Physician survey details depth of pandemic’s financial impact

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The U.S. death toll from COVID-19 continues to climb and is likely to worsen as colder temperatures drive Americans indoors and case counts go up. And, while the pandemic appropriately receives much of the nation’s health care focus, Americans’ other chronic and acute medical and behavioral health conditions did not go away.

Many of these conditions, however, went untreated or undetected, resulting in worsening health for patients.

Also threatened is the financial viability of the U.S. health system’s private practice infrastructure. The U.S. Bureau of Labor Statistics reported that by April physician offices lost 286,000 jobs compared to their January levels. Although many of those jobs have been gained back, as of September, employment still remained below its January level.

A new AMA survey about the COVID-19 pandemic’s impact provides a window into the financial pressures physician practices have faced and continue to experience. The survey was conducted online from mid-July through the end of August.

The average number of in-person visits to physician offices fell from 97 per week to 57, according to the survey of 3,500 physicians who provided at least 20 hours of patient care a week prior to the pandemic.

Physicians averaged a 32% drop in revenue since February, the AMA survey shows. About one in five doctors saw revenue drop by 50% or more, while nearly one-third saw declines of between 25% and 49%. Only 19% of physicians reported no drop in revenue.

“Physician practices continue to be under significant financial stress due to reductions in patient volume and revenue, in addition to higher expenses for supplies that are scarce for some physicians” said AMA President Susan R. Bailey, MD. “More economic relief is needed now from Congress as some medical practices contemplate the brink of viability, particularly smaller practices that are facing...
a difficult road to recovery.”

Find out with the AMA about how to keep your physician practice going during COVID-19 pandemic and get in-depth advice from the AMA physician practice financial relief guide.

**Telehealth a help, but not enough**

Telehealth visits helped make up some of this gap. The average physician reported having six weekly telehealth visits in February. This grew to 29 during the height of telehealth use during the pandemic and then fell to 16 at the time of the survey.

Overall, 20% of physicians offered telehealth visits in a typical week in February. This grew to 77% during the height of telehealth use and then slipped to 68% at the time of the survey in July and August.

Physicians who were regularly conducting telehealth visits before the COVID-19 outbreak said they conducted 29 telehealth visits per week in February, 51 during the height of telehealth use and about 31 when surveyed.

Among physicians who were not offering telehealth prior to the pandemic telehealth visits averaged 23 per week at the height of telehealth use and they were still conducting about 12 per week when surveyed.

But even with the additional telehealth visits, physicians on average reported that total visits were down from 101 per week in February to 72 in July and August. More than two-thirds of doctors saw a fall in patient visits over this period, with 10% reporting a drop of 75% or more. Another 11% saw patient visits drop between 50% and 74%.

In an effort to keep our health care workers and patients safe amid the COVID-19 pandemic, the AMA has designed resources to support physicians and practices in expediting the implementation of telemedicine.

**Big jump in PPE costs**
One advantage of telehealth visits is that they allow physicians to conserve their supply of personal protective equipment (PPE), which is becoming a growing practice expense and can be difficult to obtain, according to the survey.

While 15% of physicians surveyed said their PPE spending has stayed the same, 64% said their spending on PPE has gone up—with 19% saying they were unsure. More specifically, nearly 40% of physicians reported that their PPE spending rose by more than half. Another 25% said their PPE expenses increased but by less than 50%. The average increase was 57%.

Across all practice types, 36% of physicians said that acquiring PPE was “very” or “extremely” difficult, though the degree of difficulty is linked to the size of the practice. Difficulty in obtaining PPE was particularly acute for smaller practices who might lack purchasing power or established vendor relationships.

Forty-one percent of physicians in practices of five doctors or fewer said that getting PPE was “very” or “extremely” difficult. The comparable number for physicians in practices of 50 or more doctors was 30%. Forty-three percent of physicians in practices that were physician-owned said that getting PPE was “very” or “extremely” difficult. The comparable number for physicians in hospital- or system-owned practices was 25%.

Learn how the AMA is advocating to end recurring PPE shortages.

These higher expenses combined with the lower revenue coming threaten practice viability.

Physicians in the survey agree that these three major federal reliefs programs were helpful:


While 40% of physicians surveyed said the AAP programs were “extremely” helpful, the initial repayment terms were harsh. But the AMA successfully advocated for longer repayment periods, lower per-claim recoupment amounts and a lower interest rate. The new terms were included in the recent continuing resolution bill that funds government operations through Dec. 11.

And, while the relief programs were helpful and appreciated the core revenue issues these programs were intended to address remain. Economic recovery remains difficult, particularly for smaller practices and, as the survey found, more relief is needed.

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