The empirical evidence suggests that the care delivered by doctors working in physician-owned practices is just as good as—if not better than—that delivered by physicians in hospital or health-system-owned clinics.

Yet physician-owned private practices face big challenges and require help from an array of key health care stakeholders to thrive in a mode of practice that allows them the flexibility to provide care that meets their patients’ needs.

That is one finding included in a comprehensive study, “Supporting and Promoting High-Performing Physician-Owned Private Practices: Voices from the Front Lines” (PDF), conducted by researchers from the AMA and Mathematica, an Oakland, California consulting company. They identified several potential allies to doctors in private practice. Each can respond to different needs, the study says.

Health services researchers

To further clarify the value and sustainability of small physician-owned practices, especially in economically and socially marginalized and rural communities, more research is needed. Only a few studies compare these practices with system-owned practices with respect to clinical quality and cost. Meanwhile, researchers found no studies comparing physician-owned and health system-owned practices from the patient perspective.

Professional organizations, ACOs and IPAs
The study indicates there are three entities that can play a positive role for physicians in private practice are professional associations, accountable care organizations (ACOs) and independent physician associations (IPAs). They are well situated to help small and medium-sized physician-owned practices in several ways.

It takes astute clinical judgment, 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.

Physician practices could also benefit from learning how to establish a so-called kitchen cabinet of trusted advisers, comprising, for example, legal, banking, real estate, marketing and other experts. Also, purchasing groups composed of and serving physician-owned practices could facilitate EHR system acquisition and implementation, along with new technology updates and optimal use.

**Medical educators and accreditation organizations**

Two other players in the private practice picture are medical educators and accreditation organizations. Small and medium-sized independent practices are at a disadvantage when recruiting new physicians, the study says, adding that medical students and residents should be exposed to physician private practice during their education and training.

Medical schools, residency programs and community-based physician-owned practices should develop relationships to provide clinical rotations, electives and mentoring experiences for medical students and residents. Federal funding programs for graduate medical education that limit off-campus clinical rotations may need to be revised.

**Policymakers**

Whether they are elected officials or work in the regulatory sphere, policymakers have a significant role to play in shaping the physician-owned practice model's part in the U.S. health care system's future. Policymakers must prioritize efforts to decrease administrative burden on practice.

Primary care could be aided by funding of the Primary Care Extension Program. This federal program, authorized but not funded, is modeled after the U.S. Department of Agriculture’s Cooperative Extension Service, which has successfully spread innovations to farmers throughout the country. The program would employ regional practice improvement consultants who could support and coach practices as they update and use new EHR technology, implement telehealth, and learn to

URL: https://www.ama-assn.org/practice-management/private-practices/7-key-players-boost-future-physicians-private-practice

Copyright 1995 - 2021 American Medical Association. All rights reserved.
function under new payment methodologies.

One struggle that private practice physicians have, as identified in the AMA-Mathematica report, is a sense of isolation from doctors in similar practice situations. The AMA is working to create more networking opportunities to link physicians in private practice with leaders in medical innovation and organizations that generate policy that affects their practices, said Carol Vargo, the AMA’s director of physician practice sustainability and one of the report’s authors.

It appears that many doctors could benefit from a kind of “virtual watercooler” that would serve to “keep them better connected with the key players in the health care community,” Vargo said. “They need more opportunities to work with others and elevate their role in their own communities and the medical community in general.”

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