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2011 SURVEY OF TEMPORARY PHYSICIAN STAFFING TRENDS

2011 SURVEY OF TEMPORARY PHYSICIAN STAFFING TRENDS

BASED
ON 2010
DATA

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OVERVIEW

Staff Care is a national healthcare staffing firm specializing in matching temporary (i.e., locum tenens) physicians, dentists, certified registered nurse anesthetists (CRNAs) and various allied healthcare professionals with hospitals, medical groups, government facilities and other healthcare organizations. Established in 1992, Staff Care is a company of AMN Healthcare, the largest healthcare staffing organization in the United States, and is certified by the Joint Commission.

This report marks Staff Care's eighth 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, healthcare executives, academics, journalists and others who monitor developments in the healthcare staffing industry.

METHODOLOGY

Staff Care's 2011 Survey of Temporary Physician Staffing Trends is based on surveys sent by e-mail to healthcare executives and locum tenens physicians nationwide. The survey also includes an examination of the temporary physician staffing assignments Staff Care conducted in calendar year 2010. Data from past Staff Care surveys are included where applicable.

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

Part Two of the survey examines why physicians choose to work on a locum tenens basis, how they select temporary practice opportunities, how long they intend to work on a temporary basis, how they are perceived by colleagues, and related matters.

Part Three of the survey indicates the type of locum tenens staffing assignments Staff Care conducted in calendar year 2010. The breakdown of temporary practitioner "days requested" by specialty is offered as an indicator of current physician and dentist supply and demand trends in locum tenens. Part Three also includes the number of "temporary physician days" Staff Care filled in 2010.

Parts One and Two of the survey were conducted over the four month period from August, 2010, to November, 2010, and the final survey report was released in February, 2011. Respondents were self-selected and included Staff Care clients and non-clients, as well as physicians who have been matched to temporary assignments by Staff Care and those who have not.

PART ONE

SURVEY OF LOCUM TENENS PHYSICIAN USERS, INCLUDING HOSPITAL, MEDICAL GROUP, AND GOVERNMENT HEALTH FACILITY MANAGERS

Number of Surveys Completed = 105

KEY FINDINGS

Physicians have worked as locum tenens – substituting for colleagues who are absent from their practices – for many years. However, it is only in the last several decades that the use of locum tenens doctors has become widespread at hospitals, medical groups and other healthcare facilities. In the 1970s, government grants were allotted to make temporary physicians available in medically underserved rural areas, accelerating the use of locum tenens doctors.

How prevalent are locum tenens physicians in the healthcare market today? Why do healthcare facilities use temporary physicians and how do they evaluate the quality of care provided by these doctors? Part One of Staff Care's 2010 Survey of Physician Temporary Staffing Trends, completed by healthcare facility managers who use locum tenens physicians, examines these and related questions.



KEY FINDINGS INCLUDE

*The use of locum tenens physicians is commonplace. Eighty-five percent of healthcare facilities managers surveyed indicated their facilities had used locum tenens physicians to supplement existing staff during the last 12 months, up from 72 percent in 2009.

*Facilities appear to be using more locum tenens physicians per month. Forty-five percent of those surveyed said their facilities use four or more locum tenens physicians in a typical month, compared to 43 percent in 2009 and nine percent in 2007. In addition, only 30 percent of those surveyed said use no locum tenens physicians in a typical month, down from 37 percent in 2009.

*The skill level of locum tenens physicians is favorably perceived. Seventy-two percent of those surveyed rated the skill level of locum tenens physicians as good or excellent, compared to 66 percent in 2009. None of those surveyed rated the skill level of locum tenens physicians as unsatisfactory.

*The number of facilities currently seeking locum tenens physicians has increased. Forty-one percent of those surveyed are currently seeking locum tenens physicians, up from 40 percent in 2009, suggesting that the downturn in physician utilization caused by the recession may be reversing.

*Locum tenens physicians are generally accepted in the work place. Over 50 percent of those surveyed indicated locum tenens physicians are accepted by patients, colleagues and facility administrators.

*Locum tenens physicians are generally rated as “worth the cost.” Eighty-four percent of those surveyed indicated the value locum tenens physicians bring to their facilities is worth the cost, up from 79 percent in 2009.

QUESTIONS ASKED AND RESPONSES RECEIVED

1. HAVE YOU USED TEMPORARY (LOCUM TENENS) PHYSICIANS TO SUPPLEMENT YOUR EXISTING STAFF ANY TIME DURING THE LAST 12 MONTHS?

	2010	2009	2007	2005
Yes	85%	72%	77%	79%
No	15%	28%	23%	21%

2. ARE YOU CURRENTLY LOOKING FOR LOCUM TENENS PHYSICIANS TO SUPPLEMENT YOUR EXISTING STAFF?

	2010	2009	2007	2005
Yes	41%	40%	54%	53%
No	59%	60%	46%	47%

3. HOW DIFFICULT IS IT TO FIND LOCUM TENENS COVERAGE TODAY COMPARED TO 12 MONTHS AGO?

	2010	2009	2007	2005
More difficult	14%	30%	23%	20%
Less difficult	24%	14%	16%	17%
The same	62%	56%	61%	63%

4. IN A TYPICAL MONTH, HOW MANY LOCUM TENENS PHYSICIANS DO YOU USE?

	2010	2009	2007	2005
None	37%	37%	38%	36%
1 – 3	55%	20%	53%	56%
4 – 6	7%	37%	7%	6%
7 or more	1%	6%	2%	2%



