

**The 2010
New Jersey Resident Exit Survey
Final Report
Why the exodus?
Who is staying?**



**A Report by:
The New Jersey Council of Teaching Hospitals**

**Deborah S. Briggs, BSN, MBA,
Senior Vice President ,
Health Policy & Advocacy**



2010 New Jersey Resident Exit Survey: *Executive Summary*

New Jersey Stands to Lose \$436 Million in Future Revenue as Doctors Leave State.



In 2010, New Jersey is still challenged in retaining physicians post graduation as they make choices on where to establish their medical practice. Sixty-two percent (62%) of respondents of the New Jersey Resident Exit Survey indicated they intended to leave New Jersey upon completion of training to practice medicine in another state or country. This translates into 141 physicians (83 primary care physicians and 58 specialists). Losing these physicians not only negatively impacts the access of health services for state citizens, but it may also become a financial loss for New Jersey's economy. Losing 83 primary care physicians could mean the loss of \$83 million annually in direct future revenue and over \$124 million in annual total revenue. For specialists, the direct and total future losses, respectively, would be \$174 million and over \$262 million annually (see endnote).

The primary reason given for leaving the state was better salary/compensation offered outside New Jersey. The most common group of reasons included numerous economic issues; cost of living, state taxes, cost of malpractice insurance, and better reimbursement in other states. These findings support the notion that medical residents and fellows rigorously compare state to state factors and are concerned with New Jersey's unstable health care environment, it's unfriendly small business environment and how these factors impact a new physician professionally and personally. Moreover, this concurs with concerns residents and fellows have voiced to their Program Directors regarding the state's overall economic status, and how this will further impact hospitals and physicians, as well as medical education and research, in the future.

This year's New Jersey Resident Exit Survey consisted of 37 questions covering four general topical areas: respondents' demographic and background characteristics, post-graduation plans, aspects of post-graduation employment (for respondents with confirmed practice plans), and experiences in searching for a job and impressions of the physician job market (for respondents who had searched for a job). The New Jersey Council of Teaching Hospitals administered the survey, with cooperation and assistance from the residency and fellowship program directors across the state. A total of 667 of the estimated 816 physicians completing a residency or fellowship training program in New Jersey completed the survey (or an 82% response rate).

Key Preliminary Findings

- **Despite a slight increase in retention in 2010, New Jersey still is challenged with retaining physician graduates, compared to other states.**
- **New physicians, both males and females, seem to be looking for a more balanced lifestyle characterized by controlled practice settings and fewer work hours.**
- **New Jersey relies heavily on recruiting medical students from other states and countries to fill resident slots.**
- **Most international medical school graduate (IMG) respondents are U.S. citizens or have permanent U.S. citizenship. Nearly one-third attended a Caribbean medical school.**
- **New Jersey's physician workforce is diverse.**
- **Suburban practice locations are increasingly popular, while inner city and rural locations lose ground.**
- **The job market for new physicians remains strong, although a bit more challenging.**

Overview of Key Preliminary Findings

Despite a slight increase in retention in 2010, New Jersey still struggles with retention compared to other states.

- **Thirty-seven percent (37%) of respondents with confirmed plans were entering practice in New Jersey in 2010, compared to 32% in 2009 and 47% in 2008.** This is below the national average (47%) and the retention rates of New York (46%) and Pennsylvania (42%).¹ Of those leaving the state to continue training, only 10% planned to return to New Jersey after training.
- The primary reason given for leaving New Jersey was better salary/compensation offered by other states (18%). When asked to list the multiple criterion weighed when making this decision, multiple economic issues were given, including: New Jersey cost of living (62%), better salary/compensation offered

outside New Jersey (60%), state taxes (51%), better jobs in desired locations outside New Jersey (49%), better jobs in desired practice settings outside New Jersey (47%), cost of malpractice insurance in New Jersey (39%), and climate (37%).

