

Survey of Texas Physicians March 2016

Research Findings



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TMA March 2016 Physician Survey

Every two years, the Texas Medical Association conducts a survey of Texas physicians to identify emerging issues, track the impact of practice and economic changes, assess physician priorities, and develop data to support TMA advocacy efforts. The following results are based on an email survey conducted in March of 2016.

Summary of Findings

Biggest Challenge (March Question 1)

In an open-ended question, respondents were asked to identify the biggest challenge currently facing Texas physicians. The first-mentioned response was analyzed to determine the top-of-the-mind concern. The top concerns for physicians were low and declining payment (19 percent); the squeeze between decreasing payments and increasing practice expenses, severe enough to threaten the economic survival of their practice (4 percent); and changes in and uncertainty over value-based payment (2 percent).

An increasing percentage of physicians were overwhelmed with the administrative burdens in practice including increasing rules and regulations (17 percent). Ten percent of physicians specified intrusion in medical practice by third-parties, particularly insurers and government. Eight percent of physicians' specified dealing with managed care and insurers was the biggest challenge, including difficulty with contract negotiations that would worsen with the proposed health plan mergers. For 5 percent of physicians, the consolidation of health practices and threats to the ban on the corporate practice of medicine remained a top concern. These physicians worried solo and small group physicians can't afford increasing overhead and will be forced to sell their practice to larger groups and to hospitals or health care systems.

<i>Biggest Challenge</i>									
	<u>2000</u>	<u>2002</u>	<u>2004</u>	<u>2006</u>	<u>2008</u>	<u>2010</u>	<u>2012</u>	<u>2014</u>	<u>2016</u>
	%	%	%	%	%	%	%	%	%
Low/Declining pay	15	32	28	31	43	33	38	21	19
Admin burden								12	17
Third-party interference	2	9	6	7	5	11	15	10	10
Managed care/insurers	44	16	9	9	7	2	2	3	8
Quality/Access	4	4	4	7	2	4	4	6	7
Reform/ACA	<1	3	<1	3	2	18	11	16	5
Corporate practice								6	5

Health IT							2	7	4
Economic survival	<1	3	9	13	15	16	12	7	4
Uninsured/Underinsured	3	2	6	11	10	5	5	3	4
Balance billing/narrow networks									3
Uncertain reimbursement									2
Scope of practice							2	1	2
Physician supply	2	2	3	3	2	3	1	1	2
Morale									1
Texas Medical Board					2	0	1	1	1
Liability	6	25	33	5	4	2	1	1	1
Other	5	3	2	6	8	5	6	6	6

Quality and access to care were a top concern for 7 percent of physicians. Access to care concerns often were referenced with regards to insured patients who lacked adequate and affordable coverage including prescription drug coverage. An additional 4 percent of physicians mentioned the uninsured or underinsured (i.e., patients covered by government payers.) Three percent of physicians' specified balance billing concerns and insurer's narrow networks, which further decreased access and quality of care for patients.

Five percent of physicians reported the Affordable Care Act continued to be a challenge for physicians. Some physicians paired comments about the ACA with frustration because the state did not expand Medicaid while others paired comments about the ACA with fear that the state yet may do so.

Health information technology decreased as a top-of-the-mind concern now that ICD-10 has been implemented. However, EHRs continued to be a source of frustration for 4 percent of physicians, who reported they were time consuming, detrimental to patient care, and increasing practice overhead.