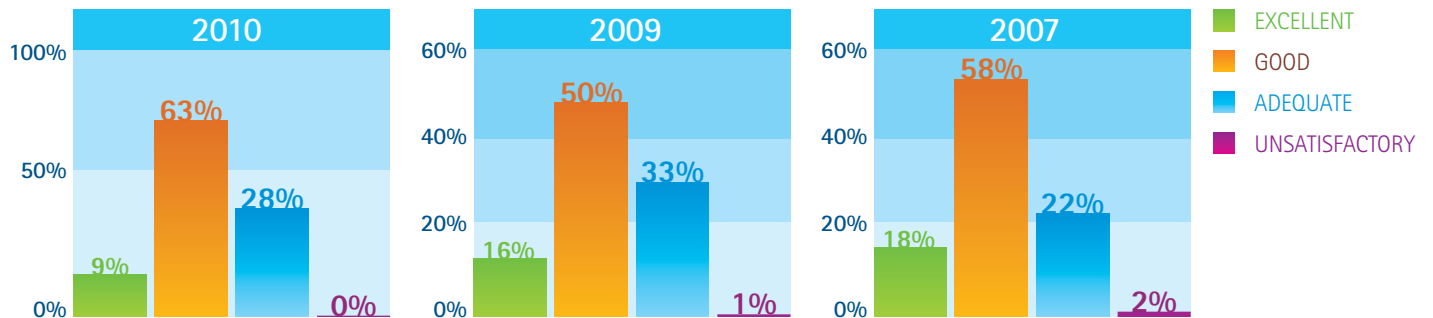
5. WHY DO YOU OR WOULD YOU TYPICALLY USE A LOCUM TENENS PHYSICIAN?

	2010	2009	2007	2005
Fill in until a permanent doctor is found	63%	34%	65%	72%
Fill in for staff who have left	46%	22%	61%	71%
Vacation/continuing medical education	53%	37%	50%	50%
Meet rising patient demand	9%	3%	16%	16%
Fill in during peak usage times	4%	11%	15%	31%
Test market a new service	0%	25%	3%	4%

6. WHAT ARE THE BENEFITS/DRAWBACKS OF USING LOCUM TENENS PHYSICIANS?

	2010	2009	2007	2005
BENEFITS				
Allows continual treatment of patients	73%	36%	80%	70%
Prevent revenue loss	41%	21%	53%	43%
Prevents existing staff burnout	32%	16%	34%	39%
Immediate availability	28%	20%	34%	54%
Cost	1%	35%	6%	4%
Other	2%	6%	6%	4%
DRAWBACKS				
Cost	86%	58%	87%	81%
Familiarity with department/practice	62%	31%	50%	52%
Learning equipment/procedures	42%	19%	26%	22%
Other	0%	15%	18%	28%

7. WHAT IS YOUR PERCEPTION OF THE GENERAL SKILL LEVEL OF LOCUM TENENS PHYSICIANS?



8. AT YOUR FACILITY, HOW ARE LOCUM TENENS PROVIDERS VIEWED BY:

	2010	2009	2007	2005
COLLEAGUES				
Accepted by	59%	54%	67%	74%
Not accepted	0%	1%	2%	>1%
Tolerated	28%	28%	21%	16%
Unsure	13%	16%	10%	11%
ADMINISTRATION				
Accepted	64%	57%	68%	77%
Not accepted	1%	2%	3%	>1%
Tolerated	24%	25%	19%	15%
Unsure	11%	16%	10%	8%
PATIENTS				
Accepted	54%	56%	63%	65%
Not accepted	0%	0%	1%	1%
Tolerated	15%	13%	14%	17%
Unsure	31%	31%	22%	17%

Eighty-five percent of healthcare facilities managers surveyed indicated their facilities had used locum tenens physicians...in the last 12 months, up from 72 percent in 2009

Seventy-two percent of those surveyed rated the skill level of locum tenens physicians as good or excellent, compared to 66 percent in 2009

