

**Iroquois Healthcare Alliance  
Member Hospital Survey on Physician Recruitment and  
Retention**

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**Preliminary Findings**

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## Executive Summary

With the release of the latest profile of the New York physician workforce, the recommendations of the Berger Commission, and the realization that a national physician shortage is looming, assessing the adequacy of the supply of physicians to meet the health care needs in the state has become a priority. As the state's population ages, it is unclear whether the supply of physicians will be sufficient to meet growing demand for health services.

There is increasing concern that the changing distribution of physicians in upstate<sup>1</sup> New York is threatening the ability of hospitals to deliver basic health services in a number of upstate communities. Some upstate hospitals report canceling elective surgeries or diverting some emergency services because they do not have the appropriate medical personnel to provide the service. Some upstate hospitals report greater difficulty recruiting and retaining physicians for positions both in their hospitals and in their communities.

To more fully understand the scope of this problem and the issues surrounding it, the Center for Health Workforce Studies (the Center) at the University at Albany School of Public Health, in collaboration with the Iroquois Healthcare Alliance (IHA), conducted a survey of IHA member hospitals (see Figure 1) in early 2007. The survey included questions on:

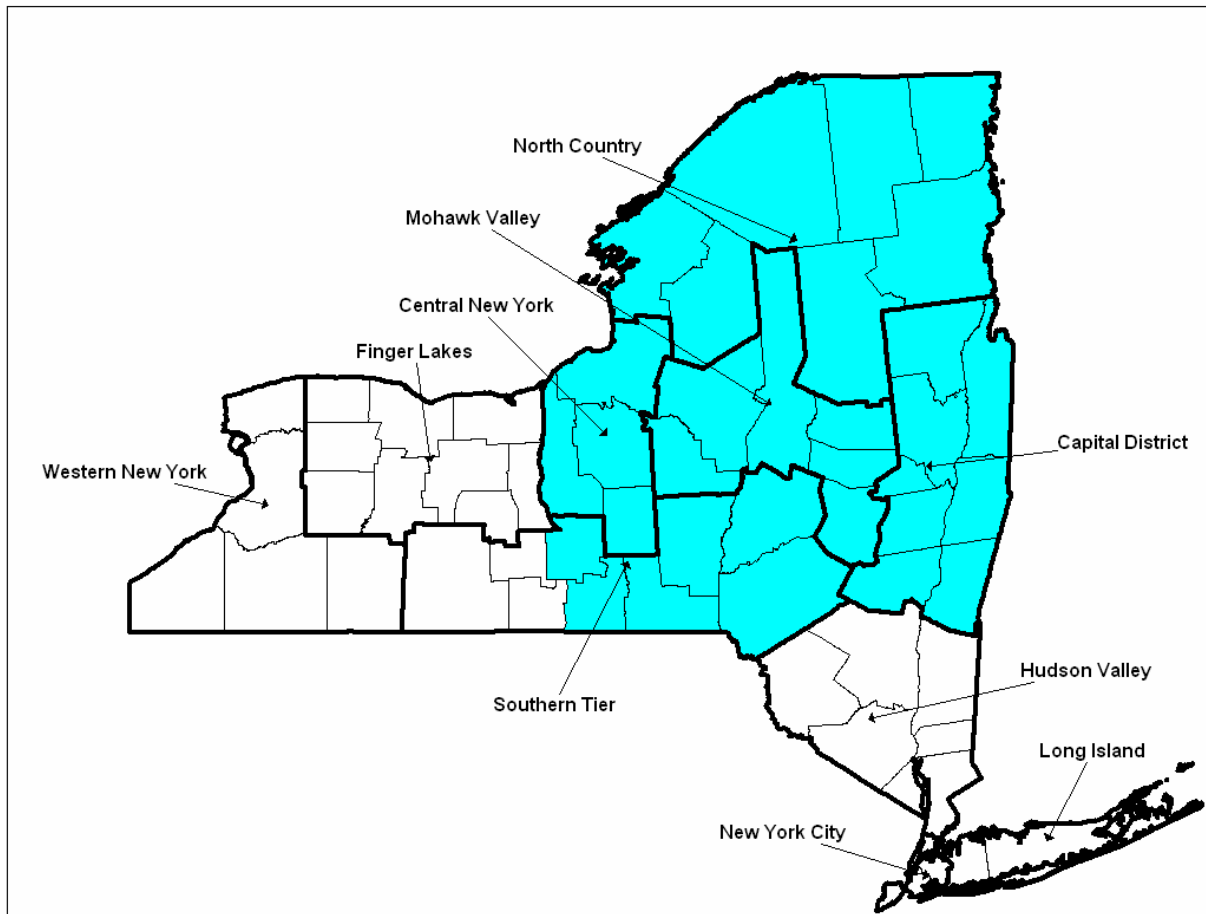
- Physician vacancies, both in the hospital and in the community;
- Reasons for these vacancies;
- Variation in recruitment and retention difficulties by physician specialty;
- Resources dedicated to physician recruitment and retention;
- Strategies used for physician recruitment and retention; and
- The relative effectiveness of the recruitment and retention strategies employed.

