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STAFF CARE®
an AMN Healthcare company

2014 SURVEY OF TEMPORARY PHYSICIAN STAFFING TRENDS

BASED ON 2013 DATA

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Member of the National Association of Locum Tenens Organizations NALTO

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Summary Report

2014 Survey of Temporary Physician and Staffing Trends, Based on 2013 Data

OVERVIEW

Staff Care is a leading healthcare staffing firm specializing in matching temporary (i.e., locum tenens) physicians, certified registered nurse anesthetists (CRNAs), physician assistants, nurse practitioners, dentists and other healthcare professionals with hospitals, medical groups, government facilities, community health centers and other healthcare organizations nationwide. Established in 1992, Staff Care is a company of AMN Healthcare (NYSE: AHS), the leader in innovative healthcare workforce solutions and the largest healthcare staffing organization in the United States as ranked by Staffing Industry Report. Staff Care is proud to be certified by the Joint Commission and by the National Committee for Quality Assurance (NCQA).

For centuries, physicians have provided coverage for their colleagues as a professional courtesy, acting as temporary substitutes until a fellow physician has returned from an illness, a vacation, practical training or other absences to resume his or her practice. Temporary physicians, known as locum tenens (Latin for "to take the place of") are part of a medical tradition that predates the era of modern medicine.

It is only comparatively recently, however, that the staffing of locum tenens physicians by local, regional, or national firms has become commonplace. Locum tenens staffing as an industry began in the 1970s, when government grants were allotted to make temporary physicians available in medically underserved rural areas, accelerating the use of locum tenens doctors.

Locum tenens companies began as niche players in the health care staffing industry, filling "physician days" on a limited basis in mostly rural areas. Today, by contrast, locum tenens staffing is a multi-billion dollar industry and temporary physicians and other providers are used by health facilities in a broad range of settings and locations nationwide.

This report marks Staff Care's eleventh Survey of Temporary Physician Staffing Trends. The purpose of the survey is to track trends in the locum tenens physician staffing market and to provide benchmark data that may be useful to physicians, physician recruiters, healthcare executives, policy makers, academics, journalists and others who monitor developments in the physician staffing industry. This year, for the second time, nurse practitioners (NPs) and physician assistants (PAs) are included in the survey.

METHODOLOGY

Staff Care's 2014 Survey of Temporary Physician Staffing Trends is based on surveys sent by e-mail to healthcare executives and locum tenens physicians, nurse practitioners, and physician assistants nationwide. The survey also includes an examination of the temporary staffing assignments Staff Care conducted in calendar year 2013. Data from past Staff Care surveys are included where applicable.

Part I of the survey examines why healthcare facilities, including acute care hospitals, medical groups, state-supported facilities such as behavioral health centers, community health centers, and others use locum tenens physicians and how they evaluate the quality and services provided by locum tenens practitioners.

Part II of the survey examines why physicians, NPs and PAs work on a locum tenens basis, how they select temporary practice opportunities, how they are perceived by colleagues, and related matters.

Part III of the survey indicates the type of locum tenens staffing assignments Staff Care conducted in calendar year 2013. The breakdown of temporary practitioner "days requested" by profession and/or medical specialty is offered as an indicator of current provider supply and demand trends in locum tenens.

Parts I and II of the survey were conducted throughout November and December of 2013, during which time surveys were emailed to a proprietary list of healthcare facility administrators and to physicians, NPs and PAs known to practice on a temporary basis. Respondents were self-selected and included Staff Care clients and non-clients, as well as physicians, NPs, and PAs who have been matched to temporary assignments by Staff Care and those who have not. The final survey report was released in February, 2014.

PART 1

2014 Survey of Locum Tenens Physician Users, Including Hospital, Medical Group, Community Health Center and Government Health Facility Managers, Based on 2013 Data

Number of Surveys Completed = 230

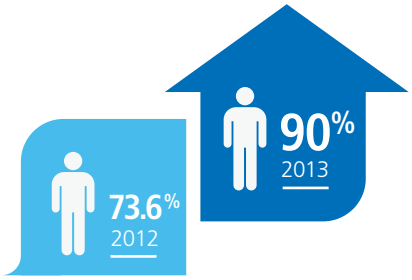
KEY FINDINGS:

Part I of Staff Care's 2014 Survey of Temporary Physician Staffing Trends examines the use of locum tenens physicians in hospital, medical group and other settings. It seeks to determine how prevalent is the use of locum tenens physicians and why healthcare facilities use temporary doctors. The survey also examines how health facility administrators evaluate the quality of care provided by locum tenens physicians and whether or not they are worth the cost.

Key Findings

Part I of Staff Care's 2014 Survey of Temporary Physician Staffing Trends examines the use of locum tenens physicians in hospital, medical group and other settings. It seeks to determine how prevalent is the use of locum tenens physicians and why healthcare facilities use temporary doctors. The survey also examines how health facility administrators evaluate the quality of care provided by locum tenens physicians and whether or not they are worth the cost.

KEY FINDINGS OF PART I INCLUDE

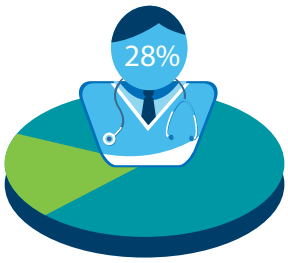


HEALTH FACILITIES THAT USE LOCUM TENENS PHYSICIANS

- **A growing number of healthcare facilities report using locum tenens physicians.** The 2014 survey indicates that 90% of responding hospital and medical group administrators used locum tenens physicians sometime in 2013, up from 73.6% in 2012. This is the highest number of respondents indicating they have used locum tenens physicians in a given year that Staff Care has recorded in any of its annual surveys.

- About one in four facilities currently are seeking locum tenens physicians. Thirty-nine percent of respondents indicated they currently are seeking locum tenens physicians, up from 32% last year. Based on responses to the 2014 survey, and responses from previous years, data suggest that about 40% of healthcare facilities are seeking locum tenens physicians at any given time.

- Over 75% of healthcare facilities use at least one to five days of locum tenens physician coverage in a typical month. About 30% of respondents use six or more days of locum tenens coverage in a typical month.



HEALTH FACILITIES THAT USE PRIMARY CARE LOCUM TENENS PHYSICIANS

- **Primary care physicians are in the greatest demand as locum tenens**, followed by behavioral health professionals, and hospitalists. Over 28% of survey respondents indicated they had used primary care locum tenens physicians in the previous 12 months, 21.12% had used behavioral health professionals, and 24.12% had used hospitalists.

- Demand also rose for surgical locum tenens, internal medicine subspecialists, radiologists, and certified registered nurse anesthetists (CRNAs.) In 2013, 9.7% of respondents indicated they used locum tenens surgeons in the previous 12 months, 7.6% said they used internal medicine subspecialists, 4.8% said they used radiologists, and 2.8% said they used CRNAs. In 2014, those numbers rose to 14.7%, 11.7%, 9.4% and 6.4%, respectively. In 2014, demand for primary care, while still strong, was less concentrated as demand spread to other types of physicians and advanced practitioners.

- **Demand is rapidly accelerating for locum tenens nurse practitioners (NPs) and physician assistants (PAs).** In the 2013 survey, only 4.8% of respondents indicated they had used locum tenens NPs in the previous 12 months. In 2014, that number rose to 12.35%. In 2013, only 4.7% of respondents indicated they had used locum tenens PAs in the previous 12 months. In 2014, that number rose to 7%.

FACILITIES THAT USE LOCUM TENENS NURSE PRACTITIONERS

- Health facilities use locum tenens physicians primarily to address turnover and as a stop-gap during permanent physician search efforts. About 55% of respondents use locum tenens physicians to fill in for physicians who have left, while an equal number use locum tenens physicians to maintain services until a permanent physician is found.

- **The majority of health facility administrators rate locum tenens physicians as good to excellent.** Over 71% of respondents indicated that the general skill level of locum tenens physicians is either good or excellent, up from 65% the previous year.

ADMINISTRATORS RATING LOCUM TENENS QUALITY AS GOOD OR EXCELLENT

- Over 43% of healthcare facilities now employ telemedicine. In an era of widespread physician shortages, many healthcare facilities are using telemedicine as an extension of their medical staffs.

- A growing number of healthcare facilities are using Managed Services Providers (MSPs). About 12% of respondents indicated their facilities use an MSP to oversee multiple locum tenens staffing companies and to manage the temporary staffing process, up from 8% last year.

- **About 80% of health facility administrators believe locum tenens physicians are worth the cost.** Though cost is considered one of the drawbacks of using locum tenens physicians by many administrators, 79.5% said locum tenens physicians are worth the cost.

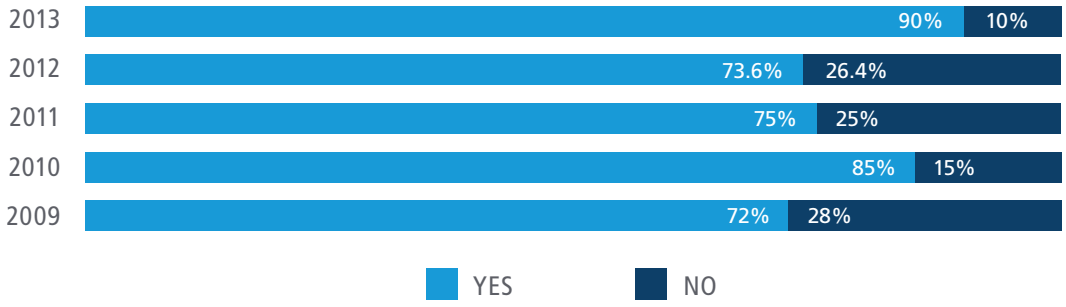
ADMINISTRATORS RATING LOCUM TENENS AS WORTH THE COST

- Healthcare facility administrators will make staffing changes in response to health reform. In response to the Affordable Care Act (ACA), 31% of respondents said they will add more permanent medical staff, over 16% will add advanced practice professionals (NPs and PAs) and over 7% will use locum tenens physicians or float pools to address patient increases.

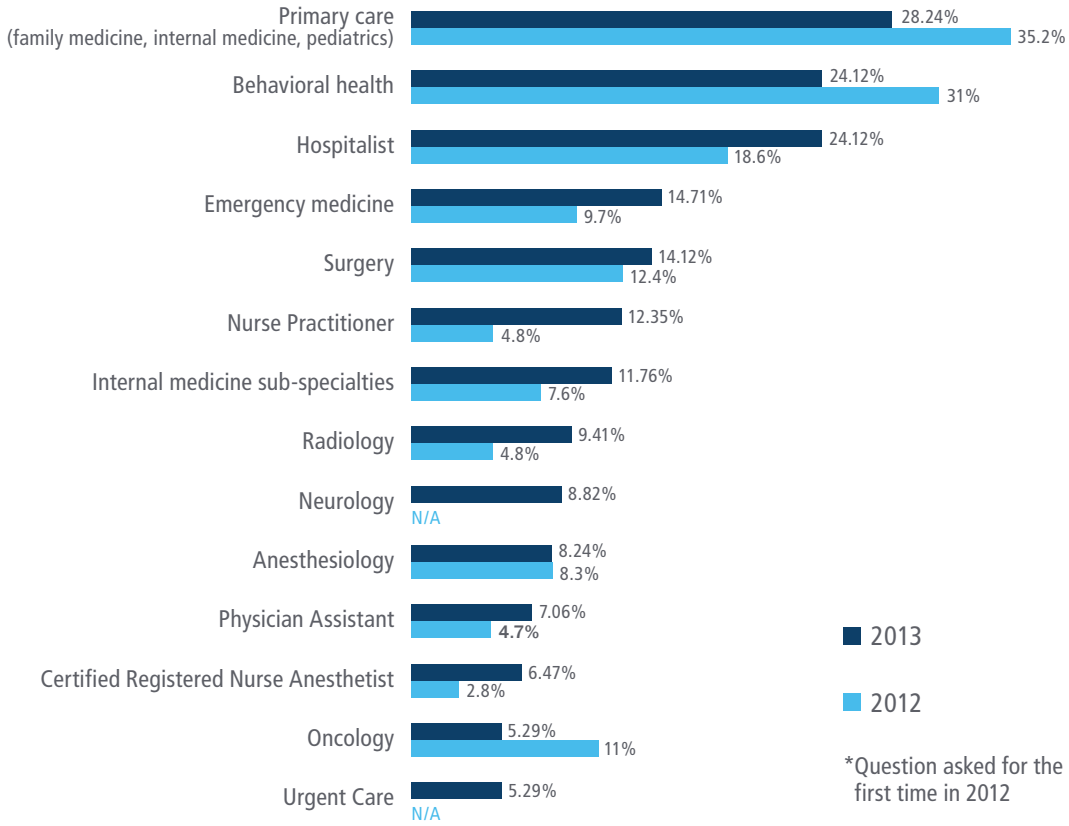
Questions Asked and Responses Received

Responses to Part I of the survey are listed below.

1 Have you used temporary (locum tenens) physicians to supplement your existing staff any time during the last 12 months?