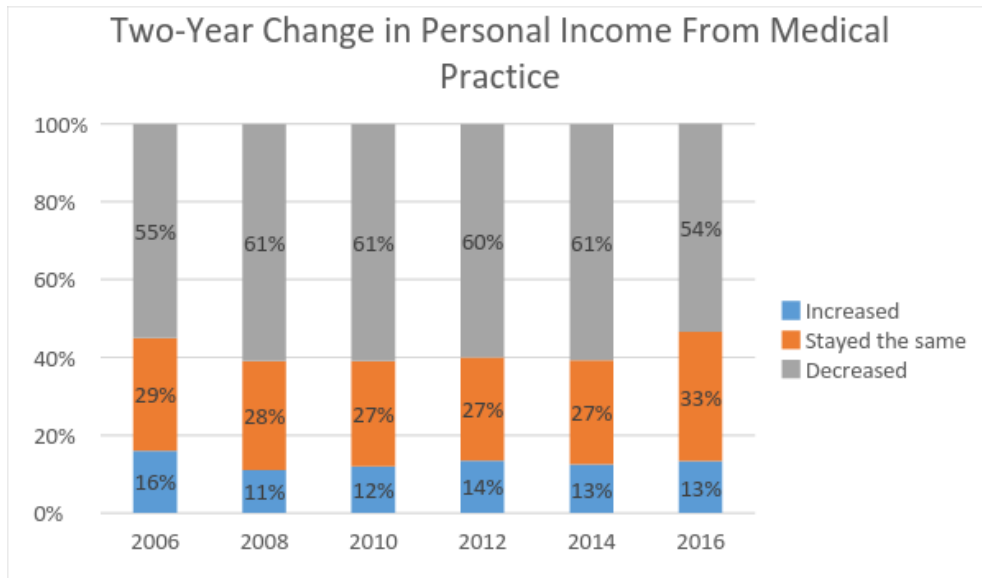
One percent of physicians were concerned about scope-of-practice expansions. These physicians were concerned payers were using midlevel practitioners in place of physicians to save on costs at the expense of care quality. One percent of physicians were concerned about physician supply. While comments regarding a physician workforce shortage were frequently paired with concerns about specific specialties or geographic areas, some comments expressed a concern these shortages would be exacerbated in the current environment of rules, regulations, intrusion in medical practice, and uncertainty over payment.

One percent of physicians' reported burnout and low morale.

One percent of physicians continued to report threats to overturn liability reform and an overreaching Texas Medical Board were a top concern. Other concerns included the economy, health care costs, politics, and public health issues (e.g., obesity and dealing with emerging viruses).

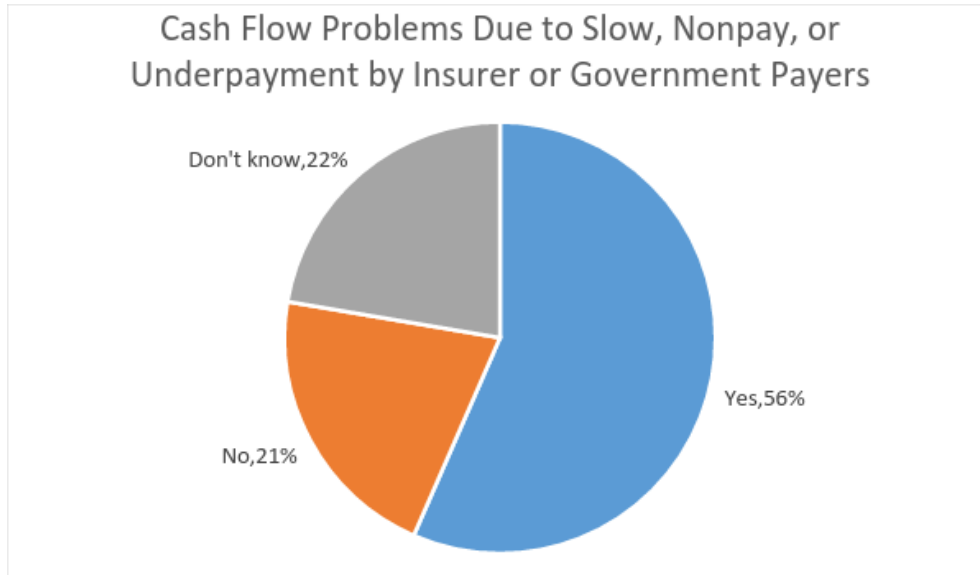
Physician Income (March Question 3)

For the sixth biennial period, a majority of physicians saw their income from medical practice decrease (54 percent).



Cash Flow Problems (March Question 4)

Fifty-seven percent of physicians reported their practice experienced cash flow problems due to slow payment, nonpayment, or underpayment of claims by insurer or government payers.



Response to Cash Flow Problems (March Question 5)

In response to cash flow problems, physicians reduced their own or other physician compensation (54 percent).