The survey was sent to the chief executive officers of the 56 member hospitals in the IHA. Thirty-six hospitals returned surveys for a response rate of 68%. This executive summary summarizes preliminary survey findings and considers these findings in context with other available data on the supply and distribution of physicians in New York as well as the job market for new physicians. The final report is expected to be released later this summer.

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<sup>1</sup> For the purposes of this report, "upstate" New York includes all of the counties in New York except Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, and Westchester – which are defined as "downstate" New York.

Figure 1. Regional Coverage of Iroquois Healthcare Alliance



*The regional coverage of the IHA consists of North Country, Capital District, Mohawk Valley, Central New York, and Southern Tier Department of Labor workforce regions with the exceptions of three counties in the Southern Tier: Steuben, Schuyler, and Chemung.*

## Key Findings

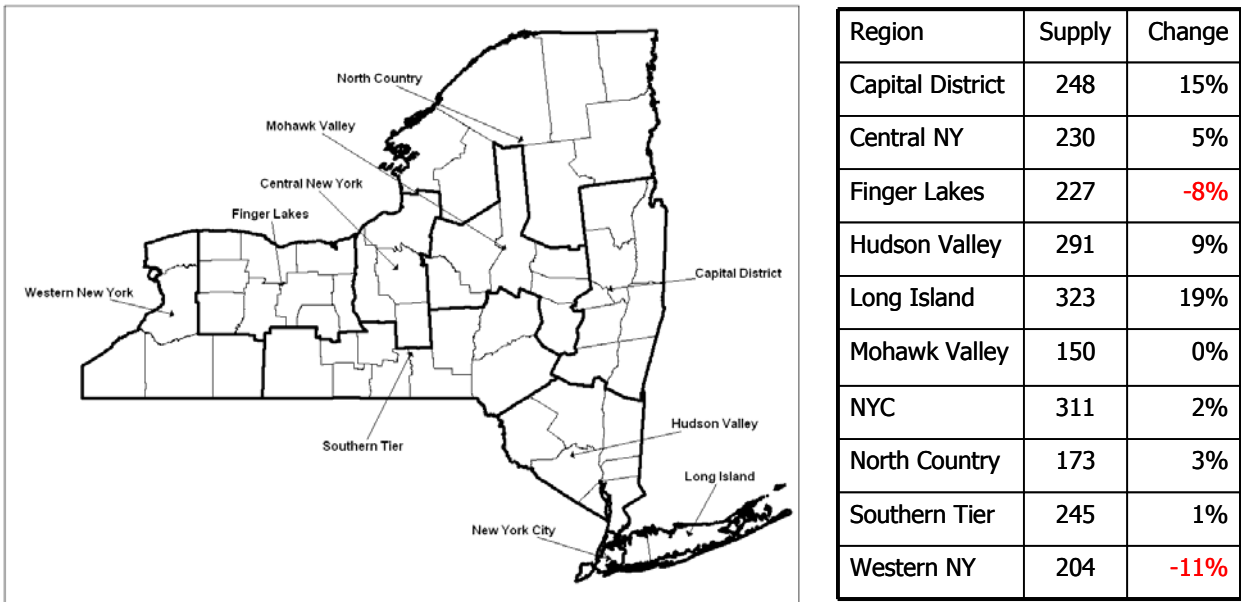
**Member hospitals reported available physician vacancies both in and out of their facilities.**

All of the hospitals in the IHA reported physician practice opportunities in their communities and most (82%) reported vacancies for hospital physician positions. There were more practice opportunities for surgical specialists and primary care physicians than all other physician specialties.

Nearly half of member hospitals (46%) attributed their physician vacancies to an overall shortage of physicians in the region. Some respondents in rural areas cited their location as the primary reason for physician vacancies.

The distribution of physicians in New York is changing, with fewer physicians in many upstate areas (see Figure 2). Between 2001 and 2005, full-time equivalent (FTE) active patient care physicians per capita grew by 5% in New York. However, many regions in upstate New York saw little or no growth in physician supply and some regions saw declines in physicians per capita over that time. Declines were most dramatic in the Western New York and Finger Lakes regions, which saw reductions in physicians per capita of 11% and 8%, respectively. Of the regions that are part of the IHA, only the Capital District saw physician growth that exceeded the state average.

Figure 2. Supply and Change of FTEs per 100,000 population, 2001-2005



Furthermore, in 2005 there were fewer physicians per capita in upstate New York than downstate. There were 219 FTE physicians per capita in upstate New York compared to 320 in downstate New York<sup>2</sup>.

