Financial Incentives for Rural Practice

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February 15, 2018

Starting assumptions

- Rural populations are sicker, poorer, older, and less often insured (on average) than urban populations (Baggett).
- The rural physician population is older than the urban physician population. (Holmes)
- North Carolina as a whole struggles with low rates of physicians. 79 counties are whole or part county HPSAs. 20 counties have very few physicians (Sauer, Holmes). However, the average physician to population ratio, while lower than national average, is not that much lower. The challenge is to get the right kind of doctors practicing in the right places.
- NC has some great programs and resources for training, incentivizing, placing, and supporting rural physicians (CPP, ORH, AHEC, Medical Education, pipeline programs, and rural residency programs).
- Yet we continue to struggle to close the rural urban provider gap (aging workforce, population growth, aging population, insurance gap).

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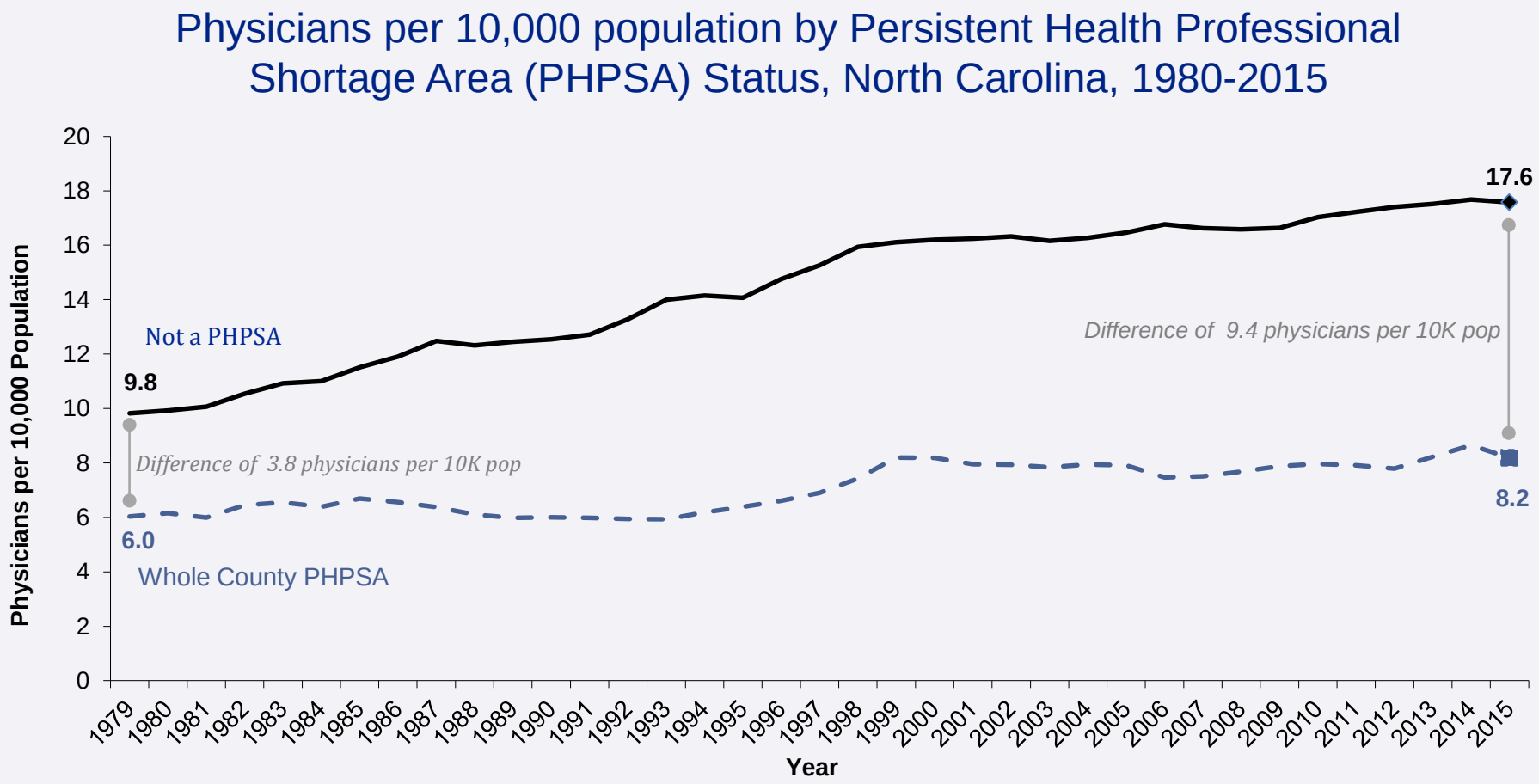
Three important points