9. PLEASE RATE LOCUM TENENS PHYSICIANS COMPARED TO YOUR PERMANENT MEDICAL STAFF IN THE FOLLOWING AREAS:

10. PLEASE RATE LOCUM TENENS PHYSICIANS COMPARED TO YOUR PERMANENT MEDICAL STAFF IN THE FOLLOWING AREAS:

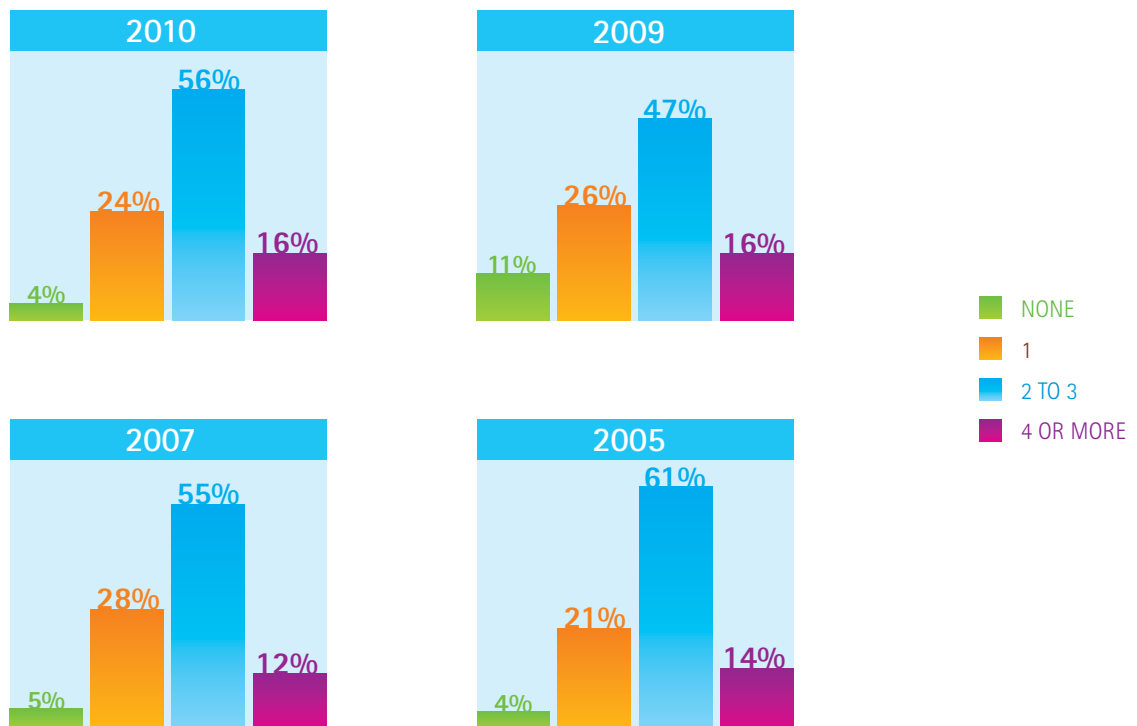
PATIENTS TREATED PER DAY

	2010	2009	2007	2005
More	6%	4%	2%	2%
Fewer	53%	40%	35%	34%
Same	41%	56%	63%	64%

GROSS CHARGES GENERATED PER DAY

	2010	2009	2007	2005
More	8%	5%	5%	2%
Fewer	49%	42%	33%	37%
Same	43%	53%	62%	61%

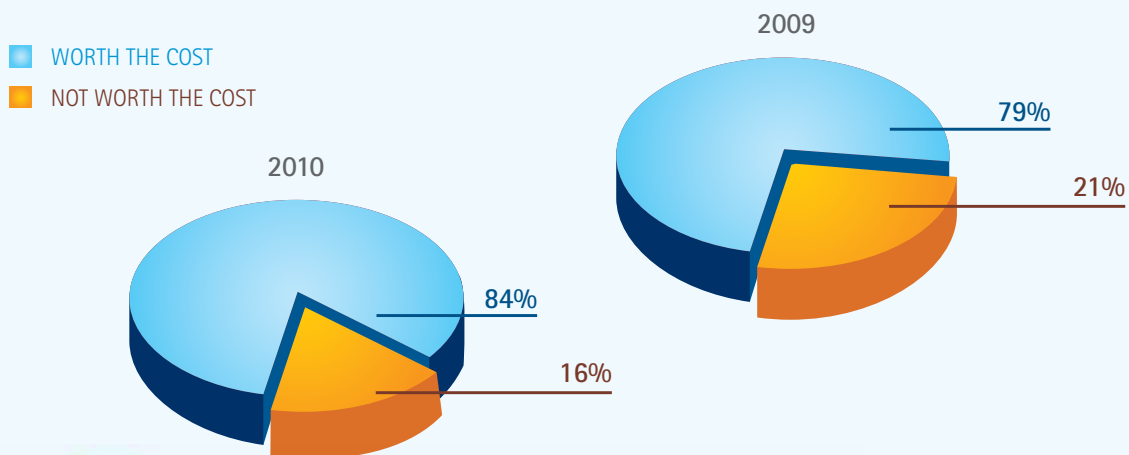
11. WHEN CONDUCTING YOUR SEARCH FOR LOCUM TENENS PHYSICIANS, WITH HOW MANY SEARCH FIRMS/ STAFFING AGENCIES DO YOU GENERALLY WORK?



12. WHAT ARE THE MOST IMPORTANT FACTORS IN SELECTING A TEMPORARY STAFFING FIRM?

	2010	2009	2007	2005
Availability of candidates/promptness	84%	65%	73%	70%
Quality of physicians provided	84%	76%	68%	69%
Customer service	57%	49%	50%	39%
Cost	51%	52%	49%	48%
Contract flexibility	42%	31%	35%	21%
Malpractice insurance	26%	20%	24%	16%
Other	5%	1%	6%	3%

13. HOW WOULD YOU RATE THE VALUE OF LOCUM TENENS PHYSICIANS TO YOUR FACILITY?



TRENDS AND OBSERVATIONS

Part One of Staff Care's 2011 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, and the perceived skill levels of locum tenens physicians.

WHO IS USING LOCUM TENENS PHYSICIANS?

The 2011 survey suggests that the use of locum tenens physicians continues to be common among hospitals, medical groups, and government supported healthcare facilities and accelerated in 2010 relative to the previous year. Eighty-five percent of health facility managers surveyed indicated that their facilities had used locum tenens physicians to supplement their existing medical staffs sometime during the last 12 months, up from 72 percent in 2009. In each of the last four surveys conducted by Staff Care, at least 72 percent of respondents indicated that their facilities used locum tenens physicians sometime in the previous 12 months, suggesting that the use of locum tenens physicians has now become the rule among most healthcare facilities rather than the exception.

Forty-one percent of those surveyed indicated that their facilities currently are seeking locum tenens physicians to supplement their existing medical staffs, up from 40 percent in 2009, though down from 54 percent in 2007. The number of facilities actively seeking locum tenens physicians declined in 2009 and 2010 relative to 2007 and previous years as a result of decreases in hospital and physician utilization brought on by the economic downturn, which in turn may have caused physicians to reduce their vacation times, increase their hours and take other steps that could inhibit the need for locum tenens physicians. The small increase in the number of facilities actively seeking locum tenens physicians shown by the 2011 survey may signal growth in patient utilization of physician services and a renewed demand for temporary doctors, though any long-term trend in this direction is not yet apparent.

Over one-third of those surveyed (37 percent) indicated that in a typical month they do not use any locum tenens physicians. For some facilities, locums tenens is either not part of their staffing strategy, or it remains only an occasional option. For the remaining 63 percent, however, locum tenens physicians are an ongoing resource.

The majority of those surveyed (62 percent) responded that finding locum tenens physicians is no more or less difficult today than it was 12 months ago. Nearly one-quarter (24 percent) said that finding locum tenens physicians is less difficult today than it was 12 months ago, compared to 16 percent in 2009. Due to the recession and other factors discussed in Part Two of the survey, a growing number of physicians are choosing to work locum tenens, which may make locum tenens doctors somewhat less difficult to find. Fourteen percent said that finding locum tenens physicians is more difficult today than it was 12 months ago, compared to 30 percent in 2009.

REASONS FOR USING LOCUM TENENS

Healthcare organizations use locum tenens physicians for a variety of reasons. The most common reason for using locum tenens referenced in the 2011 survey, cited by 63 percent of those interviewed, is to maintain services and revenue until a permanent doctor is found. This response reflects an evolution in the locum tenens market that is linked to 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.

In addition, the aging of the physician population (over one-third of physicians today are 55 years old or older) and the increased mobility of doctors can generate relatively high physician turnover rates at hospitals, medical groups and other facilities. According to the 2011 survey, 46 percent of healthcare facilities use locum tenens doctors to fill in for physicians who have left the area, compared to 22 percent in 2009. Fourteen percent said they use locum tenens doctors to either help meet rising patient demand for medical services or to fill in during peak usage times such as flu season.