<sup>2</sup> Annual New York Physician Workforce Profile, 2006 Edition Center for Health Workforce Studies, December, 2006.

**Surgical specialists were the most difficult to recruit and retain for positions in the hospital and in the community, while primary care physicians were the least difficult to recruit and retain. Hospitals in rural locations<sup>3</sup> had more difficulty recruiting and retaining physicians in all specialties.**

An important source for new physicians in New York is its residency programs. According to the 2005 survey of residents completing training in New York<sup>4</sup>, the physician job market was strong, i.e., fewer new physicians reported difficulty finding practice opportunities than in previous years. Of those physicians who had difficulty finding a job, nearly half reported that the main reason was “lack of jobs in desired location.” Resident Exit Survey results indicated that demand for specialists was much stronger than demand for primary care physicians. Specialists in greatest demand included urologists, cardiologists, anesthesiologists, dermatologists, and gastroenterologists.

**The vast majority of IHA hospitals dedicate resources to the recruitment and retention of physicians.**

Most hospitals, regardless of size, used outside recruitment agencies. Large hospitals were more likely than small hospitals<sup>5</sup> to employ staff dedicated to recruiting and retaining physicians. Chief executive officers (CEOs) of small hospitals spent nearly three times as much time recruiting and retaining physicians than their counterparts in large hospitals.

**Hospitals used a variety of financial incentives to recruit and retain physicians, with varying levels of success.**

Hospitals reported using a number of different financial incentives to attract and retain physicians. Income guarantee was identified as the most effective financial incentive used to recruit and retain physicians. Debt payment assistance was also identified as an effective retention strategy.

## **Discussion**

While the overall number of physicians in New York has grown, some upstate regions have seen little or no growth in physician supply, while others have seen a reduction in the supply of physicians between 2001 and 2005. Hospital CEOs reported that the main cause of physician vacancies was an overall shortage of physicians in the area. Some believed that physician vacancies were attributable to their hospital’s rural location. Demographic changes in New York are expected to result in older adults becoming a larger percentage of the upstate population. This

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<sup>3</sup> Rural hospitals are defined using Rural Urban Commuting Area (RUCA) Codes (see <http://depts.washington.edu/uwruca/index.html>). For the purposes of this report, rural hospitals are located in zip codes that are coded between 7 and 10.

<sup>4</sup> *Residency Training Outcomes by Specialty in 2005 for New York: A Summary of Responses to the 2005 Resident Exit Survey.* Center for Health Workforce Studies, June, 2006.

<sup>5</sup> For the purposes of this report, hospitals with more than 155 beds were considered “large” hospitals, while those with 155 beds or less were considered “small” hospitals.

shift will increase demand for health services and it is unclear whether the supply of upstate physicians will be sufficient to meet the need.

An important source of new physicians in New York is the state's residency programs. For the past decade, New York has retained about half of the physicians who trained in the state. However, physicians practicing in upstate New York were much less likely to have trained in New York than their downstate counterparts. IHA survey findings were consistent with Resident Exit Survey findings. Surgical specialists who were in great demand overall were the most difficult for upstate hospitals to recruit and retain. Primary care physicians, who faced a much weaker job market, were less difficult for upstate hospitals to recruit and retain. It will be important to understand the factors that influence practice decisions of newly trained doctors in order to identify the most effective policies and programs that can attract them to the areas of the state in greatest need of their services.

Hospitals, regardless of size, reported investing considerable resources in physician recruitment and retention. Large hospitals reported using more resources for both physician recruitment and retention than small hospitals. CEOs of small hospitals, on the other hand, were more likely to spend time recruiting and retaining physicians than their large hospital counterparts. Hospital size did not have much effect on the types of strategies used to recruit and retain physicians. A variety of financial incentives were employed to recruit and retain physicians. Income guarantee was cited as the most effective recruitment and retention strategy. Debt payment assistance was also considered a successful retention strategy. It will be important to better evaluate the level of investment made by upstate hospitals and its impact on the recruitment and retention of physicians to serve their communities.

As demand for health services continues to grow, the changing distribution of physicians in upstate New York could limit access to medical services in many communities. Further research is needed to better understand the long-term consequences for residents of upstate New York and the health care systems that serve them. Will growing demand in other states affect New York's ability to recruit and retain physicians trained in New York? What specialties are of greatest concern? What programs and policies are needed to establish and sustain physician practices in areas where changing distribution of physicians affects access to health care services?

In planning ahead, it is important to consider that physician shortages are likely in the future. New York's stakeholders must work collaboratively to support data collection and analysis on trends in the state's medical workforce and to support the programs and policies required to address the problem of physician maldistribution.