In healthcare, why do talkers earn more than doers





By Joseph E. Scherger, MD, MPH June 19, 2019

Med Ec Blog

When I entered medical practice in 1978, a hospital administrator earned about what I did as a family physician. Administrators did not earn what surgeons or other procedural specialists did. All that has changed. Hospital administrators are now called CEOS and a "C suite" of other executives has grown to manage health systems. As Marni Jameson Carey pointed out in her April 25, 2019 First Take article, CEO compensation has grown much faster than that of physicians, now to the level of five times more than an orthopedic surgeon.

Here I define a "talker" as someone who does not care for patients, but rather spends their days talking about healthcare. A "doer" is someone who cares for patients, including physicians, nurses, physician assistants, nurse practitioners, pharmacists, and various therapists. The \$3.7 trillion healthcare industry comes from caring for patients. Only the doers generate that revenue. The doers generate the money that supports the talkers. Yet the talkers seem to have all the power to set their income levels and that of the doers.

During my 40 years of medical practice, the number of talkers in healthcare has exploded. In addition to any health system loaded with various administrators, there is the complex industry of health insurance plans, consultants, pharma, and medical devices. A whole new industry of talkers has recently been developed, the coders making sure the documentation for billing is correct to collect the money. Elizabeth Rosenthal, MD, calls all these high cost activities "an American sickness" in her book by the same name.

Twenty years ago I was part of a not-for-profit health system that started to lose money. Managed care had flushed out a lot of "waste" in the health industry and cut revenues to a bare bones level. The health system responded by laying off a large number of talkers. The doers were considered essential and were kept. Many

of the talkers slowly returned as the system became profitable again. There seems to be more talkers today than ever before.

Less than a year ago I gave up administration and went from being a half time talker and half time doer to being a full time doer. My base income went down 30%. As a full time doer I am working harder and am clearly doing more good for patient care. My professional satisfaction is way up.

As a veteran doer providing primary care to a group of patients, often frustrated by the talkers getting in the way, I long for a time of reckoning when we realize we cannot afford a multi-trillion-dollar healthcare industry. My hope is that we will get back to the basics of good patient care. Eric Topol, MD, sees that potential happening in his new book, Deep Medicine. In Topol's vision, computers with intelligence will replace many of the talkers and will support the doers to focus on deep relationships with patients. Short of climate Armageddon, we will not go back in time to a simpler age. Rather optimistically, healthcare like other industries benefitting from new technology, may become much more efficient and user friendly for patients and their caregiving doers.

When I meet college students looking for a career in healthcare, I encourage them to become doers rather than talkers. That is not to say that healthcare administration is a bad thing, just that the United States is flush with such talkers and job security is not guaranteed. Caring for patients has its deep rewards and will always be necessary, no matter what happens to the economy and society at large.

In the end, the doers will earn more than the talkers—and I'm not just talking about money.

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