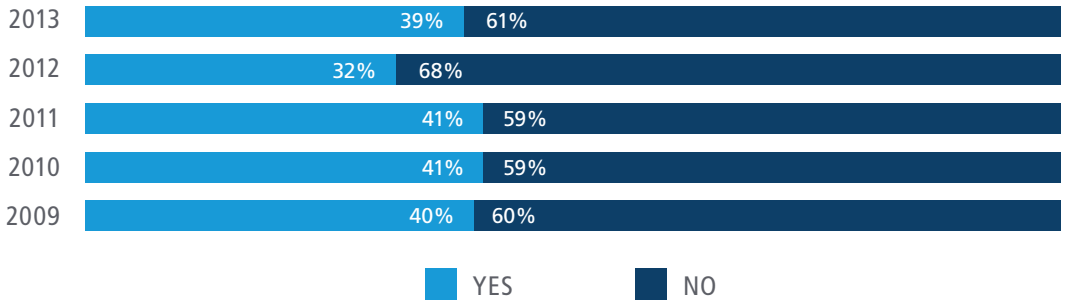


2 If yes, what specialties? (check all that apply)

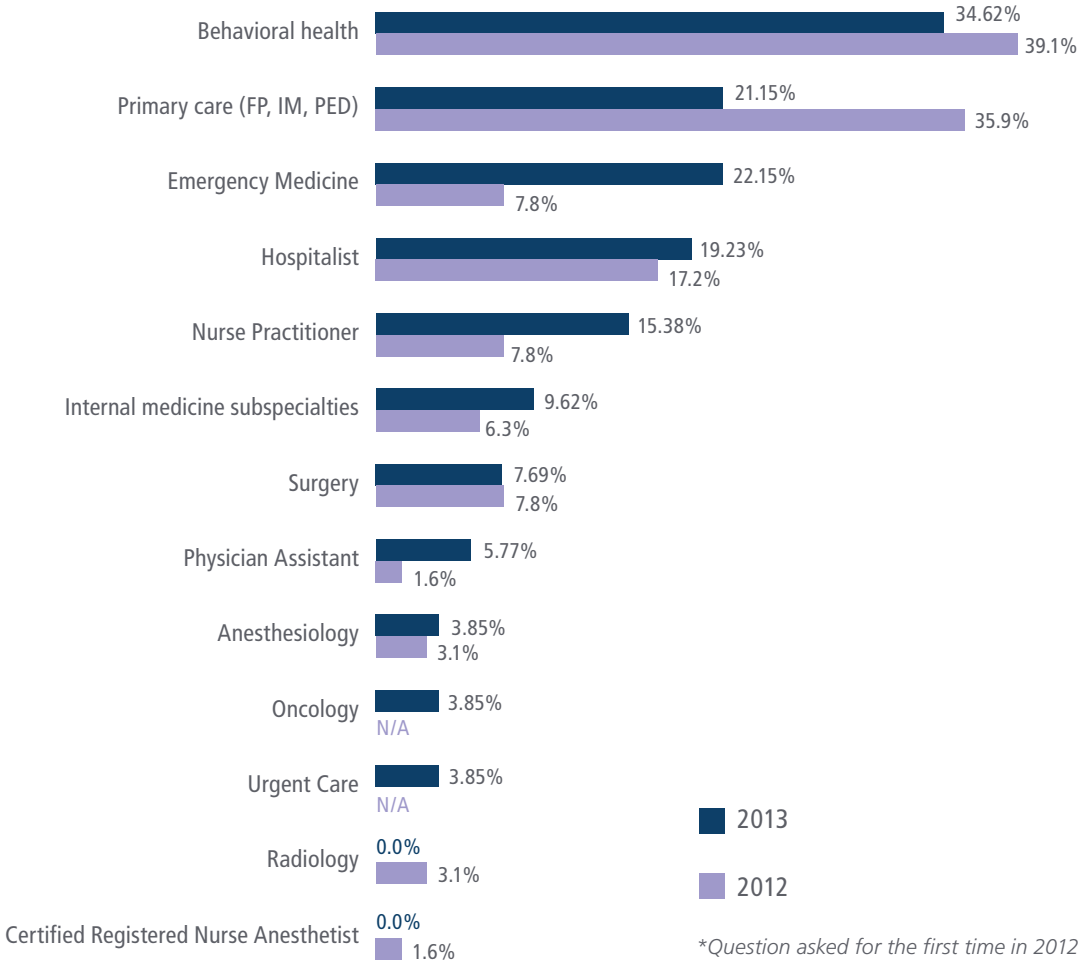


*Question asked for the first time in 2012

3 Are you currently looking for locum tenens physicians to supplement your existing staff?

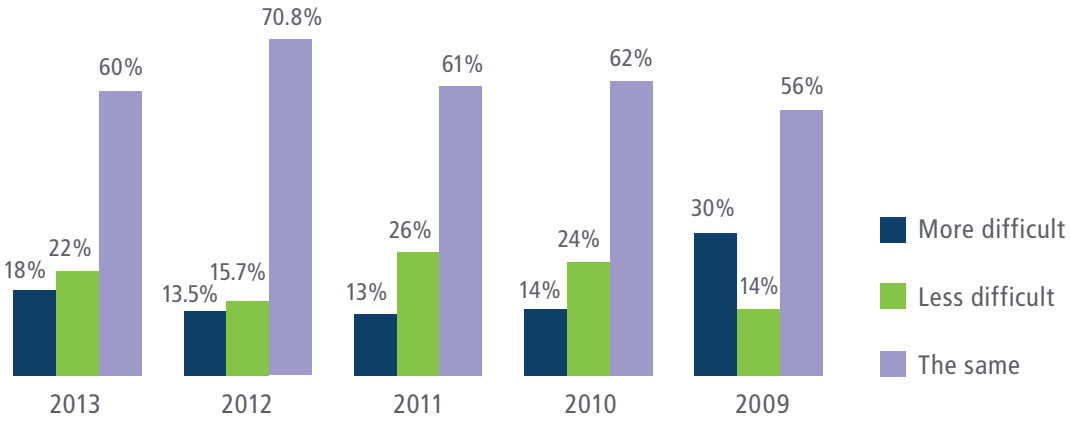


4 If yes, what specialties?* (check all that apply)

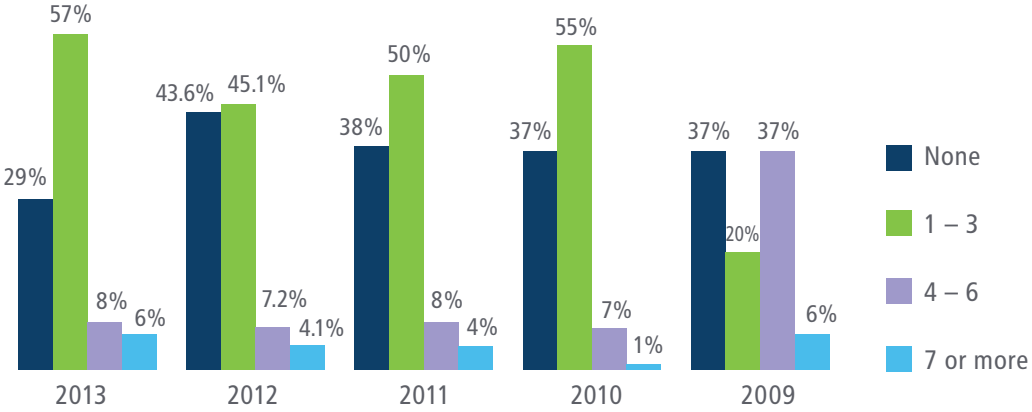


Question asked for the first time in 2012

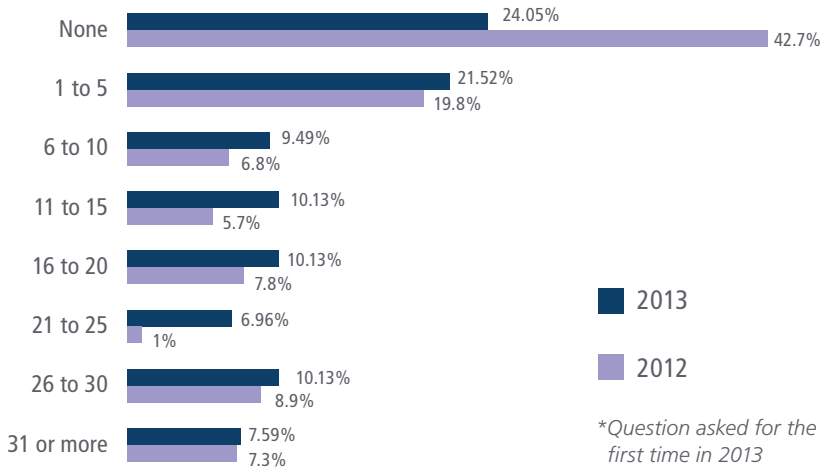
5 How difficult is it to find locum tenens coverage today compared to 12 months ago?



6 In a typical month, how many locum tenens physicians do you use?



7 In a typical month, about how many days of locum tenens coverage do you use?*



Question asked for the first time in 2013

8 Why do you or would you typically use a locum tenens physician? (check all that apply)

	2013	2012	2011	2010	2009
Fill in for staff who have left	55.00%	58.20%	42%	46%	22%
Fill in until a permanent doctor is found	54.90%	57.20%	57%	63%	34%
Vacation/continuing medical education	46.41%	36.10%	46%	53%	37%
Fill in during peak usage times	11.11%	13.00%	9%	4%	11%
Maintain flexibility to upsize or downsize staff as needed*	9.80%	7.20%	NA	NA	NA
Meet rising patient demand	7.19%	10.10%	8%	9%	3%
Maintain services while transitioning to physician employment*	3.27%	5.30%	NA	NA	NA
Reduce readmissions/medical errors*	1.96%	0.50%	NA	NA	NA
Test market a new service	0.65%	1.40%	0%	0%	25%
Maintain services during EMR training*	0.00%	3.80%	NA	NA	NA
Ensure quality-based reimbursement*	0.00%	0.50%	NA	NA	NA

Question asked for the first time in 2012

9 What are the benefits/drawbacks of using locum tenens physicians? (check all that apply)

BENEFITS

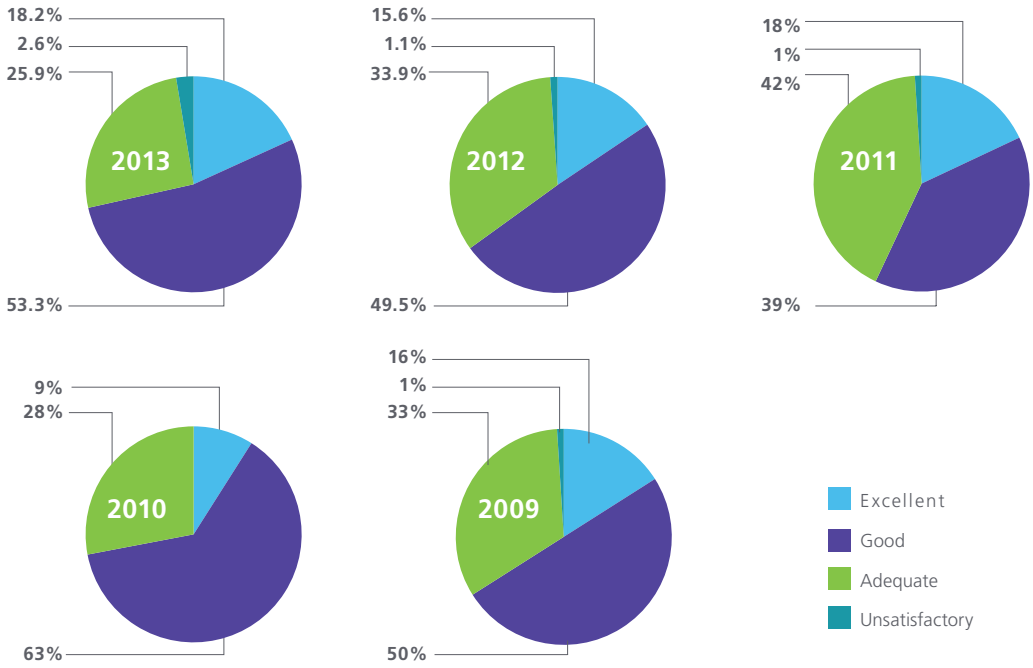
2013	2012	2011	2010	2009	
69%	64%	64%	73%	36%	Allows continual treatment of patients
35%	38%	43%	41%	21%	Prevent revenue loss
28%	31%	25%	32%	16%	Prevents existing staff burnout
39%	31%	24%	28%	20%	Immediate availability
6%	1%	4%	2%	6%	Other
3%	4%	1%	1%	35%	Cost
3%	3%	NA	NA	NA	Reduce medical errors/readmission
2%	2%	NA	NA	NA	Ensures quality based reimbursement

DRAWBACKS

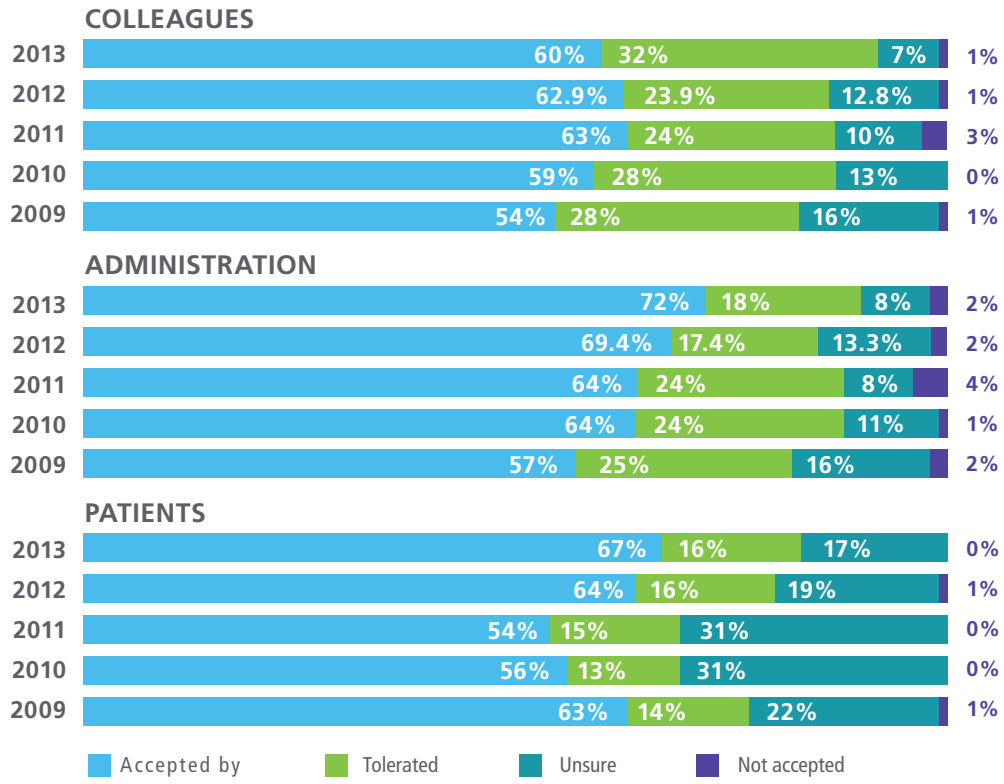
2013	2012	2011	2010	2009	
86%	75%	86%	86%	58%	Cost
46%	50.50%	60%	62%	31%	Familiarity with department/practice
34%	28.40%	35%	42%	19%	Learning equipment/procedures
24%	15.40%	NA	NA	NA	Managing multiple locum tenens staffing providers*
37%	35.60%	NA	NA	NA	Credentialing issues*
13%	14.90%	NA	NA	NA	Unable to bill for locum tenens services*

Question asked for the first time in 2012

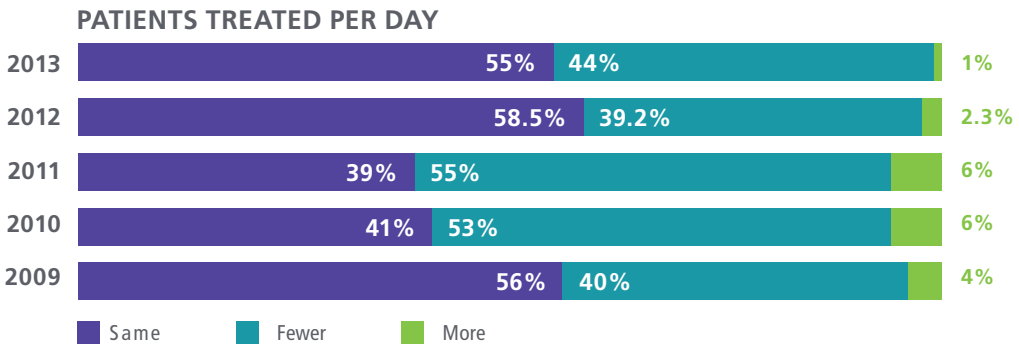
10 What is your perception of the general skill level of locum tenens physicians?



