Effective Physician Recruiting for a New Era of Healthcare

AMGA HR Leadership Council
March 9, 2016
Agenda

- Understanding the Physician Recruitment Landscape
- Physician Expectations & Preferences
- Best Practices for Attracting & Securing Physician Talent
- Building Physician Engagement
Understanding the Landscape

MOST COMPETITIVE RECRUITING MARKET IN U.S. HISTORY

SHRINKING SUPPLY
Primary Care Physician gap = 12,000 to 31,000 by 2025
Cost of Primary Care Physician Vacancy = ► $1 million per physician per year

GROWING DEMAND
- 10,000 new Medicare-eligible each day
- 83% with >1 chronic diseases
- 23% with >5 chronic diseases
- 30M insured under 65 by 2017

Source: NEJM Recruiting Physician Today 2012
Association of American Medical Colleges 2015
FEW PHYSICIANS ACTIVELY SEEKING JOB CHANGE

- Only 4% of physicians are very actively looking for employment
- 77% of physicians are not actively looking for employment; including Tiptoers it’s 86%
- Requires constant outreach to passive candidates

Source: Understanding the Passive Jobseeker, NEJM Career Center 2013
Understanding the Landscape

U.S. PRIMARY CARE JOB MARKET IS RESOURCE-CONSTRAINED

<table>
<thead>
<tr>
<th></th>
<th>Open Jobs</th>
<th>Total Physicians</th>
<th>Job-Seeking Physicians</th>
<th>Cands: Job</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Care</td>
<td>8,688</td>
<td>233,774</td>
<td>9,351</td>
<td>1.1:1</td>
</tr>
<tr>
<td>Internal Medicine</td>
<td>5,114</td>
<td>127,452</td>
<td>5,098</td>
<td>0.9:1</td>
</tr>
<tr>
<td>Family Medicine</td>
<td>10,070</td>
<td>106,024</td>
<td>4,241</td>
<td>0.4:1</td>
</tr>
</tbody>
</table>

Even more competitive in certain markets

Source: Kaiser Family Foundation/ Redi-Data January 2016, Wanted Analytics January 2016
Rural areas continue to offer more incentives

Source: Medscape 2016

* Includes Alaska
** Includes Hawaii
Motivations Toward Employment

Hospital Motivations
- New market/market share
- Drive profitable service lines
  - Cover ED call
  - Fill a shortage
- Outpace competition
- Quality improvement
- Pay-for-Performance

Physician Motivations
- Work/life balance
  - Less call
  - Stability
  - Collegiality
- Avoid medical practice complexities
  - Access to technology/EMR
  - Malpractice coverage

Source: Health Affairs Report of Community Tracking Study 2012
Gender Distribution: Family Medicine

Source: American Medical Association (AMA)
### Preferred Practice Settings

<table>
<thead>
<tr>
<th>Practice Setting</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Specialty Group</td>
<td>46.2%</td>
</tr>
<tr>
<td>Multi-Specialty Group</td>
<td>43.0%</td>
</tr>
<tr>
<td>Integrated Delivery System</td>
<td>25.8%</td>
</tr>
<tr>
<td>Hospital</td>
<td>24.7%</td>
</tr>
<tr>
<td>Health System</td>
<td>19.4%</td>
</tr>
<tr>
<td>Solo Practice</td>
<td>18.3%</td>
</tr>
<tr>
<td>Managed Care</td>
<td>8.6%</td>
</tr>
<tr>
<td>No Preference</td>
<td>8.6%</td>
</tr>
</tbody>
</table>

Source: Cejka Search Survey of 2016 Family Medicine Residents
2016 Family Medicine Residents

Benefits Rated *Very Important*

- Malpractice Insurance: 76.2%
- Medical/Dental Insurance: 70.2%
- Vacation Time: 68.8%
- Tail Coverage: 68.1%
- 401(k) / Retirement: 61.7%
- CME Time: 58.1%
- CME Reimbursement: 53.2%
- Relocation Assistance: 48.9%
- Life Insurance: 48.4%
- Disability Insurance: 40.4%
- Profit Sharing: 32.3%

Source: Cejka Search Survey of 2016 Family Medicine Residents
2016 Family Medicine Residents

