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Primary Causes of U.S. Physician Scarcity

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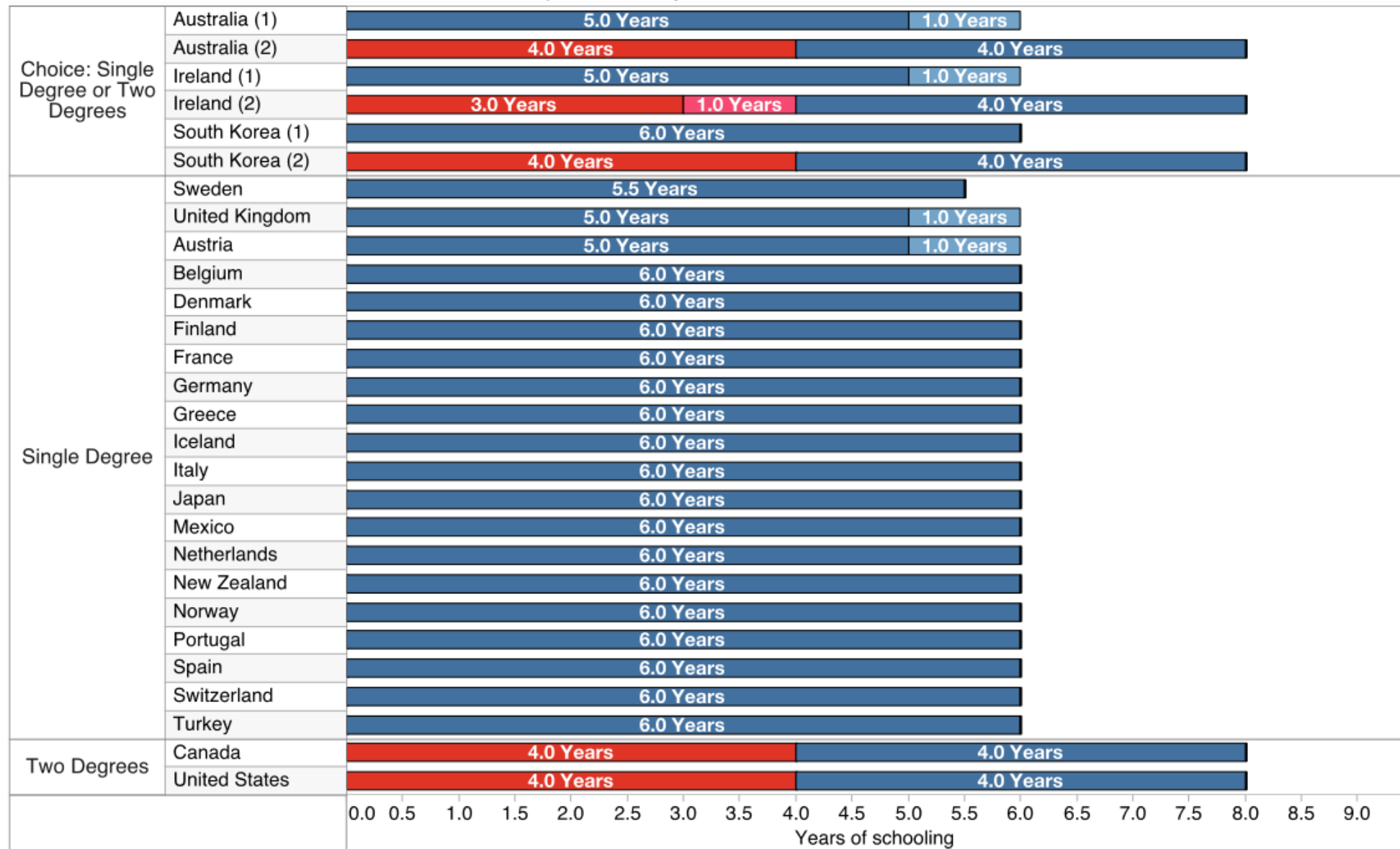
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#1 Longer medical education pathway

Key points:

- Apart from Canada, the United States is the only rich country requiring prospective doctors to earn a separate 4-year bachelor's degree prior to entering a 4-year medical school.
- A single 6-year medical degree is the norm in other countries.
- Results in more student debt, delays careers, and entering residency with less clinical experience.

