



QUARTERLY STATE OF THE MARKET

Q3 2021



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Cybersecurity Threats Continue to Target Hospitals and Health Systems



Healthcare systems and hospitals have historically been slow to change and adopt new technologies. The ongoing COVID-19 pandemic has forced a rapid shift in this space to adopt telemedicine solutions and remote work, but there has been little to no time to ensure that all of the cybersecurity precautions needed for these new technologies were taken. As such, hospital networks and medical devices that rely on an



At least 560 facilities in the U.S. were impacted by ransomware attacks in 2020, with about 24 percent of all ransomware attacks linked to healthcare.

Source: [Digital Hands](#)

internet connection to provide features that improve patient well-being and healthcare have faced an increased risk of cyberattacks.

60 Minutes recently covered this increased level of risk in their segment, "[How cybercriminals hold data hostage...and why the best solution is often paying a ransom.](#)"

[HealthTech](#) has these cybersecurity tips to for hospitals and health systems:

- Security experts advise healthcare organizations to focus their limited resources on security technologies and processes that address backup and recovery as well as prevention.
- They also recommend that backup strategies follow the 3-2-1 rule, which refers to keeping three copies of critical data retained on two different types of media, with one stored offline.

Source: [Medical Device Network](#)

“Healthcare organizations and hospitals are particularly vulnerable to cyberattacks because they are complex and rely on a strong supply chain of third party vendors. Life-saving equipment has to be carefully planned for when it can be updated which can pose problems,” said Chief Information Officer at Medicus Healthcare Solutions, Thomas McLain. **“Cybersecurity had previously been treated as its own separate discipline. Now, organizations are starting to better understand cyber as business risks and are integrating cyber mitigation strategies across operational functions. Priority needs to be given to people, processes, and tools that an organization can use to protect itself.”**

HEALTHCARE MARKET OVERVIEW

Increase in Travel Causing Travel Costs to Soar



In the spring of 2020, it was not hard to find round trip airfare for \$60. This was, of course, as a result of COVID-19 and the overwhelming decrease in travel demand. (Source: [Market Watch](#)).



Domestic travel spending dropped by over 30 percent (35.4%) in 2020 – from \$1.17 trillion in 2019 to \$680 billion in 2020. (Source: [U.S. Travel](#))



In March 2021 there was a drastic uptick in travel prices as COVID-19 restrictions lessened and the world slowly reopened. Travel volumes are still lower than pre-pandemic levels, but prices have inflated.



The [April 2021 U.S. Travel Association Travel Price Index](#) shows a 9.5 percent year-over-year increase. There is also a 30.1 percent increase in transportation costs for the same period, primarily because of rising gas prices.



[Alaska Airlines](#) reports the average fare price for June 2021 is higher than in 2019. Other domestic airlines are reporting a similar pricing effect.

“The impacts of increasing travel costs are not unique to healthcare; all sectors are having to respond to cost increases within the travel industry right now. The best thing a healthcare organization can do to combat these extra costs is to plan for the future,” said Chief Executive Officer at Medicus Healthcare Solutions, Robert Dickey. **“Most times, organizations are hiring locum physicians and resources as a necessity when needs are high, but the earlier a staffing provider like Medicus is engaged, the better. The more lead time, the more likely a successful local search can be completed.”**





HEALTHCARE MARKET OVERVIEW

How Healthcare Organizations Can Successfully Set Expectations with Agencies and Firms

-  Set clear expectations of desired outcomes up front.
-  Make it known how you and your organization want to be represented.
-  Communicate: at the beginning, during and when closing out a search.
-  Establish search parameters, timeline, communication preferences, and how feedback will be given and applied.
-  Take a proactive, project management approach to the relationship.

Source: [*Association for Advancing Physician and Provider Recruitment*](#)



Locum Tenens Industry Meets New Healthcare Staffing Challenges

The use of locum tenens has risen to become the predominant staffing solution for the ongoing shortage of providers and increased demand for care.

And while the general doctor shortage is not new, there are some additional new challenges driving the need for locum tenens.