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call Pay</td>
<td>42.9%</td>
</tr>
<tr>
<td>Signing Bonus Paid at Signing</td>
<td>38.0%</td>
</tr>
<tr>
<td>Production Incentive</td>
<td>37.8%</td>
</tr>
<tr>
<td>Educational Loan Repayment</td>
<td>29.4%</td>
</tr>
<tr>
<td>4-Day Work Week</td>
<td>28.9%</td>
</tr>
<tr>
<td>Time to Partnership</td>
<td>25.3%</td>
</tr>
<tr>
<td>Signing Bonus Paid on Start Date</td>
<td>25.0%</td>
</tr>
<tr>
<td>Monthly Stipend During Training</td>
<td>21.1%</td>
</tr>
<tr>
<td>Part-time (&lt; 50%)</td>
<td>18.4%</td>
</tr>
<tr>
<td>Job Share</td>
<td>17.9%</td>
</tr>
<tr>
<td>Temporary Housing / Housing Allowance</td>
<td>17.8%</td>
</tr>
<tr>
<td>Part-time (&gt; 50%)</td>
<td>17.6%</td>
</tr>
</tbody>
</table>

Source: Cejka Search Survey of 2016 Family Medicine Residents
2016 Family Medicine Residents

Sign-on Bonus Expectations

- $16,000 - $20,000: 30.8%
- $15,000 or less: 24.2%
- $21,000 - $25,000: 24.2%
- $26,000 - $50,000: 13.2%
- $50,000 or more: 7.7%

Source: Cejka Search Survey of 2016 Family Medicine Residents
## 2016 Family Medicine Residents

### Sign-on Bonus Expectations

<table>
<thead>
<tr>
<th>Factor</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Close to Family</td>
<td>77.3%</td>
</tr>
<tr>
<td>Relocation/Lifestyle</td>
<td>53.4%</td>
</tr>
<tr>
<td>Personal Ties</td>
<td>34.1%</td>
</tr>
<tr>
<td>Trained in Area</td>
<td>29.6%</td>
</tr>
<tr>
<td>Previous Resident</td>
<td>13.6%</td>
</tr>
<tr>
<td>Reputation of Organization</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

**Source:** Cejka Search Survey of 2016 Family Medicine Residents
2016 Family Medicine Residents

Preferred Communities

- Suburban Community: 50.0%
- Rural Community: 27.0%
- Metropolitan Community: 23.3%

Source: Cejka Search Survey of 2016 Family Medicine Residents
2016 Family Medicine Residents

Benefits and Incentives for a Less Desirable Location

- Increased Compensation: 74.2%
- Shorter Work Schedule: 47.2%
- Additional Signing Bonus: 43.8%
- Better Call Schedule: 39.3%
- Loan Assistance: 24.7%
- Higher Production Bonus: 20.2%
- State-of-the-Art Equipment: 13.5%
- Payor Mix: 5.6%

Source: Cejka Search Survey of 2016 Family Medicine Residents
2016 Family Medicine Residents

Preferred Compensation

- Income Guarantee: 3.5%
- Salary: 10.5%
- Salary with Production Incentive: 86.0%

Source: Cejka Search Survey of 2016 Family Medicine Residents
## Compensation: Family Medicine (without OB)/ Outpatient Only

### Starting Salary

<table>
<thead>
<tr>
<th>Measure</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>$241,380</td>
</tr>
<tr>
<td>25\textsuperscript{th} %tile</td>
<td>$180,328</td>
</tr>
<tr>
<td>Median</td>
<td>$221,419</td>
</tr>
<tr>
<td>75\textsuperscript{th} %tile</td>
<td>$280,537</td>
</tr>
</tbody>
</table>

*Source: 2015 Medical Group Management Association Physician Compensation & Production Survey Based on 2014 Data*
Best Practices: Attracting & Securing Physician Talent
Attracting Physicians

TODAY’S MARKET REQUIRES A FRESH APPROACH

- Digital, social and mobile channels
  - 72% of placements from digital media
  - Right message, right channel
  - Engage passive job seekers
- Employer brand of choice
  - Transparency into culture & values
  - Social referrals
- Relationship networking
  - Affinity groups, training programs, etc.
Design Competitive & Creative Offers
Increase Probability of Hiring

- Shared Call
- Part-time and flex schedules
- Final year stipend
- Outpatient only
- Loan repayment
- Signing bonus
- Adapt to candidate skill sets
- Job share
Create a Red Carpet Experience

STAND OUT FROM OTHER POTENTIAL EMPLOYERS:

- Arrange transportation
- Determine individual needs/interests in advance
- Include spouse/significant other and family
- Arrange time with peers
- Clarify role/topics of all interviews
- Provide a knowledgeable representative as a guide
It’s a Candidate’s Market

- BEFORE
- DURING
- AFTER

CREATE POSITIVE & MEMORABLE IMPRESSIONS
Foundation for Long-Term Success
# Career Satisfaction for IM, FM Low

How Do Physicians Rank by Overall Career Satisfaction?

