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New Realities of Care for **Physicians**



Finding your path on the new health care landscape

You've just wrapped up your residency/fellowship. You've supervised your last intern. And now it's time to start your career. The U.S. needs doctors. So you WILL find a job. Of course, you didn't study and train for a decade to get 'a job.' You want to be the kind of doctor you dreamed about — respected, fulfilled and fascinated by your work.

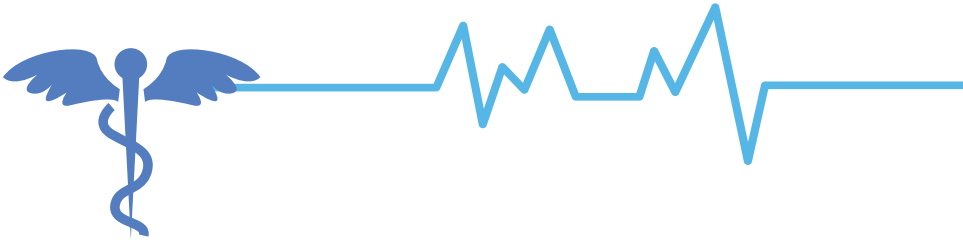
The health care landscape — in the midst of big transformation — is opening new paths to achieve those goals, encouraging physicians to start their career treks. The 21st century medical doctor needs both rock-solid clinical skills and the ability to adapt to the requirements of a health care system moving inexorably toward delivering high-quality care at low cost. That means a shift from volume to value. And physicians just starting their careers can play an important role in helping to lead that change.

This booklet aims to help you sidestep the unwelcome surprises and discover the opportunities on the fertile terrain of this new health care landscape.



TABLE OF CONTENTS

Physician opportunities	2
Ranking career and personal priorities.....	4
Hospital-based v. Private practice	5
The search	6
The hospital/private practice hiring process.....	7
Compensation and incentives	9
Resources & Footnotes	11-14



“The new reality of care”

Newly practicing physicians are jumping into a changing health care environment. The basis for your compensation, the size of the organization you join and even your role within that organization are changing.

The move from compensation based on the number of procedures to the quality of outcomes makes health care organizations hungry for physicians willing to improve health care and embrace change.

That evolution is more likely to happen within a large organization, not a small, independent neighborhood practice, simply because the number of smaller practices keep shrinking.¹ Physicians launching their careers likely will operate within a larger and increasingly value-based health care environment that demands teamwork over individual decision-making. The complexity of medicine, the ‘best practices’ of treatment², the advent of digital health care technology and the growing shortage of physicians require that you rely on a group of varied practitioners to treat and care for your patients.³ You will act as the leader of that clinical team.

Your organization also will need you to lead on a cultural level. Health care teams have leaders at every level, but physicians have an enormous effect on establishing the culture of a health care organizations. As those organizations transform, doctors must play a crucial role in leading others to understand and accept those necessary changes. That requires a set of ‘soft’ skills to accompany the traditional clinical expertise developed since your first day of medical school. You will need adaptability, empathy, creativity and leadership. That’s a big part of the new reality for fledgling physicians. And before you’re offered that first position, your employer will want to know you have those skills.

'New reality' jobs for physicians⁴

- **Physician Advisor:** The link between the medical staff and hospital administration in advancing care-improvement initiatives.
- **Transitional Care Provider:** Identifies and manages the care of at-risk patients after discharge, assisting them to better care for themselves and remain out of the hospital.
- **Chief Experience Officer:** This hospital-based 'CEO' assesses and establishes ways to improve the patient experience, often by reviewing what the patients' care teams say vs. what they actually do.
- **Concierge Medicine:** This retainer-based alternative to fee-for-service requires a talent for business and a stomach for financial risk, but it allows you to spend up to an hour on an average patient visit.

