

Practice owner or employee? Physicians' specialty may tell the tale

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Your medical or surgical specialty is linked to the type of arrangement you choose to practice in, according to the latest AMA survey research.

Though the total percentage of physicians who are practice owners is declining as more doctors are employed by larger physician groups or health systems, some physician specialties—particularly surgical specialists—are more likely than other physicians to have ownership stakes, the research indicates.

The statistics are based on data the AMA collected from 3,500 physicians in the 2020 Physician Practice Benchmark Survey conducted last fall.

The AMA's Physician Practice Benchmark Surveys are nationally representative surveys of post-residency physicians who provide at least 20 hours of patient care per week, are not employed by the federal government, and practice in one of the 50 states or the District of Columbia. The surveys have been conducted every other year since 2012.

The AMA Policy Research Perspectives report, "Recent Changes in Physician Practice Arrangements: Private Practice Dropped to Less Than 50% of Physicians in 2020," shows the share of physicians who are practice owners dropped to 44%.

This marks a drop of almost 10 percentage points from 2012, when 53.2% of doctors were practice owners. The survey also marked the first time that a majority—50.2%—said they were employed physicians.

More than half of family doctors (58.3%) are now employees and 38.4% are owners, while 3.3% are independent contractors.

Also, more than half of pediatricians (57.6%) are now employees, and 39.3% are owners, while 3.1% are independent contractors. Internal medicine subspecialists such as gastroenterologists and endocrinologists are a little more likely to be practice owners—42.7%—compared with 54.8% who are employed and only 2.5% working as independent contractors.

Emergency medicine skews more toward contractual relationships. More than 20% of emergency physicians are independent contractors, 51.6% are employed and only 27.9% are owners.

Employment split in surgery

More than half of general surgeons are employed (52.7%), while 42.7% are owners and 4.7% are contractors. However, surgical subspecialties skew much more toward ownership (61.5%), while 36.2% employed and only 2.3% are independent contractors.

Radiologists skew more toward being owners (54.1%), with 37.4% employed and 8.5% practicing as independent contractors. Nearly half of psychiatrists (47.9%) are employed, while 37.9% own their practices and 14.2% are independent contractors.

It takes astute clinical judgement, effective collaboration with colleagues, and innovative problem-solving to succeed in an independent setting that is often fluid, and the AMA offers the resources and support physicians need to both start and sustain success in private practice.

Learn more about the new AMA Private Practice Physicians Section, which seeks to preserve the freedom, independence and integrity of private practice.