Today, locum tenens practice has become more widely accepted by physicians, and physicians practicing locum tenens are rigorously screened. The 2011 survey suggests that quality concerns about locum tenens physicians are minimal or non-existent.



Many physicians today are interested in a “controllable lifestyle” and seek vacation time and other time off when evaluating employment opportunities. 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. Fifty-three percent of those surveyed indicated they use locum tenens physicians to fill in for doctors who are out on vacation, illness or for other reasons.

The main benefit of using locum tenens physicians, cited by 73 percent of those surveyed, is to maintain continuity of patient care. However, by seeing patients who might otherwise have gone elsewhere, locum tenens physicians also allow medical facilities to maintain revenue streams. Forty-one percent of those surveyed said that preventing revenue loss was a benefit of using locum tenens physicians, while 28 percent identified the immediate availability of locum tenens physicians as a benefit. Using locum tenens physicians also can be part of a physician retention strategy, helping to prevent the burn-out of existing staff, as cited by 32 percent of administrators surveyed.

HOW ARE LOCUM TENENS PHYSICIANS PERCEIVED?

Healthcare facility managers were asked to rate the general skill level of locum tenens physicians. The majority (72 percent) rated locum tenens physicians’ skills as either good or excellent, up from 66 percent in 2009. Twenty-eight percent rated their skills as adequate, while none rated them as unsatisfactory. When locum tenens physicians first came into wide use, the quality of these physicians sometimes was questioned. Today, locum tenens practice has become more widely accepted by physicians, and physicians practicing locum tenens are rigorously screened. The 2011 survey suggests that quality concerns about locum tenens physicians are minimal or non-existent.

Healthcare facility managers also were asked to indicate how locum tenens physicians are viewed by various parties, including permanent physicians on their staffs, the organization’s administration, and patients. The majority (59 percent) said that locum tenens physicians are accepted by permanent staff physicians; 28 percent said they are tolerated, none said they were not accepted and the remaining 13 percent were unsure. The majority (64 percent) said that locum tenens physicians are accepted by the administration; 24 percent said they are tolerated; one percent said they were not accepted and 11 percent were unsure. Fifty-four percent said locum tenens physicians are accepted by patients; 15 percent said they are tolerated; zero percent said they were not accepted; and 31 percent said they were unsure.

In comparing locum tenens physicians to permanent physicians on their staffs, 47 percent of healthcare facility managers said that locum tenens physicians treat the same or a greater number of patients per day than do permanent physicians, while 53 percent said they see fewer patients per day than permanent physicians. Fifty-one percent of those surveyed said locum tenens physicians generate the same or greater gross charges per day as do permanent physicians, while the remaining 49 percent indicated locum tenens physicians generate fewer gross charges per day than permanent physicians. Locum tenens physicians may generate more charges, though they see fewer patients than permanent physicians, by handling generally more complex or urgent cases. Some patients may choose to delay a physician appointment for a minor problem until the permanent physician returns, but will see a locum tenens physician if their problems require immediate attention.

WORTH THE COST?

Healthcare facilities pay a daily rate for the services of locum tenens physicians, a rate that can exceed \$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 in 2010 indicated that locum tenens physicians are worth the cost. Eighty-four percent of those surveyed said locum tenens physicians are worth the cost, up from 79 percent in 2009.

SURVEY OF PHYSICIANS WORKING ON A LOCUM TENENS BASIS

Number of Providers Surveyed = 626

KEY FINDINGS:

The way physicians practice has been evolving rapidly over the last 10 to 15 years, as many doctors move away from the traditional full-time, private practice model to other modes of practice, including hospital employment, part-time practice, inpatient practice, concierge medicine and locum tenens.

Why do physicians choose to practice on a temporary basis? 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?

Part Two of Staff Care's 2011 Survey of Temporary Physician Staffing Trends, completed by physicians who work on a locum tenens basis, examines these and related questions.



KEY FINDINGS INCLUDE:

- * Locum tenens physicians generally have multiple years of medical experience. Eighty-four percent of locum tenens physicians surveyed indicated they have been in medical practice for 11 years or more. Sixty-eight percent have been in practice for 21 years or more.
- * Locum tenens physicians find temporary work as satisfying as or more satisfying than permanent work. Eighty percent of physicians surveyed said they find working locum tenens to be as satisfying as or more satisfying than traditional, permanent practice.
- * Locum tenens continues to attract new physicians. Thirty-three percent of those surveyed said they have one year or less of locum tenens experience, suggesting locum tenens continues to be embraced as a practice style by new physicians.
- * Most locum tenens physicians plan to stick with temporary practice. Sixty percent of those surveyed said they plan to practice on a locum tenens basis for more than three years.
- * The majority of locum tenens physicians work six or fewer temporary assignments a year. Eighty-two percent of locum tenens physicians work six or fewer temporary assignments a year. Sixty-three percent work three or fewer such assignments per year.
- * Freedom trumps pay among locum tenens physicians. Freedom/flexibility was identified as a benefit of working locum tenens by 82 percent of those surveyed, compared to 16 percent who identified pay rate as a benefit.
- * The majority of locum tenens physicians feel accepted in the workplace. Ninety-five percent of locum tenens physicians said they are accepted by patients, 81 percent said they are accepted by staff physicians, and 71 percent said they are accepted by facility administrators.