Physician opportunities: where they are/what they are

Most in-demand medical specialties:



1. Family Medicine Physicians



6. Orthopedic Surgery



2. General Internists



7. Emergency Medicine



3. Psychiatrist



8. Pediatrics



4. Hospitalist



9. General Surgery⁷



5. OB/GYN

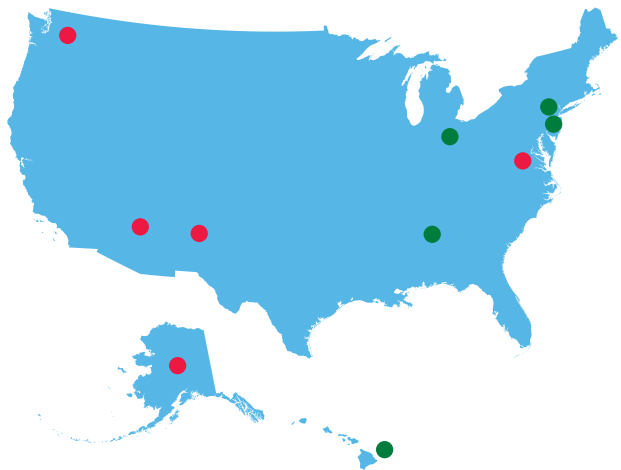


States where it's easiest to fill physician positions

1. Ohio
2. New Jersey
3. New York
4. Alabama
5. Hawaii⁵

States where it's hardest to fill physician positions

1. New Mexico
2. Washington
3. Alaska
4. Washington D.C.
5. Arizona⁶



By 2025, primarily due to an aging and growing population, the U.S. will have a shortage of up to **94,700** physicians.⁸

Ranking career and personal priorities

Without any specific job in mind, think through your professional priorities, including geographic region, call schedule and compensation. Academic physicians should consider their areas of interest and research. Rank them. What other medical specialists do you need to support your practice? How long will your potential patients have to wait to see them?

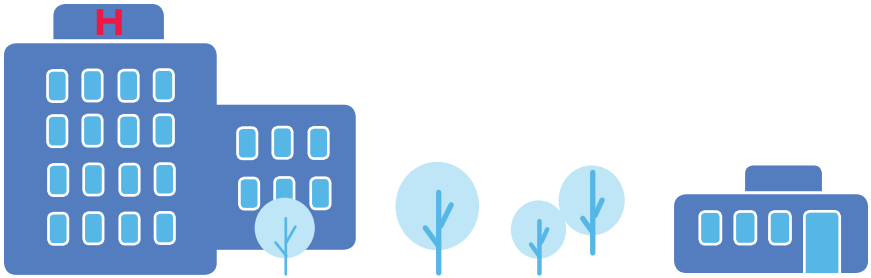
Now address your personal requirements: urban, suburban or rural locations; cultural and gastronomic amenities; leisure opportunities; and job options for your significant other. Rank them. What are the “must haves” and what can you live without?⁹

Most physicians pick a practice location where they lived growing up, where they went to school or where they completed their residency.¹⁰



Physicians over 35 years old work an average of **49.5 hours** a week. **Only 36%** work more than **50 hours** a week – **an 8% drop** between 2003-2013.





Hospital-based v. Private practice

One of the biggest decisions you can make after finishing your residency is whether you hire on with a hospital or join a private practice. About 57% of physicians work in practices wholly owned by physicians, while hospitals or practices partially owned by hospitals employ nearly a third – and that percentage is growing.¹² As of 2014, doctors in each group earned the same amount.¹³

Joining a private practice means getting involved in its governance. If you're interested in owning, running and developing a business, a private practice may be in your future. Other new physicians, however, often find that the obligations of starting a family can be a powerful pull away from the office.

Also, consider recent data showing that small practices – three to 50 physicians – have suffered from annual turnover rates of 11% and retirement rates of nearly 20% for physicians over 64 years old.¹⁴

Working for hospitals has a number of advantages: you're not directly responsible for making payroll and the administrative headaches of a private practice.

On the other hand, as a hospital employee or working in a practice partially owned by a hospital, you may have less control in how your practice operates and the kind of patients you see.¹⁵

The search

Once you've identified your major professional and lifestyle priorities, polish your CV. Make sure you include all the languages you speak, your proficiency in working with EHR software and your experience with developing or maintaining quality assurance protocols. These are some of the physician skills most in demand.¹⁶ And include the months – not just years – when you began or ended a residency or fellowship. Ignoring the month on a CV is a pet peeve of recruiters.¹⁷

Now find who's offering the jobs you might want:¹⁸

- Click to HealthCareerCenter.com for a one-stop source for job openings in any physician specialty. The site also has valuable links to job boards at state medical societies and professional organizations.
- Check recruiting ads in journals in both their print and on-line versions.
- Plumb your contacts
 - Question your residency colleagues
 - Sit down with your residency director
 - Reach out to your classmates from medical school
 - Visit conferences for your specialty

Now it's time to contact the health organizations that look right to you.