- Some areas are hardest hit---focused solutions?
- Retention, retention, retention (think pipeline, support, loans repayment, other incentives)
- The problem is more complicated than just finding docs.

The real issue is maldistribution



Notes: Figures include active, instate, nonfederal, non-resident-in-training physicians licensed as of October 31st of the respective year. North Carolina population data are smoothed figures based on 1980, 1990, 2000 and 2010 Censuses. Persistent HPSAs are those designated as HPSAs by HRSA in the Area Health Resource File using most recent 7 HPSA designations (2008-2013, 2015). Sources: North Carolina Health Professions Data System, 1980 to 2015; North Carolina Office of State Planning; North Carolina State Data Center, Office of State Budget and Management; Area Health Resource File, HRSA, Department of Health and Human Services.

Anson T1
Beaufort T1
Clay T1
Currituck T2
Dare T2
Gates T1
Graham T1
Harnett T2
Hoke T2
Hyde T1
Montgomery T1
Northampton T1
Robeson T1
Stokes T2
Tyrrell T1
Washington T1

Not the whole story (eg Camden)

Compensation for Physicians

- National average:
  - Rural salaries 13-16% higher than urban; 10% higher than mid-sized communities
  - Signing bonuses are equal or higher in rural areas than urban or mid-sized communities
  - Overall compensation increases as community size decreases

Where do primary care physicians ear most – urban, rural or mid-sized communities? Becker's Hospital Review. April 12, 2016. https://www.beckershospitalreview.com/compensation-issues/where-do-primary-care-physicians-earn-most-urban-rural-or-mid-sized-communities.html

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Loan repayment

- Currently the main stay of rural physician recruitment.
- National Health Service Corps, Indian Health Service, Office of Rural Health, and Community Practitioner Program (NCMS Foundation).
- Demonstrated track record of successful placement and high probability of completion of obligation.
- Ongoing ‘revolving door’ problem.

