Jan. 11, 2018: Advocacy spotlight on Physicians, payers collaborate on prior-authorization relief

Physicians, payers collaborate on prior-authorization relief

New research details the huge economic impact physicians have across the nation, contributing $2.3 trillion to the national economy and creating nearly 12.6 million jobs.

That wealth of data is contained in the AMA's latest economic impact report, which provides compelling insights into the jobs, revenues and taxes tied to physician productivity. The report (PDF), with in-depth data on all 50 states and the District of Columbia, captures 2015 economic activity of all the nation's nearly 750,000 physicians providing patient care, regardless of whether they are in office- or hospital-based settings. Explore this interactive map of physicians’ impact across the country.

"The positive impact of physicians extends beyond safeguarding the health and welfare of their patients," said AMA President David O. Barbe, MD, MHA. "The AMA's economic impact study illustrates that physicians are strong economic drivers that are woven into their local communities by the commerce and jobs they create. These quality jobs generate taxes to support schools, housing, transportation and other public services in local communities."

Independent researchers at IQVIA, a well-respected research organization, calculated direct benefits as well as indirect benefits, such as all the business-to-business spending—for items like supplies, equipment and lab services. The report also measures the broad downstream economic activity of induced benefits, for example, when a doctor or staff member spends a paycheck at a local business. The study found that nationally:

- Physicians support nearly **12.6 million jobs**. On average, each physician supports more than 17 jobs.
- Physicians create a total of **$2.3 trillion in economic output**, comprising about 13 percent of the total US economy. On average, each physician supports $3.2 million in economic output.
- Physicians contribute more than **$1 trillion in wages and benefits** for all supported jobs. On average, physicians support $1.4 million in total wages and benefits per physician.
- Physicians support **$92.9 billion in state and local tax revenues** – approximately $126 thousand per physician on average.

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"Through the care provided to their patients, physicians can have a positive and lasting impact on the health of their patients and the community as a whole. However, the breadth of a physician’s impact reaches far beyond just the provision of patient care," the study notes. "Physicians also play a vital role in the state and local economies by creating jobs, purchasing goods and services, and supporting state and community public programs through generated tax revenues."

The Economic Impact Study is commissioned by the AMA Advocacy Resource Center as part of its mission to support state and national specialty societies' legislative advocacy work on behalf of physicians. The report gives policymakers concrete evidence demonstrating how their local communities tangibly benefit when they support legislation that helps physician practices thrive.

To learn more about physicians' economic impact in your state, visit PhysiciansEconomicImpact.org. Contact Annalia Michelman in the AMA Advocacy Resource Center with any questions or to receive a toolkit to help you use this resource in your advocacy work. This toolkit includes suggested messaging as well as customizable resources such as infographics, an op-ed template and sample social media content.

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