QUESTIONS ASKED AND RESPONSES RECEIVED

1. WHAT IS YOUR SPECIALTY?

Emergency Med	2%	Anesthesia	11%
OB/GYN	4%	Behavioral	12%
General surg	9%	Primary Care	28%
Dentistry	10%	Other/NA	13%
Radiology	11%		

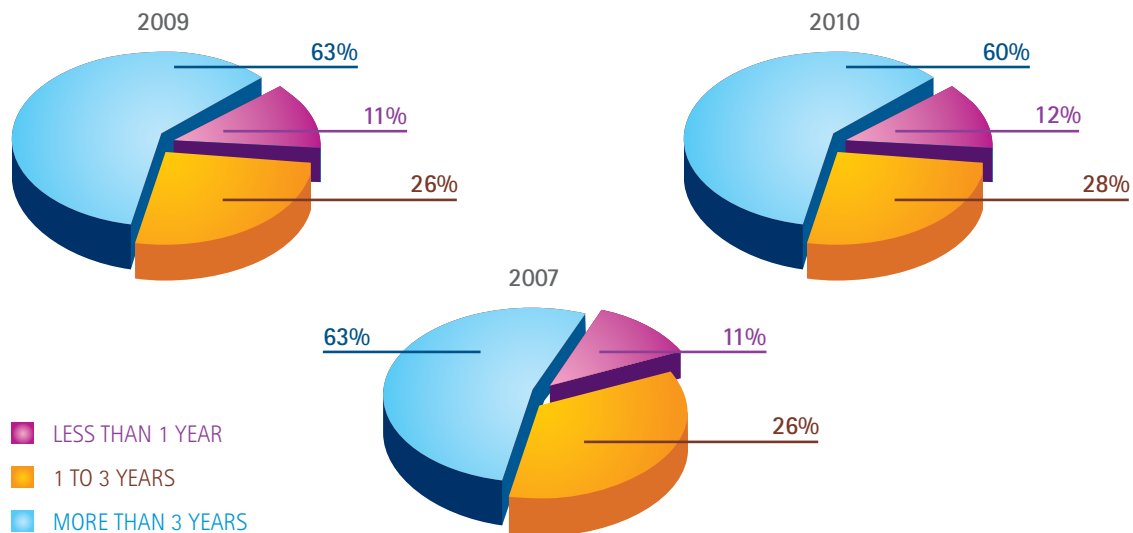
2. HOW MANY YEARS HAVE YOU BEEN IN MEDICAL PRACTICE?

	2010	2009	2007	2005
Less than 1 year	2%	2%	5%	5%
1 to 5 years	7%	6%	12%	9%
6 to 10 years	7%	6%	11%	10%
11 to 20 years	16%	19%	17%	22%
21 or more years	68%	67%	55%	54%

3. HOW LONG HAVE YOU WORKED AS A LOCUM TENENS?

	2010	2009	2007	2005
Less than 1 year	33%	30%	46%	33%
1 to 3 years	28%	26%	25%	31%
More than 3 years	39%	49%	29%	36%

4. HOW LONG DO YOU INTEND TO WORK AS A LOCUM TENENS?



Most locum tenens physicians plan to stick with temporary practice. Sixty-three percent of those surveyed said they plan to practice on a locum tenens basis for more than three years.

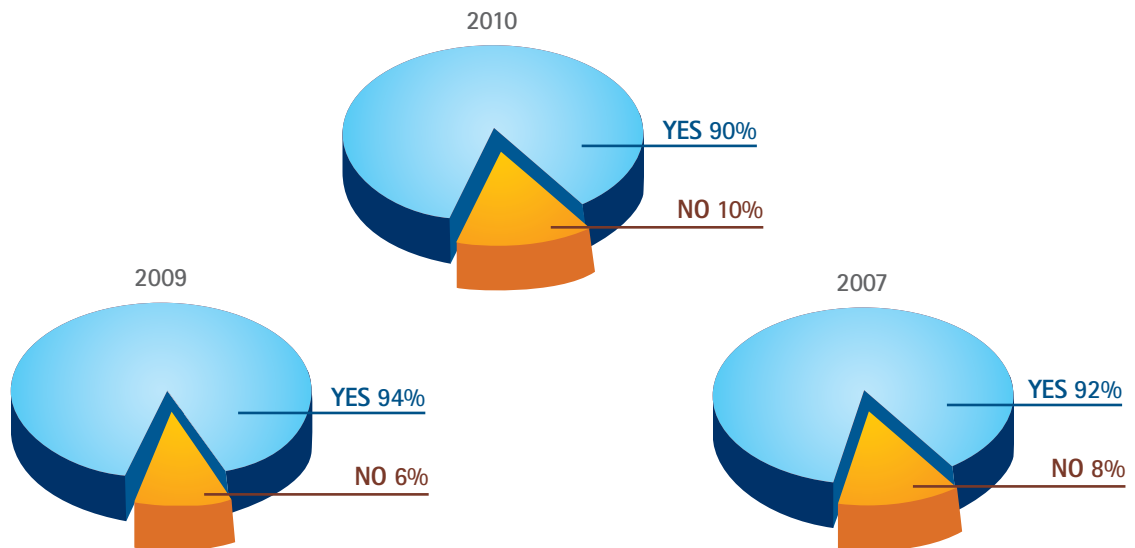
5. ABOUT HOW MANY LOCUM TENENS ASSIGNMENTS DO YOU WORK DURING A YEAR?

	2010	2009	2007	2005
1 to 3	63%	53%	60%	57%
4 to 6	19%	27%	24%	23%
7 or more	18%	20%	16%	20%

6. WHAT IS YOUR IDEAL LOCUM TENENS ASSIGNMENT LENGTH?

	2010	2009	2007	2005
Less than 1 month	44%	49%	49%	35%
1 to 4 months	33%	32%	36%	50%
5 to 8 months	10%	10%	7%	11%
9 to 12 months	13%	9%	8%	4%

7. HAVE YOU EVER WORKED IN A PERMANENT POSITION?



8. IF YES, HOW WOULD YOU RATE WORKING AS A LOCUM TENENS VERSUS WORKING IN A PERMANENT POSITION?

	2010	2009	2007	2005
Locum tenens is MORE satisfying	19%	16%	19%	62%
Locum tenens is LESS satisfying	20%	21%	14%	20%
Both types are EQUALLY satisfying	61%	63%	67%	18%

9. ARE YOU CURRENTLY LOOKING FOR A PERMANENT POSITION?

	2010	2009	2007	2005
Yes	34%	23%	23%	22%
No	66%	77%	77%	78%

10. WHAT ARE THE BENEFITS / DRAWBACKS OF WORKING AS A LOCUM TENENS?

	2010	2009	2007	2005
BENEFITS				
Freedom/ flexibility	82%	31%	79%	85%
No politics	48%	19%	45%	44%
Travel	44%	18%	44%	46%
Pay rate	16%	15%	42%	38%
Professional development	21%	9%	27%	27%
A way to find perm	20%	7%	19%	19%

