

COVID-19 has made it worse for already struggling private practices

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Not only do independent physician practices preserve the health and welfare of their patients, but they are also strong economic drivers tightly woven into their communities. However, modern private physician practices continue to face challenges that are often driven by nonmedical issues such as increasing administrative burdens. While these pressures have been mounting for some time, the arrival of SARS-CoV-2, the virus that causes COVID-19, exacerbated the struggles faced by private practices, says a recent article.

Published on the MedCity News website, “How to sustain independent physician practices,” was co-authored by Daphne Li, managing director of business acceleration at Health2047 and chief operating officer for First Mile Care, and Michael Tutty, PhD, MHA, group vice president of Professional Satisfaction and Practice Sustainability at the AMA. The article examines what needs to be changed to enhance sustainability of private physician practices now and beyond the pandemic.

At the November 2020 AMA Special Meeting, delegates voted to establish a formal section for private practice doctors—the AMA Private Practice Physicians Section. Recognized sections in the AMA House of Delegates are interest-based groups that offer members the opportunity to shape AMA policy, increase relevant knowledge and skills and interact with peers with similar interests or backgrounds. [Learn more.](#)

With an August survey showing that 2% of primary care practices have closed and another 2% were considering bankruptcy, there is an increased need for change to address private physician practice sustainability.

Rethinking operational models

“Physicians should be able to work in a health care system that provides opportunities for both employed and independent physicians,” write Li and Tutty. “However, with many employee physicians

facing furloughs and layoffs due to the pandemic's impact on regional hospital and health system patient volumes and revenue, the old truism practicing medicine is recession-proof has given way to the reality that it isn't pandemic-proof."

"Independent physician practice represents an invaluable thread in the fabric of American health care delivery that should be preserved," they note. "But even without the pandemic, continued viability of independent practice business models is long-overdue for redress."

To safeguard the future of private physician practices, health care needs to rethink the operational models to deliver long-term sustainability. This means looking for credible resources that can help increase professional satisfaction while supporting practice sustainability.

For example, with 97% of practices feeling the COVID-19 financial sting, the AMA offers contemporary financial strategies and has been a strong advocate for new federal programs for private practices during the pandemic.

Reducing administrative burden

One of the greatest issues at hand, though, is reducing the administrative burden placed on physicians. That is because there is no sustainable way for an individual doctor to practice medicine and run their own business while also serving in other roles.

"Yet most independent practice requires some or all of those roles to be filled by medical doctors, and the proportion of a doctor's time devoted to the simple joy of practicing medicine is increasingly encroached upon," write Li and Tutty. To overcome this, look to "permanent integration of telehealth and virtualized patient-physician interactions and appropriate billing coding to support it, as well as applying models from other industries to eliminate administrative overhead."

Additionally, government regulators as well as public and private payers "should minimize the administrative burdens placed on physicians, realizing the primary role and major driver of professional satisfaction of physicians is to care for patients," they note.

Discover why relief from administrative burdens must remain after pandemic ends.

Tackling innovation

“Historically, innovation in health care has not always driven efficiencies and savings,” write Li and Tutty. “But physicians are supportive of innovation if it works, provides cost savings or receives proper payment, is not an added liability, and fits into the practice workflow.

This is where help can come from beyond health care. Innovators, big thinkers and other business minds can support through advocacy and solution development to ensure that independent physician practices not only survive, but these doctors can also thrive.

“There are lots of interesting new services and technologies for supporting and streamlining businesses of all sizes but applying them to health care practice should not become one more chore left for independent practitioners to figure out on their own,” write Li and Tutty.

Explore these tips from the AMA on keeping your practice in business during the COVID-19 pandemic.