

Survey of Texas Physicians 2014

Practice Settings



Physicians Caring for Texans

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TMA 2014 Physician Survey Practice Settings

Every two years, the Texas Medical Association conducts a survey of Texas physicians to identify emerging issues, track the impact of practice and economic changes, assess physician priorities, and develop data to support TMA advocacy efforts. In January of 2014, physicians were surveyed regarding practice settings. Approximately 30,250 members and non-members with email addresses in the TMA database were emailed a personalized link to the survey. The following results are based on responses received from 2,042 Texas physicians.

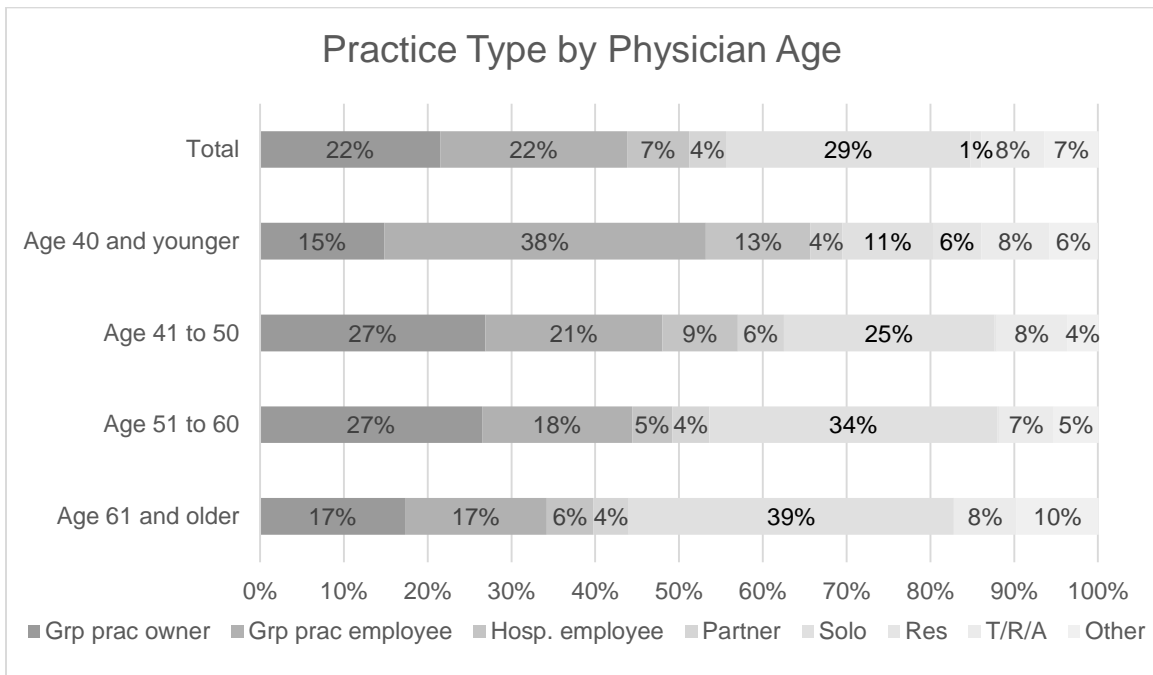
Practice Description

Type of Practice (January Q2)

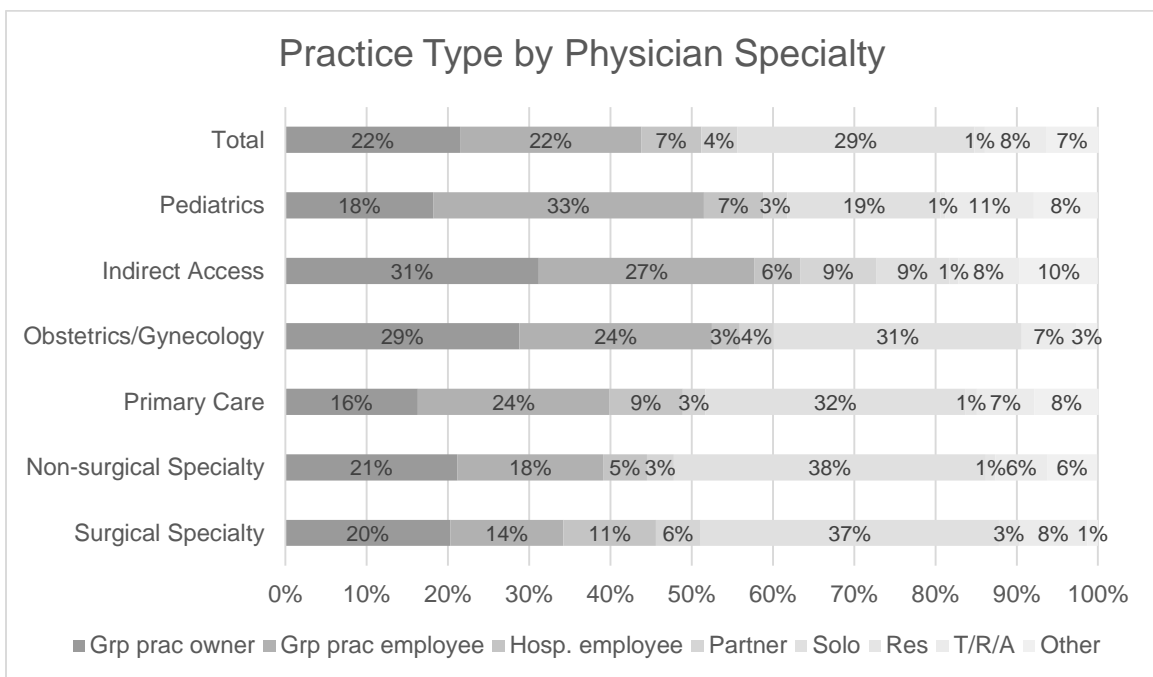
Solo practitioners, consistently below the 1990 high, have decreased since 2012. Meanwhile, the percentage of group practice employees has nearly doubled. The percentage of hospital employees has also grown, but remains small at 7 percent. A majority of physicians have an ownership role in their practice (55 percent). Previous research shows most physicians start practice as a group employee and subsequently buy-in or leave for an ownership position. Uncertainty due to the ACA and the economic environment has reduced the number of physician group practices hiring new physicians and fewer physicians may be willing to leave the security of group employment. It remains to be seen whether this trend will continue into the future.

<i>Type of Practice</i>	<u>1990</u>	<u>2000</u>	<u>2002</u>	<u>2004</u>	<u>2006</u>	<u>2008</u>	<u>2010</u>	<u>2012</u>	<u>2014</u>
	%	%	%	%	%	%	%	%	%
Solo	50	32	42	40	44	40	34	44	29
Group practice owner, co-owner or shareholder	24	20	28	24	25	27	28	24	22
Group practice employee		20	13	15	13	14	18	13	22
Partnership	10	9	9	11	7	9	8	5	4
Teach/Admin/Research		7	5	5	7	6	7	5	8
Hospital employee								4	7
Resident		7		0.1			1	0.3	1
Other	16	5	4	6	4	5	5	5	7

An analysis of practice type by physician age confirms physicians in the youngest age group (40 and younger) are more likely than other physicians to describe themselves as a group practice employee (38 percent) or hospital employee (13 percent).

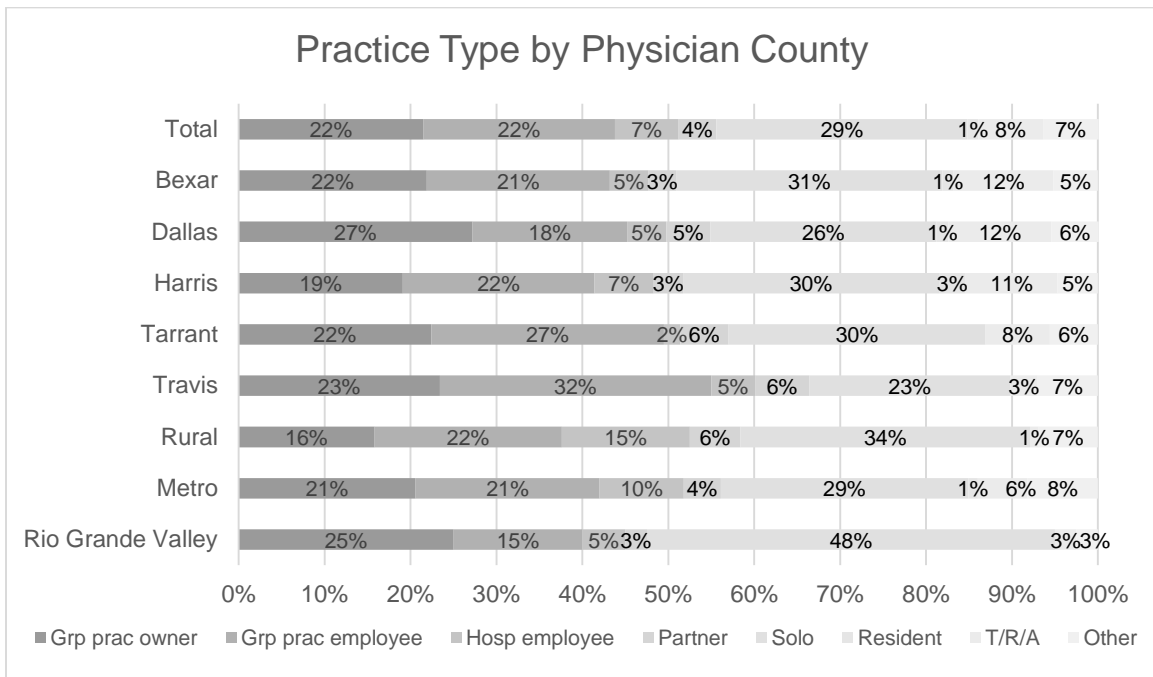


Physicians in Pediatrics are most likely to describe themselves as group practice employees (33 percent).



