



GRADUATE MEDICAL EDUCATION FUNDING IN CALIFORNIA

Psychiatrist Shortage

California is currently experiencing a critical shortage of psychiatrists. According to KFF (Kaiser Family Foundation) there were 468 mental health care Health Professional Shortage Areas (HPSAs) in California in December 2017, with an average of 34% of the mental health care needs met within those areas. To eliminate these HPSAs would require 260 additional psychiatrists.¹ The UCSF Healthforce Center predicts that there will be 41% fewer psychiatrists than needed in California by 2028.²

In the report *Behavioral Health Barometer: California 2015*, the Substance Abuse and Mental Health Services Administration disclosed that only 36.9% of California adults with any mental illness received treatment, while only 30.5% of youth (age 12–17) with a major depressive episode received any treatment for depression.³ Mental Health America ranks California 27th in the nation for access to mental health care.⁴

Psychiatry: Why Is It Important?

As California's population has increased, so has the prevalence of mental health disorders. In 2013, the California Health Care Almanac *Mental Health Care in California* stated that "nearly 1 in 6 California adults has a mental health need, and approximately 1 in 20 suffers from a serious mental illness that makes it difficult to carry out major life activities. The rate among children is even higher: 1 in 13 suffers from a mental illness that limits participation in daily activities."⁵

ABOUT THIS SERIES

Graduate medical education (GME) — also known as residency and/or fellowship — is the final training that physicians undergo after graduation from allopathic or osteopathic medical school, domestically or internationally. GME, and how it is funded, determines the number and specialty types of practicing physicians in the workforce.

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Behavioral health issues are most often seen in primary care, yet there are not enough behavioral health professionals in these settings. The behavioral health needs of patients seeking services in community-based health centers tend to be greater than those of patients served in other primary care settings⁶

Training Psychiatry Physicians in California: How Are We Doing?

There are many reasons for California’s critical shortage of psychiatrists. One important factor relates to graduate medical education (GME). Between 1997 and 2012, the total number of GME graduates in California increased by 8.1%, while California’s population increased by 17%.⁷ Although the number of residents and fellows graduating from California GME programs increased during this period, the number of general and child psychiatry graduates remained stagnant (see Figure 1). During this timeframe there was a 17.5% increase in total psychiatry GME graduates due to growth in psychiatry subspecialties rather than expansion of general and child psychiatry (see Figure 2). Sixteen programs graduated 194 psychiatrists in 2015, accounting for 5.4% of all GME graduates. By 2018, there were 7 new programs accepting first-year psychiatry residents, bringing the total number of psychiatry programs in California to 23.