<i>Response to Cash Flow Problems</i>	200	200	200	200	201	201	201	201
	2	4	6	8	0	2	4	6
	%	%	%	%	%	%	%	%
Reduce physician compensation/benefits								54
Reduce staff/hours/benefits					33	27	44	35
Draw from personal funds	46	68	39	33	51	52	40	31
Terminate/Renegotiate plan contracts					23	21	27	23
Reduce services to gov't payers					20	28	27	19
Secure commercial loans	33	46	32	22	33	26	23	17
Close/Sell practice					5	4	8	9
Other					19	17	14	7

Acceptance of New Patients (March Question 6-7)

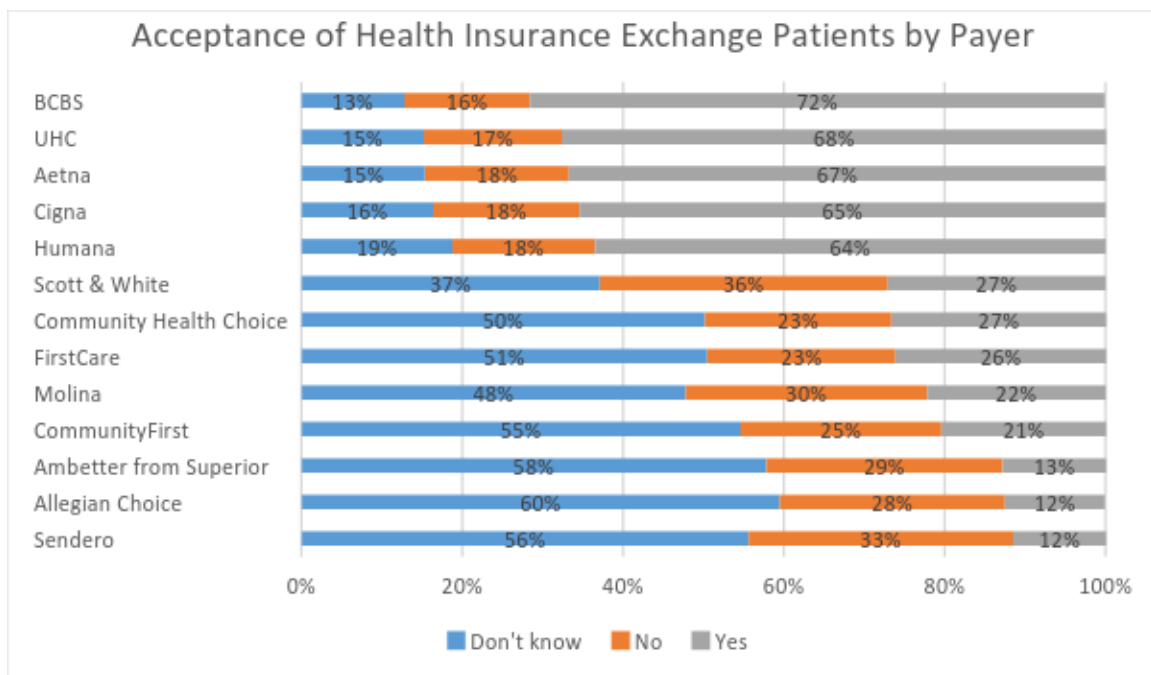
Ninety-three percent of physicians indicated their practice is accepting new patients. Physicians who were accepting new patients were asked about their specific policies towards new patients covered by various payers. The results are reported as percentages of the physicians whose practices were not closed to new patients.

	2014			2016		
	<u>Accept</u>	<u>Decline</u>	<u>Limit</u>	<u>Accept</u>	<u>Decline</u>	<u>Limit</u>
	%	%	%	%	%	%
PPOs	78	5	16	82	5	12

Uninsured	68	4	28	70	5	25
Medicare	63	18	19	65	18	18
The military health care plan, TRICARE	64	19	17	63	20	18
HMOs	50	21	29	56	16	29
Medicare-Medicaid dual-eligible	47	33	20	50	31	19
Medicare Advantage plans	43	27	31	48	25	27
Medicaid				37	39	24
ACA exchange plans				41	38	21
CHIP				31	30	
Workers' compensation	36	49	15	40	46	14
	28	59	13	34	55	12