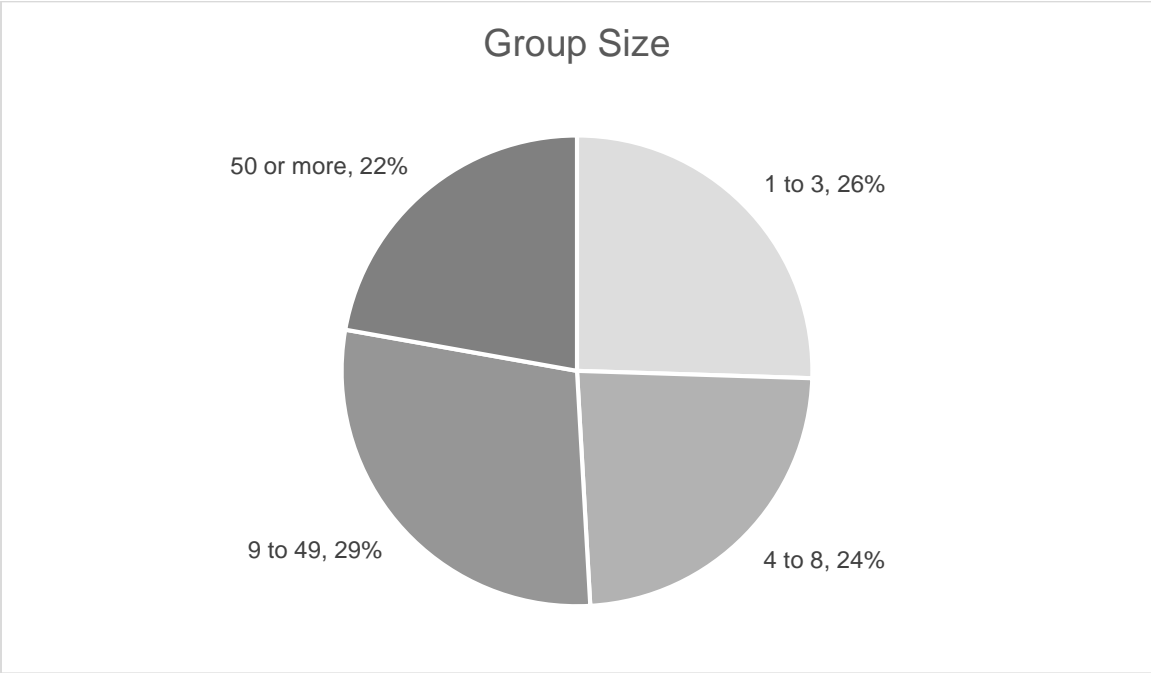
Physicians in rural counties are more likely than other physicians to be hospital employees (15 percent), however, they are most likely to be solo (34 percent).

Physicians practicing in Travis County are most likely to describe themselves as a group practice employee (32 percent).

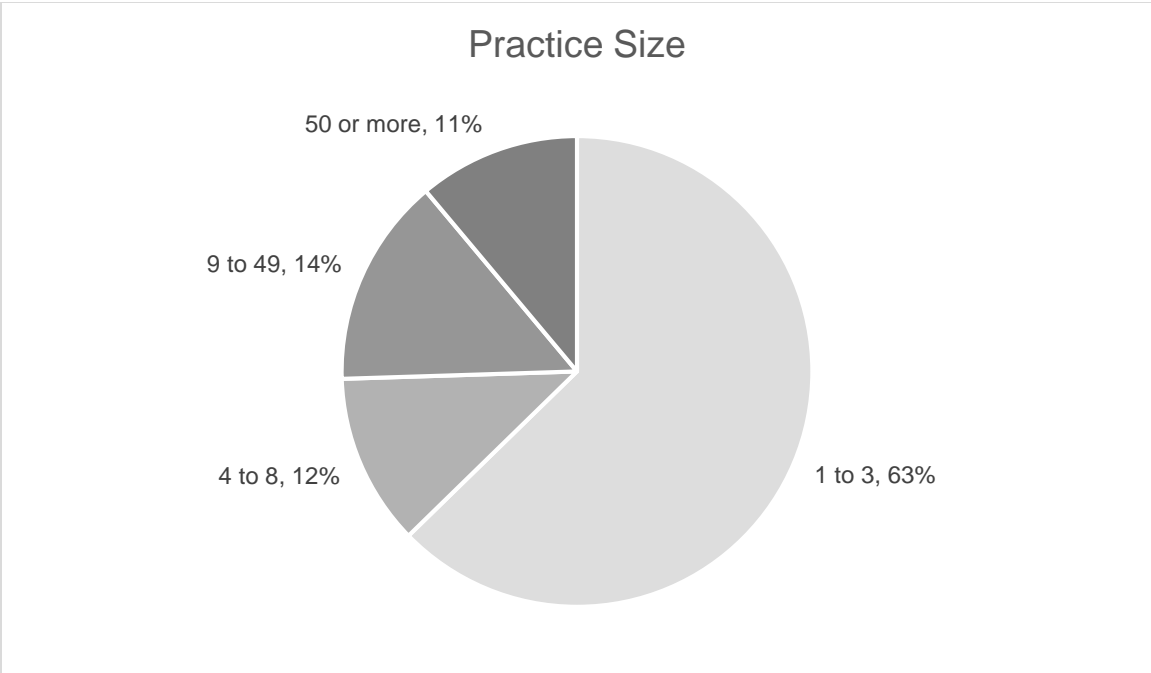


Group Size (January Q3)

Physicians in groups or partnerships were asked about the number of physicians in their practice. Half are in groups with 8 or fewer physicians.

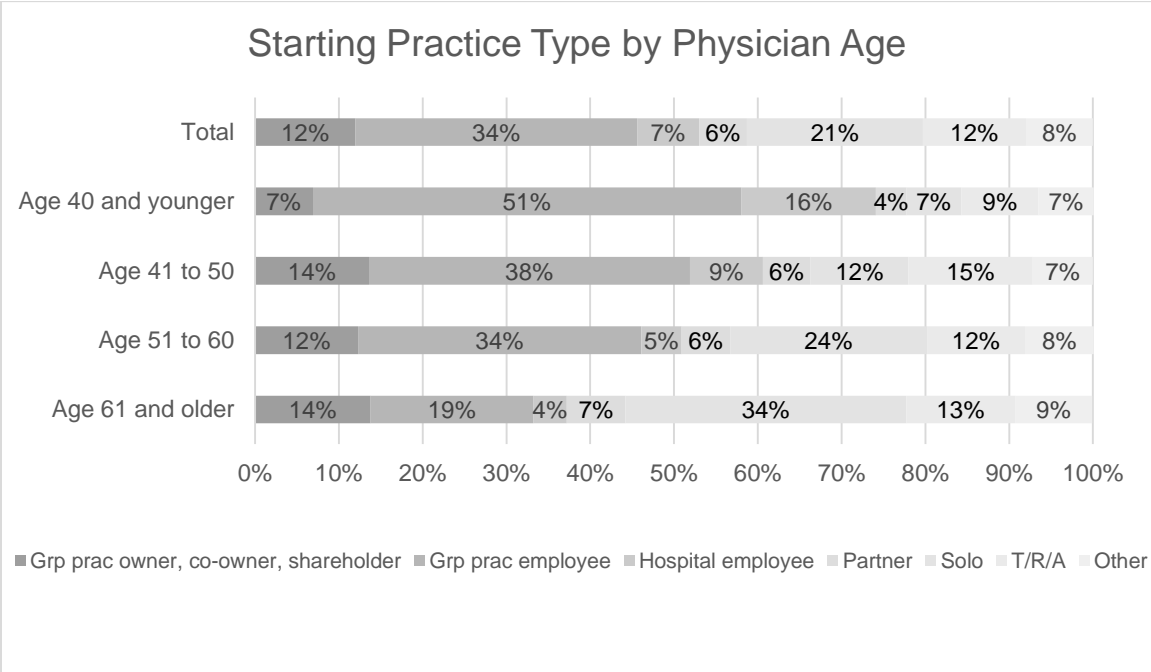


When analyzed with the percentage of physicians who describe themselves as solo, the majority are practicing with three or fewer physicians (63 percent).