Duration of postsecondary medical education in the OECD



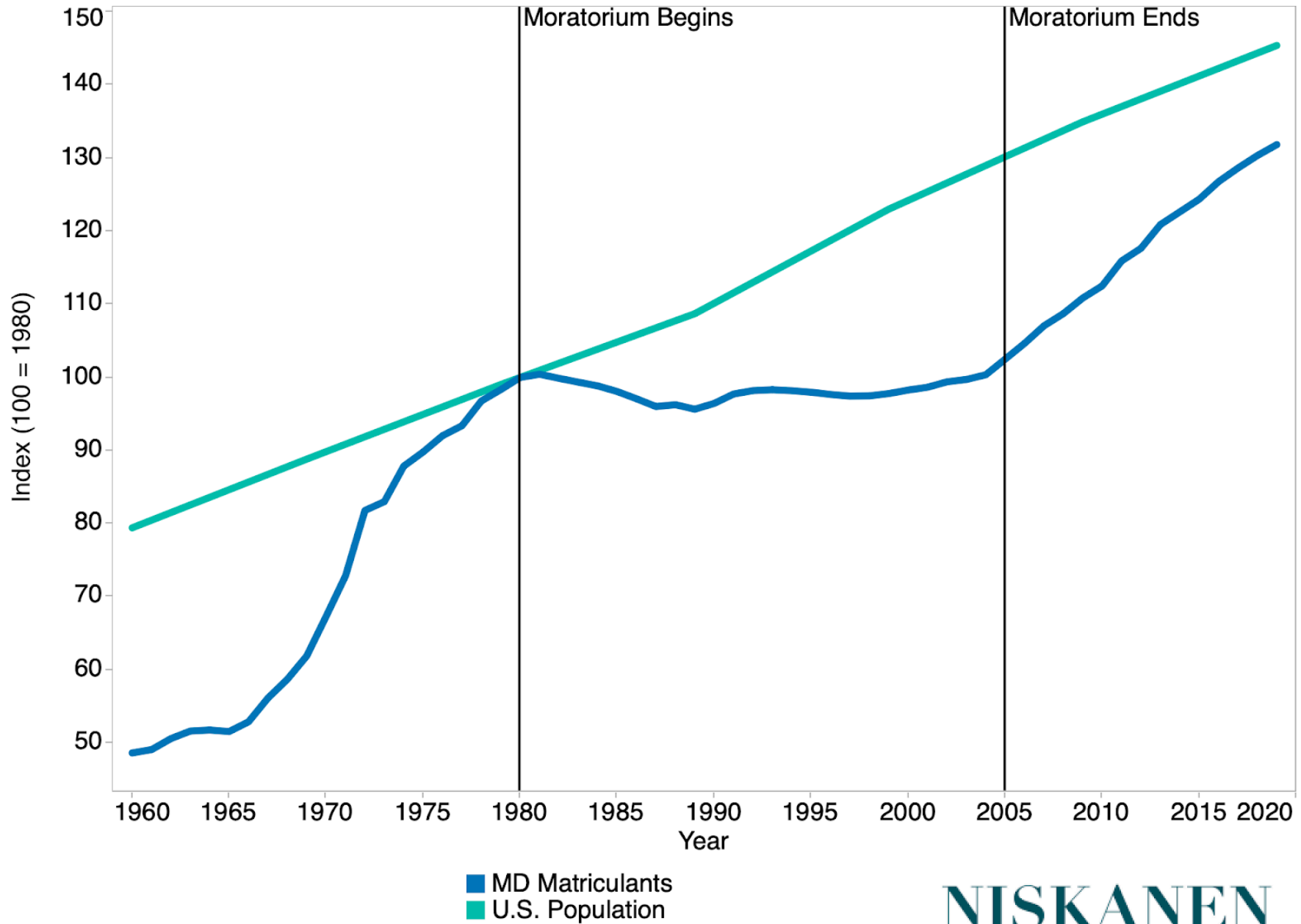
- Medical Degree Length: Maximum
- Medical Degree Length: Minimum
- Pre-Med Degree Length: Maximum
- Pre-Med Degree Length: Minimum

#2 Medical school moratorium (1980-2005)

Key points:

- ❑ “Physician surplus” fears in the 1980s prompted both public and private actors to wide-range of actions aimed at curbing physician supply.
- ❑ The most impactful was the “medical school moratorium” enacted by M.D. schools.
- ❑ We are still digging our way out of the resulting shortfall.

