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Originally Published: August 09, 2015 8:00 AM **Modified: August 13, 2015 11:51 AM**

## Will more Michigan medical school grads mean the doctor is in?

By [Jay Greene](#)

Will increasing the number of medical student graduates in Michigan by more than 535 a year by 2020 erase the state's projected shortage of 4,500 physicians?

The most direct answer is "not likely," the deans of Michigan's seven medical schools said in interviews with *Crain's*.

Easing the shortage was a justification given for opening medical schools at **Central Michigan University**, **Western Michigan University** and **Oakland University-Beaumont** over the past four years, as well as expanding enrollment at existing schools at **Wayne State University**, **Michigan State University** and the **University of Michigan**.

But increasing physician availability in the state is not simply a matter of supply. Most of the shortages are a matter of distribution — too few physicians practice in rural, inner-city and northern Michigan areas.

Medical school deans think addressing the issue requires several solutions, including increasing residency opportunities, beefing up loan forgiveness programs, improving the quality of life and cultural opportunities in underserved areas, and recruiting more inner-city and rural medical students and those willing to become primary care doctors in shortage areas.

Robert Folberg, M.D., dean of **Oakland University-William Beaumont School of Medicine** in Rochester Hills, said selling Michigan is also part of the plan.

OU wants to "teach students that Michigan is a great place to live. ... This is a great place to practice even if they don't take residency here," he said. "We know there are several students not from Michigan who intend to stay here and practice."

That's important, Folberg said, because many medical school graduates do their residencies elsewhere.

In May, OU-Beaumont graduated its first class of 47 students with only 16 staying in Michigan for residency.

"We know (from a graduation questionnaire) that 67 percent in that class want to practice in Michigan," Folberg said. "They may be leaving to get training because of personal issues like a spouse involved or because that is where they matched (selected by teaching hospital for residency training), but they want to come back to practice."

### Medical students, residents, practicing physician trends 2002-20



**Robert Folberg:** OU wants to sell students on state.

The number of graduates from Michigan's long-standing medical schools — Wayne State University, Michigan State University and the University of Michigan — has been rising. Three new medical schools are beginning to graduate students: Oakland University-William Beaumont School of Medicine, Central Michigan University College of Medicine and the Western Michigan University Homer Stryker M.D. School of Medicine. MSU has both allopathic and osteopathic medical schools.

	2002	2007	2010	2015	2020 projected*	% increase over 2002
Total medical students, UM, WSU, MSU	702	716	755	919	950	35%
Western Michigan	0	0	0	54	72	NA
Central Michigan	0	0	0	0	104	NA
OU-Beaumont	0	0	0	47	125	NA
TOTAL	702	716	755	1,020	1,251	75%

\*Graduation estimates for seven schools with 100% graduation rates

Source: American Association of Medical Colleges, Michigan medical schools

### Slots in jeopardy?

That's one reason the state's medical school deans believe the 60 teaching hospitals in Michigan should substantially increase the number of first-year residency slots, which now stand at about 1,522.

That's up 35 percent over the past eight years, but further increases may be difficult because of a Medicare funding cap on residents and rising training and operating costs that have narrowed profit margins, say teaching hospital executives. There are 6,268 total allopathic and osteopathic residents in Michigan, with another 801 fellows.

Some of the existing residency slots may be in jeopardy as Gov. Rick Snyder and other legislative leaders have discussed cutting state graduate medical education payments to teaching hospitals. The cuts could total \$163 million annually, which accounts for about 15 percent of all state and federal GME funding.

And the problem of a rising number of medical school graduates and limited residency opportunities is a not just a problem here.

Ernest Yoder, M.D., associate dean for graduate medical education with **Western Michigan University Homer Stryker M.D. School of Medicine** in Kalamazoo, said over the next several years the total number of U.S. medical school graduates will equal the number of first-year residency slots, creating a larger problem for Michigan.

### Michigan first-year resident positions filled at teaching hospitals

	2002	2007	2010	2015	inc
Allopathic	793	856	969	1,177	48%
Osteopathic	262	269	303	345	32%
TOTAL	1,055	1,125	1,272	1,522	44%

Source: Accreditation Council for Graduate Medical Education, American Osteopathic Association



**Ernest Yoder:** Hospitals helping med schools.

"There is no question when you add more medical students into the equation without adding first-year residency positions, you change the formulation and add to the competition for positions that exist," he said.