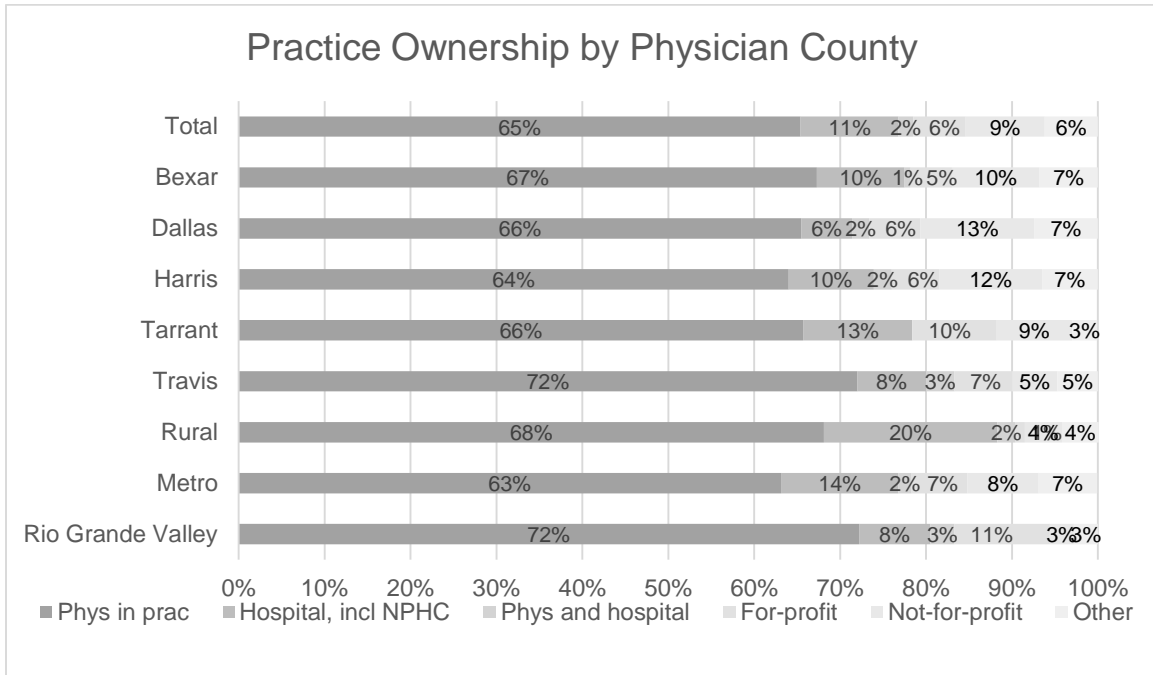
Starting Practice Type (January Q4)

Physicians were asked to describe their primary form of medical practice when they first started after residency. A large minority started as a group practice employee (34 percent), which is consistent with previous surveys showing physicians start as a group practice employee and then move into an ownership role. Younger physicians are more likely to report starting as a group practice employee. This percentage may continue to increase as administrative costs continue to rise making it harder for physicians to start their own practice.

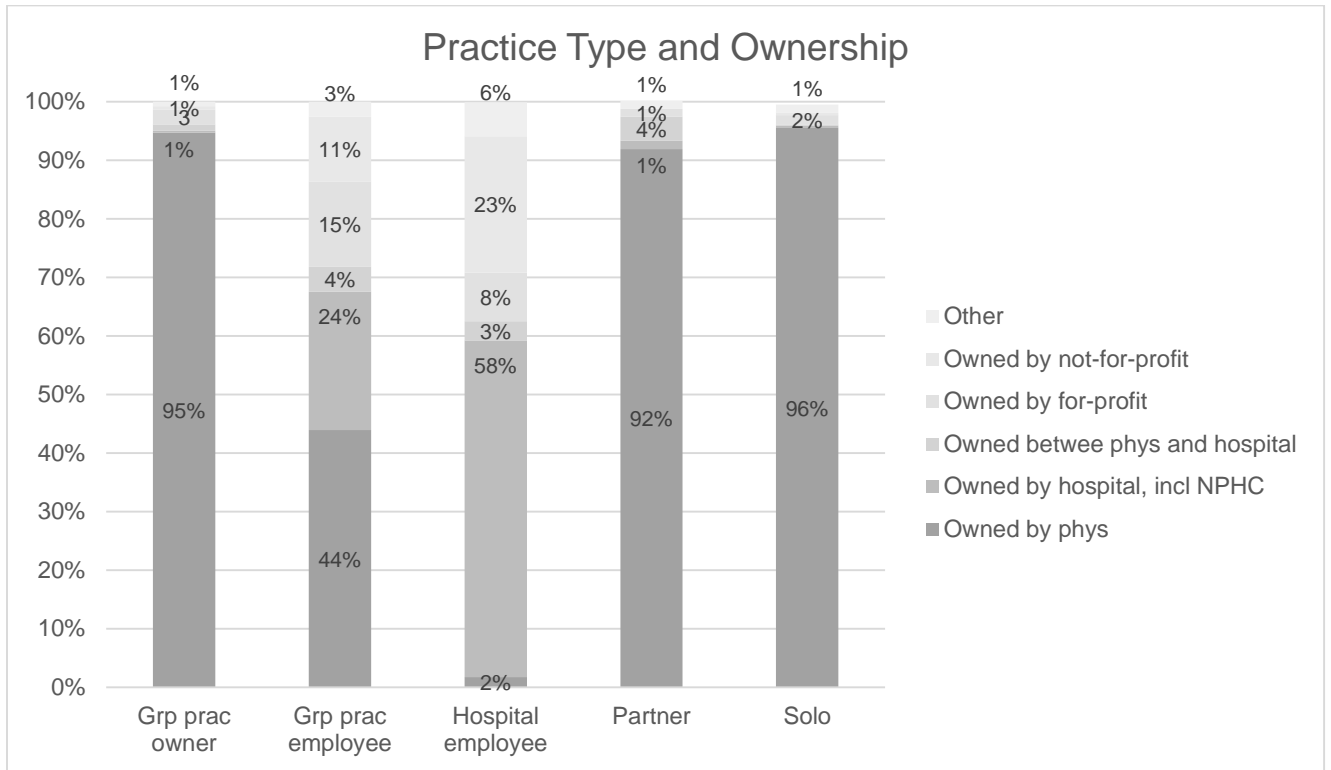


Practice Ownership (January Q5)

The majority of physicians describe their current practice as wholly owned by one or more physicians in the practice. Physicians practicing in Travis County and the Rio Grande Valley are most likely to describe their practice as wholly owned by one or more of the physicians in practice (72 percent).

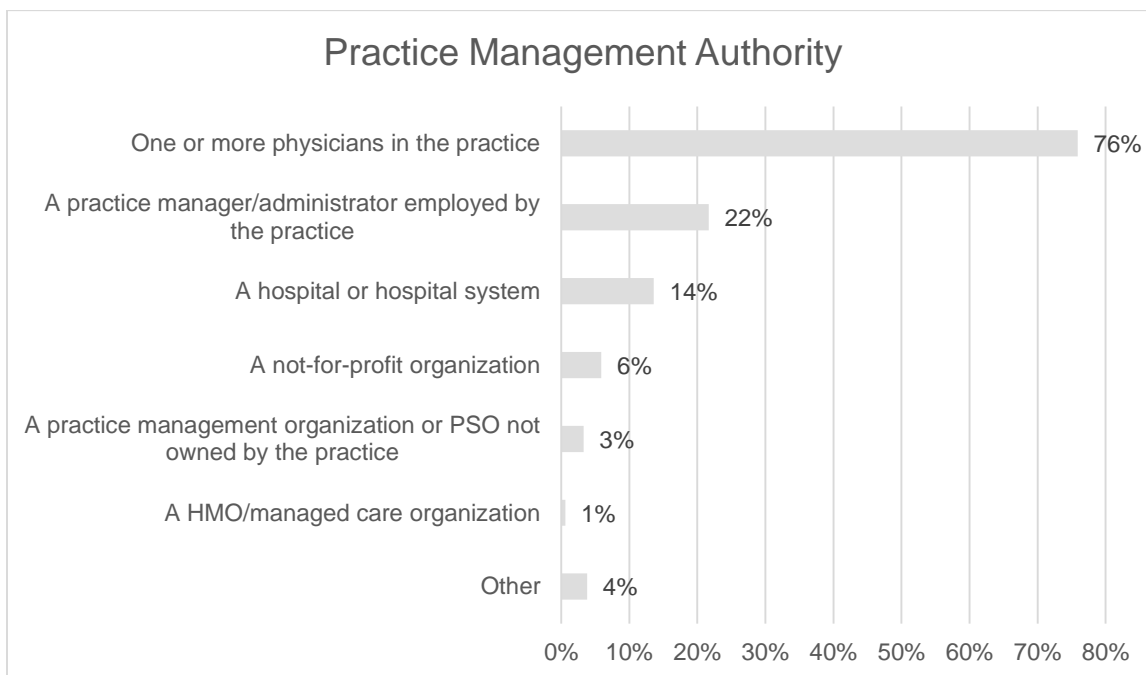


Group practice employees' report 44 percent of their practice is owned by one or more of the physicians in the practice and 24 percent report hospital ownership.