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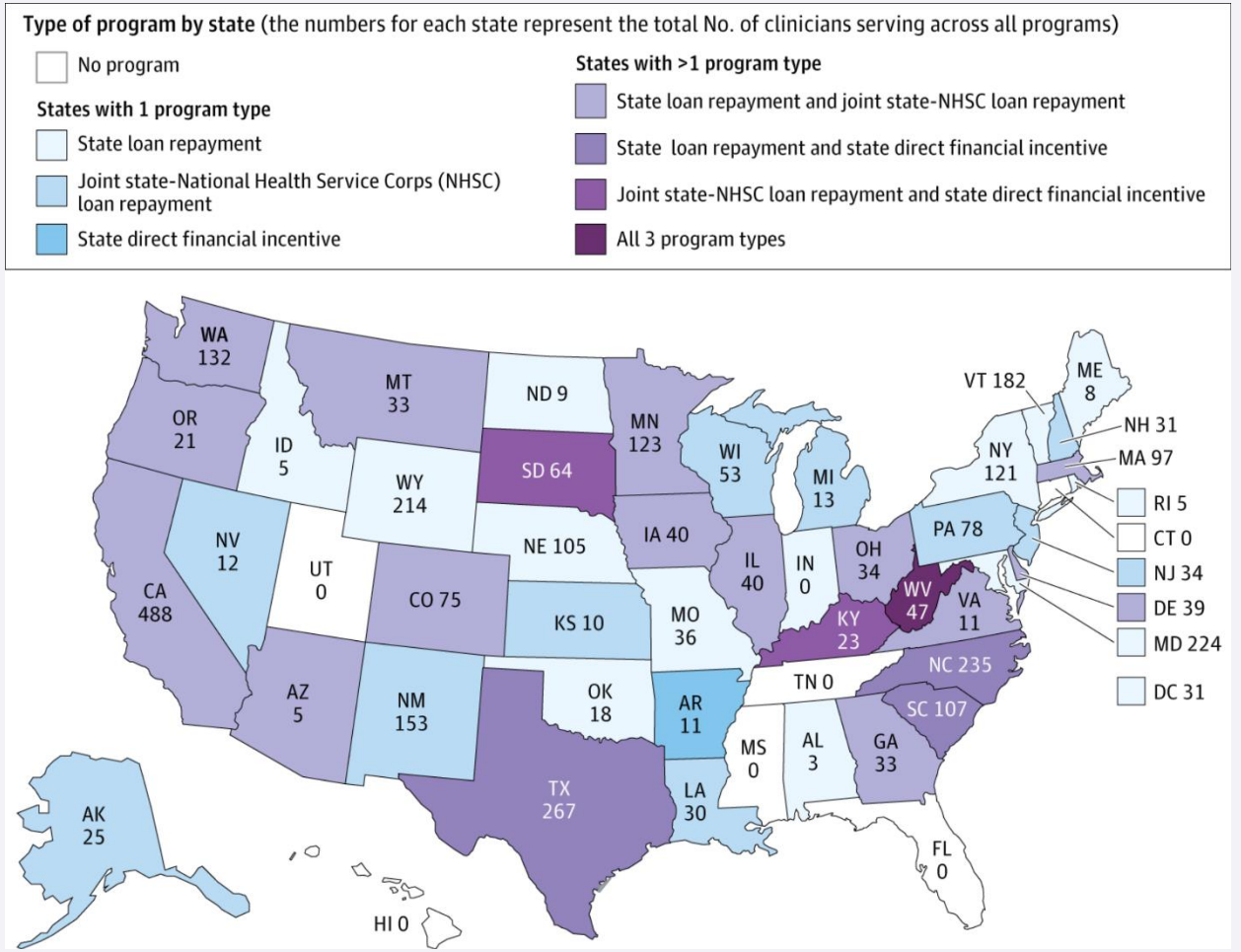
From: **State Repayment Programs for Health Care Education Loans**