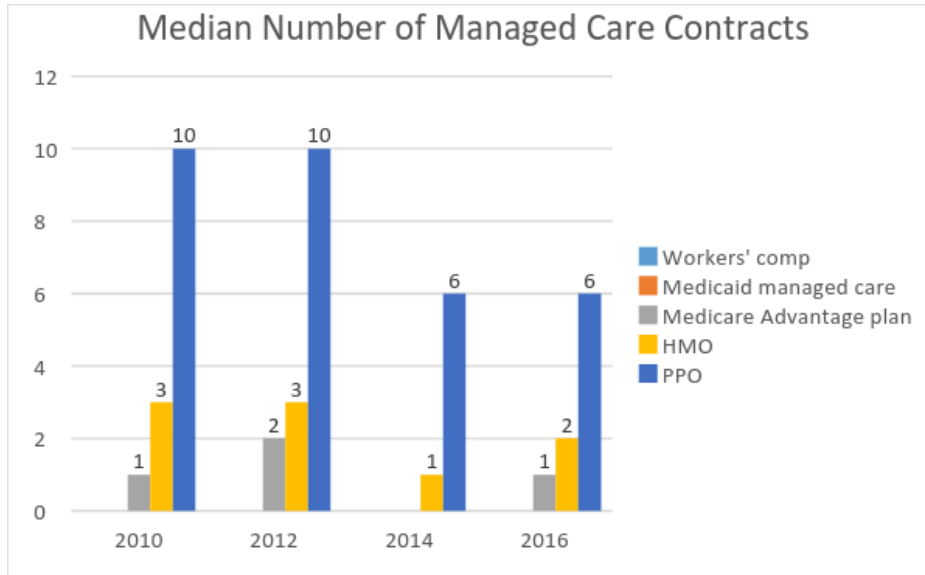
Acceptance of Health Insurance Exchange Patients (March Question 8)

Physicians were asked about their specific policies towards health insurance exchange patients covered by various payers. The majority of physicians accepted health insurance exchange patients covered by the five major payers.



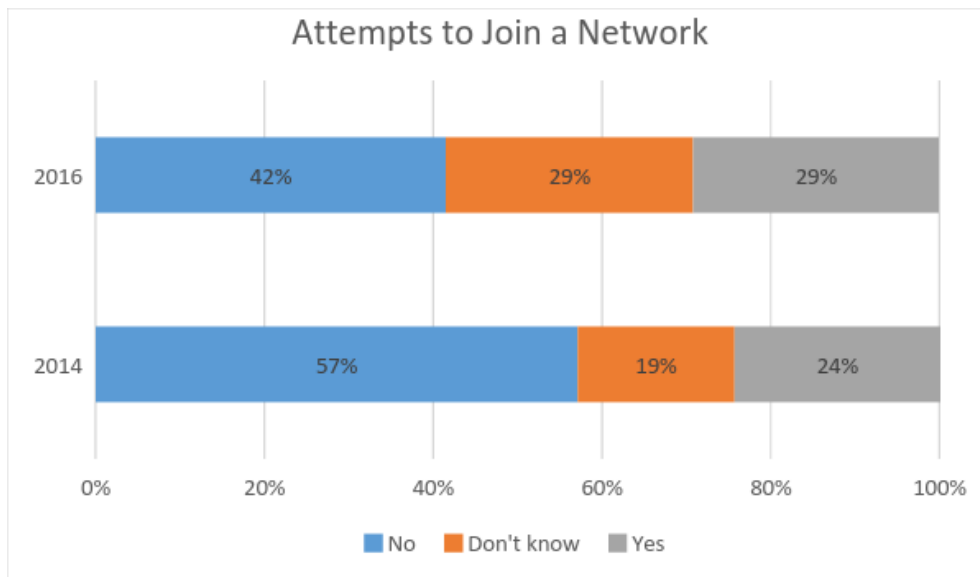
Managed Care Contracts (March Question 9)

Respondents had a median of six PPO contracts and two HMO contracts.