U.S. Population and MD School Matriculants, Indexed to 1980



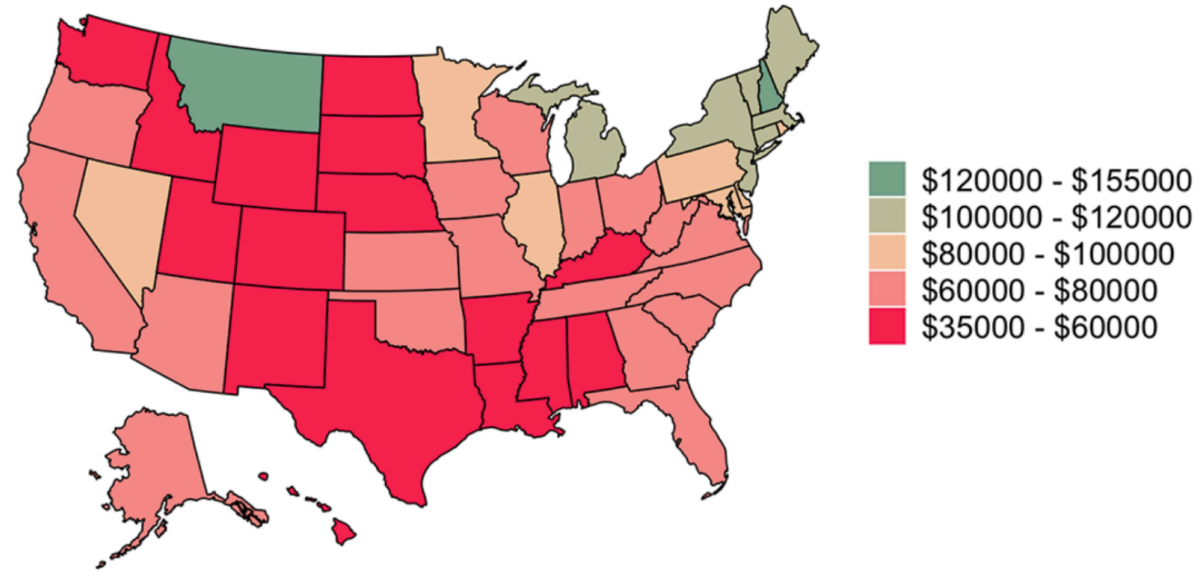
Sources: Census Bureau, AAMC

3. Imbalanced federal residency funding

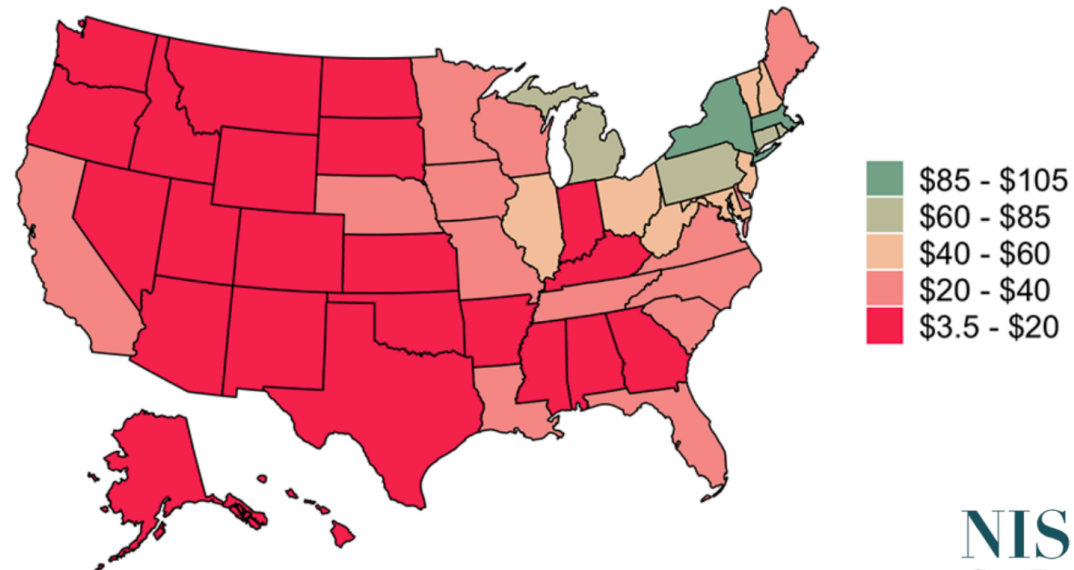
Key points:

- ❑ Medicare contributes the vast majority of residency training funding.
- ❑ Funded-slots capped and frozen in 1998, failing to adjust for population changes.
- ❑ This has resulted in geographic misallocation of training and therefore physicians, exacerbating experienced scarcity of physicians.

