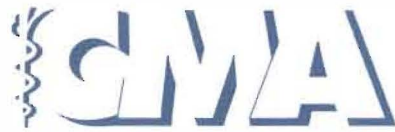


## California Physician Workforce Presentation

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# 5 Issues Facing California's Physician Workforce



**California Medical Association**

*Physicians dedicated to the health of Californians*

*Mark Kashtan & Christina Lee*

*Presented to the Medical Board of California*

*July 29, 2011*

# Issue 1: The Physician Pipeline

## Medical School

- California has the #1 retention rate for medical school graduates in the nation (62%)
- However, only 41% of medical students from California are able to attend an in-state medical school
- As a result, only 26% of active patient care physicians in California were educated in-state

# Issue 1: The Physician Pipeline

## Graduate Medical Education

- California has the #2 retention rate for medical residents in the nation (69%)
- However, California ranks 32<sup>nd</sup> among states in its resident-to-population ratio (25.1/100k vs. a national average of 35.7/100k)
- Medicare funding for GME has been frozen since 1997
- Medi-Cal funding for GME is undersized and unreliable

## Issue 2: Practice Environment

- CA has the 4<sup>th</sup> lowest Medicaid (Medi-Cal) rates in the US, paying on average 56% of the Medicare fee schedule
- CA has the 4th highest cost-of-living in the country, at 132% of the national average
- PPACA: will expand Medi-Cal to 1.7 million currently uninsured Californians, and subsidizes coverage for 1.4 million more
- MICRA keeps medical liability insurance premiums low