Figure 1. California GME Graduates in Psychiatry, by Type of Practice, 1997–2012

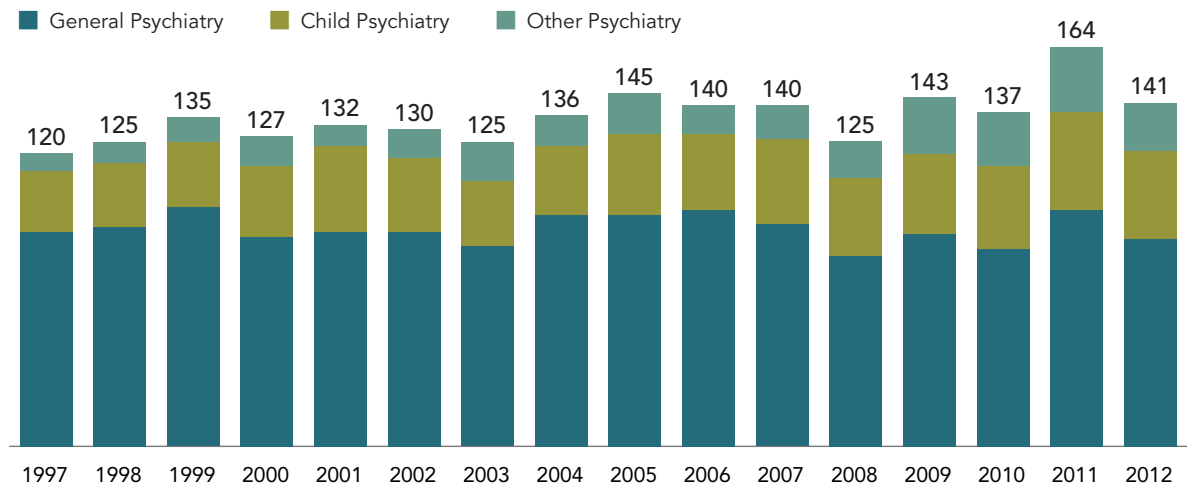
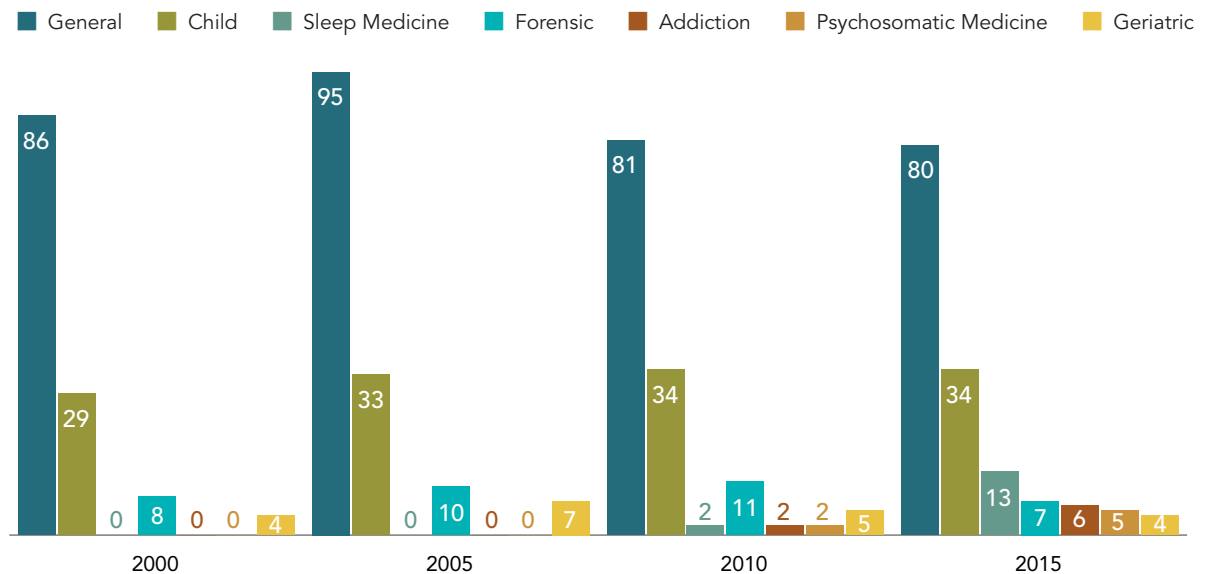


Figure 2. Number and Type of California GME Graduates in Psychiatry, 2000–2015, Selected Years



Source (Figures 1 and 2): 2017 AMA Masterfile Historical Residency File.

Who Trains Psychiatrists in California?

In 2015, over 50% of all psychiatry GME graduates in California graduated from a University of California (UC) residency or fellowship program. Private hospital systems only accounted for 3.61% of psychiatry graduates (compared to 34% of primary care graduates). Table 1 lists the California sponsoring institutions offering residency programs in psychiatry and the number of positions available for the 2019 and 2020 academic years.

California psychiatric residency positions are in high demand. 100% of available positions are filled each year.

Increasing the Number of Psychiatry Graduates in California: Who Is Responsible?

California does not have a single governing body that is responsible for physician workforce planning. Instead, GME is subsidized by a number of federal and state agencies, with little to no coordination, transparency, or accountability. Because individual GME-sponsoring institutions in California make decisions about how many physicians get trained in each specialty, incentives need to be created to encourage growth of psychiatry. GME programs in psychiatry do not generate revenues for sponsoring

Table 1. First Year Psychiatry Positions Offered at Residency Programs in California

INSTITUTION	POSITIONS OFFERED, 2019–20		POSITIONS OFFERED, 2020–21	
	Number	Percentage	Number	Percentage
Public Universities	72	51.43%	87	49.15%
UC Davis	9	6.43%	9	5.08%
UC Irvine	9	6.43%	9	5.08%
UC Riverside	6	4.29%	6	3.39%
UC San Diego	12	8.57%	12	6.78%
UCLA	14	10.00%	29	16.38%
UCSF	22	15.71%	22	12.43%
Private Universities	21	15.00%	37	20.90%
Charles Drew University	0	0.00%	4	2.26%
Loma Linda	9	6.43%	9	5.08%
Stanford	0	0.00%	12	6.78%
USC	12	8.57%	12	6.78%
Public Hospitals	19	13.57%	23	12.99%
Private Hospitals	18	12.86%	16	9.04%
Kaiser	18	12.86%	12	6.78%
Sutter	0	0.00%	4	2.26%
Dept. of Defense / VA	10	7.14%	14	7.91%
Total Psychiatry Positions	140	100.00%	177	100.00%

Source: FREIDA Online Residency and Fellowship Database, American Medical Association, freida.ama-assn.org.

institutions comparable to other procedure-based specialties such as orthopedics. Therefore, federal and state subsidies may be necessary to incentivize sponsoring institutions to expand their psychiatry programs.