Average Medicare GME payment per resident, FY 2018



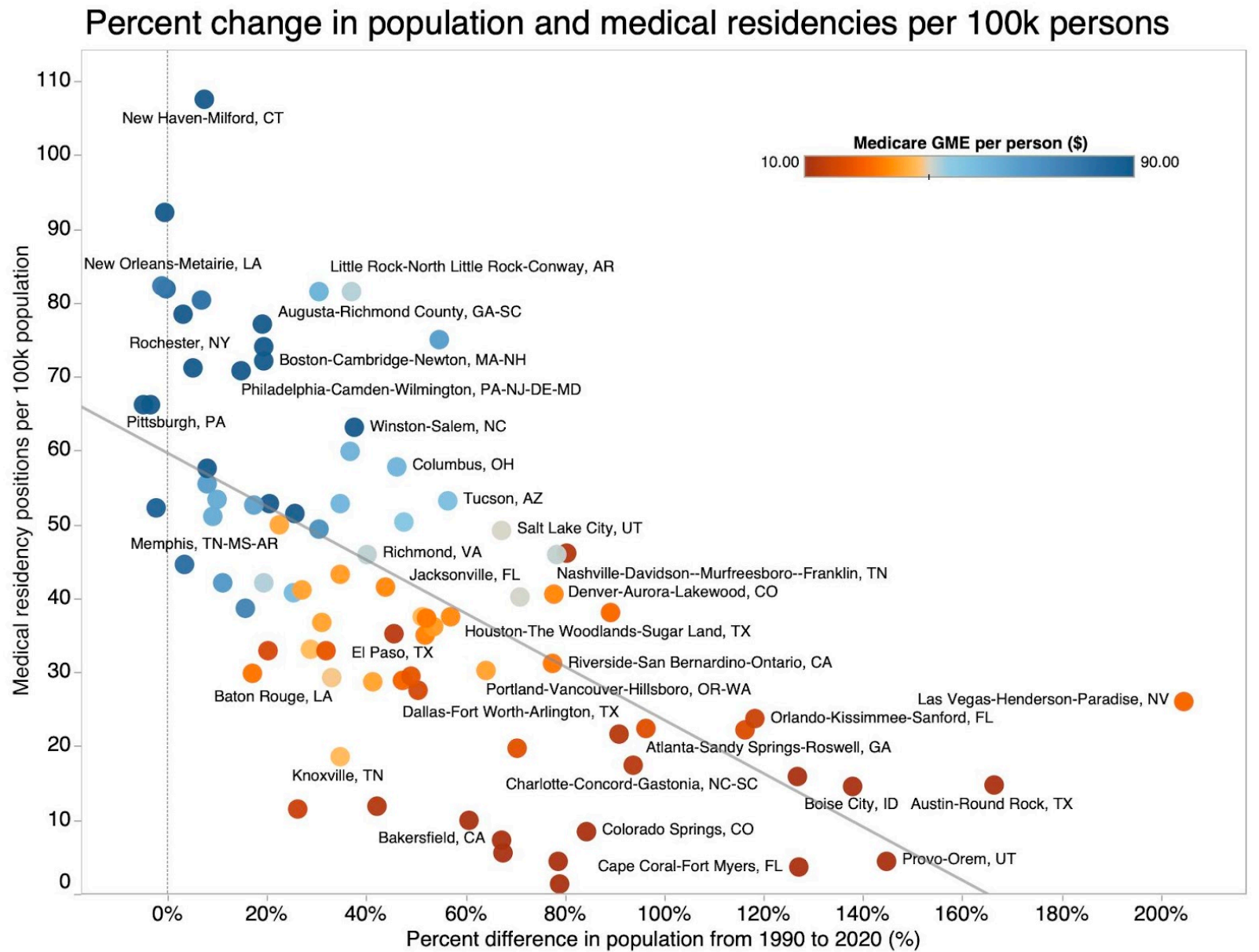
Average Medicare GME payment per population, FY 2018



Source: ACGME; CMS; author's calculations.

Takeaways:

1. Residency funding substantially influences residency location
2. Residency location substantially influences physicians' future practice location.
3. Faster growing regions of the US are at a disadvantage.



Sources: Author's calculations based on geocoded locations from the following data sources. Population counts derived from the US Census Bureau data and shapefiles. Resident counts derived from the ACGME. Medicare GME spending derived from CMS.