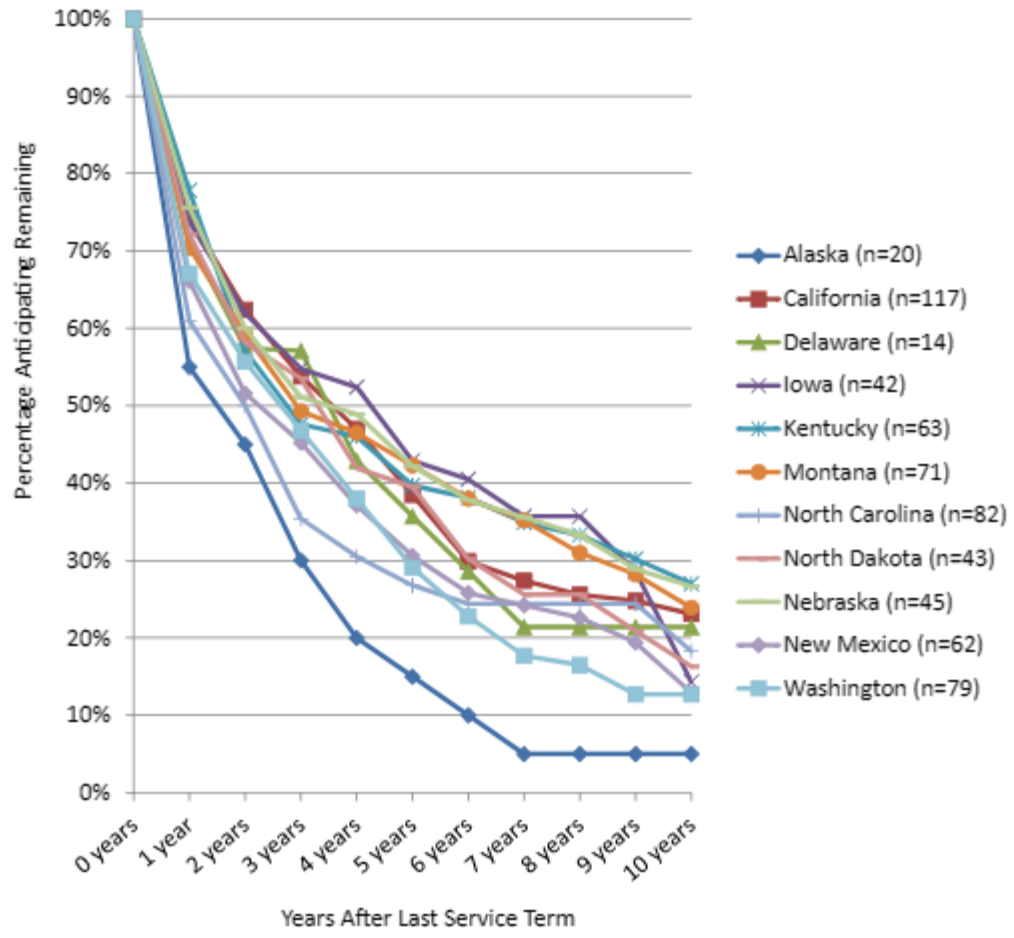
JAMA. 2013;310(18):1982-1984. doi:10.1001/jama.2013.281644



Types of Programs and Total Clinician Counts in Each State, 2010

Retention

Figure 1 Percentage of NHSC Loan Repayment Program clinicians serving in the 11 states that anticipate remaining at their service sites in the years following their service terms.[a]



Rauner et al. Journal of Rural Health, 2015

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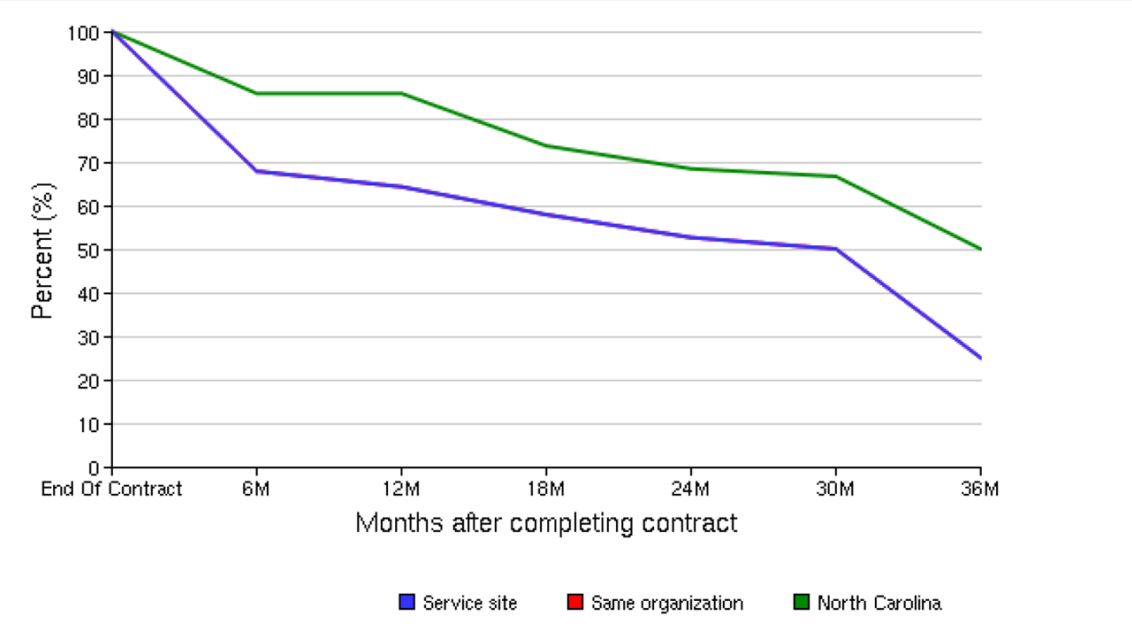
Private investments/incentives