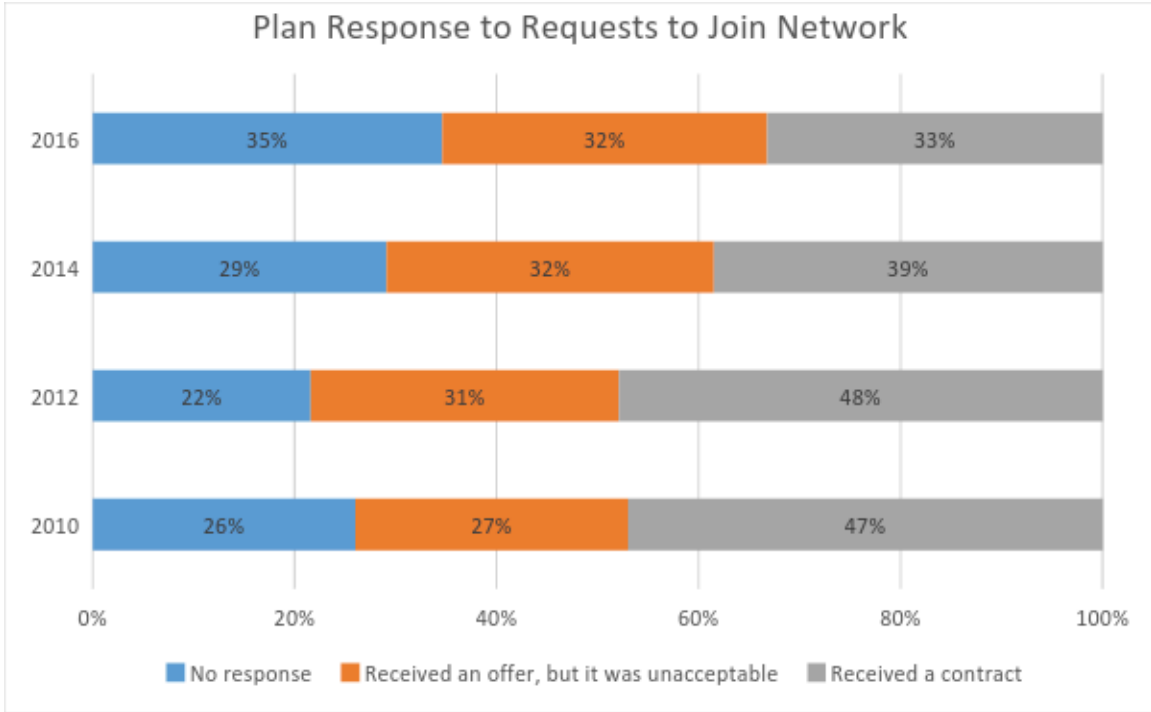
Physician Attempts to Join a Network (March Question 10)

An increasing percentage of physicians approached a plan with which they are not contracted with in an attempt to join its network in the past two years (29 percent).



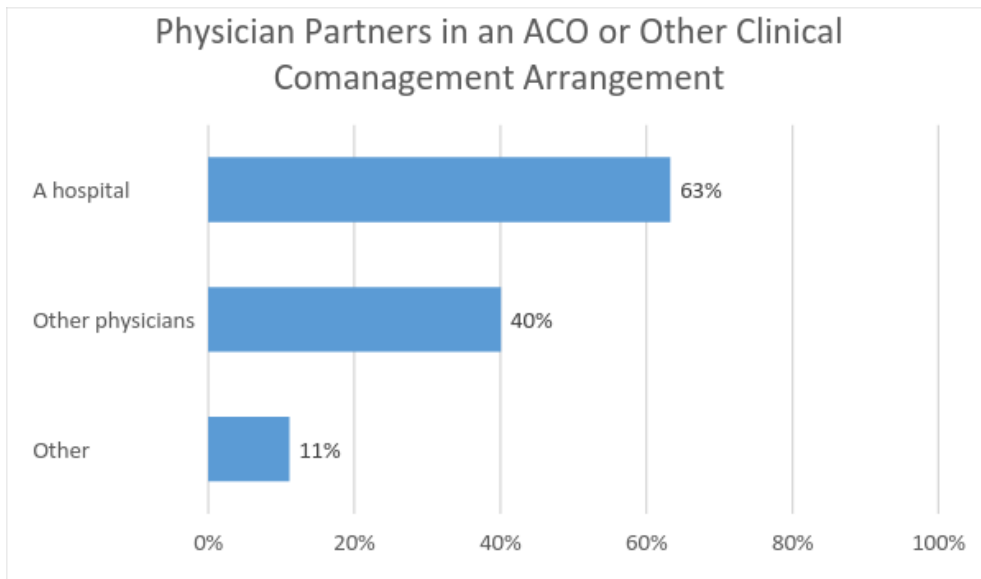
Outcome of Attempt to Join a Network (March Question 11)

Among physicians who approached a plan in an attempt to join its network, 35 percent received no response from the plan (up from 29 percent in 2014 and 22 percent in 2012).

