of the major reasons why small businesses fold.
- ❑ "Given these facts, we can no longer afford to put health care reform on hold. We will invest in electronic health records and new technology that will reduce errors, bring down costs, ensure privacy, and save lives. And it makes the largest investment ever in preventive care, and includes an historic commitment to comprehensive health care reform – a down-payment on the principle that we must have quality, affordable health care for every American."



## Workforce Training and Development

- ▣ Increase the number of GME training positions by redistributing currently unused slots, priority given to primary care and general surgery and to states with the lowest resident physician-to-population ratios ; promote training in outpatient settings; and ensure the availability of residency programs in rural and underserved areas. (2011)
- ▣ Establish Teaching Health Centers: community-based, ambulatory patient care centers, including federally qualified health centers eligible for payments for the expenses associated with operating primary care residency programs. (2011)
- ▣ Increase scholarships and loans; support primary care training; train and recruit providers to serve in rural areas; provide medical residents with training in preventive medicine & public health. Support the development of interdisciplinary mental and behavioral health training programs and establish a training program for oral health professionals. (2010)

Commonwealth Fund and Kaiser Family Foundation

## Workforce Training and Development

- ▣ Establish a new trauma center program to strengthen emergency department and trauma center capacity, fund research on emergency medicine, and evaluate innovative models for emergency care systems. (2011)
- ▣ Impose additional requirements on non-profit hospitals to conduct a community needs assessment every three years and adopt an implementation strategy to meet the identified needs.
- ▣ Adopt and widely publicize a financial assistance policy that indicates whether free or discounted care is available and how to apply for that assistance.
- ▣ Limit charges to patients who qualify for financial assistance to the amount generally billed to insured patients, and make reasonable attempts to determine eligibility for financial assistance before undertaking extraordinary collection actions.
- ▣ Impose a tax of \$50,000 per year for failure to meet these requirements.

## Physician Workforce

Job opportunities should be very good, particularly in rural and low-income areas.

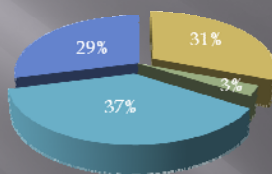
- ▣ Employment of physicians and surgeons is projected to grow 22 percent from 2008 to 2018, much faster than the average for all occupations. (Bureau of Labor Statistics). The growing population (as well as the growth in Baby Boomers) will drive overall growth in the demand for physician services, as consumers continue to demand high levels of care using the latest technological advances, diagnostic and therapeutic modalities. Many medical schools are increasing their enrollments based on perceived new demand for physicians, mainly primary care.
- ▣ However, this growth in demand may not necessarily lead to a growth in physician supply. For example, new technologies allow physicians to be more productive, diagnosing and treating more patients in the same amount of time. Physician assistants and nurse practitioners may be increasingly used. Furthermore, demand for physicians' services is highly sensitive to changes in healthcare reimbursement policies. As consumers become more responsible for out-of-pocket costs, the demand will be less.

## Medicare Participation Survey – Surgeons

- ❑ Current Medicare participation status
- ❑ Future Medicare participation status if a 21% payment cut goes into effect
- ❑ Changes Medicare participating physician plan on making in their practices if a 21% payment cut goes into effect
- ❑ 13,834 physicians participated in the survey

Surgical Coalition – Nationwide survey

### If Medicare reimbursement to physicians is cut by over 21%



■ I will remain a Medicare participating physician

■ I will remain a Medicare non-participating physician

■ I will change my status to non-participating

■ I will opt out of Medicare for two years and privately contract with Medicare patients

## Consequences of further reductions in Medicare payments

Limit the number of Medicare patient appointments	69%
Reduce time spent with Medicare patients	47%
Begin referring complex cases	46%
Stop providing certain services	45%
Defer purchase of new medical equipment	44%
Reduce staff	43%
Defer purchase of information technology	32%
Significantly reduce workload/hours	17%
Shift services from office to hospital	16%
Discontinue rural outreach services	9%
Close satellite offices	8%
Discontinue nursing home visits	6%
Relocate	4%
Retire	4%
Close/sell practice	4%
Stop providing any patient care	1%

## Benchmarking Survey 2009

Specialty	Percentage of searches*
Family practice	9.6%
Hospitalists	9.2%
Internal Medicine	8.1%
Pediatrics	7.0%
Obstetrics/gynecology	4.8%
Orthopedic Surgery	4.0%
Emergency Medicine	3.7%
Psychiatry	3.3%
Surgery	2.6%

\*4,157 searches

Association of Staff Physician Recruiters and MGMA, 2009

## Conclusion

- ▣ Be involved!
  - Consumers, constituents, and healthcare providers

## Other ways to get involved

- ▣ Come to Washington, DC
  - American Medical Association National Advocacy Conference, March 1 – 3, 2010
  - Joint Surgical Advocacy Conference, July 25 – 27, 2010
- ▣ Meet with Members of Congress
- ▣ Participate in PACs
- ▣ National ACO Summit, June 7 -9, 2010



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