Another solution to help graduates, said Yoder, is for medical schools to start new residency programs in partnerships with community hospitals. That is happening now, he said.

"There are a number of hospitals in Michigan that have never done GME and could sponsor residencies in partnerships with us," said Yoder, noting that the medical school is undergoing feasibility studies with several unspecified hospitals.

In 2012, **Michigan State University College of Osteopathic Medicine** and the **Detroit Wayne County Health Authority** received \$21 million in funding to start a community and hospital-based residency program for 85 primary care specialties in Detroit, said dean William Strampel, D.O.

Earlier this year, Strampel and Chris Allen, CEO of the health authority, received additional funding to extend the program under the Affordable Care Act.

"This is a cheap and effective way to train more physicians," Strampel said.

"We'd like to do more of these things."

### Fierce competition

James Woolliscroft, M.D., dean of the **University of Michigan Medical School** in Ann Arbor, said competition for residency slots in Michigan historically has been difficult for state graduates in specialties like internal medicine because they are competing with graduates of overseas medical schools who are at the very top of their class.

For example, in 2015, approximately 57 percent of 1,289 first-year allopathic resident positions in Michigan were filled by U.S. medical graduates, 24 percent by international medical graduates and 19 percent by U.S. citizens who attend medical school in other countries, according to the **Accreditation Council for Graduate Medical Education**.

Strampel said osteopathic residency slots are ample right now for Michigan State. "I have 1.4 slots for every graduate I have now. That number will get smaller as I get more competition," he said.

At **Central Michigan University School of Medicine** in Mt. Pleasant, Dean George Kikano, M.D., said its first class of 64 students will graduate in 2017. By 2020, the school will graduate up to 104 per year.

Kikano is concerned that there aren't enough residency slots for Central

### Michigan practicing physicians

	2005	2010	2015	2020
Total practicing physicians	30,366	31,756	32,814	33,462
Physicians per 100,000 population	297	305	310	313
Predicted shortage	—	—	—	4,500

*Source: Kaiser Foundation; Michigan Department of Community Health physician licensing reports, Michigan*

Michigan's graduates, some 85 percent of whom are native Michiganders and 15 percent are underrepresented minorities. Central's mission is to train Michigan-born students from rural and urban areas, he said.

"When the founding class starts applying for residency, we want to give them venues and incentives to stay in Michigan and ultimately retain them in practices for rural and urban areas," Kikano said.

"After graduation, my job is to keep them in Michigan from residency to practice," he said.

Kristofer Thomas Nicholoff, CEO of the **Michigan Osteopathic Association**, said teaching hospitals need to increase residency slots to ensure more Michigan graduates stay in the state.

"Competition for these slots is already intense, and it's going to get fiercer," Nicholoff said. "The number of residency positions is among the most important issues in modern health care, particularly in terms of developing new primary care physicians."

Woolliscroft said in addition to the 33 percent of students who stay in Michigan for a residency program, more than 50 percent of UM's graduating medical students end up practicing in Michigan.



**George Kikano:** Worried about spots for CMU grads.

"We are a big importer of physicians, regardless of where they completed residency," he said. "They want the lifestyle Michigan offers."

### Complex problems

But Woolliscroft said the best way to retain physicians in Michigan is to improve the economy of financially depressed rural and urban areas.

"Very talented graduates are high achievers. They have high expectations for their careers. They will not gravitate where opportunities do not exist," he said, noting there is no physician shortage in Grand Rapids, Traverse City, Ann Arbor and Oakland County.

While the deans expressed concern with efforts by Sen. Mike Shirkey, chairman of the Senate health policy committee, to analyze how teaching hospitals use funding for graduate medical education, they supported the review process.

Shirkey wants to determine, in part, whether the \$57 million the state expends in general funds helps alleviate the state's expected physician shortage.

"I am in favor of accountability and transparency, but what outcome do you want?" Woolliscroft said. "... Too frequently we look for simple answers to complex problems. ... Increasing physician supply is more than looking at return on (state) investment."

*State Medical Society workforce report, 2012*



**James Woolliscroft:** Residency slots are competitive.

Yoder said cutting GME funding for teaching hospitals will only create more problems for medical schools seeking to place graduates and teaching hospitals seeking to care for people.

"These GME dollars are translated into taking care of patients," he said. "A lot of the underinsured are served by doctors paid by GME. Hospitals operate on a thin margin. It doesn't take much to go from black to red."

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