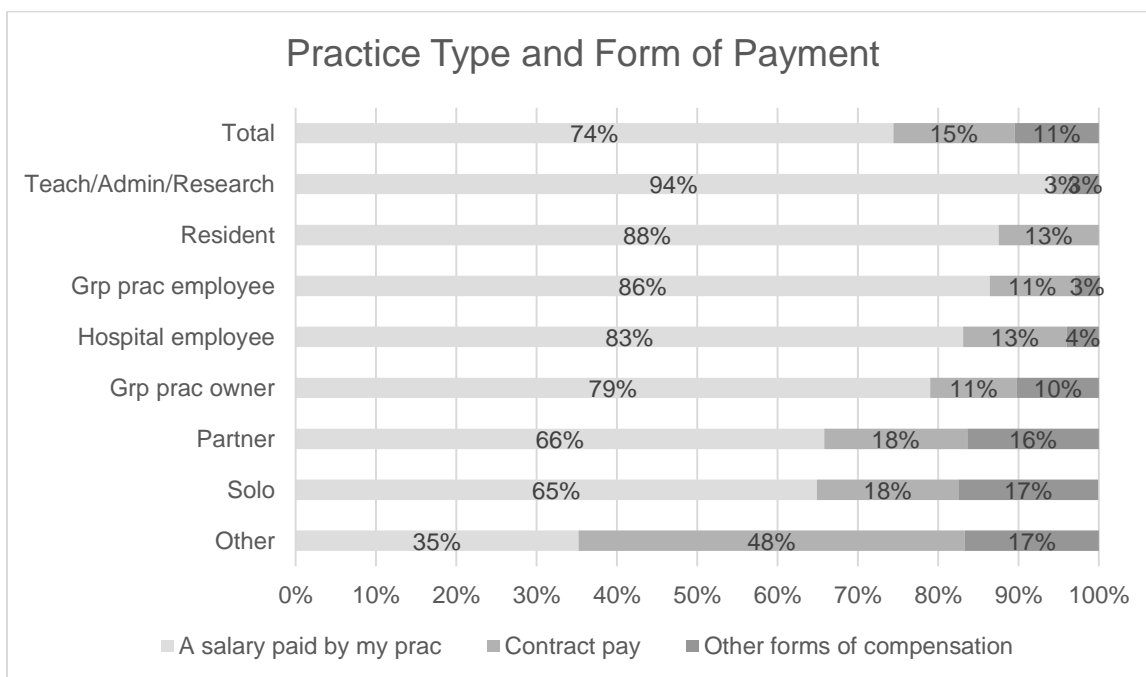
Practice Management Authority (January Q6)

The majority of physicians report the physician or physicians in the practice have authority for making practice management decisions (76 percent).



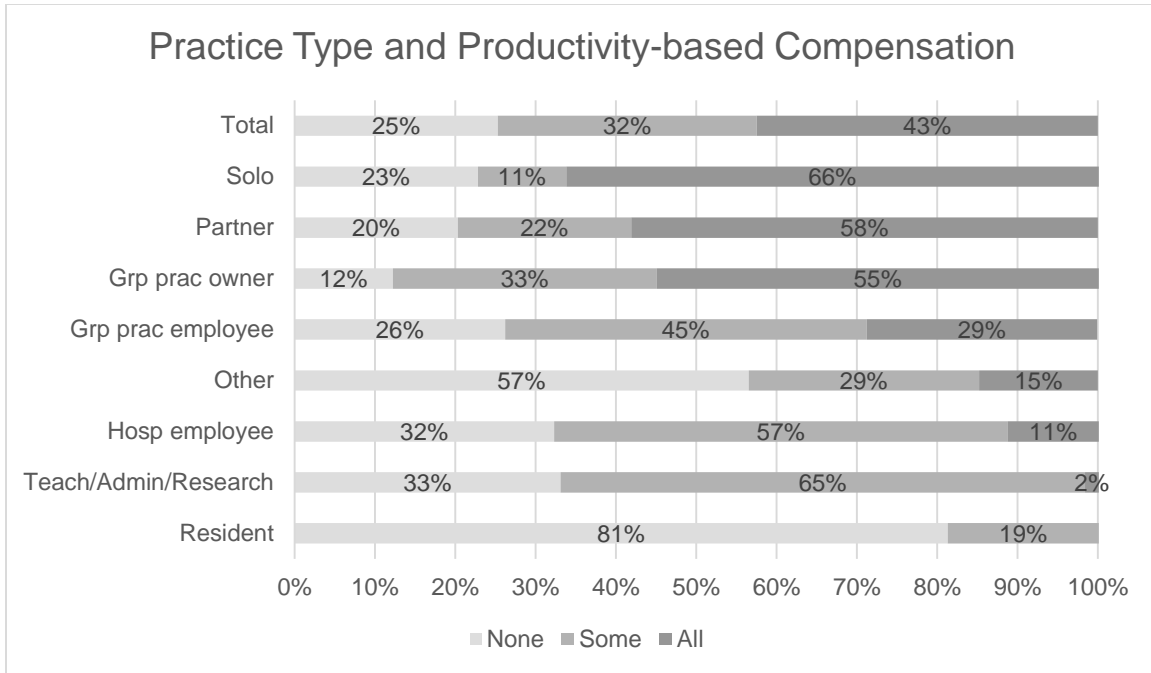
Form of Payment (January Q7)

A salary paid by the physicians' practice (reported on a W-2 form) comprises the largest part of physicians' personal income (74 percent).



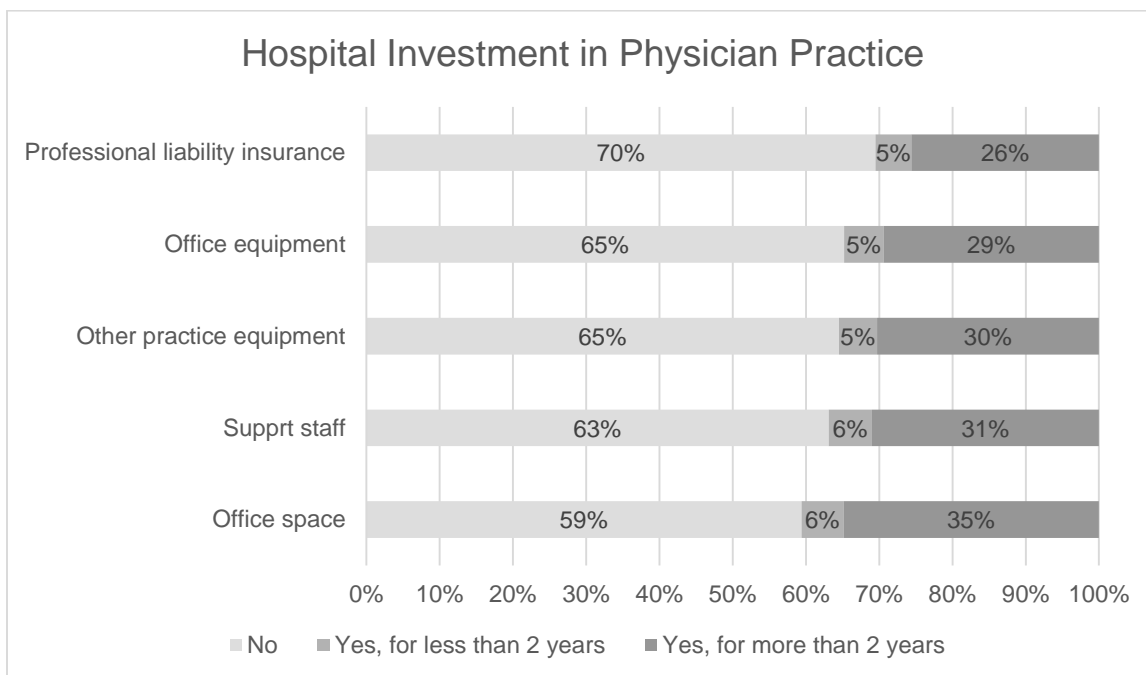
Physician Compensation and Productivity (January Q8)

The majority of physicians' report their compensation is based some or all on productivity (75 percent). Practice owners are more likely to report all their compensation is based on productivity.



Hospital Investment in Physician Practice (January Q9)

The majority of physicians' report a hospital or non-physician organization does **not** own, employ, or provide professional liability insurance (70 percent), office and other practice equipment (65 percent), support staff (63 percent), or office space (59 percent). Those physicians who are receiving overhead support from a hospital have been in this practice arrangement for more than two years.

