

Policy Research Perspectives

The Employment of Non-physician Staff by Self-employed Physicians, 2007-2008

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Introduction

This Policy Research Perspective (PRP) provides information on the employment of clinical and administrative staff by physicians who are full or part owners of their medical practice (self-employed physicians). The data are from the 2007-2008 AMA Physician Practice Information survey (PPI), a nationally representative survey of post-resident physicians who provided at least 20 hours of patient care per week. Survey participants were asked about the number of non-physician personnel, including independent contractors, that were employed by their practice and were primarily involved in administrative, secretarial, or clerical activities. They were also asked about the number of employed nurse practitioners, physician assistants, and other clinical personnel who could independently bill, and the number of registered nurses, licensed practical nurses, physicists, lab technicians, x-ray technicians, medical assistants, and other clinical personnel who could not independently bill. In the tables that follow, the responses to those last two questions are combined in the clinical category.

Tables 1 through 3 of this PRP report the median number of employed administrative and clinical staff among all physicians, and among physicians in different sized practices (measured according to the number of physicians in the practice). The median is the number of staff such that 50 percent of physicians have more staff than that, and the other 50 percent have less. Averages are not reported because the staffing distributions are “skewed”—a few physicians work in practices that have an extremely high number of staff. An average in this context doesn’t provide insight into staffing patterns for a typical physician. The tables also show how physicians are distributed across practices with different ranges of non-physician staff.

Tables 4 and 5 look at staffing patterns at the specialty level. Because practice size differs greatly across specialty, and practice size is a factor that affects staffing, here we look at the ratio of non-physician staff to physicians (the number of staff per physician). This acts as a control for practice size when comparing one specialty to another.

Table 1. The Employment of Non-physician Staff by Self-employed Physicians, 2007-2008

	Administrative Staff	Clinical Staff
Median number of staff	4	2
Staffing Range		
No staff	12.1%	28.7%
1 to 2 staff	24.1%	26.5%
3 to 4 staff	19.3%	13.4%
5 to 9 staff	18.2%	14.0%
10 to 19 staff	12.8%	9.2%
20 or more staff	13.5%	8.2%
	100%	100%

Source: 2007-2008 AMA Physician Practice Information survey. The survey included a nationally representative sample of post-resident physicians who provided at least 20 hours of patient care per week. All results are weighted to account for non-response.

- Table 1 reports on non-physician staffing patterns among all self-employed physicians. As the table shows, it is more common for physicians to employ administrative staff than clinical staff. The majority, 88 percent, of self-employed physicians have administrative staff. The median number of administrative staff is 4.
- Seventy-one percent of self-employed physicians employ clinical staff. The median number of clinical staff is 2.

Table 2. The Employment of Administrative Staff by Self-employed Physicians, 2007-2008. Results by Practice Size

	Practice Size				
	Solo practice	2-4 physicians	5-9 physicians	10-24 physicians	25+ physicians
Median number of staff	2	5	12	20	15
Staffing range					
No staff	15.5%	6.8%	8.1%	13.9%	18.5%
1 to 2 staff	42.5%	14.0%	8.1%	11.4%	5.8%
3 to 4 staff	29.9%	19.8%	3.2%	4.7%	9.9%
5 to 9 staff	9.7%	38.4%	18.6%	7.5%	7.3%
10 to 19 staff	1.4%	17.7%	37.0%	11.5%	9.5%
20 or more staff	1.1%	3.3%	25.1%	51.0%	48.9%
	100.0%	100.0%	100.0%	100.0%	100.0%

Source: 2007-2008 AMA Physician Practice Information survey. The survey included a nationally representative sample of post-resident physicians who provided at least 20 hours of patient care per week. All results are weighted to account for non-response.

- Table 2 shows the employment of administrative staff by physicians in different sized medical practices. It suggests that the relationship between the number of employed administrative staff and practice size is complex. Moving across the range from solo practice to practices with between 10 and 24 physicians, the median number of administrative staff increases from 2 to 20. The percentage of physicians with 20 or more employed administrative staff also increases over that range, from about 1 percent to just over half.
- However, the percentage of physicians reporting *no administrative staff* also increases—from 6.8 percent in the smallest groups to 18.5 percent in the largest. Thus, among practices that employ at least some administrative staff, larger practices employ more administrative staff than smaller ones. However, it is also true that as practice size gets larger, that an increasing percentage of self-employed physicians make do without any employed administrative staff at all. While the PPI did not collect any additional information on this topic, we speculate that this may reflect that some very large medical practices outsource their administrative work.
- Three percent of physicians in solo practice have 10 or more administrative staff, a percentage that seems surprisingly high. It is possible that while these physicians provide most of their patient care in a solo practice setting, that they do so as an offshoot of a larger practice, and that the staff they report are with respect to that larger practice.

