



*Examining topics affecting the recruitment and retention of physicians and advanced practice professionals*

## **International Medical Graduates: Qualifications to Practice in the U.S. and Related Considerations**

A resource provided by Merritt Hawkins, the nation's leading physician search and consulting firm and a company of AMN Healthcare (NYSE: AMN), the largest healthcare workforce solutions company in the United States.

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### **Introduction**

International medical graduates (IMGs) have had a presence in the U.S. physician workforce for over 50 years and today represent a significant component of overall physician FTEs.

Approximately 25% of all physicians in active patient care today are IMGs, and in some specialties the percentage is higher, as the numbers below indicate:

#### **% of International Medical Graduates by Specialty**

Nephrology	48%
Hematology/Oncology	42%
Internal Medicine	40%
Neurology	33%
Psychiatry	32%
Pulmonology	32%
Gastroenterology	29%
Pediatrics	27%
<b>All active physicians</b>	<b>25%</b>

*Source: AMA Physician Master File*

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IMGs continue to play an important role in healthcare delivery, particularly in light of the ongoing physician shortage. The Association of American Medical Colleges (AAMC) projects a deficit of up to 94,700 physicians by 2025 -- a deficit that would be appreciably larger if not for the presence of IMGs.



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## Qualifications to Practice in the U.S.

IMGs are physicians who obtained their medical degrees in medical schools outside the United States. Medical school graduates from every country in the world outside the U.S. with the exception of Canada are considered to be IMGs. Because medical training and medical qualifying examinations in Canada are so similar to those in the U.S., graduates of Canadian medical schools who have passed the requisite examinations necessary for licensure in Canada are not considered IMGs. Virtually every state in the union reciprocates the Canadian licensing examination and Canadian physicians can obtain medical licenses in the U.S. without additional training or certification (though they typically must obtain work visas to do so).

IMGs, by contrast, have to complete a number of steps in order to practice medicine in the U.S. They must pass the U.S. Medical Licensing Examination (USMLE) – a difficult task as international medical schools often teach principles somewhat different than those taught in U.S. programs. In addition, the USMLE is given in English, which may be a second or third language to many IMGs.

Once they complete the USMLE, IMGs must be accepted to the Educational Council of Foreign Medical Graduates (ECFMG), a private, non-profit organization that verifies their medical education and issues certificates based on their USMLE performance. Only about 50% of ECFMG applicants get certified (see *Where Do International Medical Graduates Fit in the U.S. Healthcare Picture? Medscape. February 3, 2016*).

In summary, following are the steps IMGs must complete in order to practice medicine in the United States:

- ❖ Graduate from a medical school abroad
- ❖ Obtain the Educational Council of Foreign Medical Graduates (ECFMG) Certificate showing equivalent knowledge to U.S./Canadian med school graduates.
- ❖ To get an ECFMG Certificate they must pass USMLE I and II, and pass the ECFMG English language test. USMLE Part II has been split into two parts: CK (Clinical Knowledge) and CS (Clinical Skills) so that the old Clinical Skills Assessment (CSA) test is no longer given.
- ❖ In a number of states, physicians can take USMLE Part III before beginning their residency programs. Physicians who want to enter the U.S. on H-1B visas to do their residencies must have taken and passed USMLE I, II and III and received their ECFMG certification.
- ❖ After completion of their residency programs, IMGs may apply for state medical licenses.

## Residency Positions for IMGs Shrinking

Once they obtain ECFMG certification, IMGs must be accepted into a U.S. residency program. Only about



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50% of those who apply for a U.S. residency match, however. U.S. residency programs have more positions than there are U.S. medical school graduates to fill them. For decades, IMGs have filled many residency slots not filled by U.S. graduates. IMGs are motivated to fill these positions, even if they are already practicing medicine in their home countries, by the opportunity to obtain advanced medical training that they can take back to their home countries, or by the opportunity to practice medicine and live in the U.S.

In academic year 2014-15, there were approximately 22% more residency slots than could be filled by seniors graduating from U.S. medical schools (see *MedScape, February 3, 2016*). This is a decline from approximately 25% four or five years ago, before the effects of the addition of new medical schools in the U.S. and the expansion of existing ones created more U.S. medical school graduates. However, in 2016, approximately 24% of 27,860 first-year residency positions could not be filled by U.S. medical graduates. The chart below shows applications for the 2016 residency match as submitted by U.S. medical graduates (allopathic and osteopathic) and by U.S. citizen and non-U.S. citizen IMGs.

### **2016 U.S. Residency Match – First Year Positions**

U.S. Allopathic Graduates....	18,187
Percent matched.....	93.8%
U.S. Osteopathic Graduates...	2,982
Percent Matched...	80.3%
U.S. Citizen IMGs.....	5,323
Percent matched.....	53.9%
Foreign-born IMGs...	7,460
Percent matched...	50.5%

Source: National Resident Matching Program, March 18, 2016

Since 2002, 16 new allopathic medical schools and 15 new osteopathic medical schools have opened in the U.S., while class sizes have grown in exiting schools (*MedScape, February 3, 2016*). In responses to the physician shortage, the Association of American Medical Colleges in June, 2006 called for a 30% increase in the number of U.S. medical school graduates. That number already has been reached and is projected to be exceeded when the growing number of medical students now matriculating graduate.