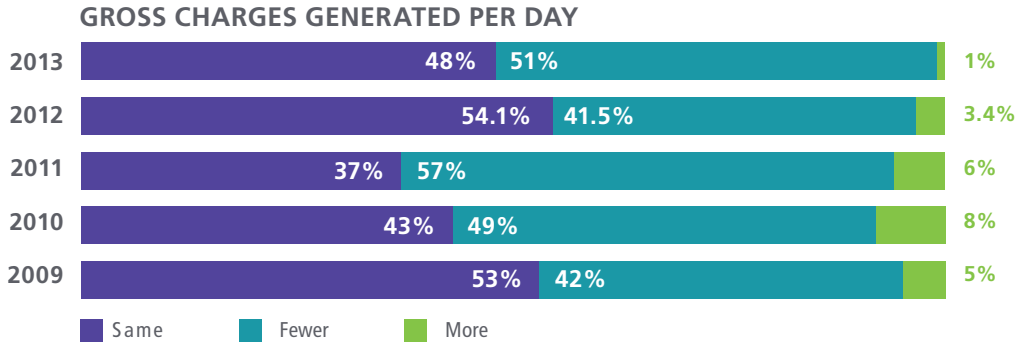
11 At your facility, how are locum tenens providers viewed by:



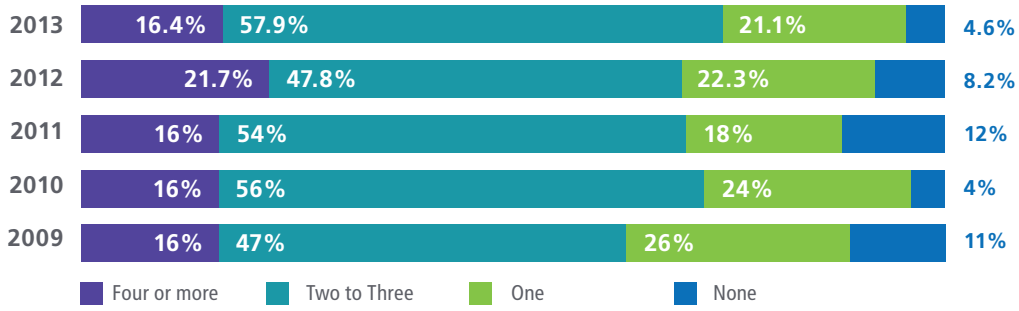
12 Please rate locum tenens physicians compared to your permanent medical staff in the following areas:



13 Please rate locum tenens physicians compared to your permanent medical staff in the following area:



14 When conducting your search for locum tenens physicians, with how many search firms/ staffing agencies do you generally work?

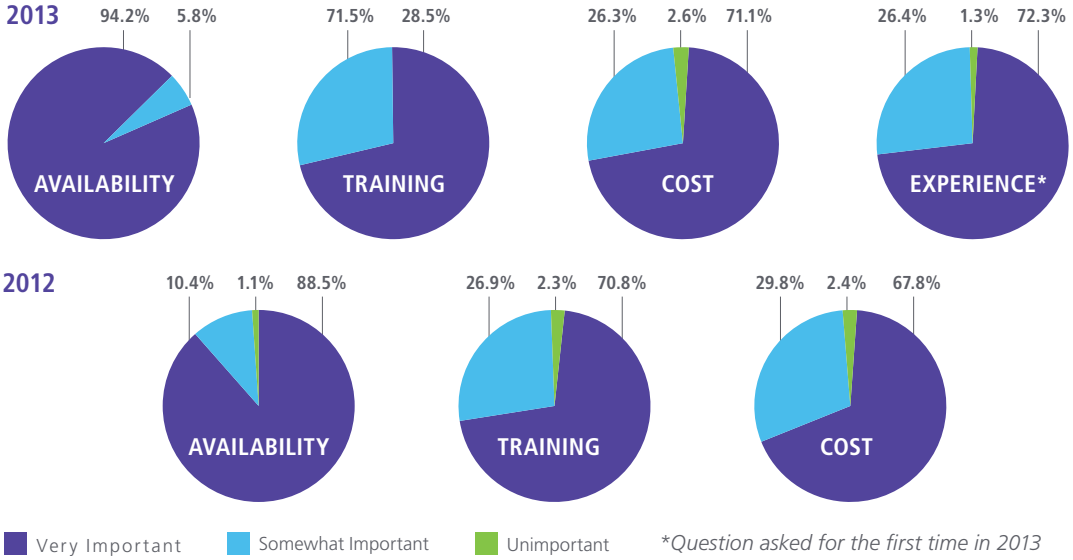


15 What are the most important factors in selecting a temporary staffing firm? (check all that apply)

	2013	2012	2011	2010	2009
Quality of physicians provided	82%	78%	87%	84%	76%
Availability of candidates	64%	66%	71%	84%	65%
Cost	61%	47%	74%	51%	52%
Customer service	44%	45%	61%	57%	49%
Contract Flexibility	34%	36%	35%	42%	31%
Manages the locum tenens process*	21%	27%	NA	NA	NA
Malpractice Insurance	14%	22%	26%	26%	20%
Provides a locum tenens billing service*	4%	6%	NA	NA	NA
Other	4%	1%	9%	5%	1%

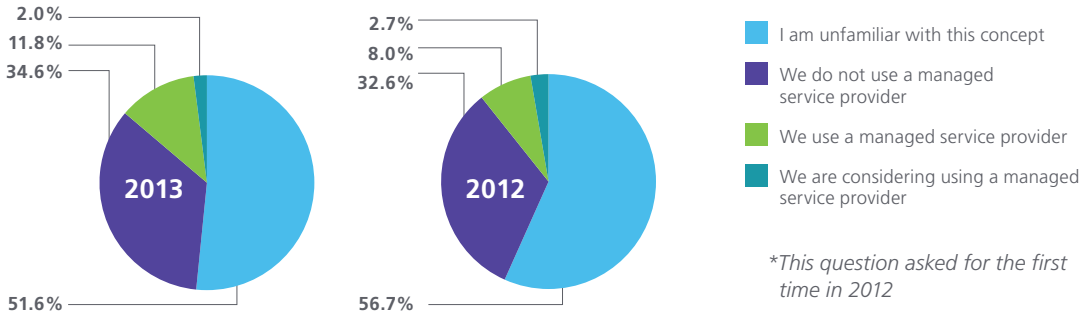
Question asked for the first time in 2012

16 Rate the importance of the following factors when selecting a locum tenens candidate:



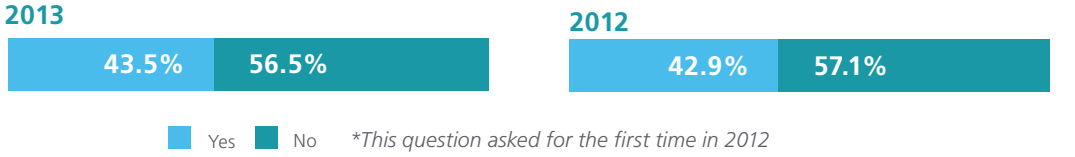
Question asked for the first time in 2013

17 What is your facility's position regarding companies that provide management of multiple locum tenens staffing services?*

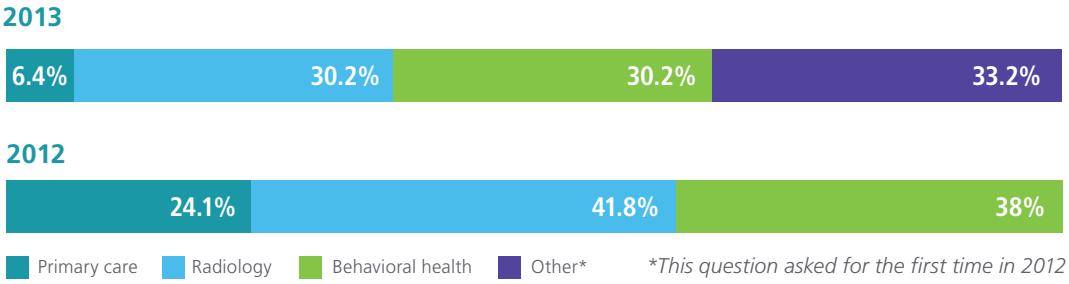


This question asked for the first time in 2012

18 Has your facility integrated telemedicine into any of its departments?*

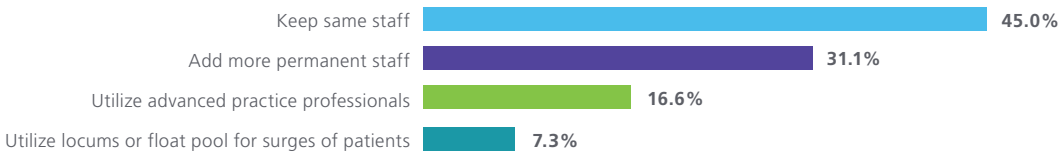


19 If yes, which ones?



20 How would you rate the value of locum tenens physicians to your facility?

21 How do you see your facility managing through the changes coming with the Affordable Care Act?



*This question asked for the first time in the 2014

Trends and Observations

OVERVIEW

Part I of Staff Care's 2014 Survey of Temporary Physician Staffing Trends provides insight into how often healthcare organizations use temporary (locum tenens) physicians, why they use these physicians, the benefits locum tenens physicians provide, how they compare to permanent physicians and the perceived skill levels of locum tenens physicians. Selected trends and observations from the survey follow:

Who is using locum tenens physicians and what types of physicians are in demand?

The 2014 survey confirms a longstanding trend observed in the ten-plus years Staff Care has been conducting this survey, which is that locum tenens physicians are in common use at hospitals, medical groups and other healthcare facilities nationwide. Each year, Staff Care asks hospital and medical group managers if they have used locum tenens physicians in the previous 12 months. This year, 90% of respondents indicated that they had done so, up from 73.6% the previous year.

The 2014 survey marks the first time that nine out of ten respondents indicated that their facilities have recently used locum tenens physicians. The previous highest affirmative response to this question occurred in 2010 when 85% of respondents indicated their facilities had used locum tenens physicians sometime in the last 12 months.

Of those who used locum tenens physicians in the last 12 months, over 28% indicated they had used primary care physicians, defined in this survey as family physicians, general internists, and pediatricians. Though more respondents indicated they had used primary care physicians in the last year than any other type of doctor, the percentage was down compared to 2013, when over 35% of respondents indicated they had used primary care locum tenens physicians in the previous 12 months.

Similarly, the percent of respondents who said they used locum tenens behavioral health professionals in the previous year was down in the 2014 survey relative to 2013. In 2013, 31% of respondents said they had used locum tenens behavioral health professionals in the previous 12 months, more than any other type of professional with the exception of primary care physicians. In 2014, that number declined to 24%.

By contrast, the number of respondents who indicted they had used other types of locum tenens physicians, such as surgical specialists or internal medicine sub-specialists, increased in the 2014 survey relative to 2013. For example, in 2014, over 24% of respondents said they had used locum tenens hospitalists during the previous 12 months, up from 18.6% in the 2013 survey; over 14% said they had used locum tenens surgical specialists, up from 12.4% in 2013; 12% said they had used locum tenens internal medicine subspecialists, up from 7.6%; 9.4% said they had used locum tenens radiologists, up from 4.8%; and 7% said they had used locum tenens anesthesiologists, up from 4.7% in 2013.

The 2014 survey also indicates that demand is increasing significantly for locum tenens advanced practitioners, such as nurse practitioners (NPs) and physician assistants (PAs). In the 2014 survey, 12.35% of respondents said they had used locum tenens NPs in the previous 12 months, compared to only 4.8% in the 2013 survey. In 2014, 7% of respondents said they had used locum tenens PAs in the last 12 months, up from 4.8% in 2013.

What this suggests is a general broadening of demand among healthcare facilities for physicians other than those specializing in primary care, and for advanced practice clinicians who can perform many of the tasks commonly done by physicians.

Of respondents currently seeking locum tenens physicians, 34.6% are seeking behavioral health professionals, 21.15% are seeking primary care physicians, 21.15% are seeking emergency medicine physicians, 19.23% are seeking hospitalists, 15.38% are seeking NPs, and others are seeking a variety of other types of medical specialists and PAs.

A Response to the Physician Shortage

The United States is in the midst of an emerging physician shortage that is expected to be exacerbated by a growing and aging population, increased access to health insurance resulting from the Affordable Care Act (ACA), the imminent retirement of many older physicians, and an evolution in physician practice styles in which physicians are working fewer hours. The Association of American Medical Colleges (AAMC) projects that there will be a deficit of 131,000 physicians by the year 2025, and dozens of other organizations have released projections of shortages in various medical specialties or geographic regions.

One response to a shortage of healthcare professionals needed to fill permanent physicians is the increased use of temporary providers to maintain services and revenue. In recent years, the physician shortage has been thought to be most acute in primary care, a trend reflected in Staff Care's surveys, which show that demand for locum tenens physicians is greatest in primary care.

However, Staff Care's 2014 survey indicates that demand for locum tenens physicians, while still strong in primary care, is extending to other areas, suggesting that the supply of physicians in these areas is beginning to tighten. While the AAMC projects that there will be a shortage of over 60,000 primary care physicians by 2025, it also projects there will be a shortage of an even greater number of specialists. The use of locum tenens physicians often can be taken as an "early warning sign" showing which types of physicians are in short supply. The 2014 survey suggests that healthcare facilities may be unable to find many of the permanent medical specialists they need and are increasingly using locum tenens physicians in the interim.