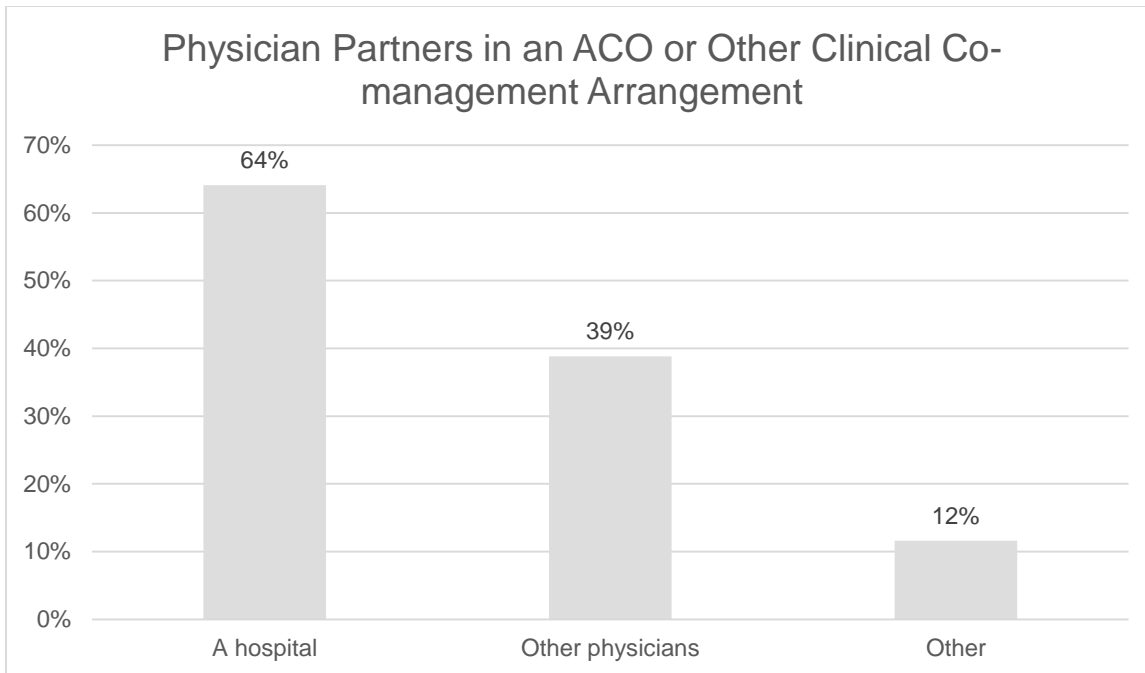


Integrated Delivery System (January Q10)

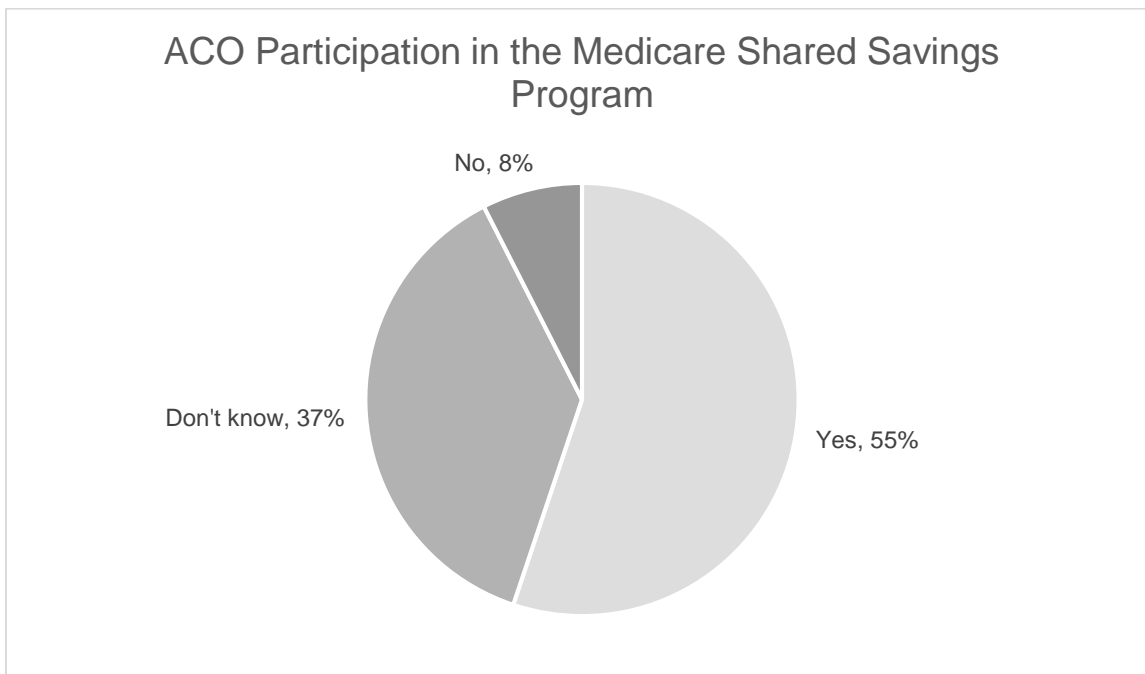
An Integrated Delivery System (IDS) is a network of organizations that provide, coordinate, and/or arrange for the provision of a continuum of health care services to consumers that may be built through virtual integrations processes encompassing direct ownership, contractual arrangements, and strategic alliances. Eighteen percent of physicians describe their practice as an IDS.

Accountable Care Organizations (January Q11-13)

Eighteen percent of physicians are in an ACO or other clinical co-management. Physicians in an ACO or other clinical co-management arrangement are primarily partnered with a hospital (64 percent).

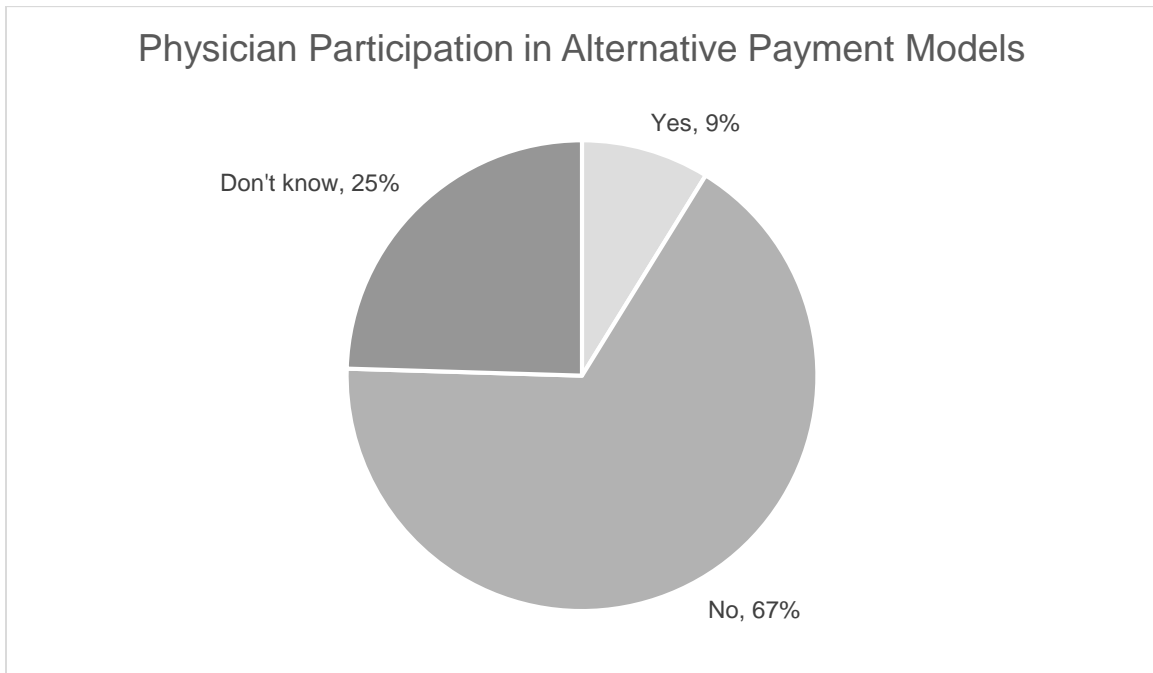


Fifty-five percent of physicians' report their ACO is participating in the Medicare shared savings program.



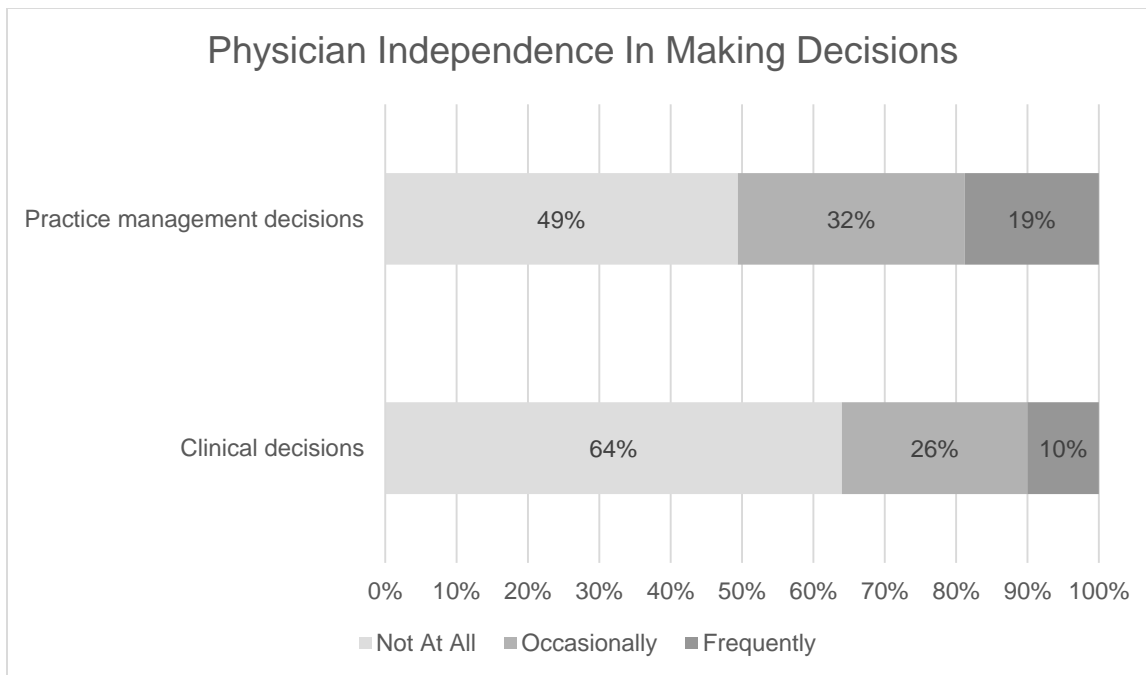
Alternative Payment Models (January Q14)

Few physicians (9 percent) are participating in alternative payment models (e.g., bundled payments).

