A number of economic and non-economic variables influence physician retention. Although retention is affected by the structure and organization of GME programs, it is important to understand that any effort to address physician workforce deficiencies must take into account non-GME issues.

It is broadly understood that the strongest economic consideration in physician retention is compensation. Successful physician retention is predicated upon the ability of physicians to achieve market compensation levels with a corresponding level of effort. Of 29 specialties for which Ohio compensation data was available, 14 (or 48.3 percent) were compensated between the national 50th and 75th percentiles. Three specialties (10.3 percent) were compensated above the 75th percentile, using national benchmarks. These data suggest that Ohio may be an unfavorable environment for physicians, relative to other states, which may partially explain the difficulties experienced by healthcare organizations in recruiting and retaining physicians.

Another economic factor affecting physician compensation is malpractice insurance costs. Malpractice rates vary significantly by specialty and geographic region. Due to the volatility of malpractice expense and the risk to personal assets, physicians have become increasingly selective in choosing the location for establishing their practice. Furthermore, higher-than-average malpractice insurance costs are seen as accelerating departures from the physician workforce in northwest Ohio.

Several non-economic variables influence physician retention. Lifestyle considerations are an increasingly important focus for physicians entering the workforce and are much more important than for previous generations of new physicians. This is explained by several factors:

- A physician workforce that comprises a growing proportion of female physicians who are seeking to balance lifestyle and professional goals.
- An increasing number of physicians who avoid the growing administrative requirements of medicine by seeking simple employment arrangements.
- The aging workforce that, in aggregate, is decreasing in production as its members near retirement.
- Primary care physicians looking to avoid on-call commitments in order to maximize their time in the outpatient setting and minimize disturbance outside normal business hours.

These issues affect physician manpower in two ways.

- Situations that do not accommodate the changing expectations of physicians regarding lifestyle will result in significant difficulty with regard to recruiting and retaining physicians.
- Changing expectations regarding lifestyle are expected to decrease overall physician production. This phenomenon will increase the aggregate need for physicians because it takes more than one physician to replace an existing physician who exits the workforce.

An environment that addresses both the economic and non-economic factors outlined above will enhance the ability of healthcare systems and physician organizations to attract and retain needed physicians to northwest Ohio.