- NCMS Community Practitioner Program (support from KBR, BCBS F)
- 28 years, 500 providers, 84 counties, $16.4 million awarded. In 2017, 50 providers supported (19 docs, 15 PAs, and 16 APRNs).



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Other recruitment incentives

- Health systems engaged at varying levels
  - Need to staff clinics in catchment area. Large downstream revenue upside (7.5x MD salary). Sponsoring J1 visas. Salary incentives. Recruitment packages. Additional loan repayments. How does the consolidation of health systems impact rural recruitment?
  - In a value based payment environment, substantial upside in placing primary care (every new doc/10,000 residents in underserved community decreases ED utilization by 11%).
- Local philanthropy
- Local business
- DOC/ARC
  - Funds can be used for building rehab to keep cost low for new clinic space.
  - Some states have used Commerce funds for recruitment.

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Factors Impacting Recruitment & Retention

- Lack of academic medical programs
- Fewer cultural/entertainment activities (e.g., restaurants, concerts, theater)
- Limited employment opportunities for spouses
  - 54% of physicians have highly-educated spouses
- Limited family and social network nearby
  - Challenges developing trust with community members
  - Personal and professional boundaries

Attracting and Retaining Physicians in Rural America. September 2017. https://www.beckershospitalreview.com/hospital-physician-relationships/attracting-and-retaining-physicians-in-rural-america.html

Staiger, D. Association Between Having a Highly Educated Spouse and Physician Practice in Rural Underserved Areas. Journal of the American Medical Association. March 2016.

Chipp, C. "If Only Someone Had Told Me…": Lessons from Rural Providers. Journal of Rural Health. 2011.

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Factors Impacting Recruitment & Retention (cont.)

- Variable school system quality and limited daycare options
- Lack of diversity
  - Potential for discrimination based on gender, race, ethnicity, religion, sexual orientation
- Physicians leaving residency tend to remain close to residency location
- Challenges with work-life balance
  - Expectations of community members to be “on-call” 24/7
  - Leads to burn-out

Attracting and Retaining Physicians in Rural America. September 2017. https://www.beckershospitalreview.com/hospital-physician-relationships/attracting-and-retaining-physicians-in-rural-america.html

Chipp, C. “If Only Someone Had Told Me…”: Lessons from Rural Providers. Journal of Rural Health. 2011.

Why Are There So Few Doctors in Rural America? The Atlantic. August 28, 2014.