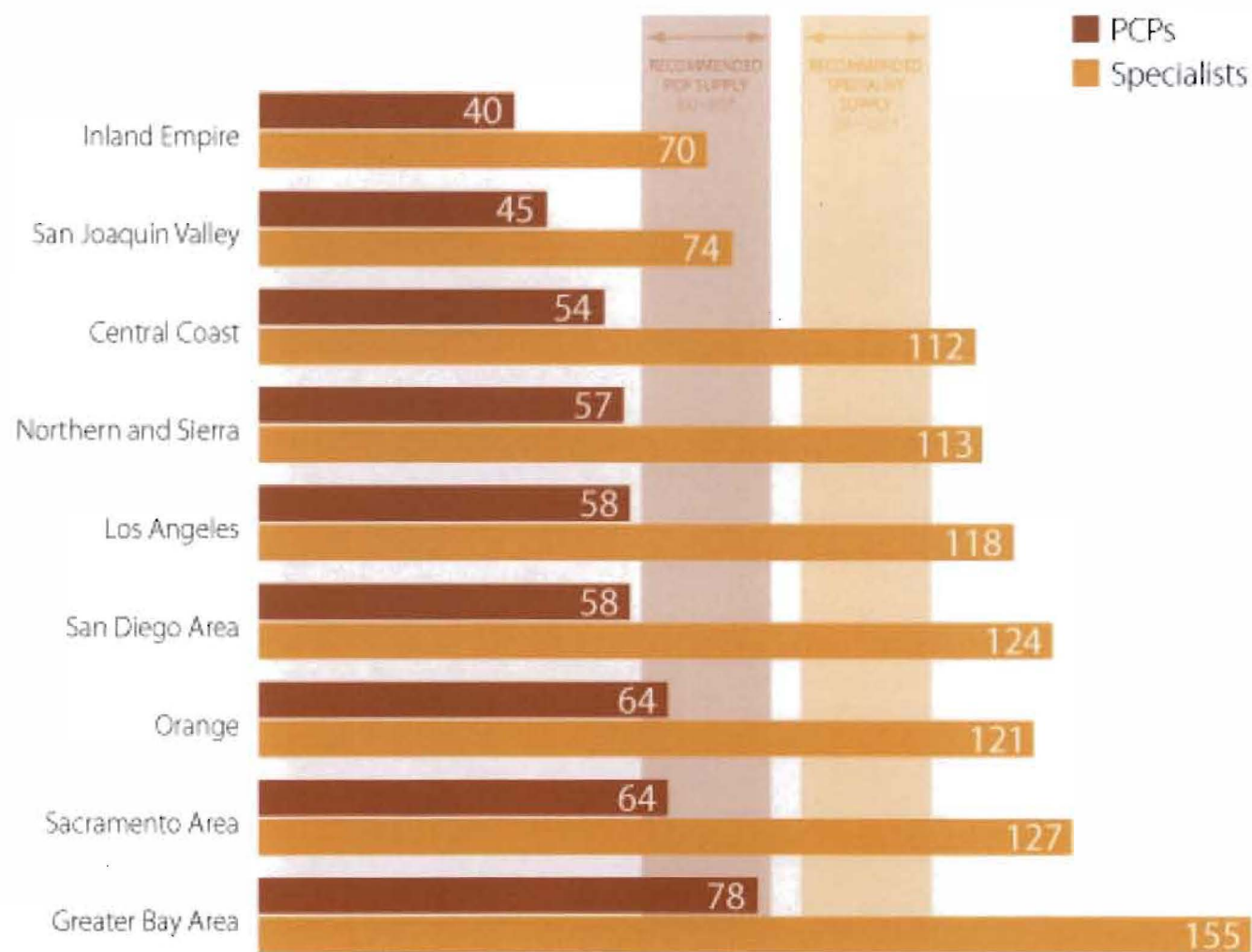
## Issue 3: Primary Care Shortage

- 74% of CA's 58 counties have an undersupply of primary care physician's according to COGME standards
- Primary care physician's make up 34% of California's physician workforce
- Likewise, primary care residencies currently represent about 1/3<sup>rd</sup> of GME positions
- Primary care residencies draw lower levels of interest among graduating medical students compared to other specialties

## Issue 3: Primary Care Shortage

- Public medical school tuition increased 11.1% annually from 2001 to 2006 and continues to grow
- 86% of medical students are now graduating with outstanding loans, and the average amount of debt for a medical student graduating in 2009 was \$156,456
- PCP's average 70% of the median income for all doctors
- PCP's in CA make only 88% of the national average income