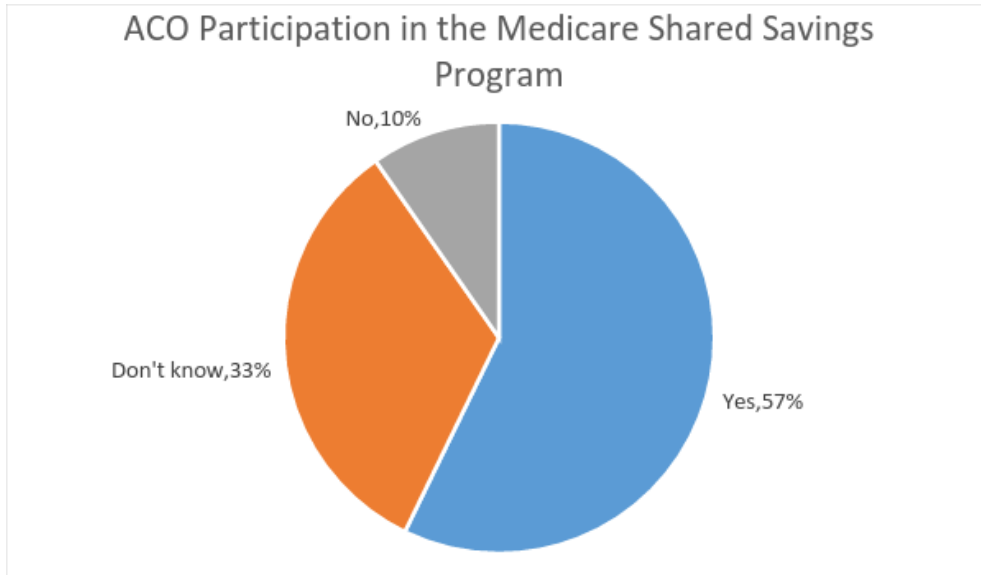


Accountable Care Organizations (March Question 12-16)

Twenty-eight percent of physicians practiced in an accountable care organization (ACO) or other clinical co-management arrangement, primarily with a hospital (63 percent).



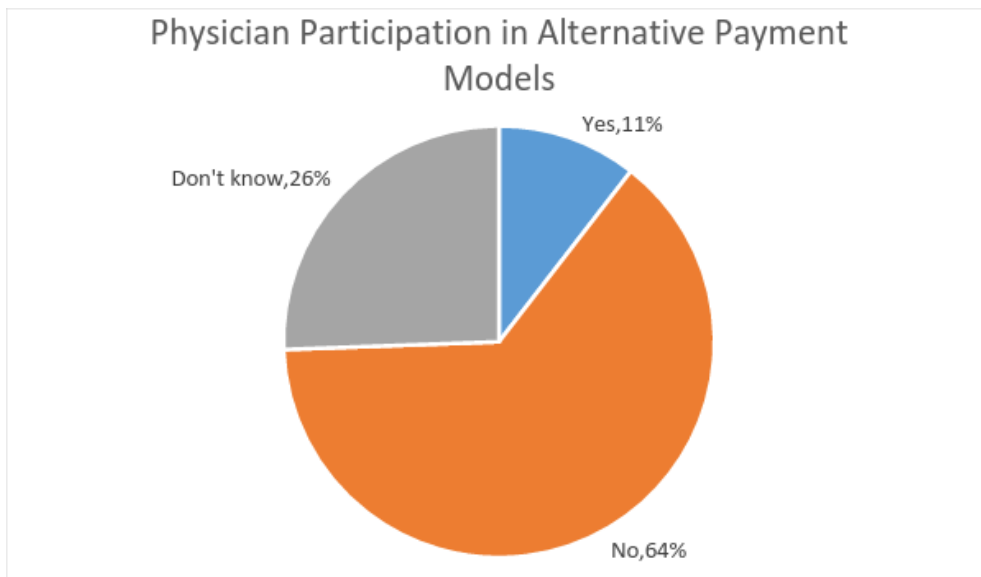
Among physicians who participated in an ACO, 57 percent reported their ACO was in the Medicare Shared Savings Program.



Among physicians not in an ACO, 47 percent reported there was an ACO in their area and it had no effect (74 percent) or a negative effect (24 percent) on their practice. Physicians who reported a negative effect described a loss of referrals, patients, and restricted networks.