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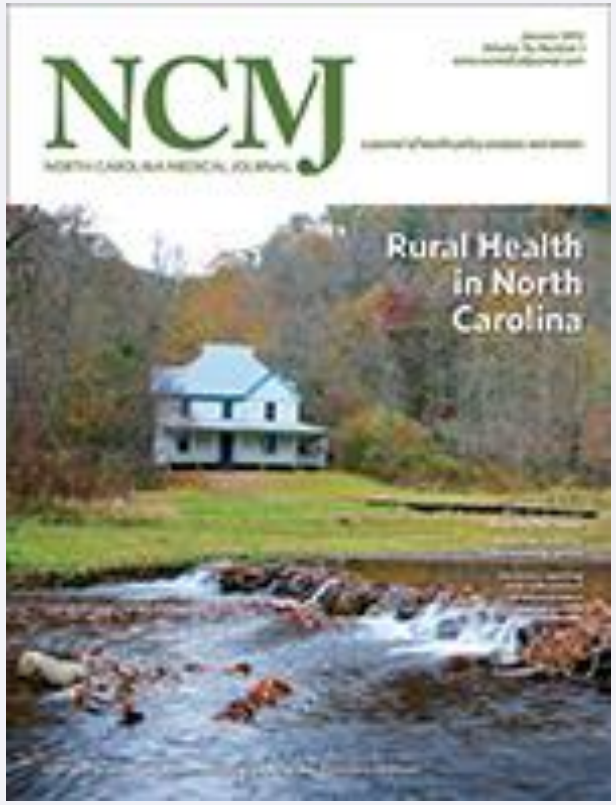
Factors Impacting Recruitment & Retention (cont.)



- Physicians who are more likely to remain in rural practice are:
  - Older (turnover is half for physician >45)
  - US medical graduates
  - Born in rural area
  - Living in communities adjacent to metropolitan areas
  - Family physicians

McGrail M. Mobility of US Rural Primary Care Physicians. Annals of Family Medicine. July/Aug 2017.

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Pipeline programs

- Mixed findings of role of recruiting from rural communities. Helps, but not a magic bullet.
- Rural training is a better predictor of rural placement (e.g. UNC, MAHEC, Carolinas, ECU DSLCs).
- But….rural birth related more to retention.
- Pipeline programs are quite variable and poorly evaluated.
- High degree of expert consensus and some evaluation to suggest that multi-pronged approach most successful with recruitment and retention.
- Recruit from Rural (or committed to rural?), support and incentivize, loan repayment and practice incentives, support in practice/community.

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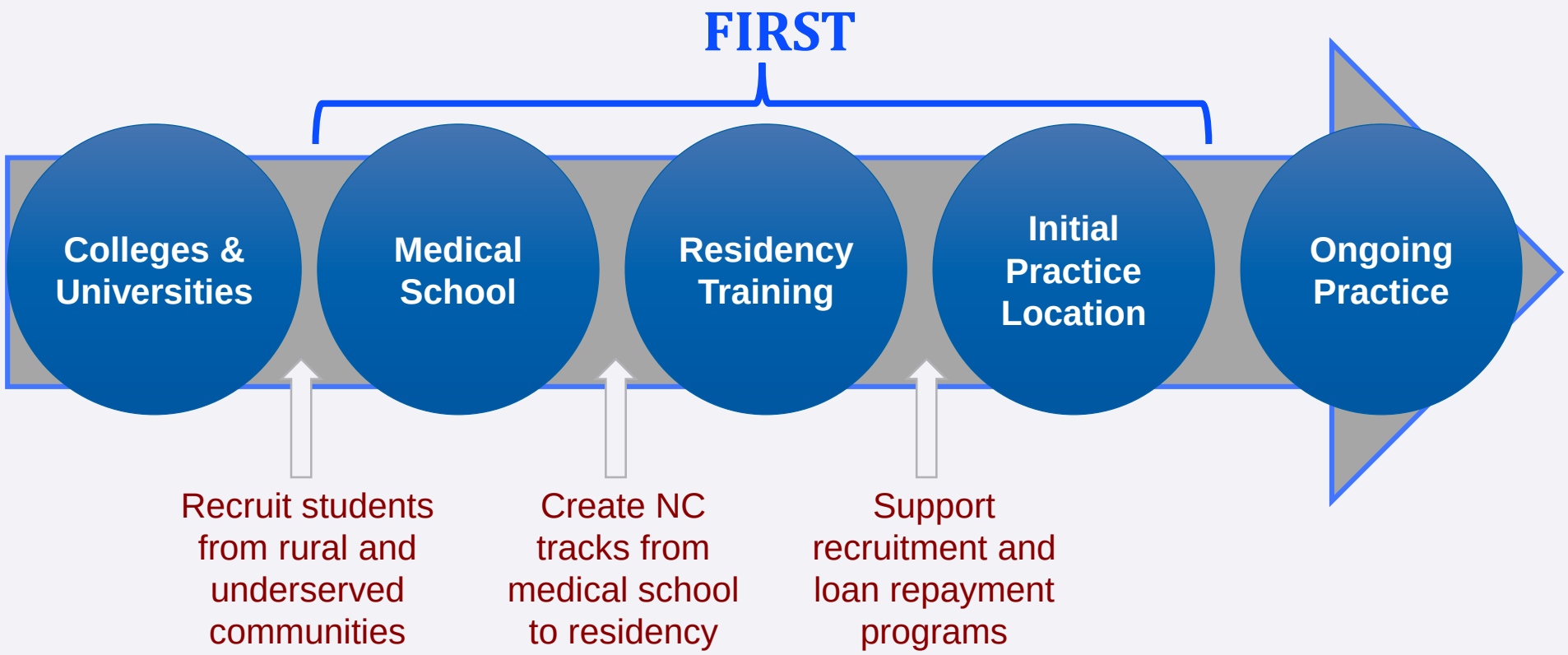
FIRST Program



