

AMERICAN MEDICAL ASSOCIATION HOUSE OF DELEGATES

Resolution: (Assigned by HOD)
(A-25)

Introduced by: Private Practice Physicians Section

Subject: Root Cause Analysis of the Causes of the Decline of Private Medical Practice

Referred to: Reference Committee (Assigned by HOD)

1 Whereas, the percent of physicians who are working in a private practice in the United States
2 has dramatically declined in the past 50 years; and

4 Whereas, many physicians who were in private practice and ultimately went out of business and
5 took an employed job did so against their wishes; and

7 Whereas, a greater ability to work independently would be critical for the ability of employed
8 physicians to negotiate an acceptable contract for their services; and

10 Whereas, there are certain likely key factors to this decline in the ability of medical professionals
11 to work independently and understanding such factors would be critical in any effort to reverse
12 such processes; and

14 Whereas, such root causes likely include at least the following factors:

- 15 1) The declining inflation-adjusted Medicare rates
- 16 2) Stark laws, which allow hospitals, but not private physicians, to self-refer
- 17 3) The development of insurance plans that had no out-of-network benefits
- 18 4) The permitted consolidation of insurers and hospitals
- 19 5) Hospital-insurer agreements with minimal in-network fee requirement and other
20 conditions such as the requirement for high hospital technical fees
- 21 6) Increased government influence by insurers and hospitals and decreased influence by
22 doctors;

23 and

25 Whereas there may be other factors as well; therefore be it

27 RESOLVED, that our American Medical Association study and report back on the root cause of
28 the decline in private practice to include consideration of at least the following factors:

- 29 1) The declining inflation-adjusted Medicare rates
- 30 2) Stark laws, which allow hospitals, but not private physicians, to self-refer
- 31 3) The development of insurance plans that had no out-of-network benefits
- 32 4) The permitted consolidation of insurers and hospitals
- 33 5) Hospital-insurer agreements with minimal in-network fee requirement and other
34 conditions such as the requirement for high hospital technical fees
- 35 6) Increased government influence by insurers and hospitals and decreased influence by
36 doctors

37 (Directive to Take Action)

38 Fiscal Note: (Assigned by HOD)

Received:

RELEVANT AMA POLICY

N/A