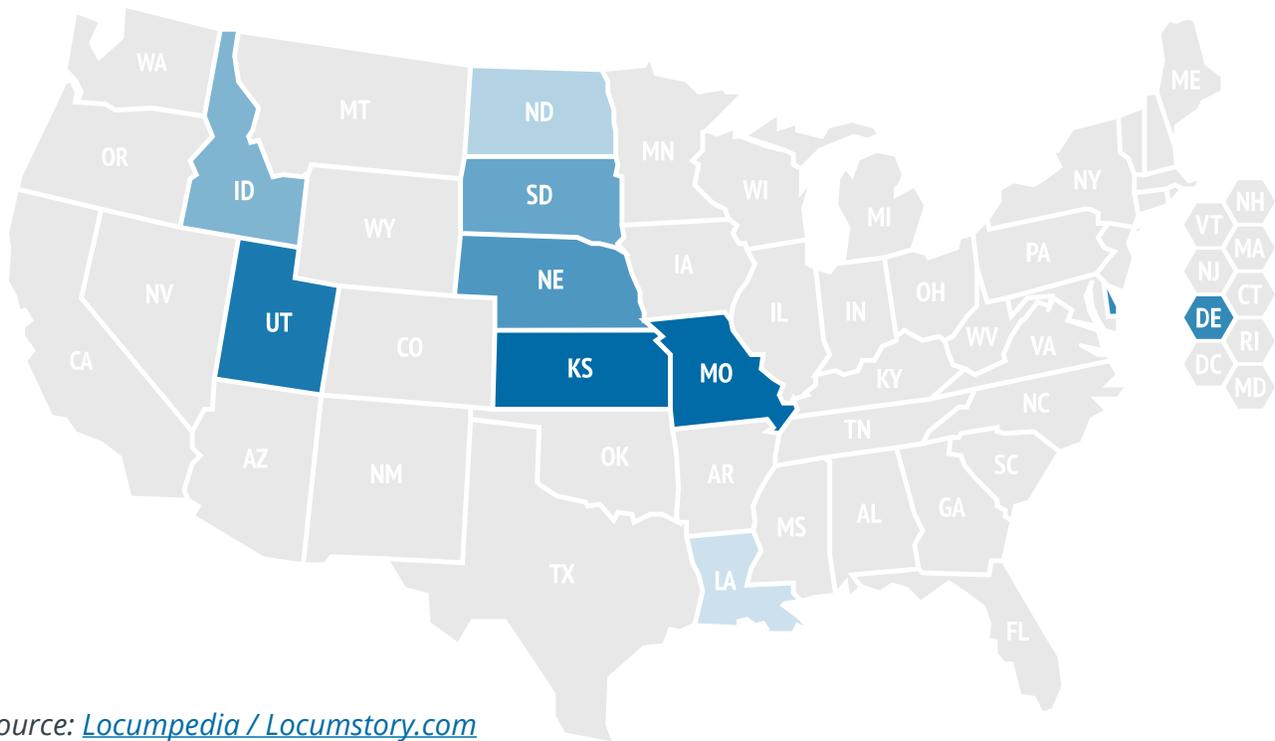
- 1 More People Have Health Insurance Now:** As a result of the Affordable Care Act, millions of Americans have gained healthcare coverage in recent years, adding to the already heavy burden on medical professionals.
- 2 Physician Burnout:** Doctors are reporting more occurrences of burnout than ever before and bringing stories to the forefront about the impact that their jobs have on their wellbeing, both mentally and physically.