The challenge for IMGs is that while the number of U.S. medical graduates has expanded significantly, the number of residency positions has not kept pace. Funding for physician graduate medical education (GME) is largely provided through the federal government under the Medicare and Medicaid programs administrated by the Department of Health and Human Services (HHS). Congress put a cap on funds devoted to GME in 1997, limiting the expansion of residency programs. Fortunately, other sources of funding have allowed for some increases in residency slots. This includes funding by states such as Texas, which recently allocated \$600 million to funding residency positions in the state, and the Veterans Administration, which, due to a federal law passed by Congress in 2014, will create 1,500 additional residency positions. Private sources of funding also help create new residency slots.



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Nevertheless, according to a November 20, 2015 report in the *New England Journal of Medicine*, the number of residency positions available to IMGs will drop from about 22% of positions today to about 14% in 2023-2024.

What is more concerning to those troubled by the physician shortage are the potential repercussions of a policy that the ECFMG is planning to put into effect in 2023. The new policy will mandate that all applicants for ECFMG certification be graduates of medical schools that have been accredited as maintaining standards that are equivalent to those maintained by U.S. medical schools (see *MedScape, February 3, 2016*). The ECFMG will be evaluating hundreds of schools around the world to determine if they meet these standards. The result of this policy could be a severe restriction on the number of IMGs eligible to obtain medical training in the U.S. and subsequently practice medicine here.

### Where They Are From

More IMGs practicing in the U.S. are from India (about 45,000) than any other country. Indian doctors represent approximately 21% of all IMGs, according to the AMA. The other countries comprising the largest percent of IMGs are, in order, Pakistan (11,000) China, the Philippines (10,000), Iran (3,900) Israel and Syria (3,800), according to the AMA and an article published by ProPublica (*Will Trump's Ban Cause Foreign-Born Doctors to Look Elsewhere? February 2, 2017*). As of this writing, the travel ban limiting visitors from seven countries put into effect by the Trump administration is still in flux and it is difficult to determine how this policy might affect the number of IMGs coming to the U.S., both from the seven nations in question and those from other countries who may feel discouraged from pursuing medical training here as a result of the ban.

### U.S. IMGs

It should be noted that not all IMGs are foreign-born. A growing number are U.S. citizens who attend medical schools abroad – particularly schools located in the Caribbean. Graduates of these schools are commonly referred to as USIMGs. The most established of these schools were opened in the latter part of the 1970s when it was becoming harder for graduates of U.S. colleges to get into medical school. Even students with excellent grades and other achievements found they were unable to enter America's highly restrictive system of medical education. Though medical school enrollment has expanded, U.S. medical schools remain a tough nut to crack, given rising application rates. Perhaps because medicine is considered a secure career in a time of uncertain employment, medical school applications reached an all-time high of 52,550 in 2015, with 20,630 students enrolled (*AAMC. Medical School Applicants, Enrollees Reach New Highs. October 22, 2015*). The medical school rate of applicants to enrollees hovers at about 40%, with over 30,000 applicants turned away in 2015.



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As a result, many U.S. college graduates apply to Caribbean medical schools. The ECFMG reports that the number of ECFMG applications submitted by students from Caribbean schools doubled from 2002-2013 and now account for approximately one-third of ECFMG applications. There are now 31 off-shore medical schools that offer medical education mostly to U.S. students. It should be considered by those planning to attend such schools, however, that the match rate to U.S. residency programs for USIMGs is approximately 53%, meaning about one-half of USIMGs may find no path to medical practice in the U.S. However, this match rate is slightly higher than the match rate for foreign-born IMGs, which in 2015 was just over 49%.

Even some U.S. allopathic medical school graduates no longer match to residency programs. Of the 1,093 U.S. allopathic medical graduates who did not initially match in 2015, approximately 500 failed to match in the subsequent Supplemental Offer and Acceptance Program (SOAP), highlighting the need for more residency positions nationwide.

The quality of Caribbean medical schools is considered to be more varied than those in the U.S. Caribbean schools commonly follow the U.S. model, have U.S. faculty members and some have established positive reputations. According to *MedScape*, “A peer-reviewed study of Caribbean schools found that the rate of the school’s graduates getting ECFMG certificates ranged from 28% to 86%. Many of the established Caribbean schools, such as Ross and St. George’s, were at the top end.”

### **Qualified Candidates**

When Merritt Hawkins was founded approximately 30 years ago, there was still considerable resistance on the part of many of our clients to recruiting IMGs. This was based in part on perceptions about the quality of training IMGs receive and their ability to maintain U.S. standards of care. These perceptions have largely abated due to the track record many IMGs have established in the U.S. and because it is more widely understood that IMGs often represent the “best of the best” their countries have to offer.