Table 3. The Employment of Clinical Staff by Self-employed Physicians, 2007-2008. Results by Practice Size

	Practice Size				
	Solo practice	2-4 physicians	5-9 physicians	10-24 physicians	25+ physicians
Median number of staff	1	3	8	9	7
Staffing range					
No staff	40.1%	18.9%	17.0%	25.9%	24.7%
1 to 2 staff	41.5%	24.8%	9.7%	5.7%	10.8%
3 to 4 staff	12.6%	22.7%	10.0%	3.5%	5.6%
5 to 9 staff	4.6%	23.0%	24.1%	15.7%	12.0%
10 to 19 staff	0.9%	8.8%	28.6%	15.0%	8.4%
20 or more staff	0.2%	1.9%	10.7%	34.3%	38.4%
	100.0%	100.0%	100.0%	100.0%	100.0%

Source: 2007-2008 AMA Physician Practice Information survey. The survey included a nationally representative sample of post-resident physicians who provided at least 20 hours of patient care per week. All results are weighted to account for non-response.

- Table 3 reports on the employment of clinical staff by physicians in different sized medical practices. Moving from solo practice to practices with between 10 and 24 physicians, the median number of clinical staff increases from 1 to 9. The percentage of physicians with 20 or more clinical staff increases from about 2 percent in the smallest group practices to near 40 percent in the largest. This makes sense. Larger practices with more physicians require a greater number of clinical staff to work with those physicians.
- However, it is also the case that about one-quarter of physicians the two largest practice size categories employ no clinical staff. In fact, this percentage is larger than in group practices with fewer than 10 physicians. In those smaller practices only about 18 percent of physicians have no clinical staff. A closer look at the underlying data suggests that this is partially driven by specialty differences in practice size. The largest groups tend to be in the specialties of radiology, anesthesiology and emergency medicine. These physicians practice alongside other clinical staff, but those clinicians tend to be hospital staff, not practice employees. Specialty differences are addressed in the next two tables.

Table 4. The Employment of Administrative Staff by Self-employed Physicians, 2007-2008. Results by Specialty

	Ratio of Administrative Staff to Physicians				Total
	No staff	More than 0 to 1:1	More than 1:1 to 2:1	More than 2:1	
All specialties	12.1%	22.7%	22.9%	42.3%	100%
Primary care specialties	8.5%	19.6%	28.2%	43.6%	100%
General & family practice	9.1%	17.9%	22.2%	50.7%	100%
General internal medicine	8.0%	20.9%	28.4%	42.8%	100%
Pediatrics	8.5%	20.3%	37.6%	33.6%	100%
Internal medicine sub-specialties	3.7%	18.6%	24.0%	53.7%	100%
Surgical specialties	3.3%	17.9%	26.6%	52.2%	100%
General surgery	6.2%	26.8%	39.3%	27.7%	100%
Obstetrics & gynecology	2.9%	22.5%	26.0%	48.5%	100%
Other surgical sub-specialties	2.6%	13.1%	23.3%	61.0%	100%
Other specialties	30.1%	33.6%	11.6%	24.7%	100%
Radiology	25.4%	33.8%	14.9%	25.9%	100%
Psychiatry	51.6%	28.1%	6.6%	13.7%	100%
Anesthesiology	36.1%	47.6%	7.5%	8.7%	100%
Pathology	45.3%	37.9%	8.3%	8.6%	100%
Emergency medicine	23.7%	54.0%	4.6%	17.7%	100%
Other specialties	4.0%	16.2%	21.4%	58.4%	100%

Source: 2007-2008 AMA Physician Practice Information survey. The survey included a nationally representative sample of post-resident physicians who provided at least 20 hours of patient care per week. All results are weighted to account for non-response.

- Because of specialty differences in practice size, it is helpful to look at staffing on a per physician basis when comparing non-physician staffing across different specialties. Table 4, which reports on administrative staff, uses this metric. For each specialty and overall, it shows the percentages of physicians that fall in various intervals of administrative to physician staffing ratios, ranging from no administrative staff on the low end, to more than twice as many administrative staff as physicians on the high end.
- Looking first at the results for all specialties, 42 percent of self-employed physicians work in practices where administrative staff outnumber physicians by a ratio of more than two to one. And, as we saw in Table 1, only 12 percent of physicians work in practices with no employed administrative staff.
- The employment of administrative staff differs greatly across specialty. In primary care specialties, 44 percent of self-employed physicians are in practices where there are more than twice as many administrative staff as physicians. Less than 10 percent work in practices with no employed administrative staff. Internists and surgeons have a slightly higher utilization of administrative staff—about 53 percent are in practices with a staff to

physician ratio of more than 2 to 1, and less than 5 percent are in practices with no administrative staff.