	2010	2009	2007	2005
DRAWBACKS				
Away from home	68%	31%	61%	63%
Uncertainty of assignment	59%	25%	52%	47%
Lack of benefits	48%	17%	33%	44%
Quality of assignment	28%	13%	18%	25%
Other	0%	2%	14%	9%

11. WITH HOW MANY LOCUM TENENS AGENCIES DO YOU WORK?

	2010	2009	2007	2005
None	11%	9%	14%	6%
1	26%	25%	38%	31%
2-3	49%	52%	42%	50%
4 or more	14%	14%	6%	13%



12. HOW DO YOU SELECT A FIRM?

	2010	2009	2007	2005
Location of opportunities	63%	20%	67%	60%
Customer service	60%	22%	51%	57%
Pay rate	46%	16%	50%	47%
Reputation/name recognition	37%	14%	34%	42%
Number of opportunities	48%	16%	34%	39%
Malpractice insurance	28%	10%	26%	32%
Other	0%	1%	12%	11%

13. HOW DO YOU SELECT TEMPORARY OPPORTUNITIES?

	2010	2009	2007	2005
Location	88%	23%	23%	86%
Pay	64%	13%	13%	58%
Length of opportunity	69%	29%	29%	57%
Type/size of facility	31%	7%	7%	28%
Quality of equipment	13%	4%	4%	23%
Patient load	32%	8%	8%	22%
Available shifts	29%	15%	15%	n/a

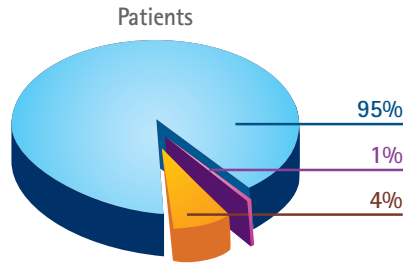
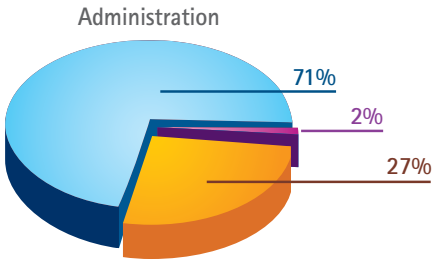
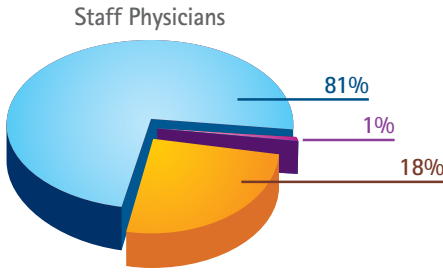
14. WHEN LOOKING FOR LOCUM TENENS OPPORTUNITIES, WHAT ARE YOUR MOST IMPORTANT RESOURCES?

	Most Important	Somewhat Important	Least Important
Print journals	6%	26%	68%
Text alerts	9%	21%	70%
Internet job boards	19%	32%	49%
Word of mouth	30%	32%	38%

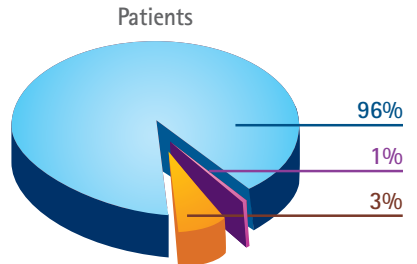
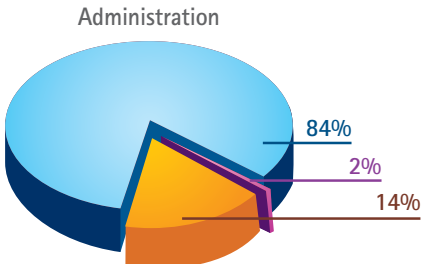
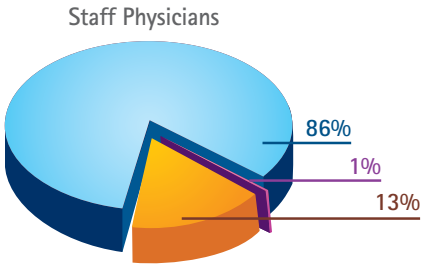
15. AS A LOCUM TENENS PROVIDER, HOW ARE YOU VIEWED BY:

ACCEPTED NOT ACCEPTED TOLERATED

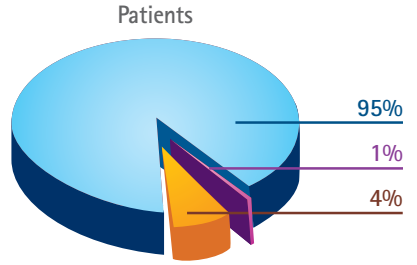
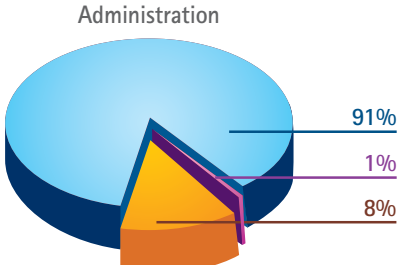
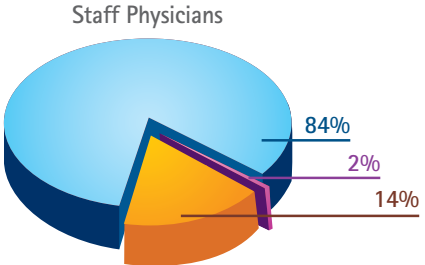
2010



2009



2007



TRENDS AND OBSERVATIONS

Part Two of Staff Care's 2011 Survey of Temporary Physician Staffing Trends reflects several characteristics of locum tenens physicians and suggests some of the reasons why they work on a temporary basis.

WHO ARE LOCUM TENENS PHYSICIANS?

