

# INVESTOR'S BUSINESS DAILY®

## The Doctor Shortage Is Coming: Whom Should We Blame?

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Health Care: The Association of American Medical Colleges is projecting a doctor shortage that will surely have a negative impact on our well-being. But we're not surprised. We've been watching government chip away at this for some time.

According to the AAMC, "under every combination of scenarios modeled, the United States will face a shortage of physicians over the next decade. . . . ranging between 61,700 and 94,700, with a significant shortage showing among many surgical specialties."

AAMC President and CEO Darrell G. Kirch said "the physician shortage is real, it's significant, and the nation must begin to train more doctors now if patients are going to be able to receive the care they need when they need it in the near future." But being a doctor isn't quite what it once was. Filling the gaps won't be easy.

The folks who forced ObamaCare on us said this shortage wouldn't happen. In fact, they told us that the Patient Protection and Affordable Care Act would "expand the number of primary-care doctors, nurses, and physician assistants." We knew better, though. In 2009 we commissioned a poll that told us just the opposite: Hundreds of thousands — 45% of those surveyed — said that if ObamaCare became law, they would shut down their practices or retire early.

Driving the shortage is ObamaCare's attempt to expand access to health care. The increased demand to see a doctor is outstripping the supply of physicians. With so many new patients, the medical colleges can't produce enough doctors to keep up.

ObamaCare is also harming the incentives to practice medicine. Michael Tanner of Cato Institute reminds us that due to the law's effort to cut costs, "by mid century, Medicare will be reimbursing at barely 50 cents on the dollar."

"After that," writes Tanner, "playing golf in Florida is going to look pretty good to a number of physicians."

Then there's the doctor who told our poll that "physicians will be expected to work more for less, so many will just opt out."

Of course ObamaCare is not driving the shortage alone. There are other factors.

One of those is the tax burden that many physicians have to deal with. Another Cato scholar points out that “high income tax rates inhibit the supply of top earners across all industries,” including health care. Doctors — who slog through years of school and internships, incur heavy school debts and often put in grueling workdays — are saddled with “punitive marginal income tax rates on them of up to 40%, with state income taxes on top of that,” says Cato’s Chris Edwards.

“With high tax rates,” he adds, “fewer people will want to go into this difficult profession, stay in it, and work the long hours — and that ends up hurting all of us who use the nation’s health care system.”

The real threat of abusive, frivolous and costly malpractice lawsuits is another element that can push physicians into other fields or retirement. That’s not to say that all malpractice suits are spurious — many are legitimate. But physicians need better protection from patients seeking jackpot justice. We suggest that lawmakers limit court awards in these cases so that doctors’ malpractice insurance costs won’t be so unreasonably high.

As is too often the case, poor government policy is causing widespread problems. Will lawmakers ever learn? Unfortunately, history shows us that too many of them are incapable of understanding just how destructive they are.