Source: [*The National Association of Locum Tenens Organizations \(NALTO\)*](#)



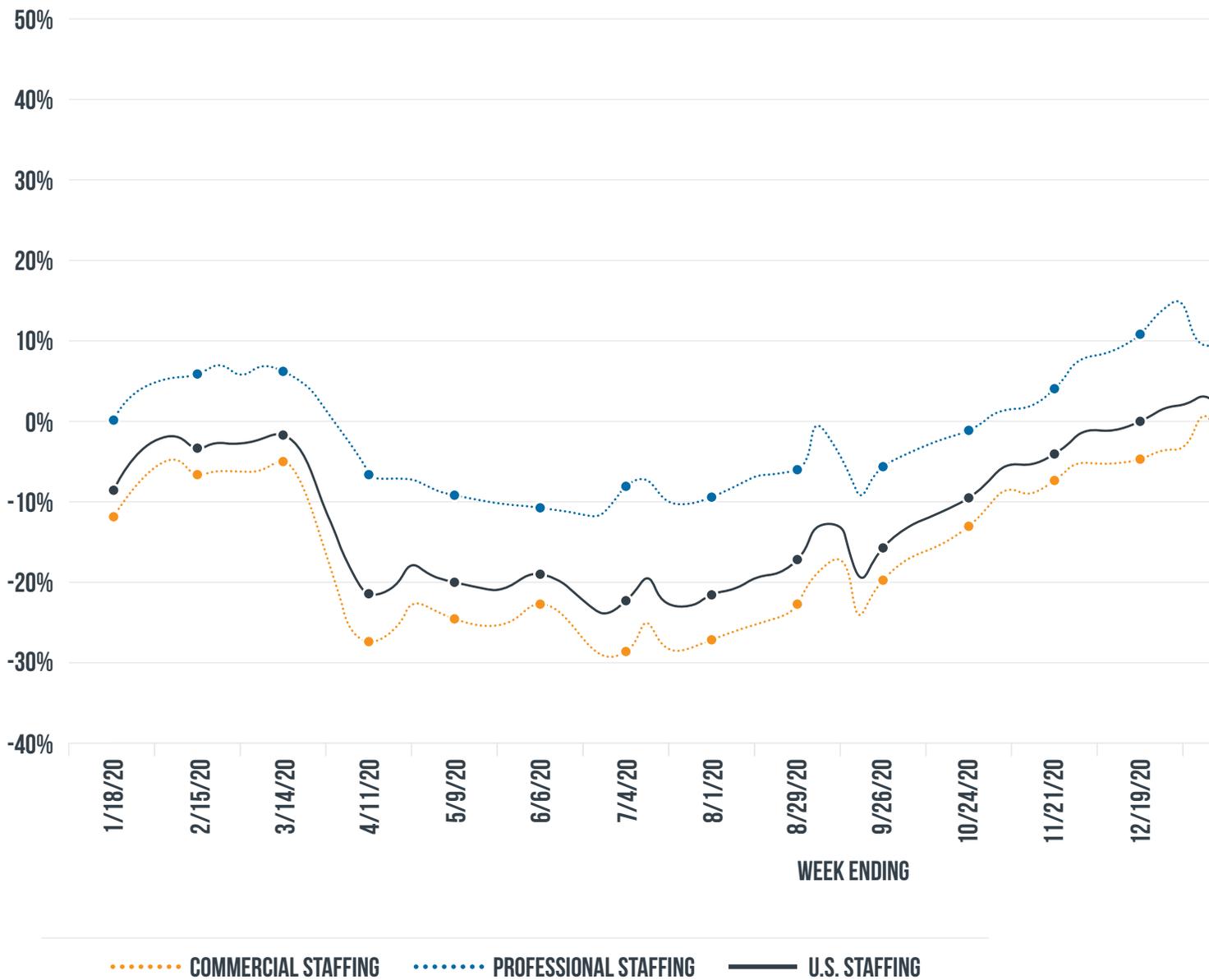
Which States Pay the Most for Locum Tenens Physicians?

