

GAO

Testimony



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**Military Physicians' Views on Factors
Which Influence Their Career Decisions**

Statement of
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Before the
Subcommittee on Military Personnel and
Compensation, Committee on Armed Services
United States House of Representatives



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SUMMARY

At the request of the Chairman, Subcommittee on Military Personnel and Compensation, House Committee on Armed Services, GAO surveyed a sample of 1500 active duty military physicians to seek information on their attitudes and opinions of military medicine. Approximately 85 percent of these physicians provided usable responses to GAO's survey and the results can be generalized to all military physicians except those in graduate medical education programs.

GAO's testimony focuses on those segments of the survey dealing with the extent to which physicians report that they intend to leave the service, their view on the adequacy of their compensation and other factors affecting their decisions to either remain in or leave military service. In summary:

- o It appears that military physicians' stated intentions to leave the service in the next three years, parallel DOD's actual attrition experience with physicians over the last several years. About 43 percent of military physicians reported at least a 50% probability that they will leave the service sometime before the end of fiscal year 1991.
- o Two factors--civilian counterpart earnings and too few support personnel--appear to be the most important in terms of individuals' intentions to leave military service. The opportunity for military physicians to practice in their specialties was chief among the factors cited by physicians as inducements to remain the service.
- o Generally physicians are dissatisfied with their pay and believe that their civilian counterparts make significantly more money than they do. Their reactions to proposed changes in their compensation are positive.

GAO is continuing to analyze its survey results and plans to report to the Subcommittee in the summer.

Madam Chairman and Members of the Subcommittee:

We are pleased to be here today to present the initial results of a study requested by the subcommittee, which sought information on active duty physicians' attitudes and opinions of military medicine. As you know Madam Chairman, we sent a questionnaire to a sample of physicians asking their views on a number of topics. At your request, my testimony today focuses on those parts of the questionnaire dealing with (1) the extent to which military physicians plan to leave the service; (2) their views on the adequacy of their compensation; and (3) factors affecting their decisions to either stay in or leave the military. This summer we will issue a report elaborating on the results of our questionnaire effort.

Before discussing the results of our work, I would like to make a few general comments. We believe today's hearing is an important one because military medicine is facing severe challenges, not the least of which is how to maintain its professional staff in a tightening budget environment and with increasing competition from the private sector for the services of military medical personnel. Last year's legislation which authorized bonuses to some military physicians who agreed to stay in the service at least two additional years was intended to stem the reported exodus of military physicians.

In response to the National Defense Authorization Act for Fiscal Year 1989 DOD submitted a report to the Congress containing its proposals for a compensation system competitive with comparable professionals in the private sector. DOD also submitted a second report evaluating non-pay issues affecting physicians. Both of these reports contain information that will be useful in addressing these issues.

We are aware that this subcommittee is very concerned about the prospects of continuing to increase military physicians' compensation without clearer indications of the relationship of compensation changes to turnover and the potential affects of other factors which result in physicians' dissatisfaction with military medicine. That is why you asked us to conduct this survey and is the context in which we present the results of the survey.

STUDY RESULTS

We sent the questionnaire to a randomly selected sample of 1500 of the approximately 9,600 military physicians now on active duty, excluding physicians in graduate medical education programs. We selected 500 physicians from each of the three services and stratified the sample into five medical specialty groups: (1) obstetrics/gynecology, (2) primary care, (3) internal medicine, (4) surgical specialties and (5) support medicine. (A list of selected sub-specialties is contained in Attachment 1.)

We received 1272 usable responses from the 1500 questionnaires we sent--an 85% response rate. Since the survey respondents are representative of military physicians in general, their responses can be generalized to all active duty military physicians except those in graduate medical education programs.

Physicians' Plans to Leave the Service

In general, military physicians' stated intentions to leave the service parallel DOD's actual turnover experience with physicians over the last several years. In other words, DOD can expect a turnover of its physicians similar to that experienced in the recent past.