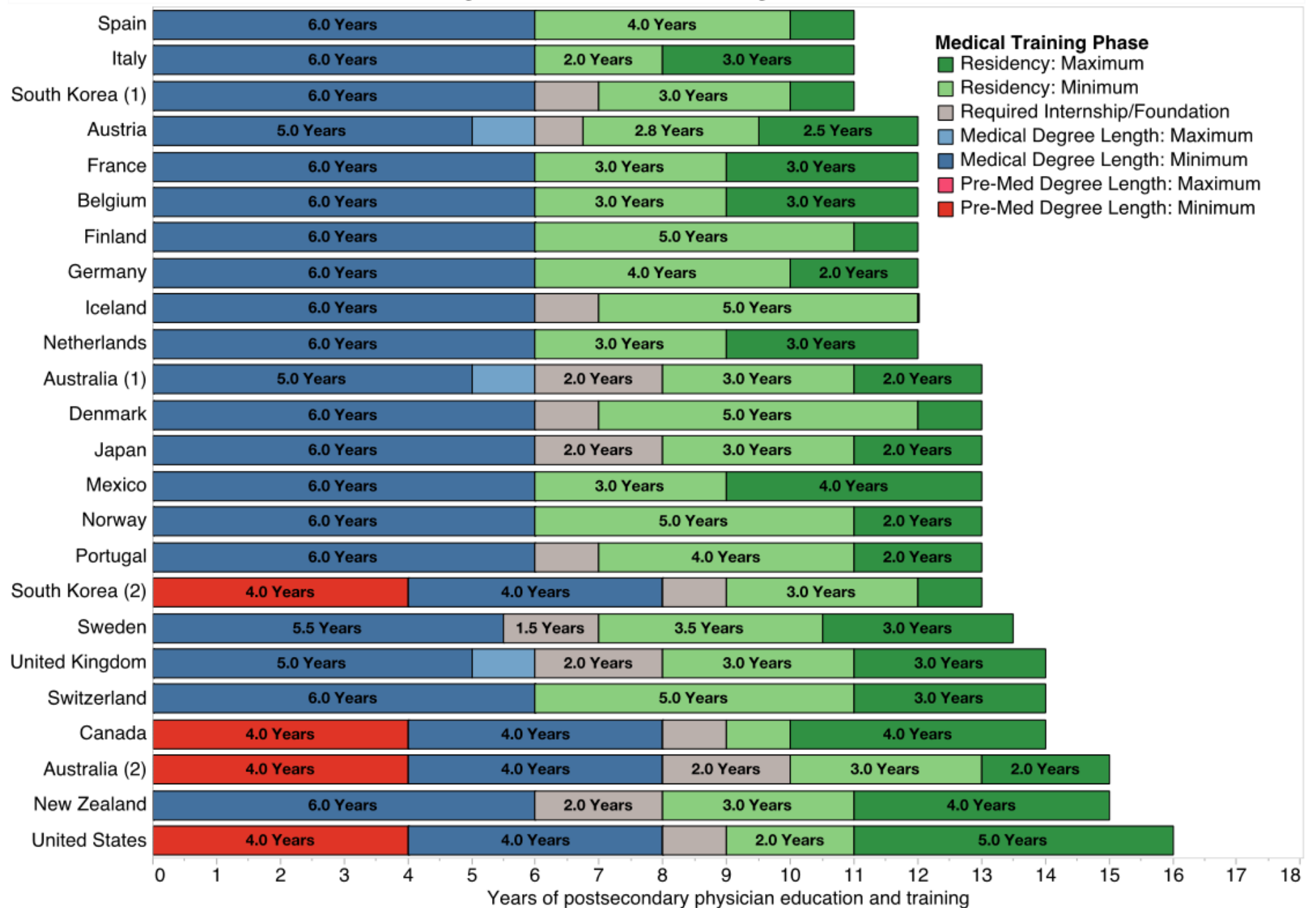
Note: Included CBSA's limited to those with at least 600,000 persons.

R-Squared: 0.4064

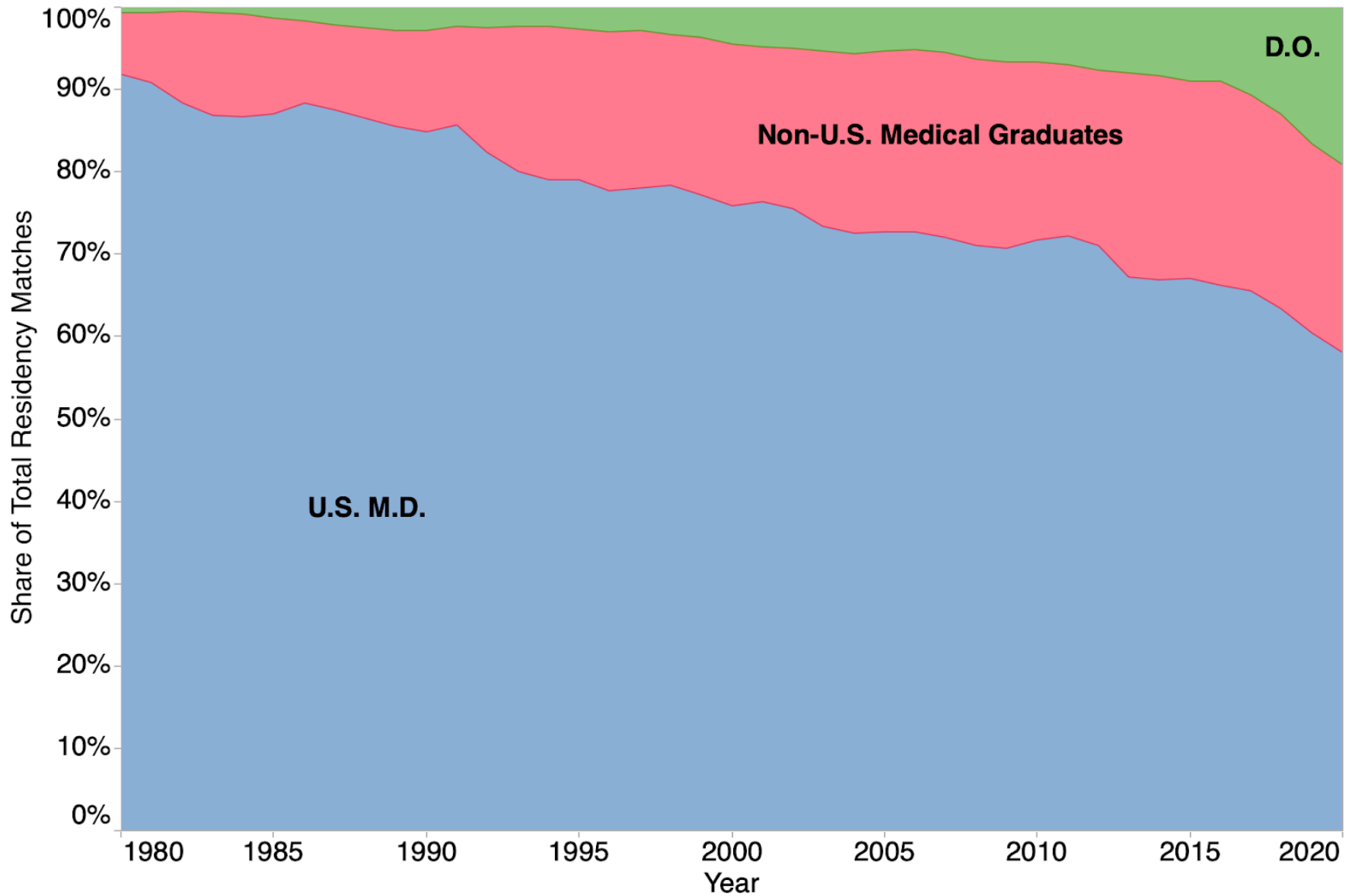
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Additional Slides follow:

Length of Medical Education & Training in the OECD



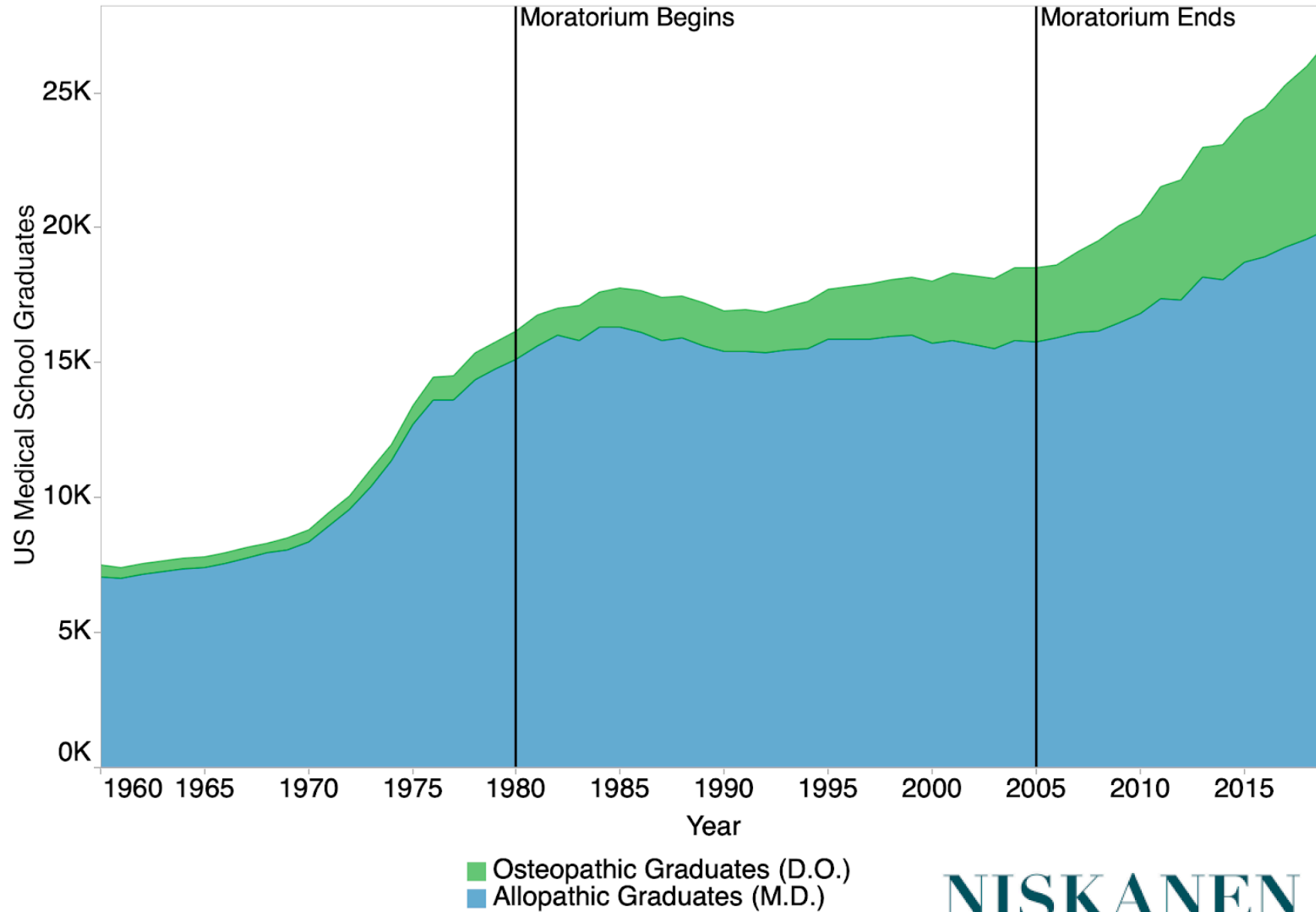
Share of Total Residency Matches by Applicant Type