- Surgeons outside the areas of general surgery and obstetrics & gynecology have a particularly high level of employment for administrative staff. Sixty-one percent of these surgical sub-specialists work in practices where the ratio of administrative staff to physicians is more than two to one.
- In specialties other than primary care, internal medicine, and surgery, the employment of administrative staff occurs less frequently. About one-quarter of self-employed emergency medicine physicians and radiologists operate their practices without any employed administrative staff. This percentage is even higher among anesthesiologists and pathologists. As mentioned earlier, many of these specialists practice in large groups that may outsource administration.
- More than 50 percent of psychiatrists employ no administrative staff. Rather than being driven by the outsourcing of administration, this appears a function of small practice size—most self-employed psychiatrists are in small groups or solo practice.

Table 5. The Employment of Clinical Staff by Self-employed Physicians, 2007-2008. Results by Specialty

	Ratio of Clinical Staff to Physicians				Total
	No staff	More than 0 to 1:1	More than 1:1 to 2:1	More than 2:1	
All specialties	28.5%	30.3%	20.9%	20.3%	100%
Primary care specialties	22.6%	31.1%	29.8%	16.5%	100%
General & family practice	18.5%	27.2%	32.3%	22.0%	100%
General internal medicine	29.1%	32.7%	27.7%	10.5%	100%
Pediatrics	18.8%	34.6%	29.2%	17.4%	100%
Internal medicine sub-specialties	21.9%	31.8%	18.4%	27.9%	100%
Surgical specialties	15.9%	35.8%	23.6%	24.7%	100%
General surgery	26.7%	54.2%	13.0%	6.1%	100%
Obstetrics & gynecology	3.8%	36.4%	28.8	31.0%	100%
Other surgical sub-specialties	18.7%	30.1%	24.1%	27.1%	100%
Other specialties	52.5%	22.9%	7.3%	17.3%	100%
Radiology	47.6%	32.0%	2.5%	17.9%	100%
Psychiatry	87.9%	6.5%	0.0%	5.6%	100%
Anesthesiology	44.7%	24.5%	12.5%	18.3%	100%
Pathology	51.4%	32.3%	5.6%	10.7%	100%
Emergency medicine	44.3%	33.5%	9.3%	12.9%	100%
Other specialties	30.6%	24.1%	13.8%	31.5%	100%

Source: 2007-2008 AMA Physician Practice Information survey. The survey included a nationally representative sample of post-resident physicians who provided at least 20 hours of patient care per week. All results are weighted to account for non-response. Note: The percentage of physicians with no administrative staff (28.5 percent) is slightly different than in Table 1 (28.7 percent). A few physicians who answered the staffing questions did not report practice size (number of physicians in the practice). They are not included in Table 5.

- Table 5 reports on the employment of clinical staff by self-employed physicians in various specialties. The metric used is the number of clinical staff per physician. As we saw in Table 1, including all specialties, more than 70 percent of self-employed physicians employ some clinical staff in their practice. Forty-one percent employ more clinical staff in their practice than there are physicians in their practice.
- More than three-quarters of self-employed physicians in primary care, medical specialties, and surgical specialties employ at least some clinical staff. This percentage is highest among obstetricians/gynecologists. Ninety-six percent of physicians in that specialty employ clinical staff.
- In contrast, less than 50 percent of physicians in the combined "other specialties" category employ clinical staff. Although these specialists own their own practices, many provide patient care in a hospital setting. The clinicians they work with are hospital staff.

Summary

Most self-employed physicians rely on the help of employed administrative and clinical staff in the operation of their medical practice. Based on data from the AMA 2007-2008 Physician Practice Information survey, 88 percent of physicians employ administrative staff, and 71 percent employ non-physician clinical staff. Even among physicians in solo practice, 84 percent have some administrative staff and 42 percent employ more than two staff in that capacity. Forty-two percent of self-employed physicians own practices where there are more than twice as many employed administrative staff as there are physicians.

Larger practices employ a greater number of administrative staff than smaller practices. The median number of administrative staff rises from two among physicians in solo practice to 20 among physicians in groups with between 10 and 24 physicians. Physicians in practices with 25 or more physicians report fewer administrative staff, suggesting that they outsource administration.

For clinical staff, the median increases from 1 among physicians in solo practice to 9 among physicians in practices with between 10 and 24 physicians. That notwithstanding, the percentage of physicians without any clinical staff is larger for physicians in groups with 10 or more physicians than it is among physicians in groups smaller than that. This reflects specialty differences in practice size—large groups tend to consist of physicians in specialties that provide most of their patient care in a hospital setting. While those physicians work with clinical staff, they don't employ them.

Among self-employed primary care physicians, internal medical subspecialists, and surgeons, more than 90 percent employ at least some administrative staff in their practices. The employment of administrative staff occurred less frequently in other specialties. At the low end, less than 50 percent of psychiatrists have employed administrative staff.

Among self-employed primary care physicians, internal medicine subspecialists, and surgeons, more than three-quarters employ at least some clinical staff. This percentage is highest among obstetricians/gynecologists (97 percent). In contrast, among physicians in the combined other specialties category, less than half have clinical staff employees.