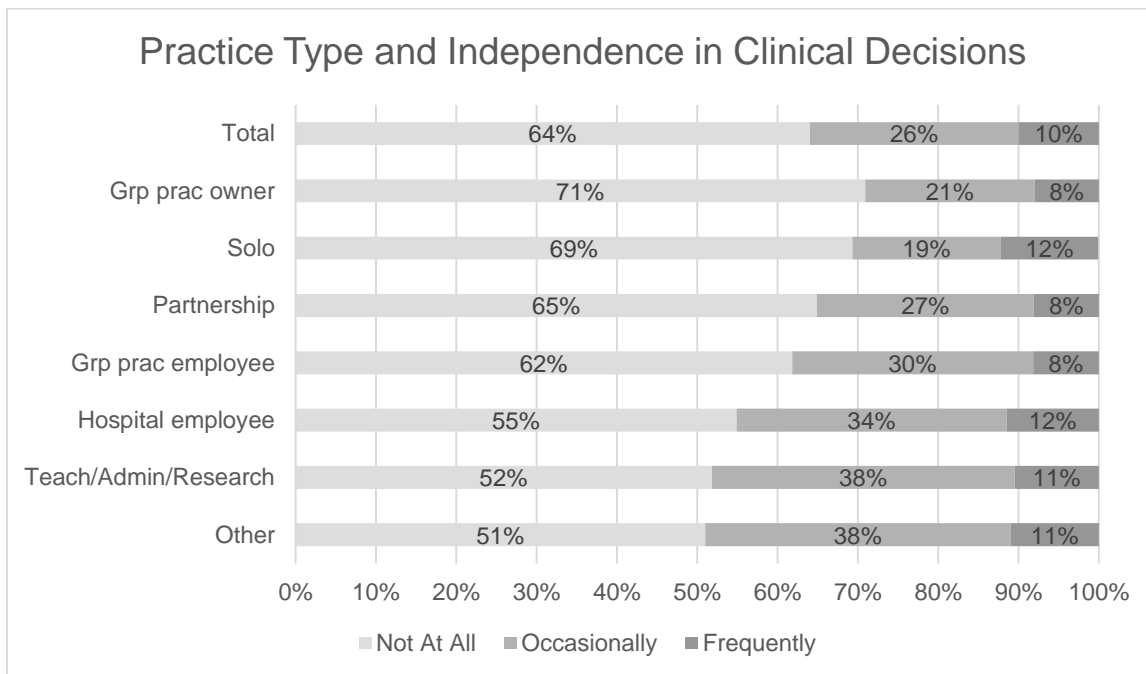


Independent Decision-Making (January Q15-17)

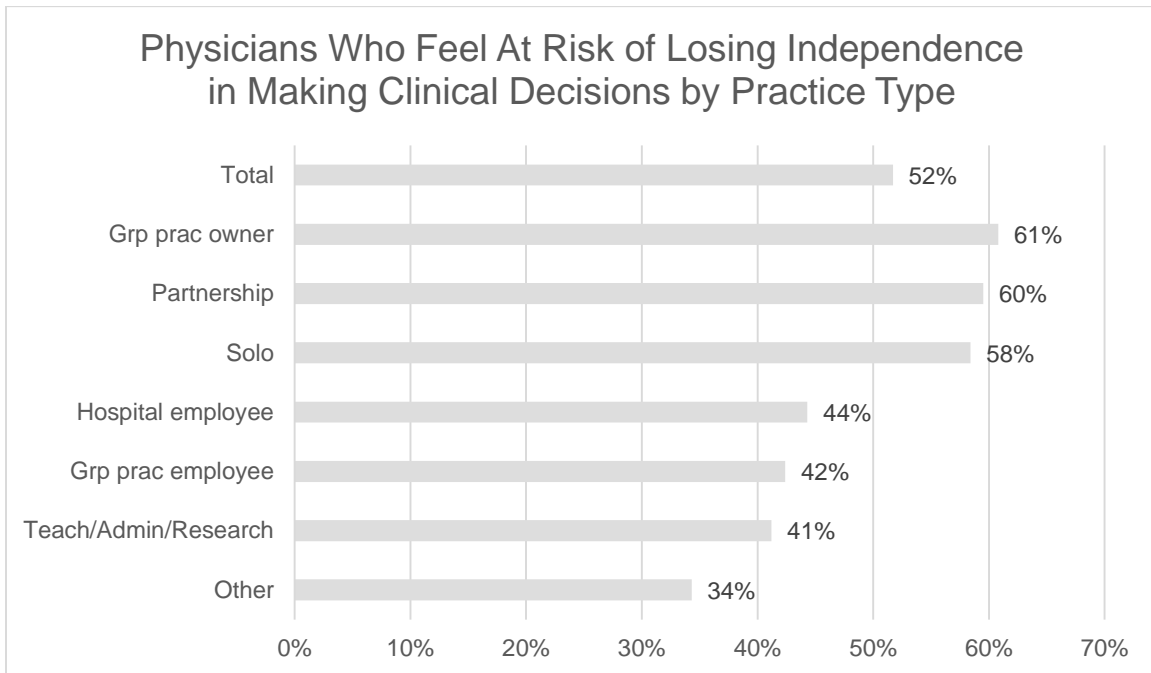
Currently, physicians feel the structure, policies, and relationships of their medical practice does not at all impair their independence in making clinical decisions (64 percent).



Physicians with some type of ownership position are more likely to report their practice type does not impair their independence in making clinical decisions.



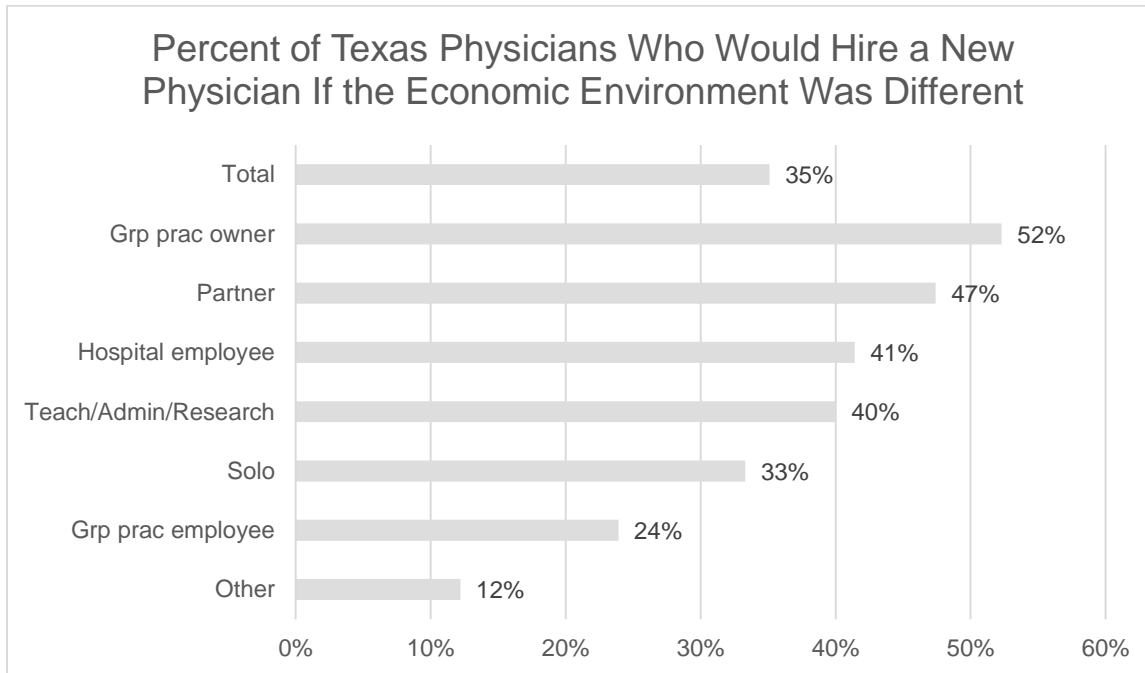
Despite the majority of physicians who report their practice does not impair their independence in making clinical decisions, 52 percent feel they are at risk of losing their independence in clinical decision-making, particularly those who describe themselves as a group practice owner, co-owner, or shareholder (61 percent).