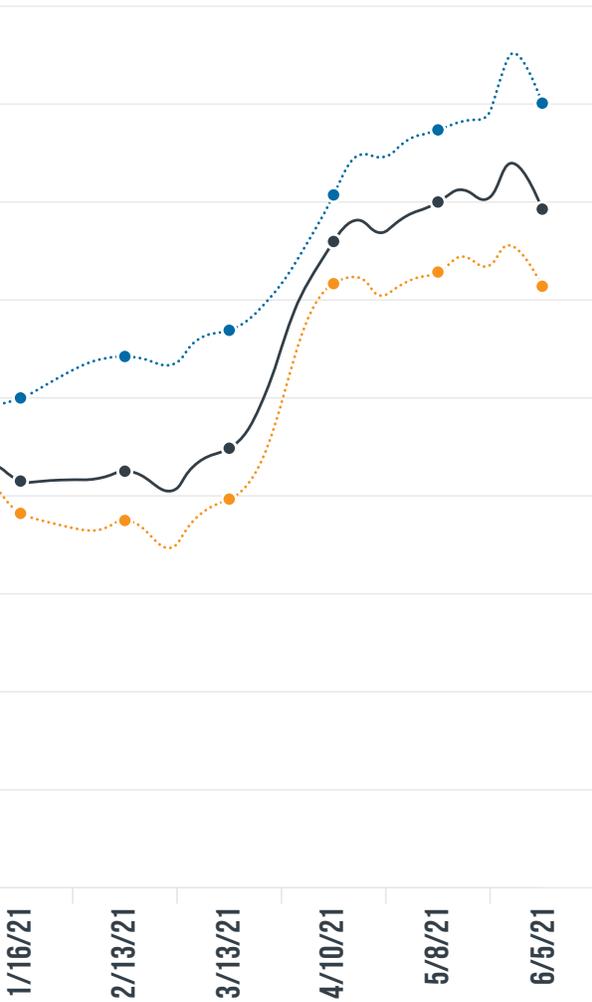
While the pay rates for individual assignments and specialties may vary, here are the highest-paying states for locum tenens physicians compared to the national median.



RANK	1	2	3	4	5	6	7	8	9	10
STATE	MO	KS	UT	DE	NE	SD	ID	TN	ND	LA
PERCENT OF NATIONAL MEDIAN	119%	119%	118%	116%	115%	114%	110%	109%	108%	107%

U.S. Professional Staffing Hours Increased 40% Year-Over-Year





Source: [SIA | Bullhorn Staffing Indicator](#)

