The growing shift from private practice to hospital employment by Deepak Rupnar

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There seems to be something really interesting as far as the shift from private practice to hospital based employment recently:

A consistent 2% annual decline in private practicing by physicians, which is expected to be at 5% annually by 2013

An upsurge in hospital employment accounting for nearly 51% of the physicians employed last year, which is up from 14% percent eight years ago

Judging by the current trend, the U.S. will have only one-third of the total physicians left in the private or solo-practices.

The radical shift has not come about naturally. The proposed cuts to the Medicare physician fee schedule conversion factor, the additional bundling of specialty procedure codes, the challenges associated with EHR implementation, and the monumental shift to ICD-10 have all been instrumental in forcing physicians to hospitals, which are deemed to be safe haven for off-loading administrative challenges. Moreover, hospitals themselves are also eager to acquire physician practices in an effort to provide integrated â€œone-stop serviceâ€• for patients, reduce market competition firm up referral sources, and benefit from the higher revenues garnered by many specialties, such as gastroenterology, neurosurgery, and cardiology, among others.

While the trend is likely to continue, there is also a growing apprehension that such rampant realignment would pave way for:

Eventually rise in medical cost owing to induced monopoly

Extinct of solo-practices, which still are indispensable in remote areas devoid of access to hospital care

Restrict physiciansâ€™ entrepreneurial capabilities

Piling up medical billing and coding task

Excessive financial burden initially for hospital management

In the wake of these perceived apprehensions and the failure of physician employment initiatives in the 1990s, industry experts are uncertain the future of this current trend which is still evolving around by changes in reimbursement and regulatory reform. While physicians are justified in their decision to be on a wiser side, they need not lose heart in private or solo-practices, which have withstood many such challenges in the past. Moreover, private or practice offer physicians many benefits, such as:

Incentive to learn HR, marketing, finance, IT, contract negotiation, revenue cycle management & facility management

Being in control of oneself

Being in control of decision-making that can lend their practices brand mileage in the competitive

market.

Drawn between these extremes, one feels that there should be a balanced growth that can positively contribute to the nationâ€™s macro healthcare

strategy: optimizing healthcare delivery through controlled medical expenditure. And, when it comes to playing a catalyst role in this regard, none is better equipped than medical billers and coders, who have always been the pillars of strength for physicians. While hospitals, by virtue of their financial strength, can easily opt for outsourcing the whole of their Medical Billing Practices from credible sources, private or solo practices need not lose heart as they can still survive the test through economy services in EMR/EHR implementation, professional Revenue Cycle Management, better denial management, and error-free medical billing and coding. Medicalbillersandcoders.com (www.medicalbillersandcoders.com) â€“ by virtue of being the largest consortium of medical billers and coders across the U.S. â€“ is capable of addressing the duality of the situation through professional competence in clinical and operational management practices.

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