The Growing Use of Locum Tenens NPs and PAs

The survey also shows this trend extends to locum tenens NPs and PAs. As physicians become more difficult to recruit, and as reimbursement becomes a greater concern, healthcare facilities are seeking to augment their staffs with NPs and PAs, who can perform many of the services provided by physicians at less cost. Unable to recruit permanent NPs and PAs in a timely manner, a growing number of healthcare facilities are turning to locum tenens NPs and PAs for interim coverage.

More "Temporary Days" Scheduled

Use of locum tenens physicians is measured in "temporary physician days." A small medical group might use one locum tenens physician for one day during a month to cover for a doctor out on continuing medical education (CME), while a hospital might use three locum tenens physicians over a period of three months for a total of 180 days to cover for a physician on disability and to maintain services while seeking to fill two permanent positions. Over 75% of respondents to the 2014 survey indicated that in a typical month they schedule at least one temporary physician day, up from 58.3% in 2013. Over 54% schedule at least six temporary days or more a month, up from 37.5% in 2013, while 34.8% schedule at least 16 temporary days a month or more, up from 25% in 2013 . The latter may be facilities in traditionally underserved rural or inner city areas that have difficulty finding doctors, or larger facilities that experience turnover, have multiple gaps in their staffs due to vacations, CME, illness and related reasons.

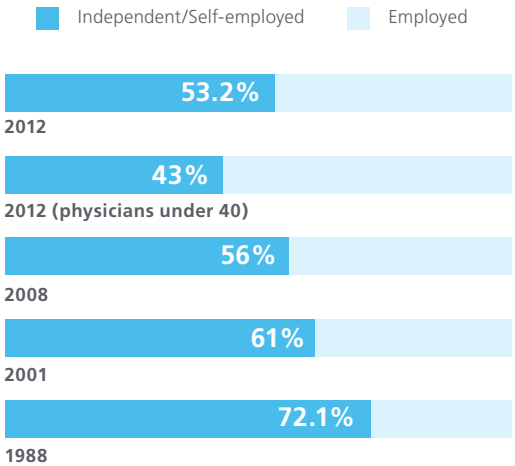
Only 24% of respondents said that in a typical month they do not schedule any locum tenens physician days, compared to 42.7% last year.

Reasons for Using Locum Tenens:

Respondents to the 2014 survey indicated two primary reasons why they use locum tenens doctors. Fifty-five percent said they use locum tenens physicians to fill in for physicians who have left their facilities (i.e., as a response to physician turnover). This was also the most common reason for using locum tenens doctors cited by respondents in the 2013 survey. By contrast, in 2009, only 22% of respondents cited physician turnover as a reason for using locum tenens physicians.

This finding reflects a larger trend taking place in healthcare today – a shift from the traditional independent physician practice model to the employed physician model. The chart below illustrates the growing percent of physicians nationwide who are employed compared to those who are still self-employed in private practice:

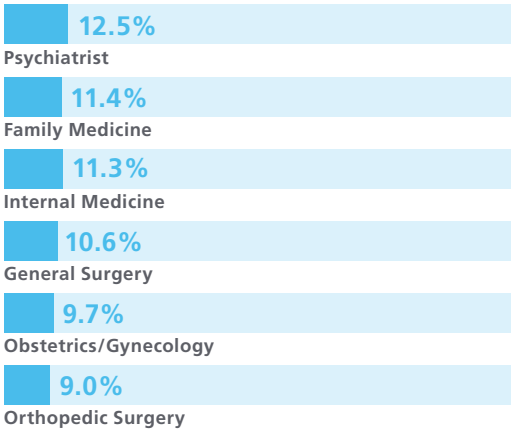
Practice Arrangements of Physicians



Source: *Policy Research Perspectives. New Data on Physician Practice Arrangements. American Medical Association. September, 2013.*

As independent practice owners, physicians typically have a deep financial and emotional stake in their practices. Under the independent practice model, physician turnover was rare as doctors were unwilling or unable to leave what were essentially their small businesses. As hospital and large medical group employees, however, physicians have become more like other employed professionals, and have more mobility in their careers. Below are physician relocation rates in various specialties as tracked by data firm SK&A:

Annual Physician Relocation/Turnover



Source: *SKA Physician Move Rates, April, 2012*

As the employed model becomes more pervasive, hospitals, medical groups and other facilities will need to put renewed emphasis on physician retention strategies to ensure medical staff stability. Locum tenens can be incorporated into this process in two ways. One, long hours and overwork can be a key cause of physician burnout and turnover. Locum tenens physicians can be used to alleviate the pressure on permanent staff, filling in during peak usage periods and allowing permanent staff members to take vacations, CME and other personal

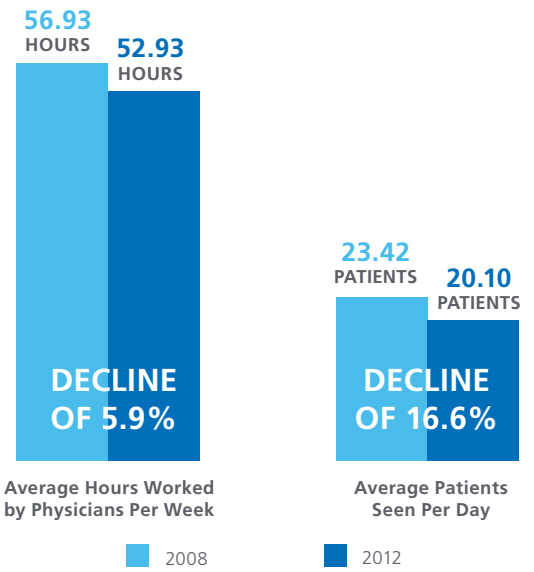
time. Two, locum tenens physicians can be used to maintain services and patient base in those cases where physician turnover cannot be avoided. This may make it easier to attract new candidates who will not be faced with building an entirely new patient base when they locate to a new practice.

Interim Coverage While Seeking Permanent Candidates

Fifty-five percent of survey respondents also indicated that they use using locum tenens physicians to maintain services until a permanent doctor is found. This response reflects the trend referenced above -- the national physician shortage. Historically, locum tenens doctors have been used to hold a place for ill, vacationing or otherwise absent doctors pending their return. Today, national doctor shortages have prompted hospitals, medical groups and others to use temporary doctors to maintain services in lieu of permanent doctors, who may be difficult to find.

The Importance of Lifestyle

Many physicians today are interested in a "controllable lifestyle" and seek vacation time and other time off when evaluating employment opportunities. This has led to a significant reduction in the overall physician workforce as measured by full time equivalents (FTEs) as physicians work fewer hours than they have in the past (see the following chart):



Source: *A Survey of America's Physicians: Practice Patterns and Perspectives. The Physicians Foundation. 2012*

Changes in physician practice styles have contributed to the increased use of locum tenens doctors. Though filling in for vacationing or otherwise absent physicians no longer is the primary reason facilities use locum tenens physicians, it is still a leading reason they do so. Over 46% of respondents indicated they use locum tenens physicians to fill in for doctors who are out on vacation, illness or for other reasons.

Maintaining Flexibility

Health reform and various market changes that come with it are changing virtually all aspects of healthcare delivery, including locum tenens staffing. New delivery models such as Accountable Care Organizations (ACOs) are putting a premium on delivery of care within defined budgets while meeting specific quality parameters. Staffing is an important part of this equation, as the right

number and kind of healthcare professionals can be crucial to reducing medical errors and hospital readmissions, for which many hospitals and other providers may be at financial risk, as well as achieving quality and cost goals.

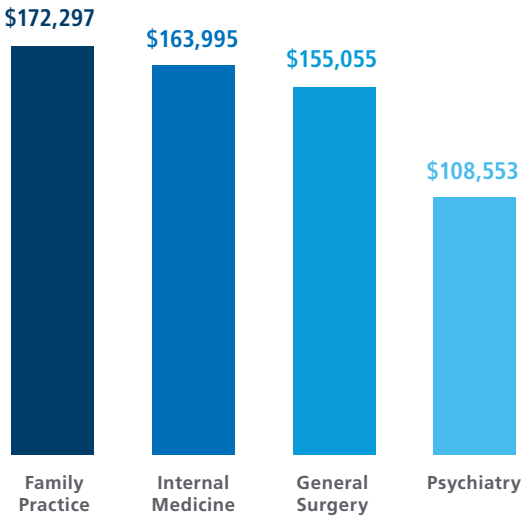
The era of health reform brings with it various pressures on provider reimbursement through cuts or changes to Medicare and other forms of payment. It is increasingly important for hospitals and other facilities to manage their resources, including those devoted to staffing. Through the use of locum tenens physicians, health facilities can "right staff," quickly adding clinicians when needed during peak periods, or they can "down-staff" when appropriate. Close to 10% of respondents indicated they use locum tenens physicians to "upsize" or "downsize" as needed, up from 7.2% in 2013.

The Benefits of Using Locum Tenens

The main benefit of using locum tenens physicians, cited by 69% percent of those surveyed, is to maintain continuity of patient care. When full-time physicians are absent for any reason, patients may not be able to access the care they need, or they may migrate to other sites of service. Locum tenens physicians allow healthcare facilities to maintain the continuity of care that is important to both quality outcomes and to patient satisfaction and loyalty.

By seeing patients who might otherwise have gone elsewhere, locum tenens physicians also allow medical facilities to maintain revenue streams. The opportunity cost of not having a physician in place can be considerable. According to a study by physician search firm Merritt Hawkins (like Staff Care, a company of AMN Healthcare) physicians on average generate $1.5 million a year on behalf of their affiliated hospitals. The chart below indicates how this breaks out on a pro rated monthly basis for several medical specialties:

Revenue Generated by Physicians for Hospitals Pro Rated Over One Month



Source: Merritt Hawkins 2013 Survey of Physician Inpatient/Outpatient Revenue

Thirty-five percent of those surveyed said that preventing revenue loss was a benefit of using locum tenens physicians, while 39% identified the immediate availability of locum tenens physicians as a benefit. As referenced above, using locum tenens physicians also can be part of a physician retention strategy, helping to prevent the burn-out of existing staff. Twenty-eight percent of administrators surveyed indentified preventing staff burn-out as one of the benefits of using locum tenens physicians.

How Are Locum Tenens Physicians Perceived?

Healthcare facility managers were asked to rate the general skill level of locum tenens physicians. The majority (71.5%) rated locum tenens physicians' skills as either good or excellent, up from 65% in the 2013 survey, and up from 57% the year before that . About a quarter of 2014 respondents rated the skill level of locum tenens physicians as adequate, while only 2.6% rated the skill level of locum tenens physicians as unsatisfactory.

When locum tenens physicians first came into wide use in the 1970s, the quality of these physicians sometimes was questioned. Today, locum tenens practice has become more widely accepted by health care facilities, and physicians practicing locum tenens are rigorously screened, in part because staffing firms are at risk for their malpractice insurance. The 2014 survey suggests that the quality of locum of tenens physicians is generally considered to be high or at least satisfactory.

Healthcare facility managers also were asked to indicate how locum tenens physicians are viewed by various parties, including permanent physicians on their staffs, administrators, and patients. The majority (60%) said that locum tenens physicians are accepted by permanent staff physicians, 72% said they are accepted by administrators, and 67% said they are accepted by patients. If not accepted by peers, administrators and patients, locum tenens physicians are at worst "tolerated" by these groups. No more than two percent of survey respondents indicated that locum tenens physicians are not accepted by fellow physicians, administrators or patients.

Telemedicine Common

Healthcare facility administrators were asked in the 2014 survey if they have integrated telemedicine into any of their departments – a question first posed in the 2013 survey. As a response to physician shortages, or because they may not be able to support full-time physicians in certain specialties, some facilities are using telemedicine to extend the types of services they provide. About 43% of respondents indicated their facilities have integrated telemedicine into their departments, up slightly from 2013.

Managed Services Providers

As health care facilities expand, consolidate, or merge, the locum tenens staffing process can become more complex, involving more physicians and more sites of service. Coordinating the schedules of multiple locum tenens providers staffed by multiple

temporary staffing firms can create logistical and billing challenges. In response, healthcare facilities may elect to outsource the entire locum tenens function to a Managed Services Provider (MSP) which will oversee all locum tenens staffing issues, including scheduling, recruiting, logistics, and billing.

Healthcare facility administrators were asked for the second time in the 2014 Survey about their position on companies that provide management of multiple locum tenens staffing services. About 12% said they use the services of an MSP to manage their physician locum tenens needs, up from 8% in 2013. However, the majority (51.6%) are not familiar with a concept that is common in other industries and also increasingly common in nurse staffing.

Worth the Cost?

Healthcare facilities pay a daily rate for the services of locum tenens physicians, a rate that can range from several hundred dollars to over $1,500, depending on the specialty. Balanced against this are the various benefits locum tenens doctors provide, including the ability to maintain both medical services and revenue. On balance, the great majority of healthcare facility managers surveyed (79.5%) indicated that locum tenens physicians are worth the cost.

PART 2

2014 Survey of Temporary Physician Staffing Trends, Based on 2013 Data

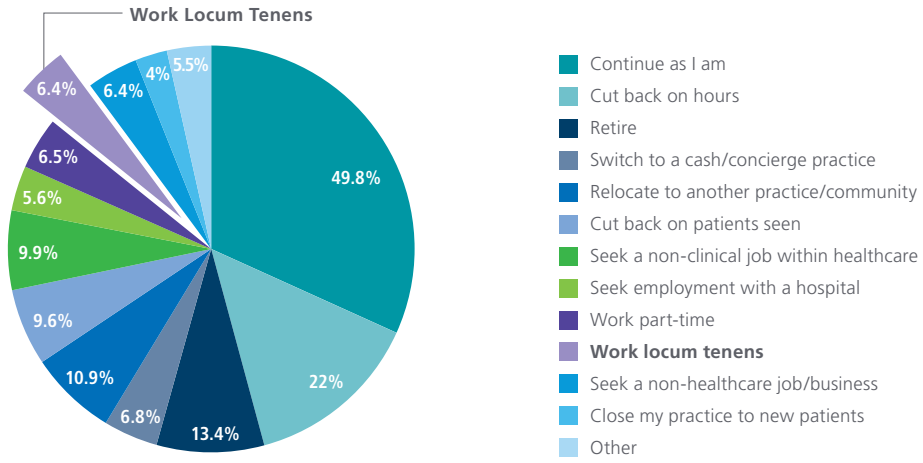
Number of Providers Surveyed = 1,262

OVERVIEW

The way physicians practice medicine today is rapidly evolving. The traditional, private practice model in which physicians ran small businesses is giving way to a range of practice styles and a range of service sites. Some physicians still own their own practices, but a growing number are employed by hospitals, large medical groups, community health centers, urgent care centers, free-standing emergency departments, insurance companies and other employers. An increasing number of physicians are electing to work part-time, while some are choosing to adopt the concierge/direct pay model, eliminating third party payers from their practices. Some are seeking non-clinical, administrative roles, while others are transitioning to careers outside of healthcare.