Rural Health Task Force

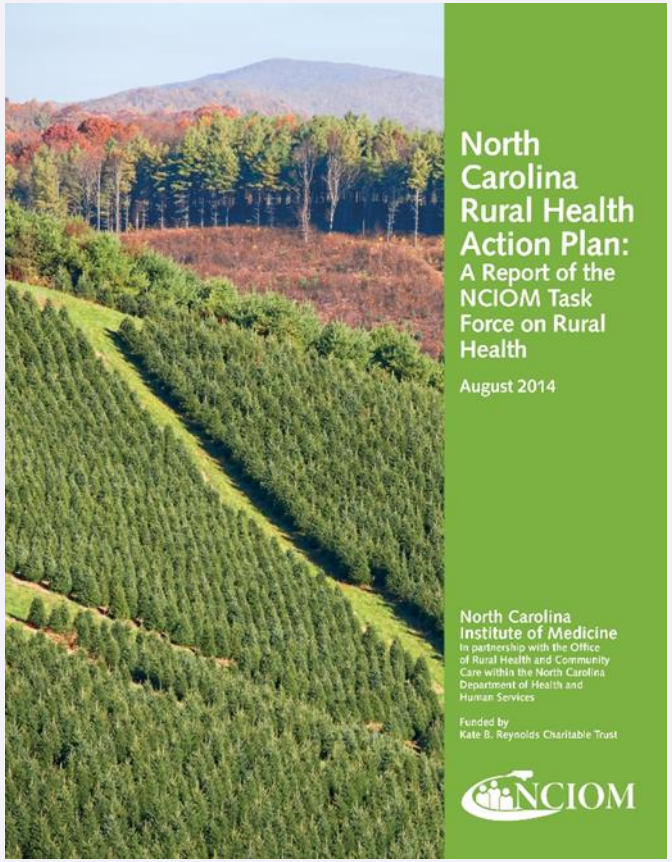
Task Force Charge

- To develop a North Carolina Rural Health Action Plan to provide policy makers, funders, and stakeholder organizations with a common vision and action steps to improve rural health
  - **The Task Force will identify 4-6 priority areas with strategies that state and local organizations can undertake that can help local communities improve the health of their communities**

Task Force Process

- Examined the health of rural North Carolinians
- Identified priority strategies that are critical to improve rural health outcomes and actionable over the next three to five years.
- Gathered input from eight rural communities across North Carolina.
  - All together we received feedback from approximately 250 people in rural communities across the state.
- Considered the feedback from the local community forums and made adjustments to priority strategies.

