



Brain Drain Economics

PRESIDENT'S MESSAGE



By Robert C. Midgley, MD

Is there a brain drain or not? The answer has critical implications for health care.

SSVMS HAS KEPT STATISTICS on the number of practicing physicians in Sacramento and El Dorado counties for years now. Our Executive Director, Bill Sandberg, recently studied the number of physicians in the two counties between 1995 and 2000. The results are alarming. In 5 years the general population has increased by 9.4 percent, while the number of practicing physicians has decreased by 12 percent. In Santa Clara County, the medical society surveyed physicians about the cost of living in the Silicon Valley area. Again, the results were alarming: most physicians could not afford to live there. The California Medical Association has looked at these and other studies, and labeled the phenomenon "the Brain Drain."

Is there one hypothesis to explain the Brain Drain? Not in my opinion. Multiple factors lead to a reduction of physicians in proportion to the general population. Some of them are peculiar to California, but others are nationwide. First, in the country as a whole, the federal government, which finances most medical education, has promoted reductions in the percentage of specialists trained. This would account for specialist reductions. But, the overall number of physicians trained has been reduced as well. The debt of a medical education has reached upwards of \$100,000 or more (a conservative estimate), and this amount of debt has discouraged many otherwise well-qualified students from entering medicine. Another factor is the number of physicians who temporarily leave the workforce to have and raise a child. Some physicians work as permanent part-timers to balance the demands of a career and family.

Is managed care a factor? It is most assuredly in California; our national reputation of keeping incomes low encourages out-of-state trainees to look elsewhere for work. You can't blame a young physician with \$100,000 of debt for looking for a system other than managed care. When pediatricians do not get 100 percent reimbursement for the cost of vaccines, the financial hardship of practice is more than many physicians choose to bear.

One factor that may be abating is the "get rich quick" appeal of other careers, notably internet commerce and the stock market. I hope that medicine, which requires lots of study, sacrifice and self-discipline, will be viewed as more of a "sure thing" for income and job security now that e-commerce business has collapsed.

Physicians have a finite time to practice the high stress, busy life style of the 21st century doc. We need to think of ourselves akin to professional athletes, with a career sustainable for only so long. Early retirements due to high stress reduce the number of practicing physicians. The "hassle factors" - government bureaucracy, denied claims, multiple contracts with multiple health plans, and malpractice claims - all tend to make physicians retire sooner rather than later if they are financially able to.

Even though CMA and others tout the "Brain Drain," some studies suggest it does not exist. A study published in February by UCSF and the California Workforce Initiative

makes the following statements: "California still has sufficient (to more than enough) physicians overall." "There is no evidence of large numbers of physicians leaving the state." "The ratio of physicians to population has outpaced population growth in California over the past six years". That last statement is in direct conflict with SSVMS's own statistics.

So, is there a brain drain or not? The debate will go on for some time to come. But the answer is crucial to the future of health care, in California and in the nation. For example, universal coverage is an extremely laudable goal. However, if there truly is a brain drain, then expanding health care coverage to all our population will only worsen the shortage of physicians.

Rationing would be the logical, albeit unacceptable, consequence of universal coverage and a simultaneous "Brain Drain." If not enough new physicians are being trained to keep up with our expanding and aging population, it will take decades to correct the supply problem, given the length of a medical education.

Both Bill Sandberg and the CMA are to be commended for their efforts to document this problem of brain drain. But I encourage every physician as well to closely examine the issue, and think carefully about possible solutions. It is our responsibility both to ourselves and our future generations to clarify and solve this issue, sooner rather than later.

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