The chart below shows responses to a national survey of some 14,000 physicians conducted by The Physicians Foundation:

In the next one to three years, do you plan to (check all that apply)



Source: *A Survey of America's Physicians: Practice Plans and Perspectives. The Physicians Foundation. September, 2012.*

As the numbers above indicate, among the various practice changes or practice alternatives physicians are embracing is locum tenens. Should over six percent of the nation's 750,000 active physicians turn to locum tenens in the next three years, as the survey suggests, over 48,000 doctors would be added to the ranks of those working on a temporary basis.

Why are a growing number of physicians choosing to practice locum tenens? What are some of the characteristics of locum tenens physicians, and to what extent do these physicians feel they are accepted by colleagues and patients? What is their ideal assignment length, how far are they willing to travel, and how do they compare locum tenens practice to permanent practice?

Part II of Staff Care's 2014 Survey of Temporary Physician Staffing Trends, completed by physicians, physician assistants and nurse practitioners who work on a locum tenens basis, examines these and related questions. For the purposes of this report, all respondents will be referred to as physicians, though it is understood this group includes some physician assistants and nurse practitioners.

Key Findings

Part II of Staff Care's 2014 Survey of Temporary Physician Staffing Trends examines the characteristics of locum tenens physicians, why they practice on a locum tenens basis, and related topics.

KEY FINDINGS OF PART II INCLUDE

PRIMARY CARE PHYSICIANS WORKING LOCUM TENENS **17%**

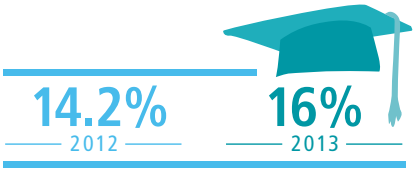
ALL OTHERS **83%**

- **Physicians in all specialties work locum tenens.** Over 17% of survey respondents are in primary care, while about 9% are in behavioral health. However, physicians from virtually all specialties indicated they work as locum tenens, including surgeons, emergency medicine physicians, radiologists, anesthesiologists, oncologists, hospitalists, neurologists and various others.

- The majority of locum tenens physicians are highly experienced. About 90% of respondents have 11 or more years of medical practice experience, while over 70% have 21 or more years of medical practice experience.

- Most physicians working locum tenens have done so for five years or less. Some 65% of respondents indicated they have worked locum tenens for five year or less, suggesting that locum tenens is still a relatively new practice style for many of the physicians who have adopted it.

- **More physicians are choosing locum tenens right out of residency.** Though most locum tenens physicians are experienced medical practitioners, a growing number are choosing locum tenens right out of residency training. In the 2014 survey, 16% of respondents said they first worked locum tenens right after residency, compared to 14.2% in the 2013 survey.



PERCENTAGE OF LOCUM TENENS PHYSICIANS JUST OUT OF RESIDENCY

- About one-third of locum tenens physicians took up locum tenens after retirement. Over 33% of respondents said they first worked locum tenens after retiring from permanent practice, suggesting locum tenens is a popular option for older doctors who wish to keep seeing patients but who do not wish to work full-time.

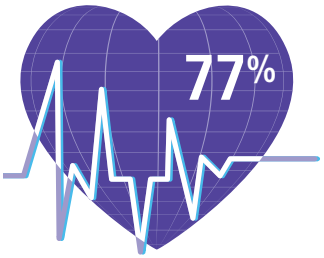
- Half of locum tenens physicians choose locum tenens while in mid-career. Over 50% of respondents said they first worked as locum tenens in mid-career, suggesting that many physicians choose locums as an alternative or supplement to full-time practice.

- Many locum tenens physicians are in permanent practice. About 43% of respondents currently are in permanent practice, suggesting that many physicians work as locum tenens on a moonlighting basis.

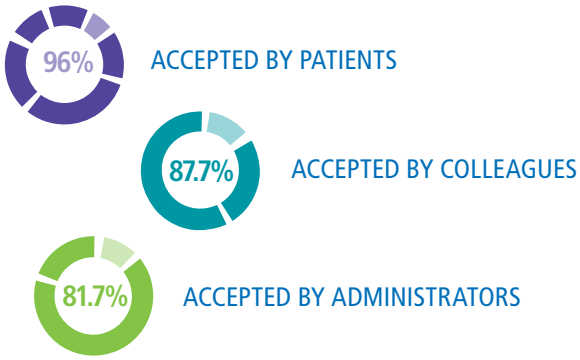
LOCUM TENENS PHYSICIANS SEEKING PERMANENT POSITIONS **25%**

- **Some physicians work locum tenens while seeking permanent positions.** Twenty-five percent of respondents indicated they are working locum tenens while seeking permanent positions.

- **Most physicians rate locum tenens as equally or more satisfying than permanent practice.** Seventy-seven percent of respondents said they find locum tenens practice to be as satisfying or more satisfying than permanent practice.



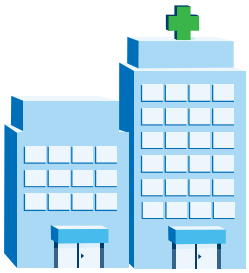
- The primary benefit physicians derive from locum tenens is flexibility. Eighty-three percent of respondents cited flexibility as a benefit of working locum tenens, followed by no politics (50%), and travel (47%). Pay ranked fourth, with 44% citing it as a benefit.



- **Physicians feel accepted at their locum tenens assignments.** Over 96% of respondents said they are accepted by patients while on locum tenens assignments, 87.7% said they are accepted by physician colleagues, and 81.7% said they are accepted by administrators.

- Physicians find locum tenens opportunities through staffing firms and online search. Sixty percent of respondents said they find locum tenens opportunities by calling their recruiter, calling various recruiting agencies, or visiting recruiter websites, 24% search online, and 16% visit physician job boards.

- Many locum tenens physicians have a LinkedIn profile. Forty-three percent of respondents said they have a LinkedIn profile.



68%

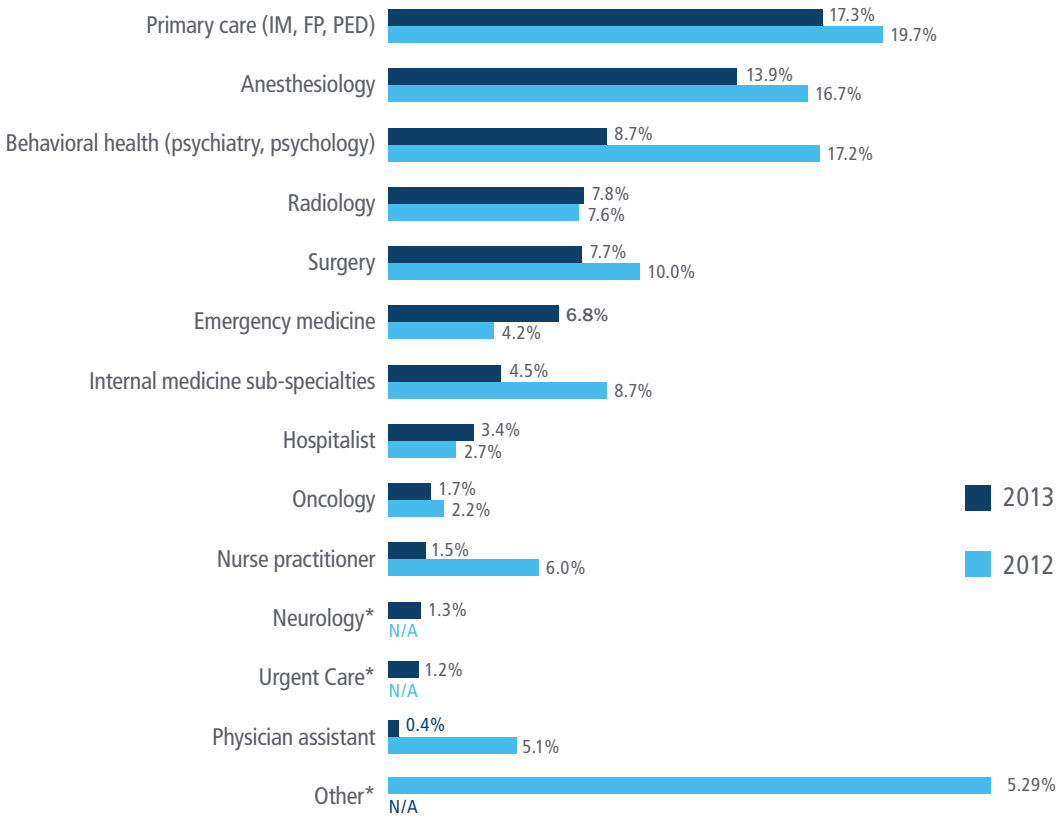
LOCUM TENENS INCREASED UNDERSTANDING OF DELIVERY SYSTEMS

- **Working locum tenens can be enriching for physicians.** Over 68% of respondents said that working locum tenens enhanced their understanding of different delivery systems, 54.5% developed valuable new personal relationships, and 53.8% enjoyed positive travel experiences.

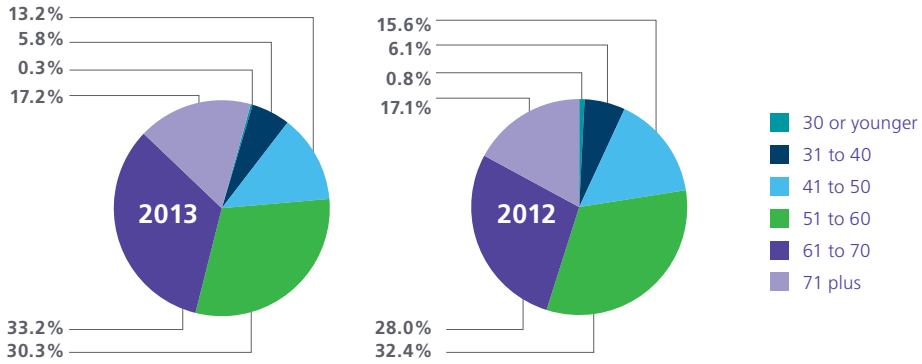
Questions Asked and Responses Received

Responses to Part II of the survey are listed below.

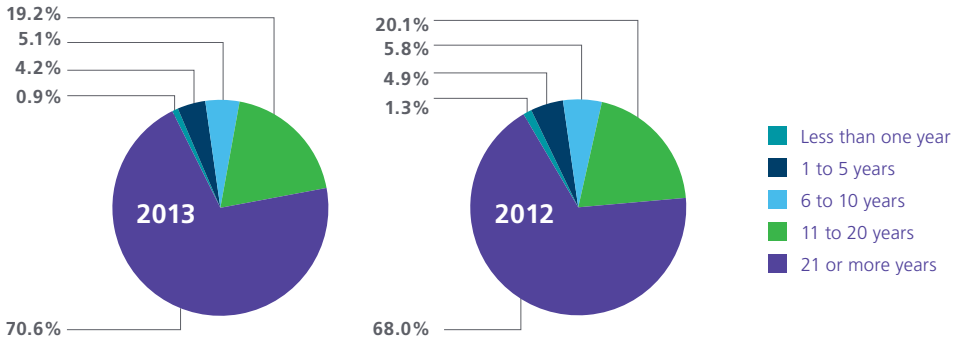
1 What is your specialty? (check all that apply)



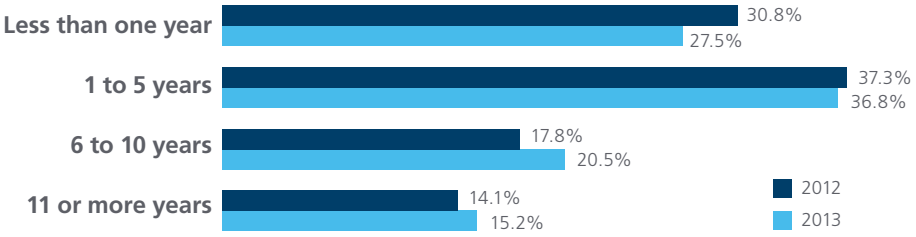
2 What is your age?



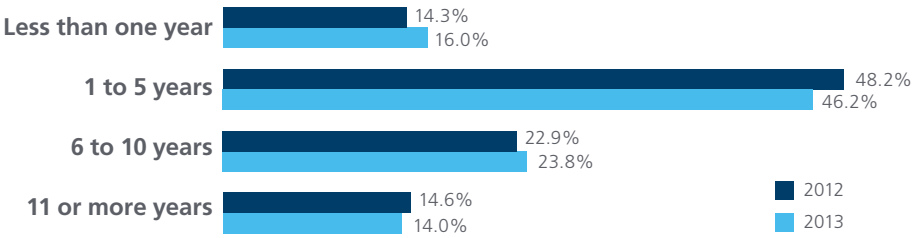
3 How many years have you been in practice?



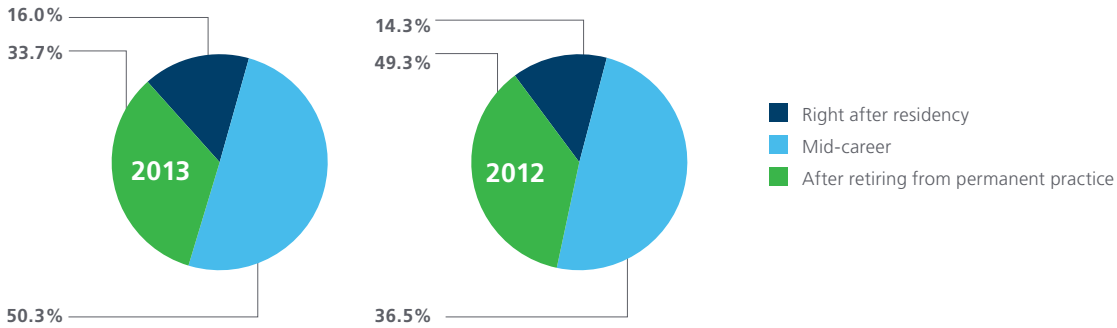
4 How long have you worked locum tenens?



