The Future of Private Practice

BY DR. ANITRA GRAVES, FCCP; DR. MARC BENTON, FCCP; AND DR. MICHAEL NELSON, FCCP

“Whenever you find that you are on the side of the majority, it is time to reform.”—Mark Twain

As you read this article, the clerks of the US Supreme Court, who are, of course, intimately aware of the problems facing you and your patients, fumble through case-law that could sculp your future. But the really good news is that you have no way to advocate on your own behalf. Perhaps you would be more comforting knowing that the US Congress is looking out for you, as well. At least you can speak to them...sometimes...via e-mail...through an office staffer, who thinks thoracentesis is a movie about a Norse god. The major problem with health-care reform for those of us in private practice is the uncertainty. What can we do to maximize the possibility that the coming transformations of medicine and the resultant metmorphosis of private practice will allow us to provide high-quality care in a financially viable environment? Let’s look at a few issues more closely beginning with the manpower shortage.

Anyone who has tried to hire another partner to join their group knows of the many difficulties one faces. It is, and will be for the foreseeable future, a “seller’s market.” Fellow just out of training and early-career physicians wishing to establish themselves with a practice often have expectations about time commitment and salary that can be out of sync with the reality of one’s everyday practice. This makes it difficult to compete with other health systems that offer attractive employed-positions...for 2 years, or until the deal changes, and is no longer so attractive. In most cases, the hospital’s focus is primarily centered on fulfilling its needs, not those of their physicians. Additionally, these systems stage an air of stability that appears very favorable to the “millennials” and “generation Xers,” disproportionately affected by the recent recession. The entrepreneurial appetite for risk has been supplanted by staggering student loans, limited up-side to income, and a questionable quality of life.

Compounding the well-documented shortage of pulmonary and critical care specialists, a new physician-hire costs the typical private practice extended recruitments and signing bonuses only to culminate in promiscuous hires who are quick to wander to what they perceive as greener pastures.

Let’s move on to the topic of the ever-dwindling compensation for your services. Don’t worry; you can be very certain that you will be paid less tomorrow for things that you do very well today. These cuts could be the result of devaluation of fees, limited access to contractual agreements with commercial payers, and penalties as a result of an escalation in audits and noncompliance with government mandates. You are also likely to endure more profit pressures from investments required to comply with Meaningful Use, mandatory administrative changes for billing and coding, and challenges to utilization. For many of us, the only way to compensate is by increasing our work volume. This runaway health-care train will eventually jump the track, and you should position yourself to sustain as little injury as possible. You should start with a complete economic and operational evaluation of your practice to create efficiencies that would not adversely affect your patient care but would protect your salary in the event of the inevitable declining reimbursements. The best defense to remain independent is by establishing a practice that is patient-oriented, technologically progressive, and quality driven. This advantageously positions you for the next ray of hope for independent private practice as we know it—clinical integration.

Clinical integration has many forms—hospital contracting, preferred-provider status (approved members) in clinically integrated health-care networks, and accountable care organizations (ACOs). The solution for your practice will depend on regional opportunities and regulations that frame the relationships you wish to cultivate. The Healthcare Reform Law, though vague at the moment, is one vehicle that may maneuver private practice away from extinction. The value-based purchasing and ACO shared-savings provisions mandate quality threshold measures and governance requirements that require committed physician buy-in, physician leadership, and, therefore, productive physician-hospital relationships that would certainly go beyond the scope of simple employment. Despite enumerable changes to the practice of medicine over the next 5 years, certainly you can adapt to changes wrought by your “friends” in the federal government. Those nimble minds that have made you excellent physicians and successful in business need only be flexible and not cede the battle before the lines are drawn.

The views expressed in this article are those of the authors and do not represent the views of the ACCP, its leadership, members, or staff.

In Memoriam

Dr. Philip Marcus, FCCP, died suddenly on April 9 during a family vacation. As many of you know, Phil was a passionate supporter of the College, and his leadership contributions are many, including service on the ACCP Board of Regents, serving as Chair and Vice-Chair of the Council of NetWorks, Practice Operations NetWork, and Practice Management Committee, and member of the Editorial Advisory Board, CHEST Physician. He was a good friend to all at the College, and he will be sorely missed. The ACCP extends heartfelt condolences to the Marcus family.

Health-care Reform: Is Anyone Listening?

In this issue, Dr. Mike Nelson (Immediate Past Chair of the Practice Management Committee [PMC]), Dr. Anitra Graves (Chair of the EHR Subcommittee of the PMC), and Dr. Marc Benton (member of the PMC) discuss their feelings as private practitioners. They give a balanced perspective on the private practice job market and how it is likely to affect the millennials and generation Xers. And, very importantly, they provide practical advice to the private practitioners on how to prepare and adapt individual medical practices to brace for the change and to sustain independence in uncertain and difficult times.

Dr. Suhail Raef, FCCP

Power to Connect

Take advantage of the all new ACCP e-Community, a private, secure, online platform ACCP members can use to connect with ACCP members around the world.

Join the e-Community Today

ACCP members who belong to any of the NetWork can join now. ecommunity.chestnet.org

For questions or help logging in, contact communityadmin@chestnet.org.
ACCP members who are not members of a NetWork can gain access to the ACCP e-Community by joining 1 of the 23 ACCP NetWorks.
Learn more at chestnet.org/accp/networks.