About 90 percent of the physicians are currently serving under some type of obligation.¹ Based on the survey responses, we estimate that there is at least a 70 percent chance that 4,000 physicians will leave the service when their obligations expire. Based on the obligation expiration dates reported by survey respondents, we estimate that the total number of physicians having a high probability (at least 70 percent) of leaving the service sometime in fiscal years 1989, 1990, or 1991 is about 2900, or about 34 percent of all obligated active duty physicians. This

¹About 50 percent of military physicians are serving under their initial obligation ("paying back" the military for financing their education) and 40 percent are under some other type of obligation incurred as a result of special pay, additional training, or promotions. Ten percent are serving under no obligation.

number increases to about 3700 when physicians are included who said there was a 50-70 percent chance that they would leave the service in the next three years after satisfying their obligations. In addition, about 575 unobligated physicians are currently eligible to retire, and undoubtedly some will in the next three years.

By comparison, DOD records indicate that over the last three years (that is, fiscal years 1986, 1987, 1988) the military has experienced about a 45 percent turnover of physicians (excluding those in graduate medical education programs)-- a rate of about 15 percent each year.

In terms of physicians' intentions to leave, our questionnaire data indicate differences among the three services, medical specialty groups, and those physicians serving under an initial obligation as opposed to some other obligation. These differences are shown in Attachments 2, 3, and 4 respectively. Briefly, Air Force and Navy doctors expressed higher probabilities of leaving than did Army physicians; obstetricians/gynecologists and support medicine physicians responded that they are the most likely to leave; and twice as many physicians under initial obligations expressed a high probability of leaving as those under other obligations.

Compensation Issues

Generally, physicians are dissatisfied with their pay and believe that their civilian counterparts make significantly more money than they do. Their reactions to proposed changes in their compensation is positive.

Fifty-three percent of the physicians said that they are somewhat or very dissatisfied with their pay and 87 percent said that civilian doctors practicing in the private sector are better off than they are in terms of earnings, including military allowances and fringe benefits. More specifically, 56 percent of the military physicians we surveyed believe that private physicians make between 25 and 100 percent more money than they do. However, only 26 percent of the physicians who expressed some dissatisfaction with their pay also said there was a high probability of leaving the service after their obligation. Support medicine physicians (such as anesthesiologists and radiologists) are the most dissatisfied with their pay and also the most likely to believe that their civilian counterparts make significantly more money, as summarized in Attachment 5.

We also asked physicians whether a change in their pay that indexed their earnings to comparable specialists in private practice would change their probability of leaving the service and whether a bonus would serve as an inducement to remain in the

military. Overall, 34 percent said that a pay package indexed to earnings of physicians in private practice would have little or no effect on their decision to stay in the military, but 62 percent said that their probability of leaving would be somewhat or very greatly decreased if pay were indexed to private practice. Concerning a bonus, 71 percent of the physicians said it would provide at least some inducement to remain in the military. Except for primary care physicians, essentially there are no differences among the medical specialty groups regarding how they would be influenced by indexing pay and bonuses, as summarized in Attachment 6.

Factors affecting physicians' decisions
to stay in or leave the military

We asked physicians to identify from a list of 38 factors, the three which represented the greatest inducement to leave or remain in the military. Two factors--civilian counterpart earnings and too few support personnel--appear to be the most important in terms of inducements to leave the military. The opportunity for military physicians to practice in their specialties was chief among the factors cited by physicians as inducements to remain in the service.

The inadequate numbers of health care support personnel was most frequently cited by respondents (41 percent of the physicians)

as one of the three most important factors expected to influence them to leave the service. Generally, these results are consistent among the services and medical specialty groups.

Regarding support personnel:

- 74 percent of all physicians said that there are fewer general duty and other nurses than needed;
- 76 percent said that there are not enough corpsmen and orderlies;
- 58 percent said that there are fewer laboratory technicians than they need; and
- 86 percent said there were too few clerks, receptionists, and secretaries.

Conclusion

To sum up, it appears that the turnover of military physicians during the next three years will be roughly the same as it has been over the last three years. Inadequate compensation and lack of health and administrative support appear to be the major factors for military physicians as they consider their decision to stay in or leave the military. Both of these factors will need to be

addressed if the turnover rate of military physicians is to be significantly reduced.