Final Priority Areas



- The Task Force considered feedback from the rural participants to select **six final priority areas**:
  - *Community and environment*
    - Invest in local and regional industries
    - Invest in early education and parenting supports
  - *Health Behaviors*
    - Promote healthy eating and active living
    - Support provision of behavioral health in primary care settings
  - *Access to and availability of health services*
    - Expand insurance coverage and the health care safety net
    - Recruit and retain health providers into underserved areas

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Recruit Providers in Underserved Areas

- Community colleges should expand successful strategies to recruit health professional students into 2-year and 4-year degrees
- North Carolina academic health programs supported by NC general funds should place a priority, in the admissions process, to students who grew up in or have a desire to practice in health professional shortage areas.
- The Area Health Education Centers (AHEC) should identify best practices for rural clinical placement opportunities.
  - The NCGA should expand rural residency programs.
- The NCGA should appropriate $2 million to ORHCC to support additional staff to help designate communities with HPSA designations, to help with recruitment, and to help pay for loan forgiveness or other incentive payments.
- ORHCC with the NC Medical Society Foundation should identify and disseminate model recruitment and retention strategies.

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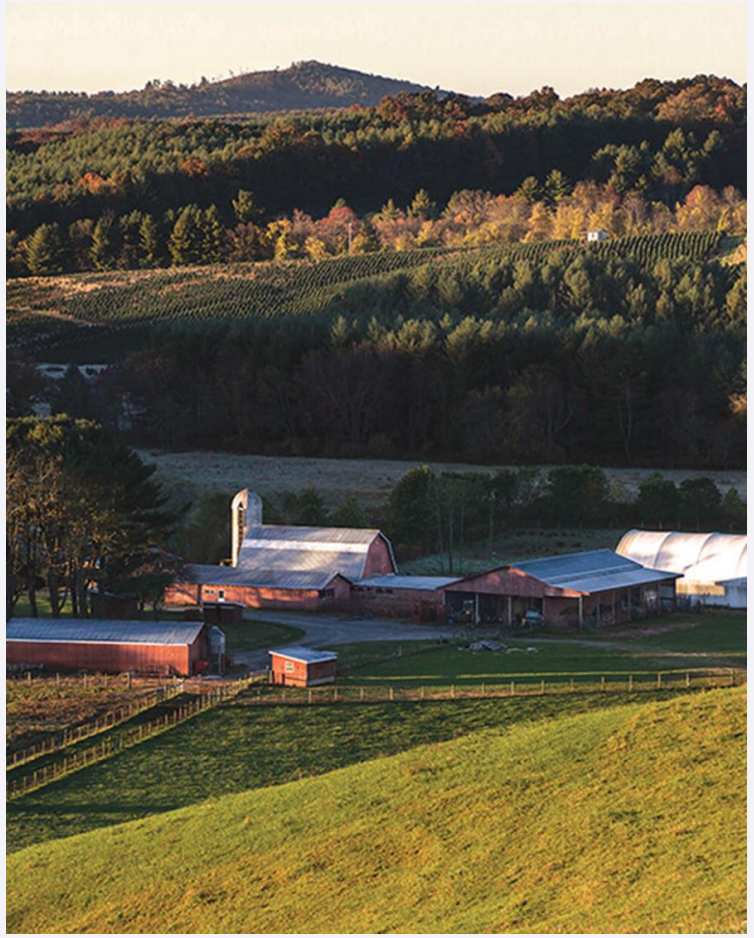
Questions?



Rural Health Action Plan:
http://www.nciom.org/publications/?rural-health-action-plan

Rural Health in North Carolina NCMJ Issue:

http://www.ncmedicaljournal.com/content/76/1.toc