It takes between **95 and 163 days** to fill a physician job opening.¹⁹ There are an average of 13 candidates for every opening.²⁰



The hospital/private practice hiring process²¹

The dating dance of hiring is basically the same for a hospital-based or private practice position. Either you or a hospital/practice recruiter can start the music. Recruiters sometimes search physician job databases and will contact you if they're interested. Overwhelmingly, you will take the initiative. E-mail your full CV (not a summary) to the in-house recruiter and send a follow-up email.

Hospital-based recruiters have no financial interest in your hiring, but they do have a strong vested interest in telling you the truth about the culture, philosophy and procedures of their organization. A 'bad fit' hire ends as a costly waste of time for both the hospital and you. After the call, if you're still interested, ask to talk to a physician in your target organization.

If your DNA still look compatible, the formal process begins. Here's an example of how one large hospital system goes from 'dating' to 'marriage:'

The recruiter presents your CV and a summary of your conversations to the 'physician lead' in the department or practice where you would work.

- The physician lead talks to you by phone.
- If you and the lead feel it's still a good fit, you'll be invited to the hospital for an interview.
- The recruiter, medical director or physician lead will contact your references asking their opinion on both your clinical and 'soft' skills.
- You'll meet face-to-face with a physician in your target practice. (Some employers will sit you in front of a panel.)
- You'll meet with another member of the practice, then go for lunch or dinner with up to six other doctors from the practice.
- You return home and the physicians who met with you give their feedback.

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- If responses are positive, you'll get a second invitation for an on-site interview. This is very helpful because you want to check to make sure the positive vibes you felt on the first visit remain. It also gives you and your family more time to learn about the community, which is especially important and more time-consuming when considering a rural practice. That's due to the unique factors involved in working in a rural community. Your family's needs often take great precedence. Recruiters often will engage school officials, Chamber of Commerce dignitaries and other community leaders to answer questions or concerns you may have.²²
- Finally, the physician lead will call you and ask you to join the organization.

You're probably weighing another offer at the same time. Leading hospital recruiters say you should always go with your first choice, even if the compensation may be a few thousand dollars off. You want to make a long-term decision and follow it with long-term production, compensation and satisfaction.²³



THE RESULT OF 'BAD FITS': **20%** of physicians find new jobs within three years after their hiring.²⁴

Many practices are outstanding, but none are perfect. Learn as much as you can about your prospective practice.

- What are the expectations in workload, procedures and practice style?
- Why did the current doctors choose the practice?
- What's kept them there?
- Is there an opening because a physician departed (if so, why?) Or are they adding another doctor (if so, is there enough patient volume to support you?)²⁵
- What is the percentage of Medicare and Medicaid patients?
- How many RVUs per year does the organization average?²⁶



Compensation and incentives

Compensation is, of course, a huge consideration as you make your first job choice. The average physician beginning his or her career holds about \$170,000 in educational loans.²⁷ The U.S. Department of labor and other websites track average full-time base salaries by state²⁸ for all the most in-demand specialties.

Building the practice:

It's common that you'll be offered a guaranteed salary for the first one to two years. That's designed to give you time to build your practice to a point where you can not only make a good living for yourself but also contribute your share to the operating costs of the practice. As you move through the interview stages you need to ask hard questions about the practice-building process and your compensation after the guaranteed salary ends. How much of your pay will be volume-based? How much value-based? How many patients per day does the average practice physician see? What's their average salary? Where will your patients come from? Are there strong competitors who will force you to expend enormous amounts of time on growing your business?