- Natives of New Jersey, regardless of their medical school location, were by far the most likely to report plans to practice in the state after completing training. Sixty-seven percent (67%) of individuals who grew up in New Jersey planned to practice there (67% in 2009). Of those who also went to medical school in New Jersey, 79% planned to stay in the state.
- Sixty-two percent (62%) of respondents had confirmed practice plans in another state.

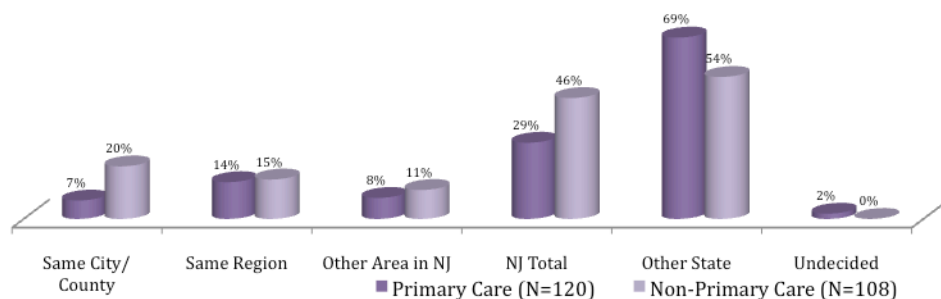
¹ AAMC. 2009 State Physician Workforce Data Book. Physicians retained from GME.

2010 New Jersey Resident Exit Survey: Executive Summary

New Jersey Stands to Lose \$436 Million in Future Revenue as Doctors Leave State.



Location of Upcoming Practice by Specialty Group, 2010



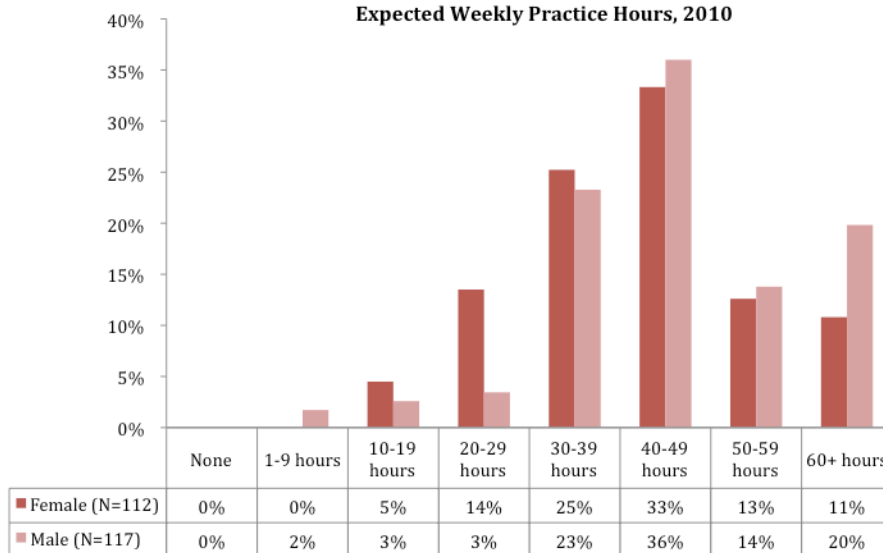
New physicians, both males and females, seem to be looking for a more balanced lifestyle characterized by controlled practice settings and fewer work hours.

- Forty-four percent (44%) of respondents were entering practice in hospitals, compared to 40% in 2009 and 35% in 2008. Both men (49% in 2010 and 44% in 2009) and women (40% in 2010 and 37% in 2009) contributed to this movement toward hospitals.
- Thirty-five percent (35%) of respondents were entering group practices, down from 42% in 2009 and 48% in 2008. Male respondents in group settings decreased from 44% in 2009 to 34% in 2010 while the rate for females dropped from 40% 2009 to 36% in 2010.
- Both female and male respondents mainly expected to work between 40-49 hours per week. However, both groups also were increasingly interested in working less than 40 hours per week.
 - *Males:* 31% planned to work less than 40 hours per week (compared to 15% in 2009), only 33% of males expected to work over 50 hours per week (compared to 41% in 2009).
 - *Females:* 44% planned to work less than 40 hours per week (compared to 37% in 2009), while 23% of females expected to work over 50 hours per week (compared to 21% in 2009).
- In identifying practice opportunities, nearly one-third (32%) of all respondents ranked geographic location/lifestyle the most important consideration.