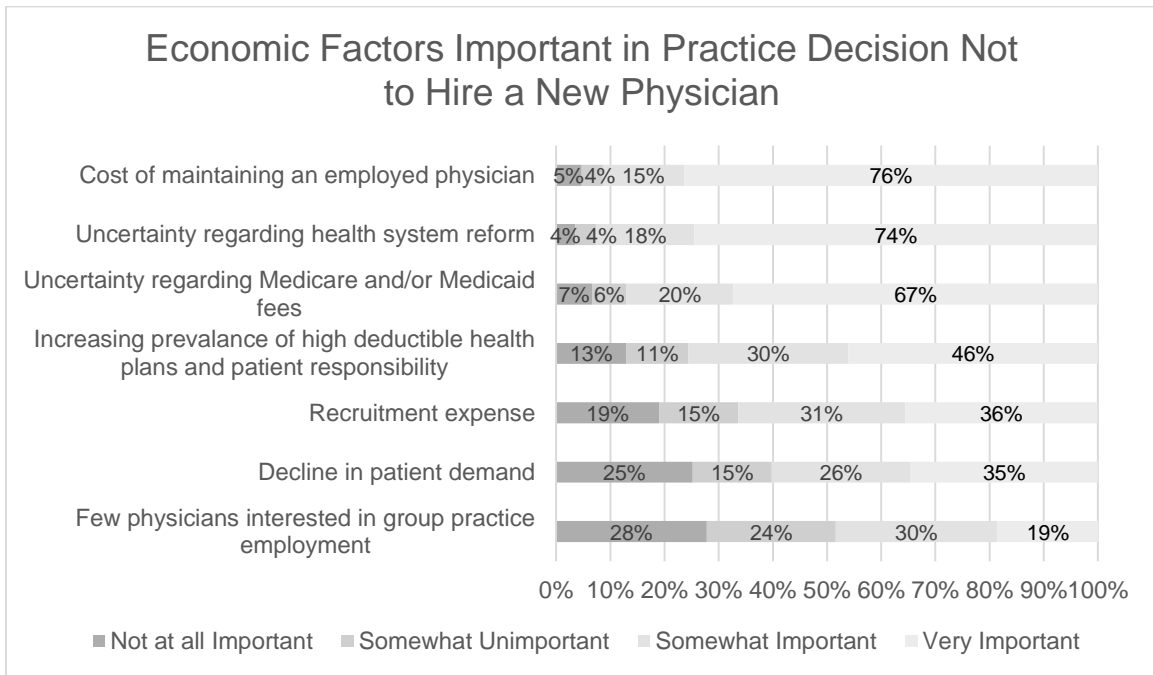
Physicians universally agree if they lose their ability to make independent clinical decisions, it is bad for physicians and patients (98 percent).

Physician Recruitment (January Q18-21)

The majority of physicians report their practice has not hired a new physician in the past year (55 percent) and are not planning to hire a new physician (66 percent). Among those who have not and have no plans hire a new physician, 35 percent would if the economic environment was different. Group practice owners, co-owners, or shareholders are most likely to do so (52 percent).

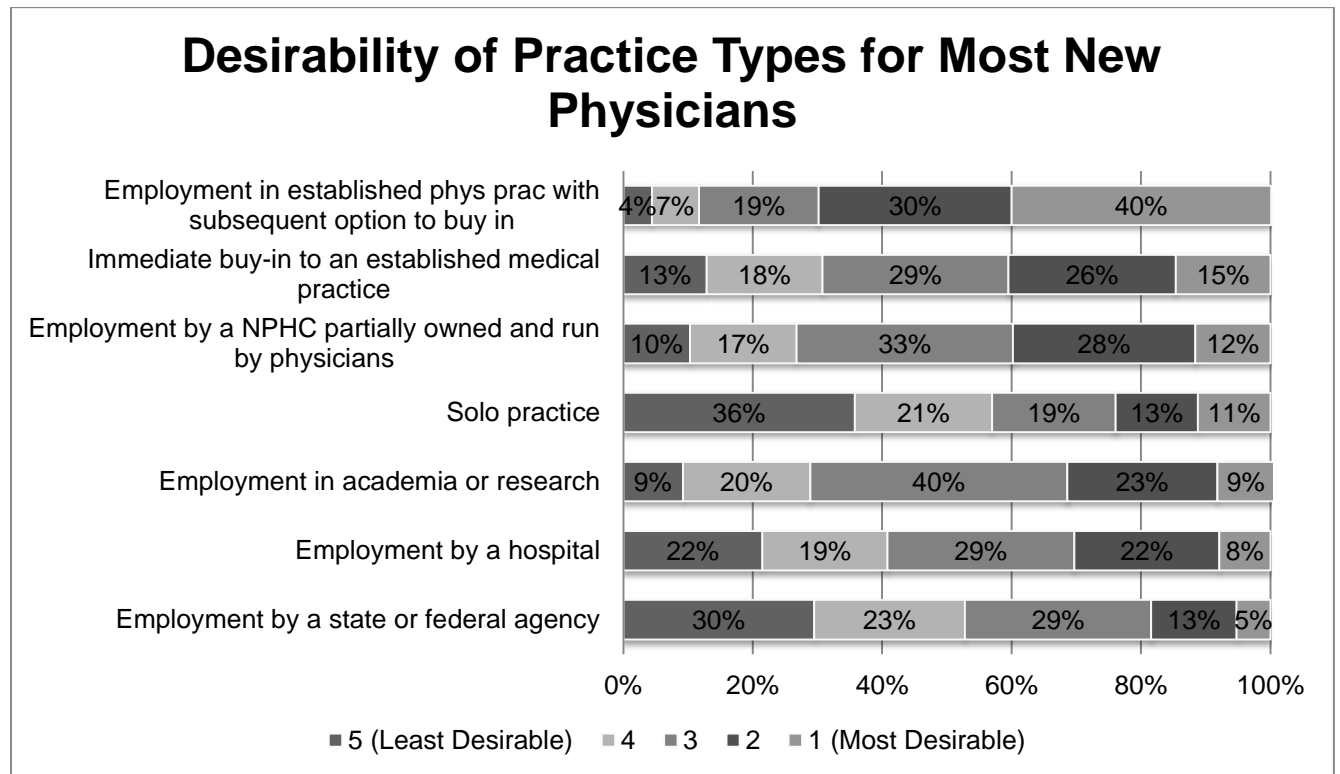


These physicians rank the cost of maintaining an employed physician (76 percent), uncertainty regarding health system reform (74 percent), and Medicare and/or Medicaid fees (67 percent) as very important in their decision not to hire a new physician.

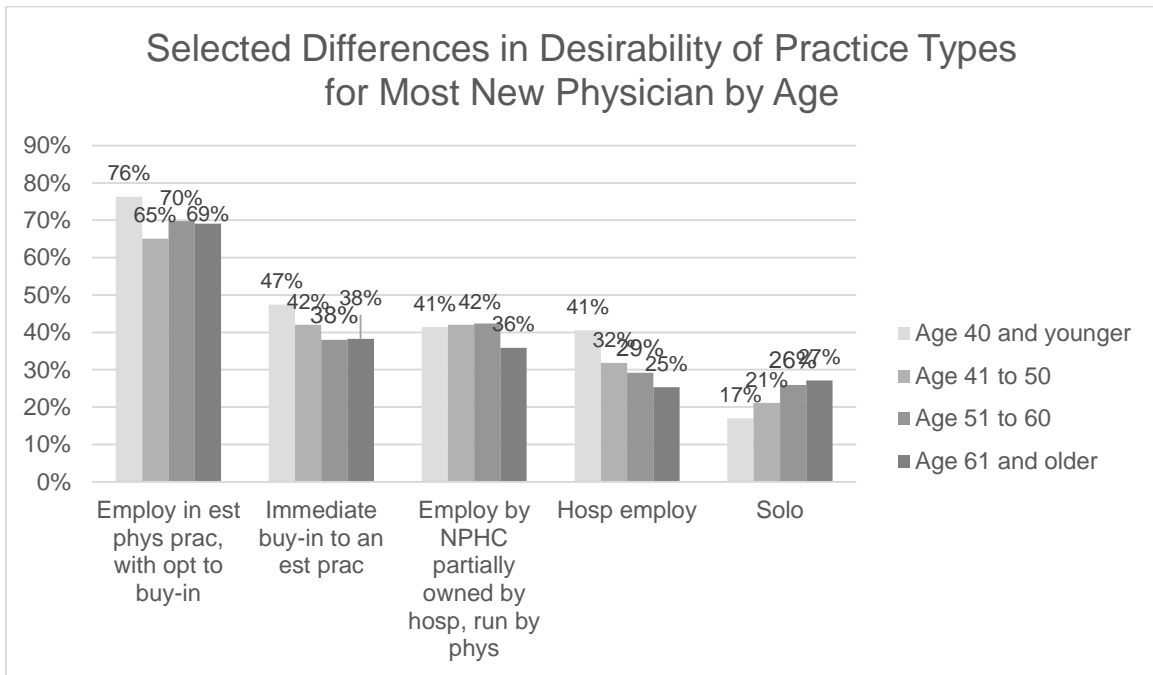


Practice Type Desirability (January Q24)

Seventy percent rate employment in an established physician practice with a subsequent option to buy in to ownership is the first or second most desirable practice type for most new physicians