In short, what are the expectations the organization has for you and what is its plan for you to meet them?²⁹

Incentives:

Experts find that the most common incentive is adding a bonus to your base salary. In 2015, that bonus was RVU-based for 57% of new hires and quality-based for 23%.³⁰ Employers use incentives to predict and focus their physicians on the group's priorities. Experts expect that the percentage of quality-based incentives will grow consistently over the next several years.³¹

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Malpractice insurance:

Ben Franklin said there were two certainties in life: death and taxes. For physicians there's a third: malpractice insurance. It's likely that as a physician just out of your residency, you have never written a check for malpractice insurance³² – and you probably won't have to now either. Ninety-nine percent of newly hired physicians have their malpractice premiums paid by their employer – either a hospital or a private practice group.³³ These organizations view malpractice insurance as a necessary business expense.

Other benefits:

Virtually all employers pay all the health insurance and retirement benefits for newly hired physicians, and a quarter of employers offer educational loan forgiveness worth an average of \$90,000.³⁴

In 2015, more than eight in 10 physicians were offered a relocation allowance averaging over \$10,000. Seventy-three percent received a signing bonus averaging more than \$26,000, and the vast majority of hired physicians received over \$3,600 in annual CME reimbursement.

Hardening your 'soft' skills

The new reality of care for physicians includes sharpening a set of leadership skills usually not stressed in residency, including:

- strategic, systemic and innovative thinking
- empathy and emotional intelligence
- teamwork; communication; and conflict management.

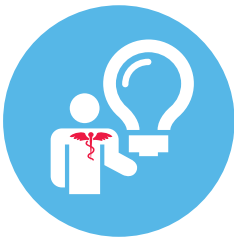
Here are some sources for honing those qualities:

- **[The Physician Leadership Forum](#)**: this strategic platform of the American Hospital Association provides webinars and white papers on a wide range of leadership issues.



- **The Physician Leadership Institute:** a for-profit consulting organization that conducts seminars and conferences around the country for hospitals, hospital systems and physician practice groups.
- **Find a mentor:** identify a physician executive in your hospital or practice group who reflects your clinical and leadership values and aspirations. Meet with him or her regularly.

About this booklet



HealthCareerCenter.com builds on the contacts and expertise of the American Hospital Association to present this one-of-a kind guide for physicians beginning their careers. We designed it to introduce physicians to key elements of their first real job search. We also wanted to provide an inside look into the evolving needs of hospital and private practice recruiters in a health care system

undergoing a tectonic shift. We hope this booklet helps you to find fulfillment and joy as you begin a lifetime dedicated to keeping all of us alive and healthy.

Resources

- Association of Staff Physician Recruiters
- Physician Leadership Forum
- Physician Leadership Institute
- HealthCareerCenter.com (AHA)
- National Association of Physician Recruiters
- National Healthcare Career Network
- Binary Fountain
- American Association of Physician Leadership

Interviewees

John Combes, M.D.

Chief Medical Officer/Senior Vice President

American Hospital Association

Combes, the head of the AHA's Physician Leadership Forum and a board-certified internist, serves on several national advisory groups on medical ethics, palliative care and reduction of medical errors.

He is one of the country's top experts in accountability, excellence, and innovation in health care governance.

Mo Kasti

CEO/Founder

Physician Leadership Institute

Kasti's Physician Leadership Institute, based in Tampa, Florida, specializes in teaching physicians how to lead the transformation of medicine. He is the author of *Physician Leadership: The RX for Healthcare Transformation* and holds faculty appointments in the University Of South Florida's Colleges of Medicine, Nursing, Engineering, Business and Pharmacy.

Lee Meyer

System Manager, Provider Talent Acquisition

SCL Health, Broomfield, CO

Meyer, a past president of the Illinois Staff Physician Recruiter's network, supervises physician recruitment for a three-state health system that includes more than 500 employed providers.

Lynne Peterson

Director, Physician and Advanced Practice Recruitment

Fairview Health Services, Minneapolis, MN

Petersen sits on the Board of Directors of The Association of Staff Physician Recruiters.

For more than a decade she has directed physician recruitment at a non-profit health system that includes 2300 employed or affiliated physicians in urban, suburban and rural settings.



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Health care professionals:

Access thousands of job opportunities from high-quality employers and benefit from career development tools and resources.

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CONTINUED from page 13

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