Practice Setting, 2010

Setting Type	Male (N=111)	Female (N=107)	All Respondents (N=219)
Solo	3%	7%	5%
Partnership	8%	12%	10%
Group	34%	36%	35%
Hospital- Inpatient	27%	22%	24%
Hospital- Ambulatory	10%	8%	9%
Hospital- ER	12%	10%	11%
FHC or Clinic	5%	4%	5%
Nursing Home	0%	0%	0%
Other	1%	2%	1%

Expected Weekly Practice Hours, 2010



2010 New Jersey Resident Exit Survey: Executive Summary

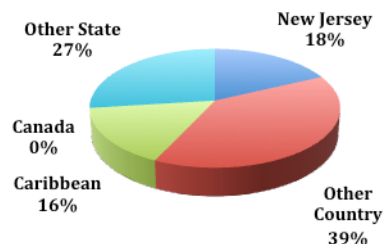
New Jersey Stands to Lose \$436 Million in Future Revenue as Doctors Leave State.



New Jersey relies heavily on other states and countries to train needed physicians.

- Thirty-nine percent (39%) of respondents graduated high school in another state (33% in 2009).
- Thirty-six percent (36%) of survey respondents graduated high school in another country (44% in 2009).
- Similar to last year, 27% of respondents attended medical school in another state and 55%, compared to 59% in 2009, were IMGs.

Location of Medical School, 2010 (N=631)



Most IMG respondents are U.S. citizens or have permanent U.S. citizenship. Nearly one-third attended a Caribbean medical school.

- Seventy-one percent (71%) of IMGs were native-born U.S. (20%), naturalized U.S. (27%), or a permanent resident (23%).
- Twenty-nine percent (29%) of IMG respondents graduated from a medical school in the Caribbean. Of these, 85% graduated high school in the U.S. and 22% of the U.S. graduates were from New Jersey.

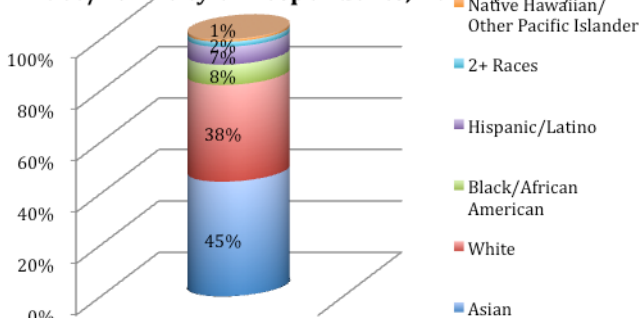
Citizen Status of IMGs, 2010 (N=343)



New Jersey's physician workforce is diverse.

- Fifty-two percent (52%) of respondents were female, compared to 49% in 2010 and 45% in 2008. The national average is 44%.²
- A majority (62%) of respondents reported a non-white or Hispanic racial/ethnic background.
- The percentage of underrepresented minorities was 14%, which is slightly down from past years (17% in 2009 to 15% in 2008).³

Race/Ethnicity of Respondents, 2010 (N=643)



² American Medical Association. Women Residents by Specialty, 2005.

³ Underrepresented minority includes Black/African American, Hispanic/Latino, and/or American Indian/Alaska Native.

