

COVID-19 capsizes the physician job market: Trends you should know

DEC 4, 2020

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Residents and fellows who are preparing to transition to practice are doing so at time when the economic realities of the market—totally upended by the COVID-19 pandemic—are far less favorable than they were at the beginning of 2020.

A recent survey conducted by the physician recruiting firm Merritt Hawkins shows that physicians are seeing fewer patients, making less money and making staff reductions during the pandemic, reinforcing the AMA's own physician survey findings on the pandemic's financial impact. What does that mean for the job market for physicians about to complete their training? One expert offers insight on that question.

In a matter of 60 days, the job market for physicians went from a seller's market to a buyer's market. Kurt Mosley, vice president for strategic alliances at Merritt Hawkins, said the firm has had more calls from physicians over the past six months than they've had at any time in recent history. And those calls come with "triple the angst."

Demand is down

Because of waning demand during the pandemic-linked economic downturn, new physicians entering practice "may not be able to get their first or second choice employment opportunity, which wasn't the case a year ago," Mosley said. "What they were told they were going to make may not be reality. But this all looks temporary. The key is the health care sector has to come back. Physician practices drive everything."

The downturn in demand is being felt most significantly in specialties in which treatments can be perceived by patients as elective. Those are largely surgical, Mosley said.

“A lot of hospitals—as they should have—focused resources on things like PPE,” Mosley said. “So, the demand is still there, but the recruiting process is not.”

Learn the four questions medical residents should keep in mind during their job search.

Shifting priorities

What physicians are valuing in their job search is changing, Mosley said. Part of that is related to financial uncertainty. According to the Merritt Hawkins survey, 41% of physicians saw patient volume decreases of 26% or more, which may be difficult or impossible for most physician practices to sustain for more than a few months.

Prior to COVID-19, physicians’ job search priorities were “sort of like real estate—it was all about location, location, location,” Mosley said. “More recently, we’ve seen that emphasis shift to lifestyle. Now, during COVID, it has become much more about what an employer can do for you. Is it a larger organization? Can they weather the storm? Do I have PPE? Can they provide child care? It’s changing overnight.”

A different landscape

For residents and fellows preparing to enter practice in the next few years, the pandemic—even after it ends—will have reshaped America’s system of care, Mosley said.

When the market is a bit more bullish, Mosley expects to see new demand in specialties such as emergency medicine, pulmonology, critical care, infectious disease and the burgeoning field of “COVID hospitalists.”

“If they are coming out new, they may be involved in a lot telemedicine,” Mosley said. “It’s important to know how they are going to be paid for it. Everybody likes telemedicine. But is it going to continue to pay the same as a face-to-face visit?”

The AMA has curated a selection of resources to assist residents, medical students and faculty during the COVID-19 pandemic to help manage the shifting timelines, cancellations and adjustments to testing, rotations and other events at this time.