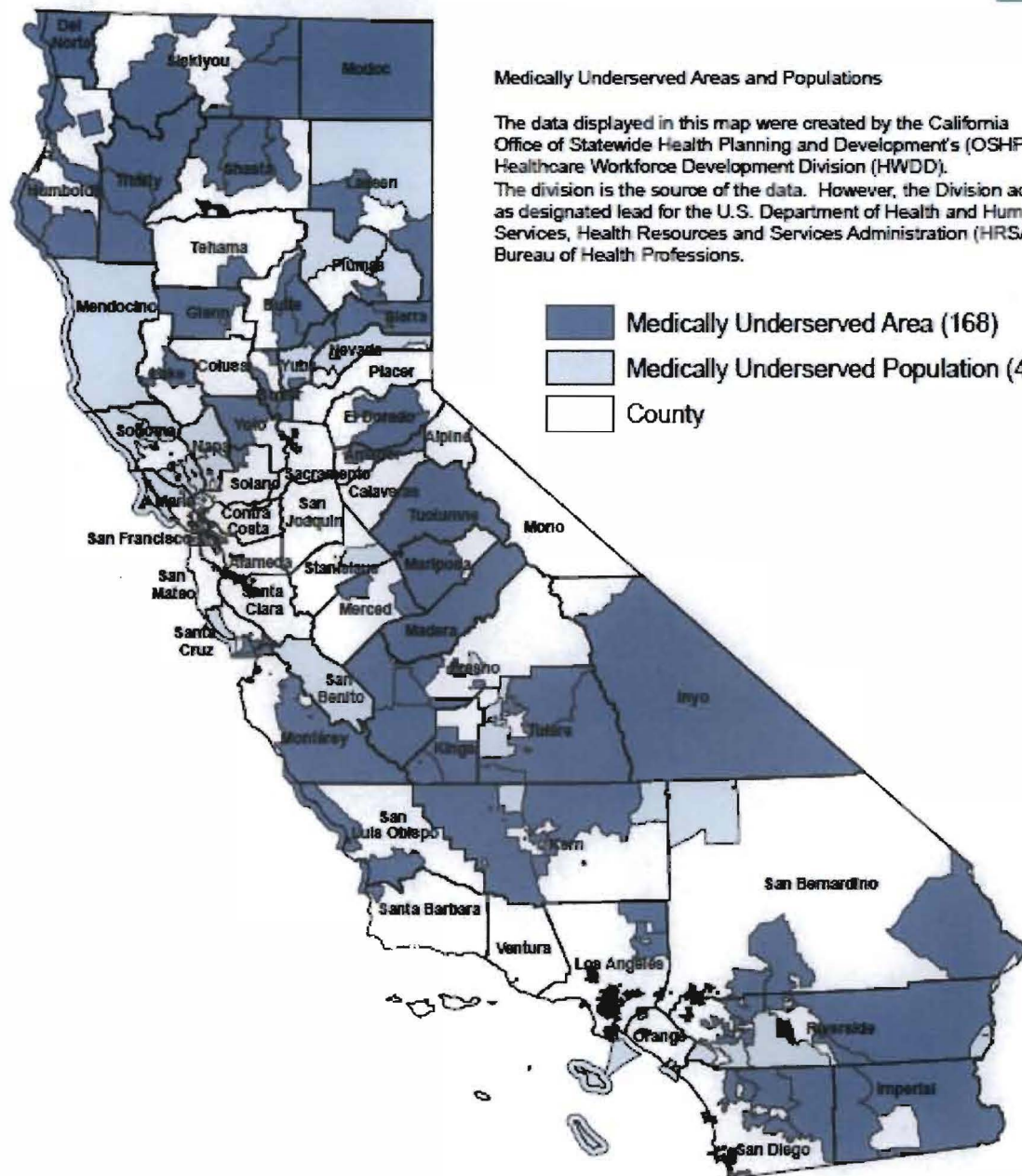
## Active PCPs and Specialists per 100,000 Population, California Regions, 2008





## Issue 4: Geographical Distribution

- The distribution of physicians across California is extremely uneven
- There are over 200 distinct areas and populations in California designated as Medically Underserved
- There is considerable overlap between Medically Underserved Areas and regions with a high proportion of Medi-Cal patients
- In 2008, only 57% of physicians were able to accept new Medi-Cal patients due to low reimbursement rates