Alternative Payment Models (March Question 17)

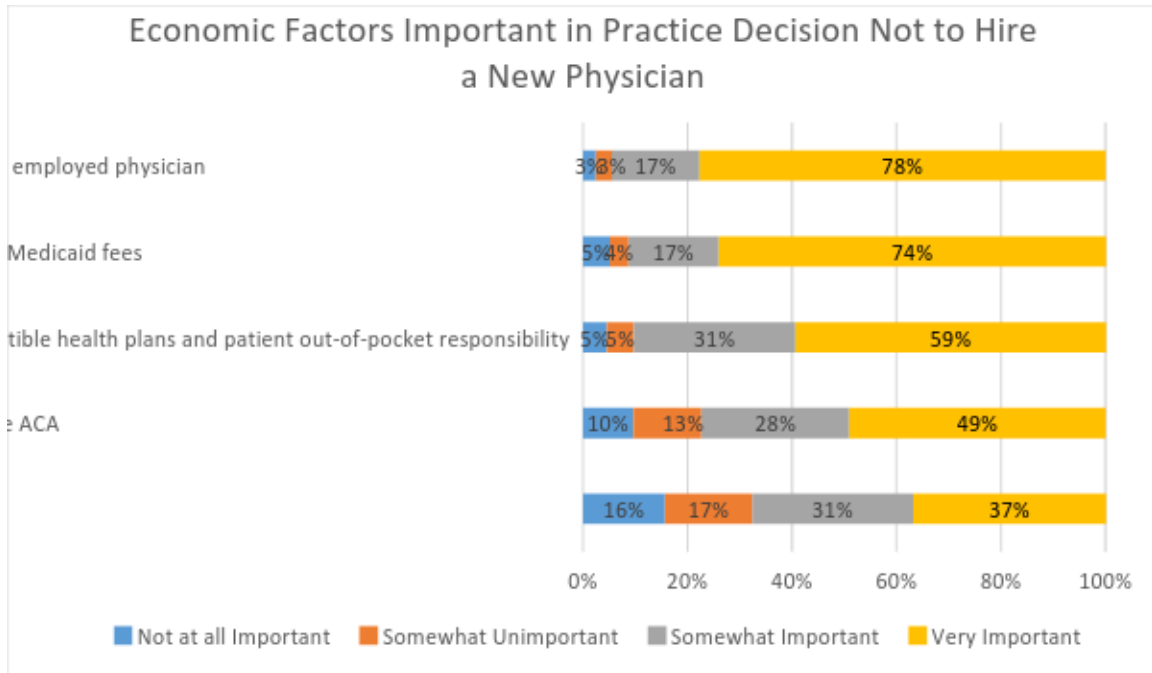
Few physicians (11 percent) participated in alternative payment models (e.g., bundled payments).



Physician Recruitment (March Question 21-23)

A little more than half of physicians reported their practice hired a new physician in the past year or will do so in the next year (51 percent). Physicians whose practice has not hired a new physician and has no plans to do so would hire a new physician if the economic environment was different (42 percent, up from 35 percent in 2014). These physicians rank the cost of maintaining an employed

physician (78 percent) and inadequate Medicare and/or Medicaid fees (74 percent) as very important in their decision not to hire a new physician.



Support for Uninsured Initiatives (March Question 24)

Physicians were asked about their support for various methods of providing medical care for the uninsured if the ACA had never passed and they could start over. The most favored methods included federal tax law changes, direct charity subsidies, and subsidies for high-risk pool premiums.

Support for Uninsured Initiatives						
	<u>2004</u>	<u>200</u>	<u>200</u>	<u>201</u>	<u>201</u>	<u>201</u>
		<u>6</u>	<u>8</u>	<u>2</u>	<u>4</u>	<u>6</u>
Federal tax deduction for all medical expenses	85%	87%	92%	85%	87%	86%
Funding or tax credits for physician charity care		88%	94%	81%	87%	86%
More funding for outpatient charity clinics	78%	80%	82%	76%	81%	80%
Subsidies for high-risk pool premiums				76%	82%	76%
Encourage eligible people to enroll in Medicaid or CHIP		82%	85%	74%	81%	74%
Vouchers or tax credits for purchase of insurance	73%	77%	82%	73%	75%	74%
More direct funding for hospital charity care		81%	81%	75%	77%	72%
Expand CHIP			70%	64%	76%	67%
Expand Medicaid	46%	57%	51%	44%	60%	54%
Expand Medicare	44%	40%	36%	38%	53%	48%
Individual mandate		55%	45%	36%	43%	39%
Employer mandate		45%	35%	30%	38%	35%