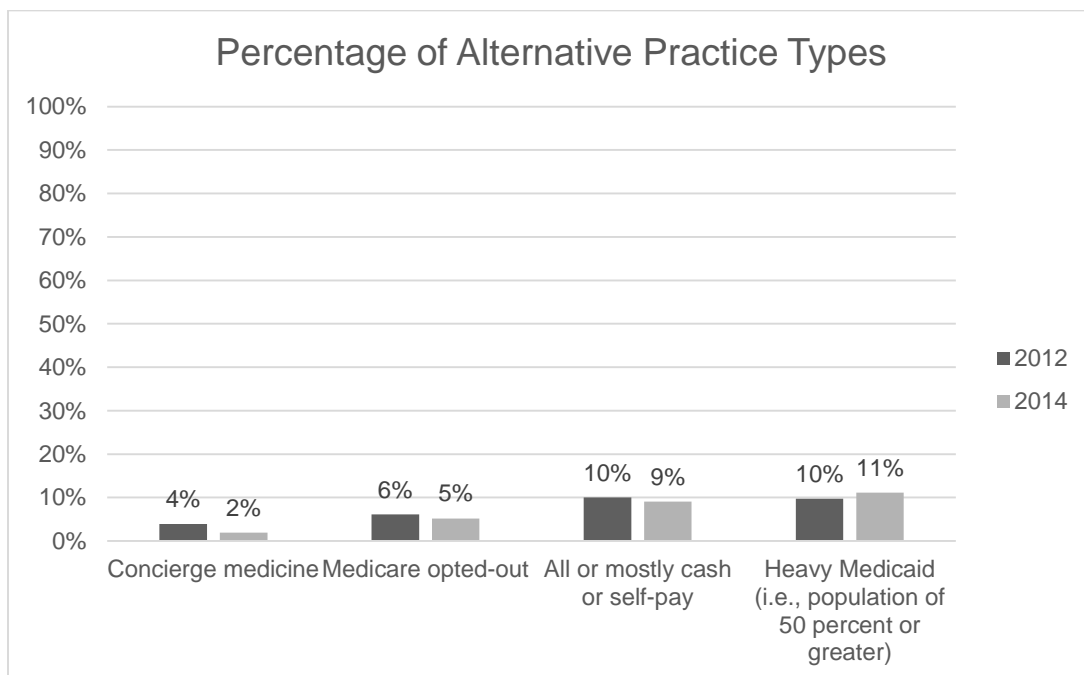


Physicians in the youngest age group are most likely to rank employment in an established physician practice with the option to buy-in is the first or second most desirable practice type (76 percent).



Alternative Practice Types (March Q16)

Although a great deal of attention has been paid to concierge practices in the news, a small percentage of Texas physicians practice this type of medicine (2 percent). Nine percent of physicians report their practice is all or mostly cash.



Physician Demographics

Gender

	<u>1990</u> %	<u>2000</u> %	<u>2002</u> %	<u>2004</u> %	<u>2006</u> %	<u>2008</u> %	<u>2010</u> %	<u>2012</u> %	<u>2014</u> %
Male	89	84	83	84	78	78	75	73	70
Female	11	16	17	16	22	22	25	27	30

Age

	<u>2010</u> %	<u>2012</u> %	<u>2014</u> %
40 and younger	21	19	18
41 to 50	27	23	22
51 to 60	33	32	27
61 and older	19	25	33

Specialty

	<u>2010</u> %	<u>2012</u> %	<u>2014</u> %
Indirect Access	14	15	16
Primary Care	25	26	30
Pediatrics	7	8	10
Obstetrics/Gynecology	7	7	7
Surgical Specialty	13	13	13
Non-surgical Specialty	33	32	24

County

	<u>2010</u> %	<u>2012</u> %	<u>2014</u> %
Bexar	9	8	9
Dallas	13	12	13
Harris	19	17	18
Tarrant	8	6	6
Travis	9	8	9
Rural	6	6	6
Metro	34	41	37
Rio Grande Valley	3	3	2

TMA Membership Status

	<u>2010</u> %	<u>2012</u> %	<u>2014</u> %
Member	87	86	83
Nonmember	13	14	17

APPENDIX — Survey Instrument

Practice Settings - January 2014

1. Do you currently treat patients in active medical practice?

- Yes
- No

If No Is Selected, Then Skip to Please rate the desirability, in your opinion...?

2. Which of the following best describes your primary form of medical practice?

- Group practice owner, co-owner, or shareholder
- Group practice employee
- Hospital employee
- Partnership
- Solo
- Resident
- Teaching, administration, or research
- Other (please specify): _____

Answer If Which of the following best describes your primary form of medical practice? Group practice owner, co-owner, or shareholder is Selected or Which of the following best describes your primary form of medical practice? Group practice employee is Selected or Which of the following best describes your primary form of medical practice? Partnership Is Selected

3. How many physicians are in your group or partnership? (Please enter an approximate number).

4. When you first started medical practice after residency, which of the following best described your primary form of medical practice?

- Group practice owner, co-owner, or shareholder
- Group practice employee
- Hospital employee
- Partnership
- Solo
- Teaching, administration, or research
- Other (please specify): _____
- Not applicable

5. Which of the following best describes the current ownership of your practice?
- Wholly owned by one or more physicians in the practice
 - Wholly owned by a hospital or hospital system including a non-profit health corporation (formerly known as a 5.01[a])
 - Jointly owned between physicians in the practice and a hospital or hospital system including a non-profit health corporation (formerly known as a 5.01[a])
 - Wholly owned by a for-profit organization
 - Wholly owned by a not-for-profit organization
 - Other (please specify): _____
 - I don't know

6. Who has authority for making practice management decisions in your practice?
(Check all that apply).
- One or more physicians in the practice
 - A practice manager/administrator employed by the practice
 - A practice management organization or Physicians Services Organization (PSO) that is not owned by the practice
 - A HMO/Managed care organization
 - A hospital or hospital system
 - A not-for-profit organization
 - Other (please specify): _____

7. Which form of payment comprises the largest part of your personal income?
- A salary paid by my practice (reported on a W-2 form)
 - Contract payments (reported on an IRS 1099)
 - Other form of compensation

8. Is your compensation based on productivity?
- None
 - Some
 - All

9. Does a hospital or non-physician organization own, employ, or provide the following in your practice:

	No	Yes, for less than 2 years	Yes, for more than 2 years
Your office space	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your office equipment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other equipment in your practice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Professional liability insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Support staff	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10. An Integrated Delivery System (IDS) is a network of organizations that provide, coordinate and/or arrange for the provision of a continuum of health care services to consumers that may be built through virtual integration processes encompassing direct ownership, contractual arrangements and strategic alliances. Does this describe your practice?

- Yes
- No

11. Are you in an Accountable Care Organization (ACO) or other clinical co-management arrangement?

- Yes
- No

Answer If Are you in an Accountable Care Organization (ACO) or other clinical co-management arrangement? Yes Is Selected

12. If yes, with who? (Check all that apply).

- A hospital
- Other physicians
- Other (please specify): _____

Answer If Are you in an Accountable Care Organization (ACO) or other clinical co-management arrangement? Yes Is Selected

13. Is your ACO participating in the Medicare shared savings program?

- Yes
- No
- I don't know

14. Are you participating in any alternative payment models (e.g., bundled payments)?

- Yes
- No
- I don't know

15. Do you feel that the structure, policies and relationships of your current medical practice impair your independence in making:

	Not At All	Occasionally	Frequently
Clinical decisions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Practice management decisions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

16. Do you feel you are at risk of losing your independence in clinical decision-making?

- Yes
- No

17. If physicians lose their ability to make independent clinical decisions, do you feel this is bad for:

	No	Yes
Physicians	<input type="radio"/>	<input type="radio"/>
Patients	<input type="radio"/>	<input type="radio"/>

18. Has your practice hired a new physician in the past year?

- Yes
- No

If Yes Is Selected, Then Skip to Have you seen cases where physicians...

19. Is your practice planning to hire a new physician in the next year?

- Yes
- No
- I don't know

If Yes Is Selected, Then Skip to Have you seen cases where physicians...

20. Would you hire a new physician if the economic environment was different?

- Yes
- No
- I don't know

Answer If Would you hire a new physician if the economic environment was different? Yes Is Selected

21. Please rate the following factors on how important they are in your decision not to hire a new physician.

	Not at all Important	Somewhat Unimportant	Somewhat Important	Very Important
Uncertainty regarding Medicare and/or Medicaid fees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Uncertainty regarding health system reform	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Decline in patient demand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recruitment expense	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Few physicians interested in group practice employment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost of maintaining an employed physician	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increasing prevalence of high deductible health plans and patient responsibility	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (please specify):	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

22. Have you seen cases where physicians lost employment, contracts, or hospital privileges because they raised issues about hospital regulatory compliance or patient care quality?

- Yes
- No

23. Are you concerned this could happen to you?

- Yes
- No

24. Please rate the desirability, in your opinion, of the following practice types for most NEW physicians:

	5 (Least Desirable)	4	3	2	1 (Most Desirable)
Solo practice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Immediate buy-in to an established medical practice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employment in an established physician practice, with a subsequent option to buy in to ownership	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employment by a nonprofit health organization partially owned by a hospital and run by physicians	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employment by a hospital	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employment by a state or federal agency	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employment in academia or research	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>