Funding the Expansion of Psychiatry GME Capacity in California: How Can It Be Done?

There are two main avenues for expanding GME capacity in psychiatry; both require sufficient faculty and patient capacity to support teaching efforts. The first avenue is through the expansion of existing psychiatry GME programs to train more residents and fellows. Unfortunately, Medicare (the largest funder of GME training) does not allow payment for expansion of existing programs, so subsidies would need to come from other sources such as the Veterans Health Administration, the Health Resources and Services Administration, Medi-Cal, California general funds, California's Proposition 56 funding, or the University of California or other health care institutions' budgets.

The second avenue is through the creation of brand-new psychiatry GME programs in hospitals, health systems, and community clinics with sufficient interest and expertise in medical education. Although new hospital-based psychiatry GME programs could eventually pay for training using federal Medicare funds, there are significant start-up costs in the first few years of any program that would not be covered by Medicare.

If We Build It, Will They Come?

Currently, there are more GME positions in California than doctors graduating from California medical schools, with 1,133 California medical school graduates and 2,617 first-year residency positions available in 2017.⁸ However, California consistently fills all of its residency positions using a mix of state-trained medical school graduates and medical school graduates "imported" from other states and, in fact, turns away graduates each year as demand for residency training in the state outpaces available positions. Moreover, 68.2% of California medical school graduates remain in California for their GME programs, the highest retention rate of any state, and 70.4% of GME graduates remain in California to practice medicine, also the highest retention rate of any state.

California has the highest residency retention rate of any state in the country. That means that doctors who train in California stay in California.

According to data from the National Resident Matching Program, in 2019 there were 1,800 first-year residency positions offered nationwide in psychiatry and psychiatry-related programs (such as combined Internal Medicine-Psychiatry programs). There were 4,420 applicants for those positions, all of which filled. California offered 184 of those positions, just over 10% of the national number, and also filled all positions. Since the national acceptance rate into a first-year psychiatry or psychiatry-related program was 40%, and since California has no trouble recruiting residents, it is reasonable to assume that the acceptance rate into California psychiatry residencies was even lower.⁹ Given the considerable competition for each residency position in California, additional psychiatry GME positions are likely to fill as they are created.

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About the Foundation

The California Health Care Foundation is dedicated to advancing meaningful, measurable improvements in the way the health care delivery system provides care to the people of California, particularly those with low incomes and those whose needs are not well served by the status quo. We work to ensure that people have access to the care they need, when they need it, at a price they can afford.

CHCF informs policymakers and industry leaders, invests in ideas and innovations, and connects with changemakers to create a more responsive, patient-centered health care system.

For more information, visit www.chcf.org.

Endnotes

1. "Mental Health Care Health Professional Shortage Areas (HPSAs)," KFF, last updated December 31, 2018, www.kff.org.
2. Janet Coffman et al., *California's Current and Future Behavioral Health Workforce*, Healthforce Center at UCSF, February 12, 2018, healthforce.ucsf.edu.
3. *Behavioral Health Barometer: California, 2015*, Substance Abuse and Mental Health Services Administration, 2015, www.samhsa.gov (PDF).
4. "Overall Ranking: Access to Care Ranking 2020," Mental Health America, n.d., www.mentalhealthamerica.net.
5. Wendy Holt and Neal Adams, *Mental Health Care in California: Painting a Picture*, California Health Care Foundation, July 2013, www.chcf.org.
6. Bridget T. Burke et al., "A Needs-Based Method for Estimating the Behavioral Health Staff Needs of Community Health Centers," *BMC Health Services Research* 13 (2013): 245, doi:10.1186/1472-6963-13-245.
7. US Census Bureau; American Medical Association (AMA) Masterfile Historical Residency File, 2017; and Centers for Medicare & Medicaid Services Cost Reports.
8. *Table A-1: U.S. Medical School Applications and Matriculants by School, State of Legal Residence, and Sex, 2018–2019*, Assn. of Amer. Medical Colleges (AAMC), November 9, 2018, www.aamc.org (PDF); and *2018 NRMP Main Residency Match: Match Rates by Specialty and State*, National Resident Matching Program (NRMP), n.d.
9. NRMP, 2018.