2010 New Jersey Resident Exit Survey: Executive Summary

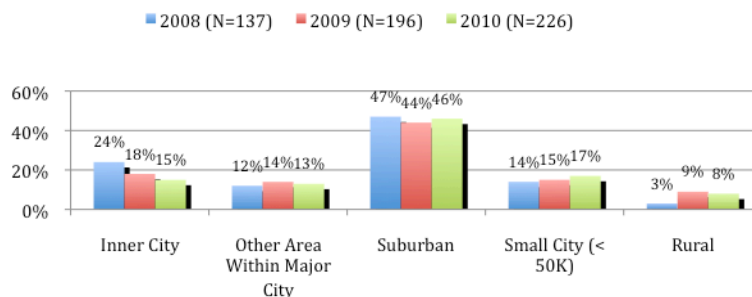
New Jersey Stands to Lose \$436 Million in Future Revenue as Doctors Leave State.



Practice Area Demographics, 2008-2010

- Suburban practice locations are increasingly popular, while inner city and rural locations lose ground.

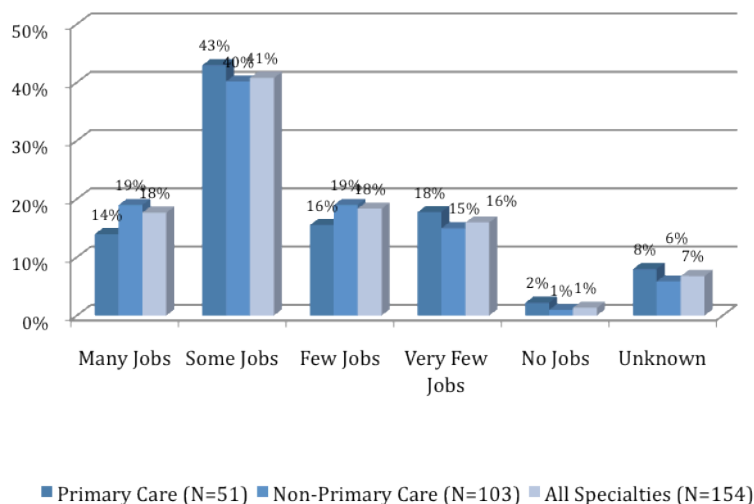
- Forty-six percent (46%) of respondents described their upcoming practice position to be located in a suburban setting, up from 44% last year.
- Sixteen percent (16%) of respondents were headed to an inner-city location (down from 18% in 2009 and 22% in 2008).
- Eight percent (8%) of respondents were headed to a rural location (down from 9% in 2009 and up from 3% in 2008).



The job market for new physicians remains strong, although was a bit more challenging.

- Eight percent (8%) of those who actively searched for a practice position did not receive a job offer, compared to 3% in 2009.
- A majority of respondents (61%) felt they did not have difficulty finding a satisfactory practice position. However, the number of those who experienced difficulty increased from 27% to 37% between 2009 and 2010. Nearly one-third (32%) of respondents attributed their difficulty to an overall lack of jobs and almost another third (32%) cited lack of jobs in desired locations.
- Fifty-nine percent (59%) of respondents expected their base salary during the first year of practice to be \$160,000 or more, and generally report being satisfied with their anticipated salary/compensation.
- Respondents' views of regional and national job markets were generally positive, however, with a slight decline since last year. Respondents with a positive assessment of practice opportunities in New Jersey declined from 75% in 2009 to 58% in 2010. Positive views of the national job market declined from 94% in 2009 to 84% this year.

Perceptions of the New Jersey Job Market, 2010



Endnote: The potential financial loss is estimated by using the multiplier effect, which captures secondary impacts or benefits to an economy from indirect (business) and induced (household) spending. It embraces the notion that the economic impact of a physician extends beyond the individuals they hire and the salaries they pay. It is estimated that the direct economic impact of a primary care physician is \$1,000,000 per year and (upon applying an economic income multiplier of 1.505909 from IMPLAN) the total economic impact annually is \$1,505,909. For a specialist physician, the direct impact is \$3,000,000 per year and the total economic impact annually is \$4,517,727. This means that the deficit of a single primary care or specialist physician can depress a community's economy by \$1.5 million or \$4.5 million, respectively