BY THE NUMBERS Physician Overview

Median Salary:
\$206,500

Unemployment Rate:
0.3%

Number of Jobs:
18,500

Source: *U.S. News & World Report*

BY THE NUMBERS For Context: National Unemployment Rate

June 2021:
5.9%

Percentage Increase/Decrease
Month-Over-Month:
+0.1%

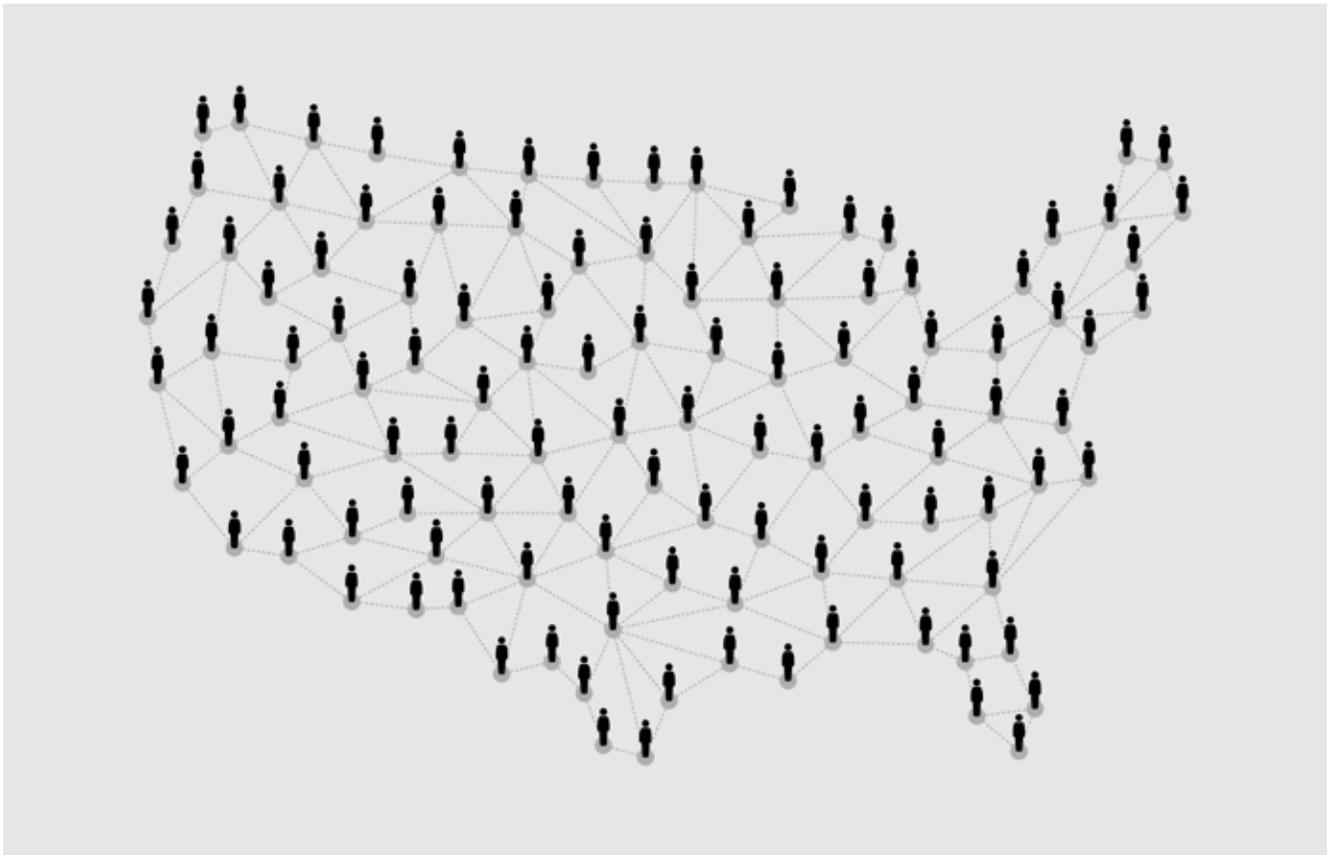
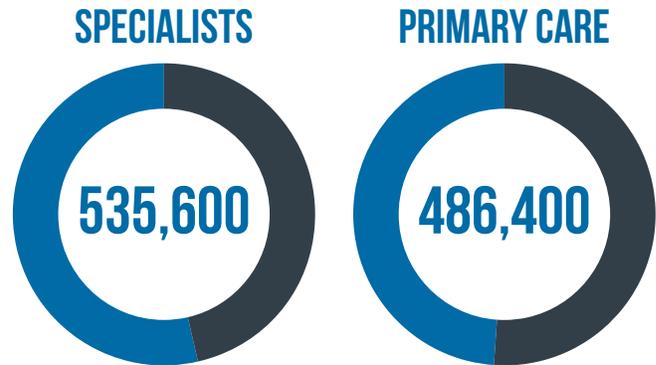
Source: *Bureau of Labor Statistics*

BY THE NUMBERS

Total Number of Physicians in the U.S.

- As of March 2020, there were just over one million professionally active physicians in the United States.
- The number of active specialist physicians in the U.S. totaled around 535,600, and there were approximately 486,400 primary care physicians.

Source: [Statista](#)



BY THE NUMBERS

Number of Active Physicians in the U.S. in 2021, By Specialty Area

SPECIALTY AREA	NUMBER OF PHYSICIANS
PSYCHIATRY	55,878
SURGERY	53,872
ANESTHESIOLOGISTS	50,921
EMERGENCY MEDICINE	58,836
RADIOLOGY	48,767
CARDIOLOGY	33,368
ONCOLOGY (CANCER)	21,409
ENDOCRINOLOGY, DIABETES, AND METABOLISM	8,377
ALL OTHER SPECIALTIES	220,882
TOTAL SPECIALTY	552,310

Source: [Statista](#)

