Medical divide: Doctors debate private practice versus hospital employment

By: Dawn Ouellette Nixon
May 3, 2019 2:01 pm

And many are choosing larger systems. The share of independent doctors has fallen nationwide from 48 percent in 2012 to 31 percent today, according to the American Society of Independent Doctors.

Those who remain independent face financial challenges, but they also enjoy their freedom. And they believe that as big health networks get bigger, quality of care goes down, access to care is limited, and doctors feel less satisfied.

Doctors who join health networks argue that they can spend more time practicing medicine – and polishing their skills – and less time on administrative duties. Larger systems, they note, also have the resources to invest in cutting-edge treatments.

Pressure to join is strong

Independent doctors feel the financial pressure, said Marni Jameson Carey, executive director of the Association of Independent Doctors.

“The large health networks are able to carry the financial weight of practicing medicine in ways that the private practice doctors cannot,” she said. “The big hospitals negotiate discounts on utilities and other overhead costs.”

The calculations make it hard for independent doctors to resist the pressure to join a large health network. When matched with the decline in patient referrals because they are not “in network,” it becomes hard for independent physicians to survive.

A survey of 900 independent doctors by the association in February indicated that it is difficult for physicians in private practice to compete for market share.

“They cannot compete with the marketing dollars of the hospitals,” Carey said.

More practice, less busywork

For a former physician-in-chief at Lehigh Valley Health Center, working within a larger health system has allowed him to divest himself from the business side of medicine.

“I’ve worked in academics, I’ve been in private practice, and I’ve been hospital employed,” said Dr. Raymond Singer, chief of cardiac surgery at Einstein Medical Center Montgomery in Norristown and former physician-in-chief at the Special Surgery
Institute of Lehigh Valley Health Network.

“I understand why physicians are drawn to independent practice. Physicians by nature are independent people,” he said. “We are highly motivated and driven to call our own shots, but what we really want to do is practice medicine. Employment with a large health network allows us to focus less on the business side of medicine and more on taking care of patients.”

Singer said that for employed physicians, the time they have for patients is not bogged down with the duties of running a business, from staffing to ordering pens and paper. Malpractice insurance costs also are a deterrent.

“The large hospitals are self-insured,” he said. “Malpractice insurance can be an enormous cost for independent physicians.”

The efforts by large networks to provide improved quality care and decrease risks are also advantages, Singer said.

“Everyone is aligned on the same team,” he said. “I sit with my colleagues and come up with clinical pathways that make for the best practices. It’s not been my experience that the big hospitals are the ‘bad guys.’ The CEOs of the big health networks want to provide the best practice for the patient.”

Some independent physicians say that employed doctors do not have the room to be innovative, Singer said. However, he maintains that large health networks allow for revolutionary medicine.

He names the TAVR or transcatheter aortic valve replacement, a minimally invasive procedure that does not require open heart surgery, as an example. This cutting-edge treatment was performed by his team at Lehigh Valley Health Network before most other hospitals in the nation.

**Independence has strong pull**

Yet for local doctors who decide to remain independent, the choice is worth it.

“I’ve been in practice for over 30 years and I would not trade my independence,” said Dr. Anthony Dippolito, a colorectal surgeon with a private practice in Allentown. “I make less money than the employed doctors but I make my own decisions. I don’t have to punch a time clock.”

Dippolito takes pride in being able to make decisions based on what he sees is best, not what the rules and regulations of a large hospital or health network might demand.

“I have no allegiance to a hospital and can send my patients to the best testing center for their needs,” he said.
Dr. Raja Abbas, a psychiatrist and founder of the independent Ethos Clinic, with campuses in Emmaus, Lehighton and Bethlehem, also values his freedom.

“I choose my own hours, and how much time I will spend with each patient,” he said. “I set my schedule, no one else. The sense of entrepreneurship is satisfying. I can practice the way I want, which allows me to be more pioneering. It’s liberating.”

Abbas believes that it is in the patient’s best interest for there to be more independent doctors.

“Patients should have a choice,” he said. “I don’t mind competition from other physicians. If I’m doing the right thing, the patients will come.”