Over two-thirds of locum tenens physicians surveyed (68 percent) have 21 years or more experience as practicing physicians. By contrast, some of those surveyed are relatively new to medicine. Nine percent have been in practice five years or less, while seven percent have been in practice from six to 20 years. The 2011 survey indicates that locum tenens physicians vary widely in terms of medical practice experience, though the majority are highly experienced physicians who have been in medicine for two decades or longer.

While many of those surveyed have considerable experience as physicians, 33 percent are new to locum tenens practice, having worked locum tenens for less than one year, while 28 percent have worked locum tenens for more than one year but for no more than three years. As in previous surveys, the 2011 survey indicates that a significant number of locum tenens doctors are relatively new to temporary medical practice and that the ranks of locum tenens doctors continue to be replenished and expanded by physicians who are newly attracted to the field.

The majority of physicians surveyed (63 percent) work one to three locum tenens assignments per year, while 19 percent work four to six assignments. The remaining 18 percent work seven or more assignments annually. These numbers suggest that some locum tenens physicians are also in permanent practice and "moonlight" on temporary assignments during vacation time or other opportunities. These physicians may only work a limited number of locum tenens assignments each year, while other physicians who are not in permanent practice may work temporary assignments on multiple occasions or even throughout the year. Other physicians, while 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.

Forty-four percent of physicians surveyed said their ideal temporary assignment length is less than one month, which reflects the fact that many locum tenens physicians have limited windows during which they can work temporary assignments. Thirty-three percent indicated their ideal assignment length was one to four months, while 23 percent preferred assignment lengths of five months or longer, demonstrating that some locum tenens doctors work temporary assignments on virtually a full-time basis.

The survey indicates that many physicians view locum tenens as a long-term career option. Sixty percent said they plan to practice on a temporary basis for more than three years, while 28 percent said they plan to work locum tenens for one to three years. The minority (12 percent) said they will practice locums for less than a year, suggesting that some doctors use locum tenens as a short-term option that serves as a transition to another stage in their careers, while most make it a more long-term career choice.

Ninety percent of physicians surveyed have worked in a permanent position, while 10 percent have worked only locum tenens, up from six percent in 2009. These numbers suggest that more physicians newly out of residency are working locum tenens before going into permanent practice or in lieu of permanent practice. Of those who have worked in a permanent position, 61 percent indicated that permanent medical work and temporary work are equally satisfying, while 19 percent rate locum tenens work as more satisfying than permanent and 20 percent rate temporary work as less satisfying than permanent practice.



WHY PRACTICE LOCUMS?

When asked to identify the benefits of locum tenens, 82 percent of physicians cited freedom and flexibility, followed by 48 percent who cited the absence of medical politics, 44 percent who cited travel, 21 percent who cited professional development and 20 percent who said locum tenens provides a way to find a permanent practice. By contrast, only 16 percent cited pay rate as a reason for working locum tenens. For most physicians, locum tenens represents a lifestyle and a practice style choice and not necessarily a chance to enhance their incomes. Locum tenens also represents an opportunity to escape medical politics and the other so-called “hassle factors” of traditional medicine, such as having to pay high premiums for malpractice insurance, which is typically provided for them by staffing agencies such as Staff Care.

Based on the number of physicians Staff Care works with annually and its knowledge of the temporary physician staffing industry, the company estimates between 30,000 and 40,000 physicians worked on a locum tenens basis in 2010. This number could grow significantly in the next several years as health reform and other challenges push physicians to seek alternative practice styles. Indeed, in a 2010 survey of 2,400 physicians conducted by The Physicians Foundation, 14 percent of doctors said they plan to work as locum tenens in the next one to three years, which would cause the number of locum tenens physicians to more than double.

Being away from family and friends was the most frequently cited drawback to locum tenens practice, referenced by 68 percent of those surveyed, followed by uncertainty of assignments, cited by 59 percent. In some cases, locum tenens physicians are unable to schedule assignments as continuously as they would prefer. Lack of benefits was a drawback cited by 48 percent of those surveyed. This response reflects the fact that locum tenens physicians are independent contractors and are not employed by temporary staffing agencies. 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.

The majority of those surveyed (89 percent) work with at least one temporary staffing company, while 63 percent work with at least two. Though they do not employ physicians, temporary physician staffing companies help match them with opportunities and arrange for many of the logistics, such as travel and accommodations, and often assist with licensure and credentialing, and most locum tenens doctors choose to partner with one or more companies. Sixty-three percent of physicians surveyed cite practice locations as a reason for selecting a staffing firm, while 60 percent select firms based on the customer service they provide, 48 percent look to number of opportunities provided, 46 percent consider pay, 37 percent consider the company’s reputation, and 28 percent consider the type of malpractice the company provides.

When asked how they select a temporary opportunity, 88 percent of physicians surveyed identified location as a factor, followed by 69 percent who identified length of assignment and 64 percent who identified pay rate. Thirty-two percent identified patient load as a factor contributing to their decision to select a particular opportunity, while 31 percent cited type of facility and 29 percent cited available shifts. As independent contractors, locum tenens physicians are able to select which locations they

As the use of locum tenens physicians has become more common, and as privileging requirements and practices have become more stringent, concerns that may have existed about the quality of care provided by locum tenens physicians appear to be fading.



prefer as well as what level of pay they wish to accept. If a particular staffing firm is not able to match them with a location they prefer, they may choose to work through another firm or contract directly with a hospital or medical group.

Locum tenens doctors surveyed rated the various methods by which they seek information about locum tenens practice opportunities. Word of mouth was identified as the most important method, cited by 62 percent of physicians as somewhat important or very important. Fifty-one percent of physicians cited internet job boards as somewhat important or very important. Print journals were cited as somewhat important or very important sources of information by 32 percent of physicians while text alerts were cited as somewhat important or important by 30 percent of physicians.

[LOCUM TENENS VS. PERMANENT](#)

Locum tenens physicians were asked to what degree they are accepted by other physicians, administrators and patients. Locum tenens physicians have been a part of the medical landscape for some 30 years and the survey indicates they have become generally accepted. The great majority of locum tenens physicians interviewed (81 percent) indicated they are accepted by permanent physicians with whom they work at their temporary assignments, while 95 percent said they are accepted by patients, and 71 percent said they were accepted by administrators.

