Everybody agrees Florida's physician shortage is a problem. But how much of an obstacle is it?

Think 6,980 specialty doctors by 2025 — most of whom will be needed for general surgery who typically work in hospital emergency rooms and psychiatric care for the mentally ill.

How does the state plan to fill the void? Finding the answer is the focus of a report authored by IHS Markit and released last week by the Safety Net Hospital Alliance of Florida, pointing out the state’s shortage of federal funding for residency training programs.

Despite the heavy financial cost, many hospitals around the state including Halifax Health offer what's known as graduate medical education — those three to five years of training after medical school. It's widely held that most doctors will work within 60 to 100 miles of where they train, so the state can increase its odds by creating more slots.

That hasn’t been the problem in Florida, according to the Hospital Alliance’s report, where 736 more medical residents were added in the last four years thanks to extra funding from the Legislature. But federal support from the Centers for Medicare and Medicaid Services lags in comparison to other big states.
“We know the best way to improve our physician shortage is to train our own — to raise our own physicians,” said Lindy Kennedy, vice president of governmental relations and advocacy for the hospital group. “Many hospitals have investments in them that they will never see a direct return.”

Hospitals see this support in the form of higher Medicare reimbursements to offset the training costs. Florida hospitals are compensated less than a quarter of what hospitals in New York are paid for each medical resident.

That’s in large part because Congress capped what Medicare would pay in 1997. Florida’s population grew by 5 million people in the years since and now has more medical schools. The measure shortchanges a number of hospitals around the state, according to the report.

Halifax Health — the only area hospital with a residency program — is reimbursed for 19 out of 23 of its medical residents. But it’s a different story at Broward Health Medical Center and Orlando Health where 40 percent of the residencies aren’t funded by the federal government.

“The greatest shortage looks to be in specialists,” Halifax Health CEO Jeff Feasel said in a prepared statement to The News-Journal. "We have not felt the primary care shortage to the extent experienced by others in the state and country due to the fact that Halifax Health has had a family medicine residency program for over 44 years."

The program has produced more than 350 family medicine physicians, Feasel said.

The public health system lost the credential needed to keep its general surgery residency program, which terminated in July. Hospital officials said they still want to bring the program back. At the time, the Accreditation Council for Graduate Medical Education said the research curriculum wasn’t strong enough in the program.

Seeing a need, the Legislature dedicated $80 million to train physicians at hospitals serving Medicaid recipients three years ago. In 2014, lawmakers added $100 million more to incentivize the effort and have continued to renew the funding every year since.
“Several years ago, the American Medical Association tasked medical schools with producing more physicians and at the same time the government put a cap on graduate medical education — and they haven’t changed it,” said Dr. Luckey Dunn, dean of Florida State University College of Medicine’s Daytona Beach regional campus.

“You’ve got more medical students graduating now than ever. The problem is 60 percent of these graduates leave the state of Florida to go do their graduate education.”

Starting new programs is not only expensive, Dunn said, but it’s also rigorous.

“It’s not just providing care for patients, they have to demonstrate scholarly activities (like research),” Dunn said. That can be hard to do at a small community hospital. “In honesty, I think that’s one of the things that’s difficult in the community.”

The report is largely silent on that issue, but instead surveys for the first time where and how many residencies there are so the state can focus its efforts, said Kennedy from the Safety Net Hospital Alliance.

“The next step is probably moving to track the volume, or the number of physicians who do stay in Florida once they complete their residency,” Kennedy said. “We know that about 70 percent will stay where they do their residency, but we in Florida would like to make that 100 percent.”