U.S. medical graduates can build personal relationships with physicians who can recommend them to residency programs and can develop personal relationships through clerkships so that they are known to the residency programs considering them. Because IMGs do not have this advantage, they must stand out in other ways. Foreign-born IMGs (FIMGs) have higher tests scores on USMLE Steps 1 and 2 (Clinical Knowledge) than do U.S. graduates, though not on the Clinical Skills portion of Step 2, which includes a test of English and communications skills (*MedScape, February 3, 2016*). Many have done research at world-class institutions and have published academic papers. There is some evidence that FIMGs achieve better outcomes than U.S. graduates once they become practicing physicians. According to *MedScape*:

*“A 2010 peer-reviewed study found that among patients with congestive heart failure and acute myocardial infarction, those treated by FIMGs had lower mortality rates than those treated by graduates of U.S. medical schools. The study was led by John J. Norcini, president and CEO of the Foundation for the Advancement of International Medical Education and Research, which consists of organizations which certify the competence of U.S. doctors. These groups include*



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*the Federation of State Medical Boards, the National Board of Medical Examiners, the Association of American Medical Colleges, and the American Board of Medical Specialties. **'We have been blessed with the cream of the crop of doctors from other countries,' says Dr. Norcini.***

Over the past several decades, IMGs have moved from the periphery of the medical establishment to the core. Pick up just about any directory of state or regional medical societies and you will see that IMGs are playing a prominent leadership role in organized medicine. The same holds true for hospital staffs, as IMGs are serving as department heads and medical directors at hospitals throughout the country.

## Who is the “Right” Physician Candidate?

In the past, hospitals, medical groups, community health centers and other facilities could disregard IMGs and still stand a reasonable chance of filling the majority of their medical staff positions. Market realities today, however, require an approach to physician staffing that is both free of pre-conceived notions and inclusive of the widest number of appropriate candidates.

**The key is to simply apply the same criteria to IMGs as one would to graduates of U.S. medical schools.** Training and clinical ability are two critical areas to examine. Just like U.S. graduates, many IMGs are exceptionally well trained, and all have completed U.S. residency programs and the USMLE.

Communication skills and patient rapport also are critical. For over ten years, IMGs have been obliged to pass the Clinical Skills portion of the USMLE, which evaluates their ability to interact with and communicate treatments plans to U.S. patients. Nevertheless, some IMGs still lack sufficient communications skills to be good candidates – but so do some U.S. graduates.

While training and communications ability are important, a third element is equally critical: desire. The “right” physician candidate is one who is highly competent, good with patients **and wants to live and practice in your community.** Doctors who fit all of these parameters are too rare and valuable today not to consider, whether they are tall, short, blue, green, U.S. graduates or IMGs.

## Visa Requirements

The great majority of FIMGs enter U.S. residency training programs on J-1 or H-1 visas. Those on J-1 visas are required to return to their home countries after they complete their training. They can obtain a waiver of this requirement, however, by working in an underserved area. Those on H-1 visas, which are employment based, may stay in the U.S. if they find a suitable U.S. employer after residency.

As U.S. citizens, USIMGs, though they must pass the USMLE and complete a U.S. residency program, are not subject to visa requirements.



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A full discussion of FIMG visa requirements is provided in the Merritt Hawkins' white paper "**Physician Immigration FAQ**," in which FIMG and Canadian physician visa requirements are addressed in detail by prominent immigration attorney Carl Shusterman. Detailed information on this topic also may be obtained at Mr. Shusterman's web site at <http://www.shusterman.com/physiciansusimmigration> or by calling Mr. Shusterman's office at 213-623-4592, ext. 0.



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## About Merritt Hawkins

Established in 1987, Merritt Hawkins is the leading physician search and consulting firm in the United States and is a company of AMN Healthcare (NYSE: AMN), the largest healthcare workforce solutions organization in the nation. Merritt Hawkins' provides physician and advanced practitioner recruiting services to hospitals, medical groups, community health centers, telehealth providers and many other types of entities nationwide.

The thought leader in our industry, Merritt Hawkins produces a series of surveys, white papers, books, and speaking presentations internally and also produces research and thought leadership for third parties. Organizations for which Merritt Hawkins has completed research and analysis projects include **The Physicians Foundation, the Indian Health Service, Trinity University, the American Academy of Physician Assistants, the Association of Academic Surgical Administrators, and the North Texas Regional Extension Center.**

This is one in a series of Merritt Hawkins' white papers examining a variety of topics directly or indirectly affecting the recruitment and retention of physicians and advanced practice professionals, including physician assistants (PAs) and nurse practitioner (NPs).

Additional Merritt Hawkins' white papers include:

- ❖ Psychiatry: "The Silent Shortage"
- ❖ Physician Supply Comparisons: Physicians by Select Specialties Practicing in Each State and Licensed in Each State but Practicing Elsewhere
- ❖ The Aging Physician Workforce: A Demographic Dilemma
- ❖ Nurse Practitioners and Physician Assistants: Supply, Distribution, and Scope of Practice Considerations
- ❖ The Physician Shortage: Data Points and State Rankings
- ❖ Physician Supply Considerations: The Emerging Shortage of Medical Specialists
- ❖ RVU FAQ: Understanding RVU Compensation in Physician Employment Agreements
- ❖ The Economic Impact of Physicians
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