As I mentioned earlier, we are continuing our analyses of the questionnaire results and plan to report to you this summer on this effort. In the meantime, we will keep you informed of the results of our additional analyses.

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Madam Chairman, this concludes my prepared statement. We will be glad to answer any questions you or other members of the subcommittee may have.

GAO SURVEY OF MILITARY
PHYSICIANS

Selected Medical Specialties*

Obstetrics/Gynecology

Surgical specialties

- Orthopedic Surgery
- General Surgery
- Neurosurgery

Internal Medicine subspecialties

- Rheumatology
- Gastroenterology
- Endocrinology

Primary Care

- General Medicine-internists
- Family Practice
- Psychiatry

Support Medicine

- Anesthesiology
- Radiology
- Nuclear Medicine

* These are examples of the specialties under each strata.

MILITARY PHYSICIANS' RESPONSES
TO GAO'S SURVEY

Percentage of Obligated Physicians Planning to Leave the Military
Upon Completion of their Obligation
(By Service)

<u>Probability of leaving</u>	<u>All Physicians</u>	<u>Air Force</u>	<u>Navy</u>	<u>Army</u>
70% or More (Within 3 yrs.)	46 (34)	52 (42)	49 (37)	40 (27)
50% or More (Within 3 yrs.)	61 (43)	62 (49)	65 (48)	58 (35)

MILITARY PHYSICIANS' RESPONSES
TO GAO'S SURVEY

Percentage of Obligated Physicians Planning to Leave the Military
Upon Completion of their Obligation
(By Medical Specialty Group)

<u>Probability of leaving</u>	<u>All Physicians</u>	<u>Ob/Gyn</u>	<u>Surgical Specialties</u>	<u>Internal Medicine Subspecialties</u>	<u>Primary Care</u>	<u>Support Medicine</u>
70% or More (within 3 yrs.)	46 (34)	59 (43)	50 (39)	45 (35)	42 (30)	71 (53)
50% or More (within 3 yrs.)	61 (43)	74 (53)	67 (50)	64 (50)	56 (37)	78 (58)

MILITARY PHYSICIANS' RESPONSES
TO GAO'S SURVEY

Percentage of Obligated Physicians Planning to Leave the Military
Upon Completion of their Obligation
(By Type of Obligation)

<u>Probability of leaving</u>	<u>All Physicians</u>	<u>Initial Obligation</u>	<u>Other Obligation</u>
70% or More (within 3 yrs.)	46 (34)	61 (43)	27 (23)
50% or More (within 3 yrs.)	61 (43)	77 (49)	41 (36)

MILITARY PHYSICIANS' RESPONSES
TO GAO'S SURVEY

Physicians' Views on Pay
(Percents)

<u>View/Issue</u>	<u>All Physicians</u>	<u>Ob/Gyn</u>	<u>Surgical Specialties</u>	<u>Internal Medicine</u>	<u>Primary Care</u>	<u>Support Medicine</u>
				<u>Subspecialties</u>		
Somewhat to Very Dissatisfied with pay	53	65	57	66	46	74
Dissatisfied with pay and high probability of leaving	26	41	27	29	21	52
Believe they earn 25% less than their civilian counterparts	5	0	1	2	9	0
Believe they earn between 25-100% less than their civilian counterparts	56	39	34	50	71	17
Believe they earn between 100-300% less than their civilian counterparts	38	61	65	48	20	83

MILITARY PHYSICIANS' RESPONSES
TO GAO'S SURVEY

Physicians' Views on Indexing Pay to Comparable
Private Sector Specialists and Bonuses
(Percents)

<u>View/Issue</u>	<u>All</u> <u>Physicians</u>	<u>Ob/Gyn</u>	<u>Surgical</u> <u>Specialties</u>	<u>Internal</u> <u>Medicine</u> <u>Subspecialties</u>	<u>Primary</u> <u>Care</u>	<u>Support</u> <u>Medicine</u>
Indexing pay would somewhat to greatly decrease probability of leaving military	61	78	77	74	51	80
A bonus would be a somewhat to very great inducement to stay in military	71	68	72	74	71	63