Source: NRMP

Medical School Moratorium of 1980 to 2005

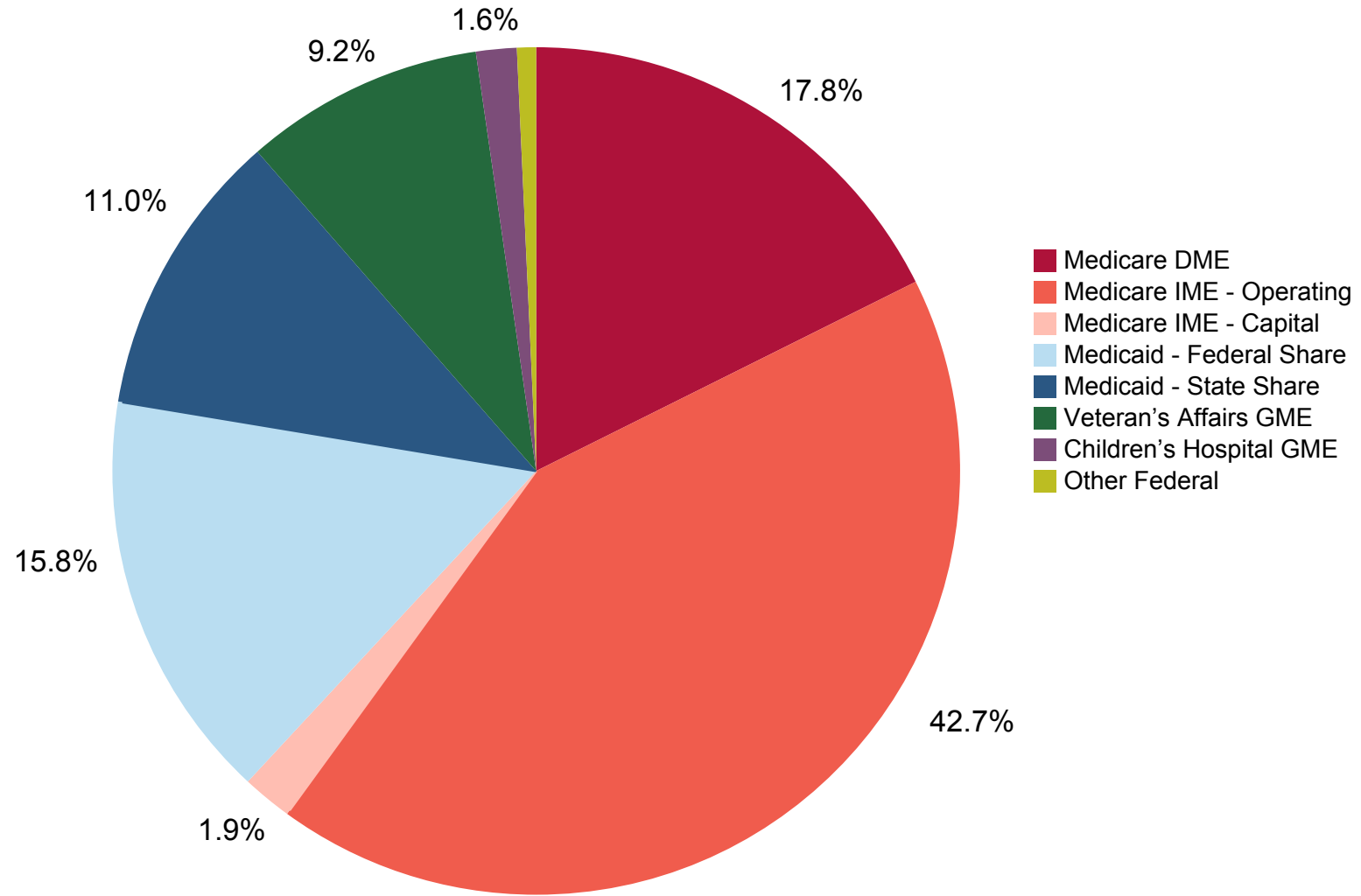
Number of Annual Medical School Graduates