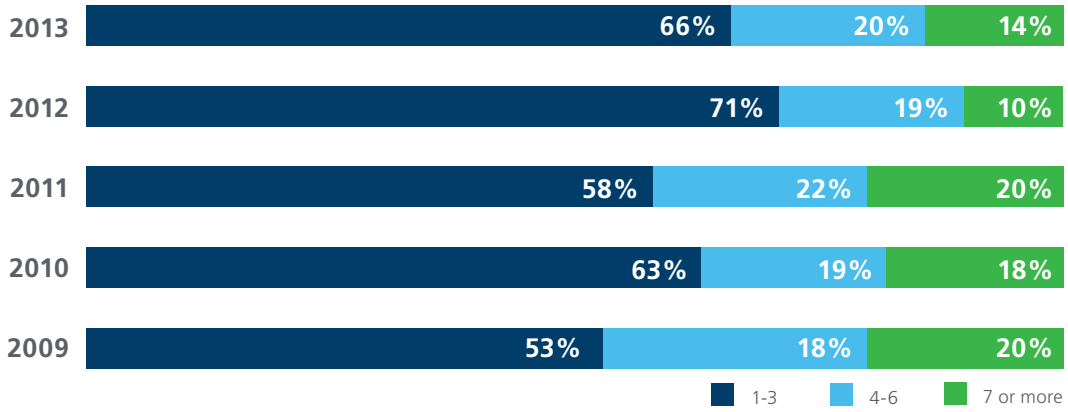
5 How long do you intend to work locum tenens?



6 At what stage of your career did you first work as a locum tenens?

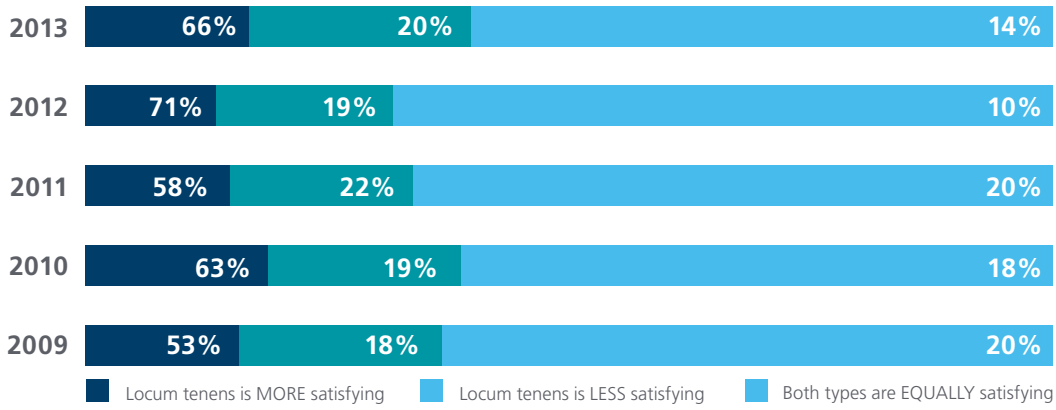


7 About how many locum tenens assignments do you work during a year?

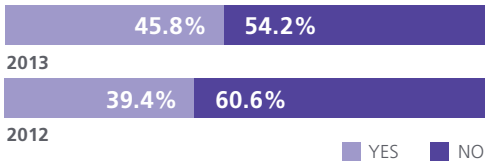


8 Have you ever worked in a permanent position?

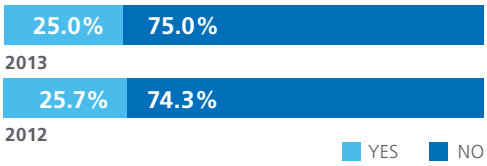
9 If yes, how would you rate working as a locum tenens versus working in a permanent position?



10 Are you currently in a permanent position?



11 Are you currently looking for a permanent position?



12 What are the benefits/drawbacks of working as a locum tenens? (check all that apply)

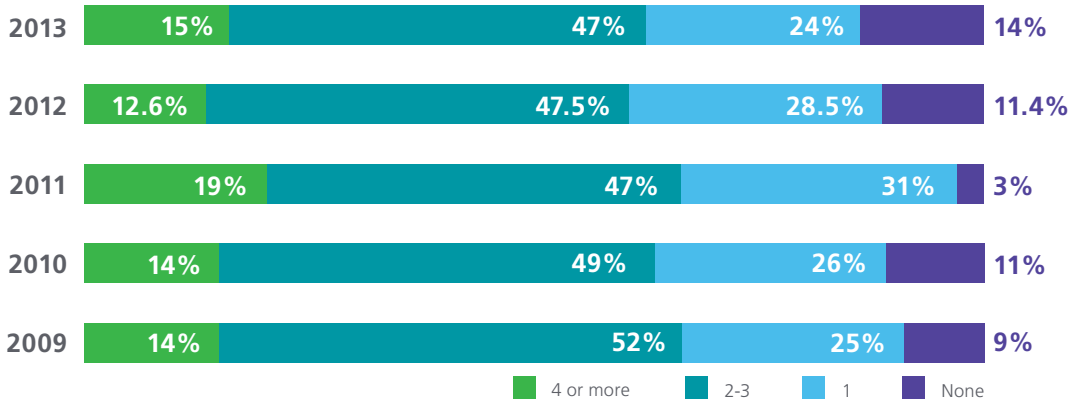
BENEFITS

	2013	2012	2011	2010	2009
Freedom/ flexibility	83%	81%	83%	82%	31%
No politics	50%	47%	50%	48%	19%
Travel	47%	46%	41%	44%	18%
Pay rate	44%	46%	36%	16%	15%
Professional development	23%	23%	22%	21%	9%
A way to find perm	20%	20%	17%	20%	7%

DRAWBACKS

	2013	2012	2011	2010	2009
Away from home	68%	65%	67%	68%	31%
Uncertainty of Assignment	59%	60%	57%	59%	25%
Credentialing	52%	NA	NA	NA	NA
Lack of benefits	48%	56%	54%	48%	17%
Quality of assignment	31%	30%	24%	28%	13%
Pay rate	31%	23%	0%	0%	2%
Learning new equipment	25%	NA	NA	NA	NA

13 With how many locum tenens agencies do you work?



14 How do you select a firm? (check all that apply)

	2013	2012	2011	2010	2009
Location of opportunities	67%	65%	64%	63%	20%
Customer service	59%	56%	61%	60%	22%
Pay rate	49%	45%	44%	46%	16%
Reputation/name recognition	36%	36%	41%	37%	14%
Number of opportunities	39%	44%	48%	48%	16%
Malpractice insurance	35%	36%	24%	28%	10%
Ability to maintain a relationship*	46%	NA	NA	NA	NA

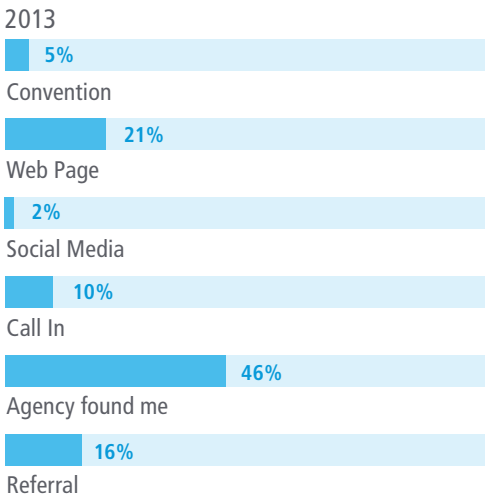
15 How do you select temporary opportunities? (check all that apply)

	2013	2012	2011	2010	2009
Location	86%	86%	89%	88%	23%
Length of opportunity	65%	64%	71%	69%	29%
Pay	64%	60%	61%	64%	13%
Patient load	36%	34%	29%	32%	8%
Available shifts	34%	28%	33%	29%	15%
Type/size of facility	33%	30%	25%	31%	7%
Quality of Equipment	9%	10%	17%	13%	4%

*Question asked for the first time in 2014

16 When looking for a locums opportunity, what sources do you use? (check all that apply)

17 How did you come in contact with the current locum tenens agencies that you work with? (check all that apply)



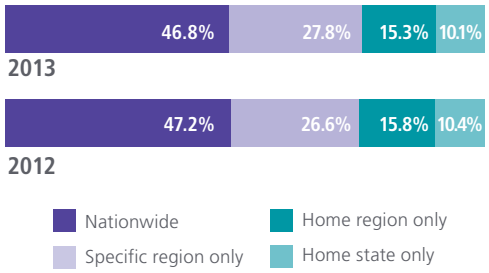
*Question asked for the first time in 2014

18 What value do you bring to a hiring facility?* (check all that apply)

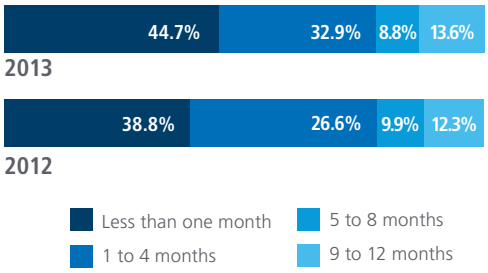
	2013	2012	2011*
Maintain patient care	89%	86%	95%
Generate revenue	66%	56%	64%
Provide support during high-volume periods	61%	56%	NA
Prevent staff burn-out	53%	48%	44%
Maintain services during transition to physician employed model	39%	40%	NA
Add a specific skill	39%	36%	44%
Reduce medical errors/readmissions	27%	21%	NA
Assist with EMR transition	15%	14%	NA

*Question asked for the first time in 2011

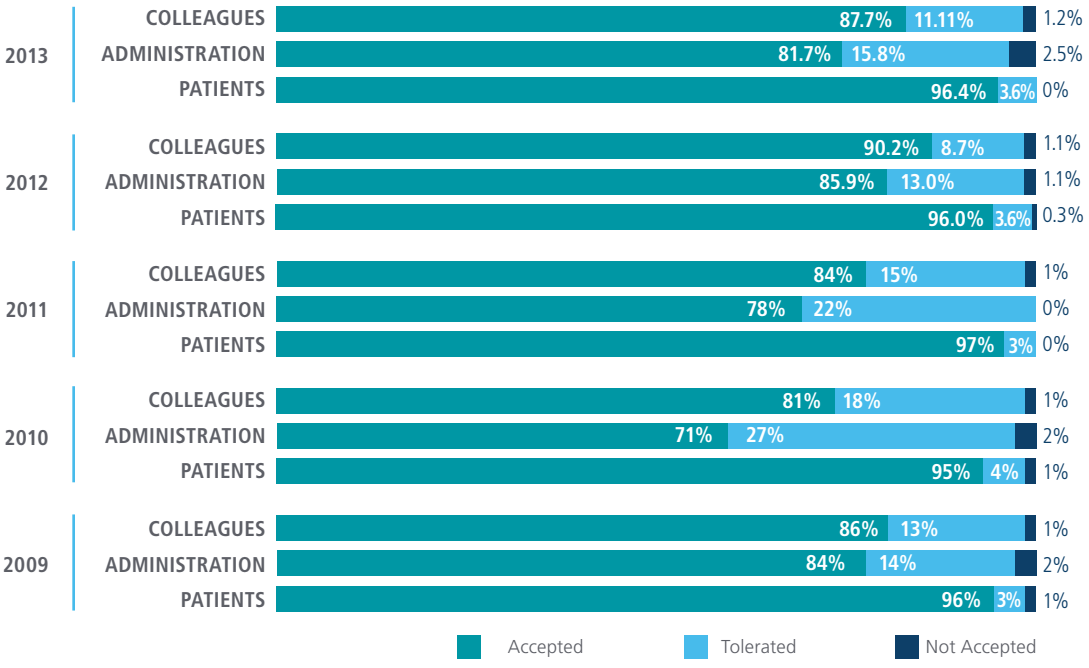
19 How far are you willing to travel?



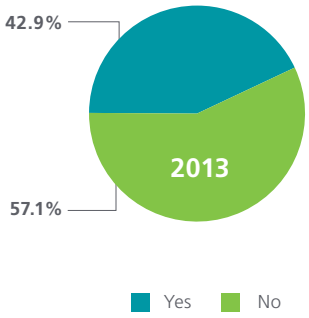
20 What is your ideal assignment length?



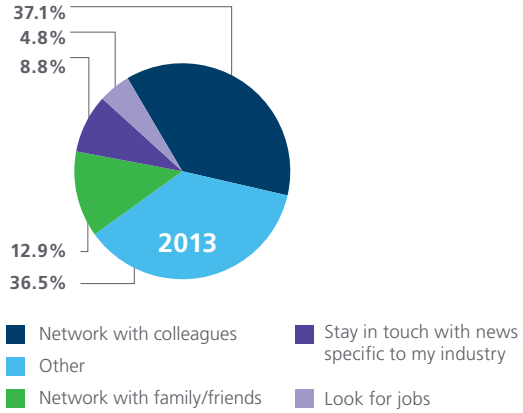
21 As a Locum Tenens Provider, how are you viewed by:



22 Do you have a LinkedIn profile?*

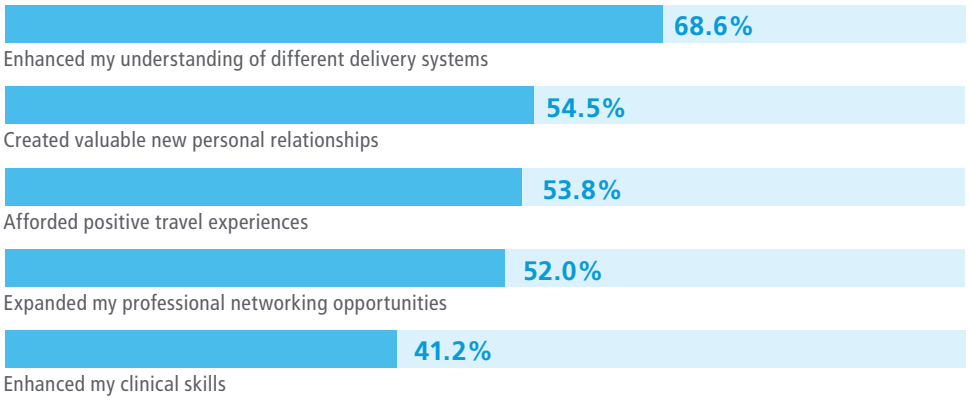


23 How do you use LinkedIn?*



Question asked for the first time in the 2014 survey

24 Has working locum tenens affected you in any of the following ways?*



Question asked for the first time in the 2014 survey

Trends and Observations

OVERVIEW

Part II of Staff Care's 2014 Survey of Temporary Physician Staffing Trends offers insights into the characteristics of locum tenens physicians, -- the types of physicians who work locum tenens, what attracts them to locum tenens practice, their temporary assignment preferences, and how they are viewed by peers, administrators and patients.