<table>
<thead>
<tr>
<th>Field</th>
<th>Overall</th>
<th>Satisfied w/income</th>
<th>Choose medicine</th>
<th>Choose specialty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dermatology</td>
<td>65%</td>
<td>64%</td>
<td>53%</td>
<td>77%</td>
</tr>
<tr>
<td>Psychiatry &amp; Mental Health</td>
<td>58%</td>
<td>59%</td>
<td>60%</td>
<td>54%</td>
</tr>
<tr>
<td>Pediatrics</td>
<td>56%</td>
<td>54%</td>
<td>63%</td>
<td>52%</td>
</tr>
<tr>
<td>HIV/ID</td>
<td>56%</td>
<td>46%</td>
<td>67%</td>
<td>55%</td>
</tr>
<tr>
<td>Oncology</td>
<td>56%</td>
<td>52%</td>
<td>58%</td>
<td>58%</td>
</tr>
<tr>
<td>Emergency Medicine</td>
<td>56%</td>
<td>61%</td>
<td>61%</td>
<td>46%</td>
</tr>
<tr>
<td>Rheumatology</td>
<td>53%</td>
<td>46%</td>
<td>61%</td>
<td>54%</td>
</tr>
<tr>
<td>Pathology</td>
<td>53%</td>
<td>59%</td>
<td>50%</td>
<td>51%</td>
</tr>
<tr>
<td>Cardiology</td>
<td>53%</td>
<td>44%</td>
<td>55%</td>
<td>61%</td>
</tr>
<tr>
<td>Ophthalmology</td>
<td>53%</td>
<td>42%</td>
<td>56%</td>
<td>61%</td>
</tr>
<tr>
<td>Critical Care</td>
<td>53%</td>
<td>51%</td>
<td>58%</td>
<td>50%</td>
</tr>
<tr>
<td>Gastroenterology</td>
<td>52%</td>
<td>47%</td>
<td>51%</td>
<td>59%</td>
</tr>
<tr>
<td>Orthopedics</td>
<td>51%</td>
<td>45%</td>
<td>44%</td>
<td>64%</td>
</tr>
<tr>
<td>Radiology</td>
<td>51%</td>
<td>53%</td>
<td>45%</td>
<td>54%</td>
</tr>
<tr>
<td>Urology</td>
<td>50%</td>
<td>42%</td>
<td>55%</td>
<td>54%</td>
</tr>
<tr>
<td>Family Medicine</td>
<td>50%</td>
<td>50%</td>
<td>67%</td>
<td>32%</td>
</tr>
<tr>
<td>Anesthesiology</td>
<td>50%</td>
<td>54%</td>
<td>47%</td>
<td>48%</td>
</tr>
<tr>
<td>Diabetes &amp; Endocrinology</td>
<td>49%</td>
<td>41%</td>
<td>57%</td>
<td>50%</td>
</tr>
<tr>
<td>Ob/Gyn &amp; Women's Health</td>
<td>48%</td>
<td>42%</td>
<td>60%</td>
<td>43%</td>
</tr>
<tr>
<td>Nephrology</td>
<td>48%</td>
<td>41%</td>
<td>59%</td>
<td>43%</td>
</tr>
<tr>
<td>General Surgery</td>
<td>48%</td>
<td>43%</td>
<td>48%</td>
<td>52%</td>
</tr>
<tr>
<td>Pulmonary Medicine</td>
<td>48%</td>
<td>39%</td>
<td>63%</td>
<td>40%</td>
</tr>
<tr>
<td>Internal Medicine</td>
<td>47%</td>
<td>46%</td>
<td>68%</td>
<td>27%</td>
</tr>
<tr>
<td>Neurology</td>
<td>47%</td>
<td>39%</td>
<td>56%</td>
<td>45%</td>
</tr>
<tr>
<td>Plastic Surgery</td>
<td>45%</td>
<td>37%</td>
<td>41%</td>
<td>57%</td>
</tr>
</tbody>
</table>

Source: Medscape
**Physician Retention**

**FIRST STEP IN RETENTION IS ENSURING THE “RIGHT FIT”**

- Internal clarity on role & requirements
- Past success: best predictor of future results
- Behavioral interviewing questions
- Interviews in a variety of settings, including social and informal
- Thorough reference checks; Speak to those who know them best
Creating a Culture of Engagement

GIVE PHYSICIANS A SEAT AT THE TABLE

- Representation on boards & committees
- Clinical input on major initiatives to gain buy-in upfront:
  - Technology requirements
  - Quality metrics
  - Value-based compensation & incentives
  - Care-transition/ Care-team planning
  - Financial improvement measures
  - Workflow planning
- Select physicians who can serve as “mission” ambassadors
- Align compensation & other incentives with facility goals
- Clear frequent communication on goals & initiatives, including the financial and medical evidence behind each.
Questions?

Contact:

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cdevita@cejkasearch.com