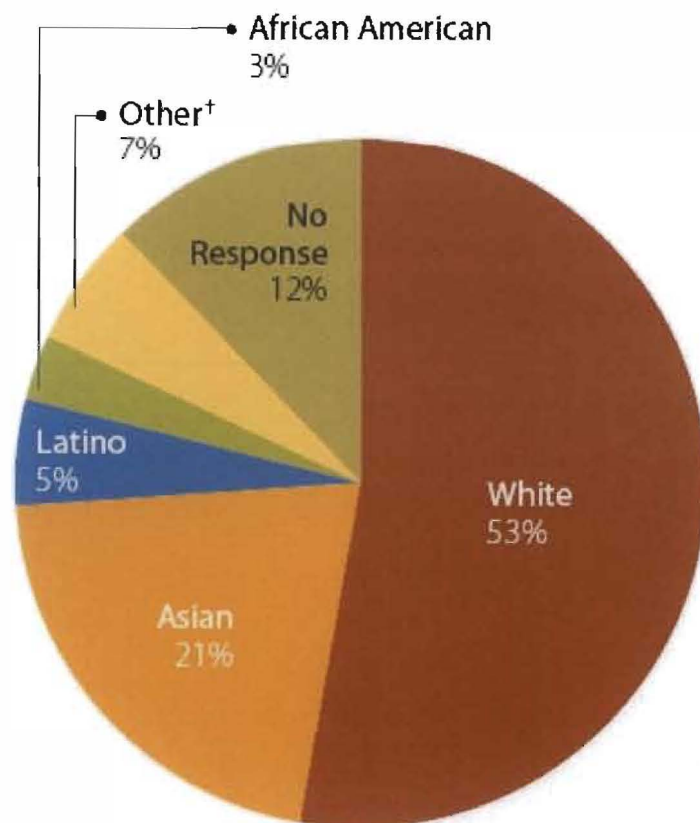


# Medically Underserved Areas and Populations

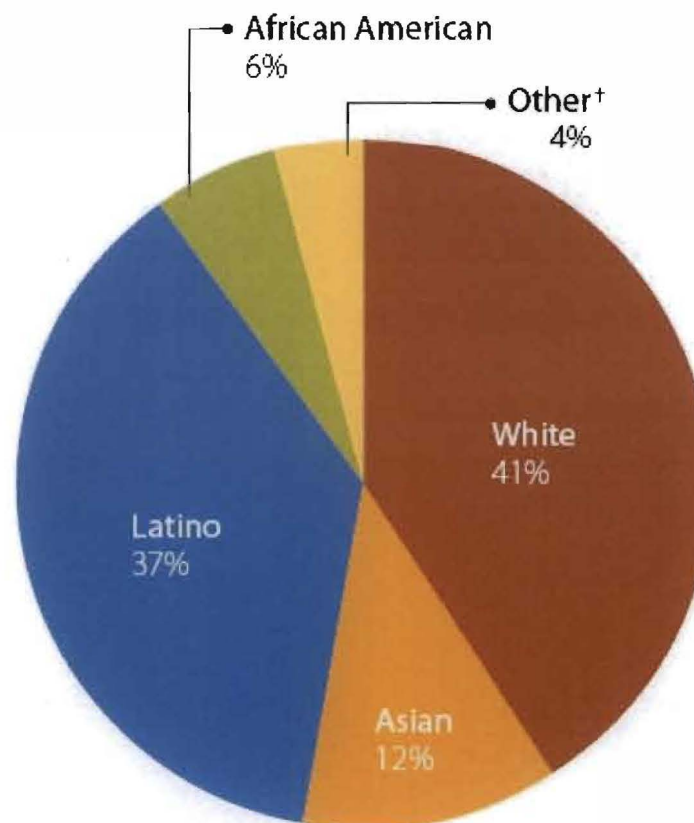
October 2010

# Issue 5: Ethnic and Racial Diversity

PHYSICIANS\*



CALIFORNIA POPULATION





## Issue 5: Ethnic and Racial Diversity

- Minority physicians are more likely to practice in primary care and work in low income areas and underserved communities
- Studies indicate that many minority patients prefer physicians of their own race and ethnicity because of:
  - Belief in better and more personal care
  - Language barriers
  - Culturally competent care



# What Strategies Are Being Discussed?

# Issue 1: The Physician Pipeline

- Increase medical school enrollment in California
  - Expand class sizes at existing schools
  - Build new schools (UC Riverside and UC Merced)
- Expand the number of residency slots in California
  - Short term: independent sources of GME funding
  - Long term: federal reform of the Medicare funding freeze and the Medicaid FMAP formula
  - Long term: new primary source of GME funding (All Payer?)

## Issue 2: Practice Environment

- Uphold the MICRA cap to contain medical liability insurance premiums
- Increase Medi-Cal payments

## Issue 3: Primary Care Shortage

- Increase scholarships/grants for medical students to reduce medical education debt
- Increase compensation for primary care services
- Develop a shortened primary care education track



## Issue 4: Geographical Distribution

- Expand existing state loan repayment programs for PCPs and specialists working in underserved areas
- Increase Medi-Cal payments (Again!)
- Expand medical schools' rural training programs
- Develop rural and community-based residency programs

## Issue 5: Ethnic and Racial Diversity

- Recruit more students from underserved communities
  - Premedical advising services for youths
  - Clinical mentorship opportunities
  - Post-baccalaureate premedical programs
- Reduce financial barriers
  - Stop tuition hikes
  - Offer more scholarships and grants to students with ethnically and economically diverse backgrounds
- Develop medical education programs and continuing medical education courses that focus on culturally competent care