As the use of locum tenens physicians has become more common, and as privileging requirements and practices have become more stringent, concerns that may have existed about the quality of care provided by locum tenens physicians appear to be fading.

Those physicians who have worked as both locum tenens and in permanent practices were asked to compare the two. The majority (80 percent) said they found locum tenens to be as satisfying as or more satisfying than permanent practice, while 20 percent said they found permanent practice to be more satisfying than locum tenens. Many doctors enjoy the relatively hassle-free practice style that locum tenens affords, though some doctors prefer the enduring patient relationships that were once typical of permanent practice.

REVIEW OF STAFF CARE'S 2010 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 certified registered nurse anesthetists (CRNAs) and for dentists.

Following is a review of the temporary staffing assignments Staff Care conducted in calendar year 2010. The review reflects current trends in the locum tenens staffing industry, including which types of temporary healthcare providers are in particular demand.

TOP TEMPORARY STAFFING ASSIGNMENTS BY "DAYS REQUESTED"

Staff Care tracks demand for temporary physician staffing services through the number of temporary physician and dentist "days requested" by its clients. The table below indicates the percentage of Staff Care's "days requested" in 2010 by medical specialty.

	2010	2008	2007	2006	
Behavioral Health	22%	16%	18%	17%	
Primary Care(FP, IM & Ped only) *	20%	43%	42%	41%	* In previous years, this category included hospitalists and some internal medicine sub-specialists.
Miscellaneous / IM subspecialties	12%	11%	12%	12%	
Anesthesia (Anesthesiologists/ CRNAs)	11%	20%	20%	22%	
Surgery	9%	8%	8%	8%	** In previous years, this category was included in the primary care category.
Hospitalist **	9%	9%	N/A	N/A	
Radiology	7%	N/A	N/A	N/A	*** In previous years, this category was included in the radiology category.
Emergency Medicine	4%	N/A	N/A	N/A	
Dentistry	4%	3%	2%	N/A	
Oncology ***	2%	N/A	N/A	N/A	

NUMBER OF DAYS FILLED 2007, 2008, 2009, 2010

In calendar year 2007, Staff Care filled 219,576 days of temporary assignments nationwide with locum tenens providers.

In calendar year 2008, Staff Care filled 222,340 days of temporary assignments nationwide with locum tenens providers.

In calendar year 2009, Staff Care filled 203,578 days of temporary assignments nationwide with locum tenens providers.

In calendar year 2010, Staff Care filled 181,834 days of temporary assignments nationwide with locum tenens providers.

TRENDS AND OBSERVATIONS

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

For the first time since Staff Care has compiled this survey, behavioral health tops the list of specialty areas in greatest demand, accounting for over 22 percent of total clinician days requested in 2010. This is in part a result of a change in the way the primary care category is described. In previous years, Staff Care included hospitalists and some internal medicine subspecialists in the primary care category. The category was modified in 2010, however, to include only family physicians, general internists and pediatricians. Hospitalists now are included in a separate category and internal medicine subspecialists are listed in the miscellaneous/IM subspecialties category.

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. The Department of Health and Human Services (HHS) lists 3,291 Health Professional Shortage Areas (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 psychiatry will increase by 100 percent during the same period. Meanwhile, 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.

The recession and two ongoing wars have contributed to patient stress levels and are further driving the need for mental health services which in many cases are being provided by locum tenens psychiatrists and other clinicians.

Primary care (family practice, general internal medicine, and pediatrics) was the specialty area in second greatest demand in 2010, accounting for 20 percent 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. The shortage is a function of changing demographics, including both significant population growth and population aging, coupled with a stagnant to declining supply of primary care physicians. The U.S. Census Bureau projects that 50 million people will be added to the population between 2000 and 2020. This includes new births and millions of immigrants, many of whom are young and will require the services of family physicians and pediatricians. In addition, 75 million baby boomers will begin turning 65 and be eligible for Medicare in 2011. Older patients with multiple chronic conditions typically are treated by general internists. The supply of internists, however, is compromised by the fact that a growing number of internists are choosing to sub-specialize and are not entering primary care practice. A study appearing in the October 2008, edition of the Journal of the American Medical Association indicates that only two percent of medical students plan to specialize in general internal medicine. The supply of family physicians is compromised by the fact that fewer U.S. medical school graduates are choosing to train in family medicine than have in the past.

These trends are likely to be further compounded by health reform, which will add some 32 million patients to the ranks of the insured by 2019. Many of the newly insured will be patients with a reservoir of chronic health problems who have not been able to obtain insurance coverage in the past. These patients will require a relatively greater amount of physician time, further straining the supply of primary care doctors.

As a result, many hospitals and medical groups will continue to be unable to fill permanent positions for primary care doctors. Often, they use locum tenens physicians to maintain services and revenue until permanent positions can be filled, as is reflected in Part One of this survey.

By contrast, the ongoing economic downturn has reduced utilization of healthcare services in some areas of the country, leading to fewer hospital admissions, fewer patient visits per physician and fewer procedures. As a result, physician days requested in anesthesia declined significantly in 2010 relative to previous years. A similar, though smaller decline, was seen in radiology and oncology, which, in addition to the economic downturn, have been affected by changes in reimbursement that have constrained utilization in some areas.

Demand for surgical locum tenens services increased in 2010 relative to previous years, however. 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. Like primary care physicians, general surgeons are in great demand and short supply. The lack of general surgeons and other types of surgeons in certain geographic areas has kept demand for locum tenens surgeons at a steady level over the last several years.

Locum tenens has been an established tradition in medicine for many years 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, while the population has grown rapidly, leading to a shortage of dentists that is driving the 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 four percent of days requested in 2010.

DAYS FILLED

The number of temporary clinician days Staff Care has filled has increased year-over-year for the great majority of the company’s 20-year history. This was not the case in 2009 or 2010, however. As referenced above, the economic recession has had a dampening effect on utilization of healthcare services, reducing demand for locum tenens services in some specialty areas and limiting the ability of healthcare organizations to budget for locum tenens staffing services. Long-term trends suggest a sustained and growing need for physician services matched by a correspondingly limited supply, suggesting that utilization of locum tenens clinicians will eventually increase.

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