Primary Characteristics of Locum Tenens Physicians

A Practice Style For All Specialties

Before the age of specialization it was relatively easy for physicians to cover for one another because most doctors were in general, office-based practice. In 1933, for example, only four specialty examining boards existed.

Today, there are close to 200 board certifiable specialties, running the gamut from primary care specialties such as family medicine, internal medicine, and pediatrics, to an increasing number of newer, esoteric specialties, including addiction medicine, aerospace medicine, clinical genetics, forensic psychiatry, legal medicine, hospice medicine, transplant surgery, and many others.

While many locum tenens physicians are in traditional, primary care specialties, the ranks of locum tenens doctors also are composed of a wide range of specialists.

Over 17% of locum tenens physicians responding to the 2014 survey indicated they practice primary care. The remaining 83%, however, practice in specialty areas, including anesthesiology (13.9%) behavioral health (8.7%), radiology (7.8%), a surgical specialty (7.7%), emergency medicine (6.8%), internal medicine subspecialties (4.5%), hospital-based medicine (3.5%) and others.

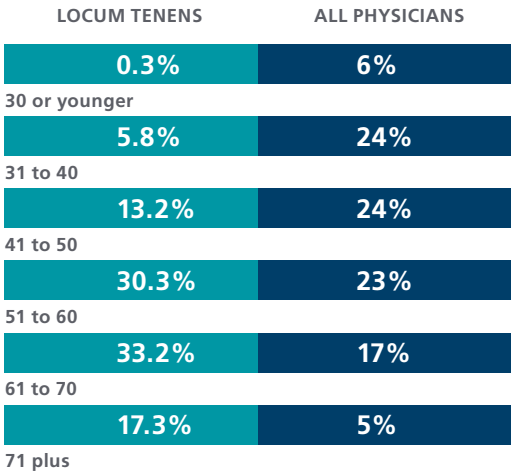
Locum tenens physicians take consultative roles when on temporary assignments, seeing patients in office-based primary care or internal medicine subspecialty practices, but they also take on surgical or diagnostic roles, conducting procedures and tests, stabilizing patients with emergent conditions, and working in a wide range of facilities, including acute care hospitals, urgent care centers, community health centers, free-standing emergency departments and others.

It can be generally stated that whatever physicians in permanent positions do, locum tenens physicians do also.

Experienced Physicians and Residents

The majority of physicians working locum tenens are medical practice veterans. About 90% of survey respondents indicated they have been in medical practice for 11 or more years, while over 70% said they had been in medical practice for 21 or more years. The minority (about 5%), have been in practice five years or fewer. Below is a chart showing the average age of locum tenens physicians compared to the general physician population.

Age of Locum Tenens Physicians and All Physicians



Though most locum tenens physicians have multiple years of medical practice experience, many are relatively new to locum tenens. Over 64% of respondents said they have been working locum tenens for five years or less, while 27.5% said they have been working locum tenens for less than one year. As referenced above, a growing number of physicians are seeking alternatives to traditional permanent practice settings. The fact that a majority of locum tenens physicians are relatively new to temporary practice supports the assertion that an increasing number of doctors are being attracted to this alternative style of practice.

Though many locum tenens physicians have multiple years of medical practice experience, the survey indicates that only about one-third (33.6%) are retirees from permanent practice seeking to extend their careers. Locum tenens offers these physicians the opportunity to continue seeing patients and using their considerable knowledge, without the pressures, responsibilities and set schedules of private practice or of employment. By keeping "retired" doctors active, locum tenens helps extend the physician workforce at a time when doctor shortages are prevalent.

Half of survey respondents (50%) indicated they first worked locum tenens at mid-career. Some of these mid-career physicians have decided to opt out of permanent practice settings due to various "hassle factors," including rising levels of bureaucracy in medicine, declining reimbursement, loss of clinical autonomy, malpractice costs, and related issues. By working locum tenens, they are able to preserve what most physicians enjoy about medicine (patient care) while avoiding many of the problematic aspects of today's medical practice environment. Other mid-career physicians maintain their permanent positions by moonlighting as locum tenens to supplement their incomes or to enjoy the benefits of travel and diverse practice settings.

Interestingly, the survey indicates a growing number of physicians are working locum tenens right after completing their residency. In the 2014 survey, 16% of respondents said they began working locum tenens right after residency, compared to 14.3% in the 2013 survey. Physicians at the front end of the age and experience spectrum choose locum tenens as a way to "test drive" various practice settings. Locum tenens allows young physicians to sample small practice private practice settings, large group settings, hospital settings, community

health centers and others to see which best matches their interests and temperaments. When they find a setting they like, they may wish to transition from temporary practice to permanent. Twenty-five percent of respondents indicated they are currently looking for a permanent position.

How They Find Assignments

Physicians were asked for the first time in the 2014 survey what sources they use to find locum tenens opportunities. Respondents indicated that staffing agencies are their most utilized source. Fifty-eight percent said they either call their recruiter, call around to various agencies, or visit agency web pages which list various locum tenens opportunities.

About one in four (24%) said they search for locum tenens opportunities online using Google, Yahoo, Bing and other search engines, while 16% visit various physician job boards.

Physicians also were asked for the first time in the 2014 survey how they came in contact with the staffing agency or agencies they are working with now. Close to half (46%) said the agency found them. Most large staffing agencies employ recruiters who actively seek out physicians for locum tenens assignments. In many cases, these physicians have not worked locum tenens before and may be unfamiliar with how the process works. Agency recruiters educate them on the process and help support them throughout. Another 21% of respondents said they found their current agencies by visiting the agencies' web sites, while 16% heard about their agencies through referrals and five percent made contact at physician conventions.

Freedom and Flexibility

When asked to identify the primary benefits of working locum tenens, 83% of respondents cited "freedom and flexibility". Unlike traditional practice settings, in which physicians must both handle their clinical duties and assume the responsibilities of managing a business, locum tenens features a minimum of reimbursement or administrative-related paperwork and other so-called "hassle factors" alluded to above that erode physician satisfaction.

Locum tenens physicians are paid a daily rate by the staffing companies with which they work and do not have to bill myriad third party payers and then fight to ensure that bills are paid, so reimbursement is not an issue. Malpractice, the leading cause of physician dissatisfaction cited by

physicians in The Physicians Foundation survey referenced above, is not an issue because malpractice insurance is provided to locum tenens physicians by the staffing agencies through which they work. Locum tenens physicians also can spend time with patients as they see fit, as they are not tied to production formulas that require them to see many patients or hit stipulated work targets through relative value units (RVUs) or other metrics. As they are not employers, locum tenens physicians do not have to be as concerned about the many Medicare and employment-related regulations governing the workplace as do private practice doctors.

Locum tenens physicians choose when and where they want to practice and whether or not they wish to work overtime while on assignments. They can create and manage their own schedules, significantly reducing concerns about the long hours and lack of personal time endemic to traditional practice.

Political Neutrality

In addition, traditional medical practice is fraught with politics, as physicians must work within an often turbulent system featuring multiple stakeholders with conflicting priorities, including fellow physicians, hospital or group administrators, board members, and others. This volatile situation is exacerbated by healthcare reform, which is causing considerable upheaval in the medical marketplace through hospital and group practice mergers and the formation of new delivery models such as Accountable Care Organizations (ACOs).

Medical politics and health reform are less of a factor in locum tenens practice, as physicians working temporary assignments are removed from the turf battles, realignment and other sources of conflict that may arise at any particular site. Fifty percent of physicians surveyed said that lack of medical politics is a benefit of working locum tenens, the second highest rated benefit next to freedom and flexibility.

Travel and Pay

Both these practice-related considerations were rated higher than the benefit many physicians and others may think of first when locum tenens comes to mind, i.e., travel. Travel was rated as a benefit by 47% of doctors surveyed, suggesting that physicians do not choose locum tenens primarily as a form of tourism. Style of practice is the main draw of locum tenens, though travel is one of its attractions.

Practice style also trumps pay for the majority of locum tenens physicians surveyed. Forty-four percent of physicians identified pay as a benefit of working locum tenens, the fourth highest rated benefit cited. Locum tenens doctors may earn anywhere from a few hundred dollars a day to over one thousand dollars a day, depending on their specialty and hours worked. Physicians working locum tenens full-time who are willing to put in some overtime hours can earn approximately what a permanent physician earns. For many locum tenens physicians, however, money is secondary to a favorable work environment.

Professional Development and Personal Relationships

Locum tenens work allows physicians to experience a wide range of practice environments with varying standards of care. It offers a positive forum for acquiring professional skills and is something of a medical education for many doctors, a fact reflected in the survey.

When asked how working locum tenens has affected them, 68.6% of physicians said it enhanced their understanding of different delivery systems. Healthcare delivery in the United States has often been described as a patchwork quilt, as equipment, organizational structures, policies, procedures, and treatments vary from one region or even one hospital to another. Working locum tenens allows physicians to obtain a better understanding of how standards of care and organizational structures differ locally, regionally and nationally.

Over 54% of respondents said that working locum tenens has allowed them to create valuable new personal relationships. Though locum tenens assignments may be brief, they can offer the sort of intense, learn-on-the-fly environments that often lead to bonding with co-workers. Working together to solve problems or share insights and experiences, many locum tenens physicians create lasting friendships with their colleagues. In addition, 53.8% of physicians said working locum tenens afforded them positive travel experiences, 52% said it expanded their professional networking opportunities, and 41.2% said it enhanced their clinical skills.

What Are the Drawbacks?

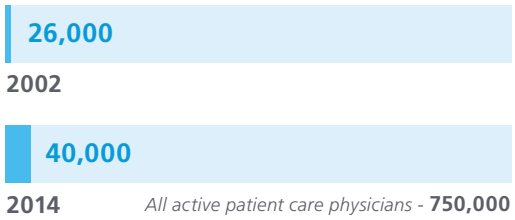
Physicians also were asked about the drawbacks of working locum tenens.

Being away from family and friends was the most frequently cited drawback to locum tenens practice, referenced by 68% of those surveyed, followed by uncertainty of assignments, cited by 59% Uncertainty can be a factor for those physicians unable to schedule assignments as continuously as they would prefer. Lack of benefits was a drawback cited by 48% of those surveyed, reflecting the fact that locum tenens physicians are independent contractors and are not employed by temporary staffing agencies such as Staff Care. They may get certain benefits through their permanent employers as they "moonlight" on temporary assignments or they may arrange for their own health insurance and other benefits. In addition, 31% of physicians cited quality of assignments as a drawback and 31% of physicians cited pay.

How Many Physicians Are Working Locum Tenens?

There is no definitive source Staff Care is aware of that tracks how many physicians work on a locum tenens basis each year. Staff Care estimates this number based on our knowledge of the temporary staffing industry, including the number of physicians who work through us and an approximation of the number who work through other firms or on their own. This number has grown from 26,000 ten years ago to approximately 40,000 or more today, as the chart below indicates.

Estimated Number Of Physicians Working Locum Tenens



Working locum tenens: 5.3%

Source: *Staff Care industry estimates/ AMA Physician Master File*

As of 2014, Staff Care estimates that over five percent of all active physicians work on a temporary basis, either exclusively or while moonlighting from permanent positions. Should only 3.2 percent of physicians choose to work locum tenens in the next one to three years (not the 6.4 percent indicated in The Physicians Foundation survey referenced above), the number of locum tenens physicians would increase to some 74,000, and locum tenens physicians then would constitute about ten percent of all active doctors.

Assignment Selection and Preferences

Most physicians working locum tenens do so through temporary staffing companies. Eighty-six percent of physicians surveyed work with at least one staffing company, while 14% said they work on their own.

Though they do not employ physicians, temporary physician staffing companies help match them with opportunities and arrange for many of the logistics involved, such as travel and accommodations. They also work as a liaison for the physician while on assignment, assisting in cases where there are any concerns over communication with the facility, housing issues, or other challenges. The majority of those surveyed (62%) choose to work through two or more staffing firms, expanding the possible range of assignments and locations from which they can choose. Because they are independent contractors, locum tenens physicians are not obligated to work any particular assignment but can select those which best match their interests or schedules.

Location, Location, Location

The first factor physicians consider when selecting a staffing company is the location of opportunities the company offers, followed by good service. Locum tenens physicians typically seek practices within their regions or in locations in which they have a particular interest. After that, they are looking for companies which can provide them with enough support to make the process of licensing, credentialing, travel, and accommodation as seamless as possible. The survey indicates that number

of opportunities offered by the company, pay rates and the company's reputation also are important considerations.

When asked how they select a temporary opportunity, location was cited as the number one selling point. Eighty-six percent of physicians surveyed identified location as a determining factor, followed by 65% who identified length of assignment and 49% percent who identified pay rate. Thirty-six percent identified patient load as a factor while 34% cited available shifts.

The majority of physicians surveyed (66%) work one to three locum tenens assignments per year, while 20% work four to six assignments. The remaining 14% work seven or more assignments annually. Some physicians working a limited number of assignments may be moonlighting from permanent positions on an occasional basis. Others working only two or three temporary assignments a year may work on longer assignments that, combined, can take up a significant portion of the calendar year. Others try to fill up virtually their entire year with temporary assignments and work as many as they can schedule.

Assignment Length and Distance

About 45% of physicians surveyed said their ideal temporary assignment length is less than one month, which reflects the fact that some locum tenens physicians have limited windows during which they can work temporary assignments. About 33% indicated their ideal assignment length is one to four months, while 13.5% prefer assignment lengths of five months or longer, demonstrating that some locum tenens doctors prefer to "settle in" and absorb the practice style and culture of the locations to which they are assigned.

When considering locum tenens assignments, close to half of physicians surveyed (46.8%) are open to traveling nationwide. Just over 10 percent are only willing to travel within their home state, while 43% are open only to their home region or a specific region, such as locations where they may have relatives or may wish to enjoy recreational amenities.

What they bring to the table

Physicians were asked what value they bring to the facilities where they work temporary assignments. The primary value physicians identified was their ability to maintain patient care. When hospitals, medical groups and other facilities have gaps in their medical staffs, patients have to either forgo care or go elsewhere to see a physician. Locum tenens physicians allow healthcare facilities to maintain local access to continuous care, addressing both quality challenges and potential patient frustration and migration. As a corollary, physicians surveyed identified their ability to generate revenue as their second most important value. As referenced above, patient migration typically leads to loss of revenue for healthcare facilities, which can be prevented through the use of locum tenens physicians.

