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AN ONGOING CONVERSATION ABOUT HOW TO BEST PRESERVE FREE ENTERPRISE,
PERSONAL RESPONSIBILITY AND LIMITED GOVERNMENT IN NEBRASKA.

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Expanding the Medical Supply by Jordan Cash

No debate in recent American history has been as heated and wide-ranging as the discussion over health care. Yet with all the talk of individual mandates, insurance exchanges, and Congress' taxing power, a major driver of health care costs has been largely ignored: the fundamental problem of supply and demand.

Basic economics dictates that when demand is high and supply is low, prices increase. Demand for health care is already exceedingly high, and will only increase with the passage of President Obama's health insurance law-the Patient Protection and Affordable Care Act (PPACA)-trying to ensure everyone has insurance by expanding Medicaid. Before PPACA passed in 2010, America already did not have enough doctors to meet demand, and the Association of American Medical Colleges estimates that the gap will only increase in the coming years, to 63,000 in 2015, 91,500 in 2020, and 130,600 by 2025.^[1] Similarly, the continuing nursing shortage is expected to also get worse; by 2025 it is expected that the United States will need an extra 260,000 to meet demand.^[2] Nebraska is not immune from the doctor and nursing shortage, in 2010 it was estimated that Nebraska's supply of doctors was 8.4 percent lower than demand, while the supply of Nebraska's nurses was estimated to be 7.1 percent lower than demand.^[3]

The doctor shortage is especially hard on lower income individuals, particularly those on Medicaid, as an estimated 36 percent of physicians nationwide have stopped accepting new Medicaid patients, and 26 percent of physicians do not see any Medicaid patients at all.^[4] This trend is also present in Nebraska: of the 82 family practice physicians in Lincoln in 2010, only 15 were reportedly willing to see new Medicaid patients; and only one of Lincoln's 28 internal medicine doctors indicated they would see new Medicaid patients.^[5]

Clearly, the demand for health care is great, but simply expanding Medicaid as the PPACA requires will not solve the problem of supply. One way for Nebraska to meet demand for healthcare professionals would be to offer reciprocity for doctors willing to relocate in the state. Currently, Nebraska does not allow medical licensure reciprocity for doctors moving into the state, and applicants must pay a \$300 fee, complete a background check, and have their State Board Examination scores from other states compared with Nebraska standards.^[6] This is in contrast to the neighboring states of Iowa, Missouri, South Dakota, and Wyoming, all of whom offer some measure of

licensure reciprocity.[7]

It is, of course, important that Nebraska have the highest quality doctors, and have regulations about who is allowed to practice medicine here, but restricting access through licensure requirements limits the supply of doctors, exacerbating the need, particularly in rural areas. Offering full reciprocity while ensuring high standards are observed would be one way to begin to equalize the disparity between supply and demand in health care.

Along these same lines, some states allow medical professionals to practice locally without new state license on two conditions: that they are providing free medical services in association with a sponsoring organization and have a license in good standing in another state and will only be practicing in the state temporarily. In essence, health professionals would be able to cross state borders and practice charitable medicine for a limited period. Such legislation has already passed in Tennessee, Kentucky, Illinois, Virginia, and Oklahoma.[8] It has also been capitalized on by charitable organizations, a prime example being Remote Area Medical, an all-volunteer organization that has served over 300,000 uninsured patients since its inception 1985 and provided nearly \$10 million worth in free care in 2010 alone.[9]

Bringing down license barriers and offering full reciprocity are good first steps to increase the supply of doctors in Nebraska. Nebraska can also make strides to expand charitable medicine by allowing out of state doctors associated with charities to practice for limited periods of time.

[1] Sarah Mann, "Addressing the Physician Shortage Under Reform," Association of American Medical Colleges. Available at https://www.aamc.org/newsroom/reporter/april11/184178/addressing_the_physician_shortage_under_reform.html, accessed July 17, 2012.

[2] Kaiser Family Foundation, "Nursing Workforce," July 2012. Available at <http://www.kaiseredu.org/Issue-Modules/Addressing-the-Nursing-Shortage/Background-Brief.aspx>, accessed July 17, 2012.

[3] Keith Mueller, Preethy Nayar, and Kelly Shaw-Sutherland, et al., "A Critical Match: Nebraska's Health Workforce Planning Project Final Report," Nebraska Center for Rural Health Research, September 2009. Available at <http://www.unmc.edu/rural/documents/NebraskaWorkforceProjectFinal091509.pdf>, accessed July 19, 2012.

[4] Jackson Healthcare, "Physician Practice Trends Survey," April 2012. Available at <http://www.jacksonhealthcare.com/media-room>

</surveys/physician-practice-trends-survey-2012.aspx>, accessed July 18, 2012.

[5] Mark Andersen, "Health reform to increase demand for Lincoln doctors," *Lincoln Journal Star*, April 24, 2010. Available at http://journalstar.com/news/local/article_e47a2ec0-4f2c-11df-b087-001cc4c002e0.html, accessed July 18, 2012.

[6] Nebraska Department of Health and Human Services, "Physician and Surgeon Application Procedures/ Requirements." Available at http://dhhs.ne.gov/publichealth/Pages/crl_medical_medsur_physur_approc.aspx, accessed July 19, 2012; Nebraska Department of Health and Human Services, Division of Public Health, "Licensure Application." Available at <http://dhhs.ne.gov/publichealth/Documents/ostphysurapp.pdf>, accessed July 19, 2012.

[7] Esther Schachter and Greg Siskind, "Chart of Physician Licensing Requirements by State," Siskind Susser, PC. Available at <http://www.visalaw.com/IMG/physicianchart.pdf>, accessed July 19, 2012.

[8] Remote Area Medical Volunteer Corps, "RAM Volunteers." Available at <http://www.ramusa.org/learn/volunteers.htm>, accessed July 19, 2012.

[9] Remote Area Medical, "Accomplishments." Available at <http://www.ramusa.org/learn/accomplishments.htm>, accessed July 19, 2012; Remote Area Medical Volunteer Corps, "RAM Volunteers." Available at <http://www.ramusa.org/learn/volunteers.htm>, accessed July 19, 2012.



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