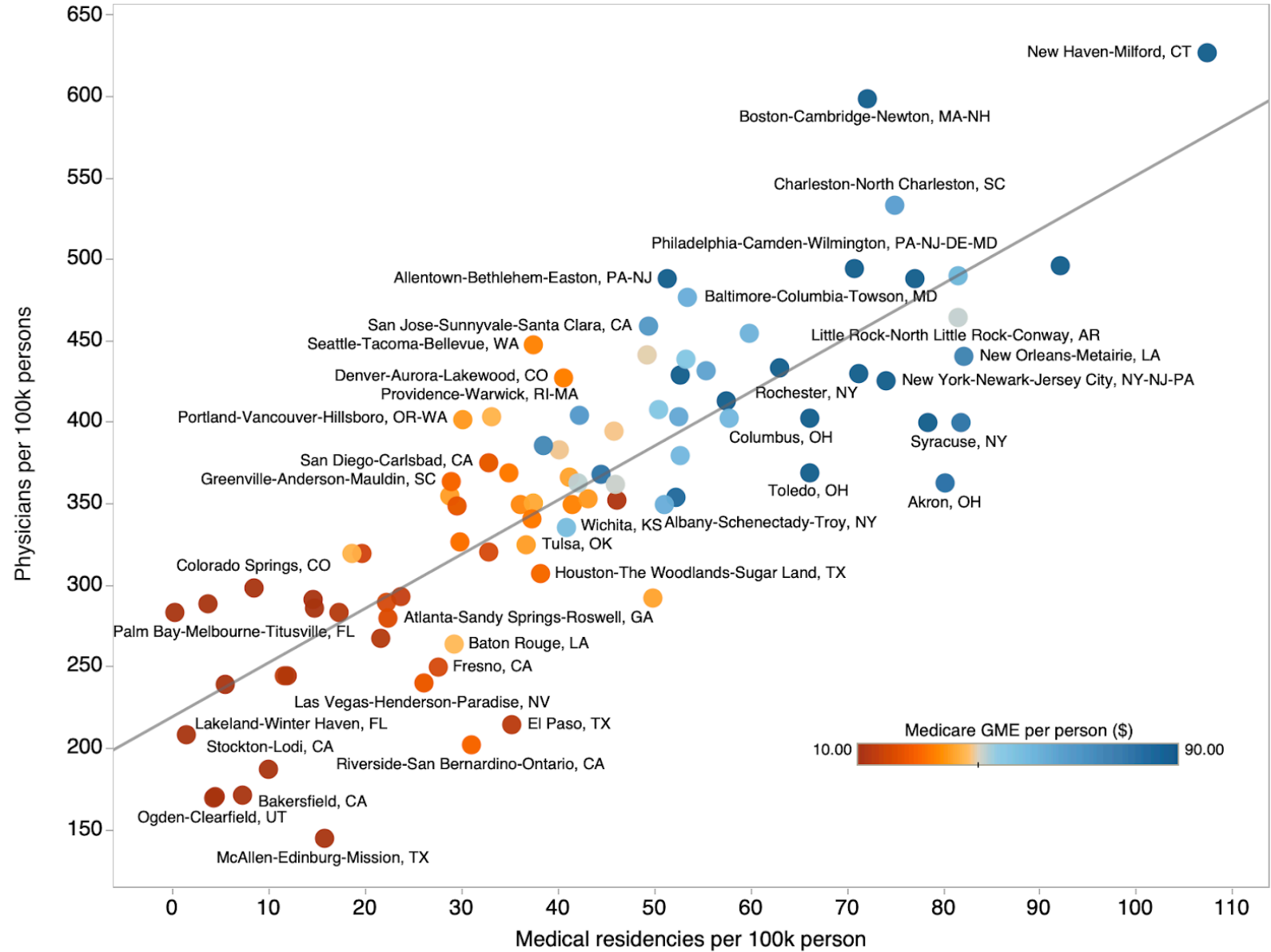
Sources: AAMC, AACOM

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Public Sources of GME Funding



Density of physicians and medical residents per 100k persons



Sources: Author's calculations based on the following data sources. Physicians count derived from the NPES, based on business location. Population counts derived from the US Census Bureau data and shapefiles. Resident counts derived from the ACGME. Medicare GME spending derived from CMS.

R-Squared: 0.678



Note: Included CBSA's with limit to those with at least 600,000 persons.