In an era of physician shortages, many physicians are working long hours that may conflict with their family and other personal priorities, causing them to seek more time-friendly position elsewhere. Fifty-three percent of survey respondents indicated that a key value of locum tenens physicians is their ability to prevent staff burn-out.

As healthcare facilities transition to the employed physician model, physician availability and productivity may be reduced. Thirty-nine percent of physicians surveyed said locum tenens physicians add value by maintaining services during such transition periods. A similar decline in physician productivity may result when hospitals, medical groups and other facilities implement electronic medical records (EMR) or convert to new systems. Fifteen percent of physicians surveyed indicated locum tenens doctors bring value by maintaining services during EMR implementation or transition.

A feeling of acceptance

Locum tenens physicians were asked to what degree they are accepted by other physicians, administrators and patients while on temporary assignments. The great majority of locum tenens physicians surveyed (87.7%) indicated they are accepted by permanent physicians with whom they work, while 96.4% said they are accepted by patients, and 81.7% percent said they were accepted by administrators.

Permanent vs. locum tenens

Over 93 percent of physicians surveyed said they had worked both on a locum tenens basis and in permanent practice. These physicians were asked to compare the two practice styles. The majority (77%t) said they find locum tenens to be as satisfying or more satisfying than permanent practice. Many doctors enjoy the relatively hassle-free practice style that locum tenens affords and find it comparable to or even more rewarding than permanent practice. Some doctors, however, may prefer the enduring patient relationships that were once typical of permanent practice and may find locum tenens to be less rewarding in this regard.

Getting Social

Physicians were asked for the first time in the 2014 survey whether they have a LinkedIn profile. Some 43% said that they do, while 57.1% said they do not. Of those that do, 37.1% used LinkedIn to network with colleagues, 12.9% used it to network with family and friends, 8.8% use it to stay in touch with news specifics to their industry, 4.8% use it to look for jobs, and 36.5% use it for a variety of other reasons.

PART 3

Review of Staff Care's 2013 Temporary Physician Staffing Assignments

In the course of a calendar year, Staff Care conducts thousands of temporary physician search assignments for its clients, seeking to match independent contractor physicians in multiple specialties with hospitals, medical groups, government facilities and other organizations requiring the services of locum tenens physicians. Staff Care also conducts temporary staffing assignments for nurse practitioners, physician assistants, certified registered nurse anesthetists (CRNAs) and dentists.

Following is a review of the types of temporary clinicians Staff Care's clients requested in calendar year 2013. The review reflects current trends in the locum tenens staffing industry, including which types of temporary healthcare providers are in the greatest demand.

Top Temporary Staffing Assignments By "Days Requested"

Staff Care tracks demand for temporary physician staffing services through the number of temporary healthcare professional "days requested" by its clients. The table below indicates the percentage of Staff Care's "days requested" in 2013 by provider specialty.

	2013	2012	2011	2010	2009
Primary Care(FP, IM & Ped only)*	24%	24%	20%	20%	43%
Behavioral Health	18%	18%	19%	22%	16%
Hospitalist**	12%	12%	10%	9%	9%
Nurse Practitioner/Physician Assistant****	12%	10%	NA	NA	NA
Anesthesia (Anesthesiologists/ CRNAs)	8%	8%	11%	11%	20%
Emergency Medicine	7%	6%	6%	4%	N/A
Surgery	6%	7%	8%	9%	8%
Miscellaneous / IM subspecialties	5%	5%	16%	12%	11%
Dentistry	5%	5%	4%	4%	3%
Radiology	2%	3%	5%	7%	N/A
Oncology***	1%	2%	1%	2%	N/A

**Prior to 2010, this category included hospitalists and some internal medicine sub-specialists*
***Prior to 2010, this category was included in the primary care category*
****Prior to 2010, this category was included in the radiology category.*
*****Prior to 2012, this category was included in internal medicine sub-specialists*

Trends and Observations

The breakdown of temporary clinician "days requested" above reflects current demand trends in locum tenens. "Days requested" indicates the number of temporary clinician days in various professional categories Staff Care was asked to fill by hospitals, medical groups and other healthcare facilities nationwide.

Primary Care Still Number One

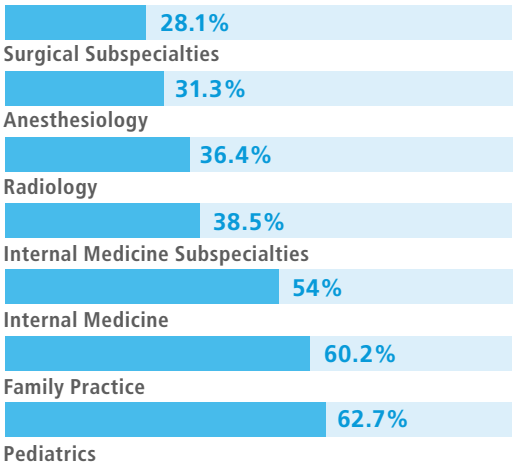
For the third consecutive year, and for the sixth time in the last seven years, primary care (family practice, general internal medicine, and pediatrics) was the specialty area in greatest demand for locums tenens, accounting for 24% of total days requested.

The rise in demand for locum tenens primary care physicians is symptomatic of a national shortage of these types of doctors, which the Association of American Medical Colleges projects will reach over 60,000 physicians by 2025.

The shortage is driven in part by the fact that fewer medical school graduates and medical residents are demonstrating an interest in primary care. According to an article in the April, 2013 edition of Academic Medicine, between 2001 and 2010 there was a 6.3% decline in the number of medical residents expected to enter primary care, restricting available supply. Factors driving the demand for primary care physicians include the Accountable Care Act (ACA) which eventually will provide millions of previously uninsured patients with health insurance, population growth, and population aging. The first of 75 million Baby Boomers began turning 65 in 2011and are becoming eligible for Medicare at a rate of over 10,000 a day. According to the Department of Health and Human Services (HHS), patients 65 or over visit a physician at three times the rate of younger people.

The demand for locum tenens primary care doctors also is driven by changes in physician practice styles. As the traditional private practice model gives way to the employment model, physician turnover has become more prevalent (see Part I, Trends and Observations above). Turnover is likely to become a greater issue in primary care because primary care physicians are employed at a greater rate than specialists, as the chart below illustrates:

Employed Physicians By Specialty



Source: *AMA 2012 Physician Practice Benchmark Survey*

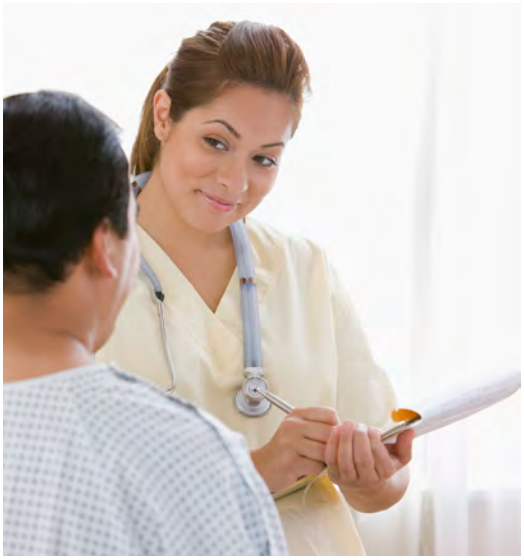
With fewer ties to their practices than independent doctors typically have, employed primary care physicians are free to seek jobs elsewhere if not fully satisfied in their employed settings. Hospitals, medical groups and other facilities then turn to locum tenens physicians to address gaps in the staff caused by turnover.

Maldistribution of physicians in primary care is an additional concern. HHS lists over 5,800 Health Professional Shortage Areas (HPSAs) for primary care, in which 65 million Americans live. These areas are typically located in traditionally underserved rural and inner city communities.

Hospitalists, sometimes considered primary care physicians, provide in-patient services and are employed by most hospitals to enhance quality of care, reduce patient stay times and reduce patient re-admissions. They also may be an important component of physician retention programs as they obviate the need for office-based primary care physicians to round on patients in the hospital, freeing them to see more patients or spend more time per-patient. Hospitalist programs continue to proliferate, and hospitalists accounted for 12 percent of all Staff Care days requested in 2013.

The Silent Shortage

Behavioral Health is another area in which demand for providers exceeds supply. Behavioral Health accounted 18% of total clinician days requested in 2013, second to primary care.



Demand for locum tenens behavioral health clinicians is a reflection of a growing shortage of mental health professionals nationally and of the increased demand for behavioral health services. HHS lists 3,700 HPSAs nationwide for mental health in which 80 million Americans live, up from just over 1,000 several years ago. HHS projects that demand for general psychiatrists will increase 19 percent between 1995 and 2020, while demand for child and adolescent psychiatrists will increase by 100 percent during the same period.

Psychiatrists are among the oldest medical specialists, with 59% being 55 years old or older. While a growing number of psychiatrists are set to retire in coming years, the number of psychiatrists being trained is projected to remain static at best. In many cases, behavioral health facilities, particularly state funded institutions and correctional facilities, already cannot find psychiatrists to fill permanent positions and are dependent on locum tenens providers to maintain services.

Because behavioral health problems tend to be downplayed or hidden by patients, and because behavioral health has received less attention in the debate over health reform than has primary care, Staff Care refers to behavioral health as the "silent shortage."

The "Advanced Practitioner" Will See You Now

Models of healthcare delivery are changing, with a greater emphasis on the appropriate allocation of work among healthcare professionals. Given a limited number of workers, and limited financial resources, it is generally agreed by healthcare planners that each type of clinician, from physicians to homecare aides, should practice to the limits of their training. In emerging delivery models, specialists will focus on complex, technical procedures, while leaving more general tasks to primary care physicians. Primary care physicians, in turn, will focus on the coordination of care for patients with multiple, chronic illnesses, allocating less complicated care to "advanced practitioners," including nurse practitioners (NPs) and physician assistants (PAs).

There are some 155,000 NPs in the U.S. and over 83,000 PAs. They can perform up to 80 percent of the services that physicians provide and, like physicians, they practice in a number of specialty areas. While approximately 85 percent of NPs provide primary care services, only about one-third of PAs practice primary care, while the rest are spread over a variety of specialty areas. Demand for these practitioners is growing rapidly and is exceeding the current supply.

Though the number of NP and PA education programs is expected to grow by three to five percent annually, noted physician supply expert Richard "Buz" Cooper of the University of Pennsylvania projects a 20% deficit of NPs and PAs by the year 2025.

Hospitals and medical groups are turning to locum tenens NPs and PAs for many of the same reasons they use locum tenens physicians – to maintain services and revenue and to fill-in until permanent candidates can be found. Just two three years ago, Staff Care received only a minimal number of requests for locum tenens NPs and PAs. In 2013, they accounted for 12% of all temporary days requested, up from 10% in 2012.

Surgeons Also Needed

Members of the general public are unlikely to think of surgeons when the topic of temporary workers arises. Nevertheless, surgical specialists do work on a temporary basis at hospitals, medical groups, and other facilities when needed.

Within surgical fields, demand is particularly strong for general surgeons, who often are referred to as the "primary care providers" of surgery because their services are less specialized and often less well remunerated than services provided by other surgical specialists. But other types of surgeons, including neurosurgeons, also work as locum tenens. In 2013, surgical specialists accounted for six percent of all Staff Care's temporary days requested.

Help for the ER

Emergency medicine is another area of growing need. The number of patients visiting hospital emergency rooms has increased in recent years, from 90.3 million in 1996 to 119 million in 2006, according to the Centers for Disease Control. Patient wait times in the ER also have increased, up by 31 minutes from 2002 to 2009. Many patients presenting to the emergency department today are insured but seek the ER because they cannot see an office-based physician in a timely manner.

This trend is likely to be exacerbated by healthcare reform which will extend insurance coverage to millions but will not necessarily ensure timely access to physicians. These trends have put growing stress on emergency department staffs and hospitals are turning to locum tenens physicians to help fill gaps and maintain services. Seven percent of Staff Care's days requested were in emergency medicine in 2013, up from six percent in 2012.

Anesthesiology and Radiology

Emerging health delivery systems, including the Accountable Care Organization (ACO) model and the patient centered medical home, put a premium on prevention and resource management. Together with the recent recession, reductions in reimbursement (particularly for imaging procedures) and a relatively robust supply of practitioners, demand for locum tenens anesthesiologists and radiologists is not at the level of previous years. Anesthesia (provided by both physicians and CRNAs) accounted for eight percent of Staff Care's days requested in 2013, the same as 2012, but down from 20% in 2008. Radiology accounted for two percent of Staff Care's days requested in 2013, down from three percent in 2012.

More Bite Needed in Dentistry

Locum tenens is an established tradition in medicine but is still a relatively new concept in dentistry. However, the number of dental schools and dental school graduates in the U.S. has remained fixed in recent years. Total annual dental school graduates peaked at 5,750 in 1982, then declined for 16 consecutive years. It is essentially flat at 4,500 per year today. Meanwhile, tens of millions of people have been added to the population.

HHS considers a population that falls below a minimum standard of one dental provider per 3,000 people to be underserved and now lists over 4,600 dental HPSAs nationwide in which 49 million people live. HSS projects it would take 10,000 dental practitioners to achieve the minimum standard for this population.

The dental workforce, now comprised of some 199,000 dentists, is strained in many places leading to the increased use of locum tenens practitioners.

Several years ago, Staff Care received virtually no requests for locum tenens dentists. Today, the firm receives thousands of such requests from state-supported and private dental practices nationwide, with dentistry accounting for five percent of temporary days requested in 2013.

Conclusion

The healthcare delivery system in the United States is rapidly evolving away from the old model built around traditional acute care hospitals and toward a new model featuring a variety of sites of service, including hospital systems, traditional acute care facilities, large medical groups, urgent care centers, retail clinics, free-standing emergency departments, community health centers, employer-based care and others.

Similarly, medical practices styles are evolving away from traditional private practice and toward employed, part-time, concierge, locum tenens and a variety of other practice styles.

New methods and organizational structures will be needed to ensure the integrated and effective delivery of care across a proliferating number of service sites and practice styles. Hospitals, medical groups and other facilities will have to incorporate all types of clinicians in their staffing plans, including locum tenens professionals, to meet the growing access and quality needs of their patients.

For more information about this survey, please contact:
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