Federal single-payer health insurance plan	38%	44%	32%	31%	34%	36%
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Physician Demographics

Gender

	<u>2010</u>	<u>2012</u>	<u>2014</u>	<u>2016</u>
	%	%	%	%
Male	75	73	70	67
Female	25	27	30	33

Age

	<u>2010</u>	<u>2012</u>	<u>2014</u>	<u>2016</u>
	%	%	%	%
40 and younger	21	19	18	19
41 to 50	27	23	22	22
51 to 60	33	32	27	27
61 and older	19	25	33	32

Specialty

	<u>2010</u>	<u>2012</u>	<u>2014</u>	<u>2016</u>
	%	%	%	%
Obstetrics-Gynecology	7	7	7	6
Pediatrics	7	8	10	9
Surgical Specialty	13	13	13	11
Indirect Access	14	15	16	18
Primary Care	25	26	30	27
Nonsurgical Specialty	33	32	24	29

County

	<u>2010</u>	<u>2012</u>	<u>2014</u>	<u>2016</u>
	%	%	%	%
Bexar	9	8	9	9
Dallas	13	12	13	14
Harris	19	17	18	20
Tarrant	8	6	6	7
Travis	9	8	9	9
Smaller metro	34	41	37	35
Rural	6	6	6	6
Rio Grande Valley	3	3	2	

TMA Membership Status

	<u>2010</u>	<u>2012</u>	<u>2014</u>	<u>2016</u>
	%	%	%	%
Former				7
Nonmember	13	14	17	12
Member	87	86	83	81

APPENDIX — Survey Instrument

March Availability of Care

1. In your opinion, what is the biggest challenge currently facing Texas physicians?

2. Do you currently treat patients in active medical practice?

Yes

No

If No Is Selected, Then Skip to If the ACA had never been passed and...

3. In the past two years, how has your personal income from medical practice changed?

Increased

Decreased

Stayed the same

4. In the past year, has your practice experienced any cash-flow problems due to slow payment, nonpayment, or underpayment of claims by insurers or government payers?

Yes

No

Don't know

Answer if in the past year, has your practice experienced any cash-... Yes Is Selected

5. Did these cash-flow problems cause you to take any of the following actions? (Check all that apply.)

Draw from personal funds to fund current practice operations

Secure commercial loans to fund current practice operations

Close or sell a practice

Lay off or reduce employees, employee hours, or employee benefits

Reduce physician compensation or benefits

Terminate or renegotiate plan contracts

Reduce or terminate services to government payers

Other (please specify): _____

6. Are you currently accepting any new patients?

Yes

No

Answer If Are you currently accepting any new patients? Yes Is Selected

7. For patients covered by the following payers, does your practice currently (1) accept all new

patients, (2) limit new patients you will accept, or (3) accept no new patients?

	Accept All	Limit	Accept None
Medicare			
Medicare HMOs or Advantage plans			
Medicare-Medicaid dual eligible			
Medicaid			
HMOs			
PPOs			
Uninsured or self-pay patients			
The military health care plan, TRICARE			
CHIP plans			
Workers' compensation			
ACA exchange plans			

If ACA exchange plans - Accept... Is Selected, Then Skip to How many of the following do you have...

8. Which health insurance exchange plans are you participating in?

	No	Yes	Don't know
Aetna			
Allegian Choice			
Ambetter from Superior			
Blue Cross and Blue Shield			
Cigna			
Community Health Choice			
CommunityFirst			
FirstCare			
Humana			
Molina			
Scott & White			
Sendero			
United Healthcare			

9. How many of the following do you have: (Please enter approximate numbers.)

HMO contracts?

PPO contracts?

Workers' comp contracts?

Medicare Advantage plan contracts?

Medicaid managed care contracts?

10. In the past two years, have you approached a plan with which you are not contracted in an attempt to join its network?

Yes

No

Don't know

Answer If In the past two years, have you approached a plan with which you are not contracted in an attempt to join their network? Yes Is Selected

11. If yes, how has it responded to your request?

No response

Received an offer, but it was unacceptable

Received a contract

12. Are you in an accountable care organization (ACO) or other clinical co-management arrangement?

Yes

No

If No Is Selected, Then Skip to Are there ACOs in your area?

13. If yes, with whom? (Check all that apply).

A hospital

Other physicians

Other (please specify): _____

14. Is your ACO participating in the Medicare shared savings program?

Yes

No

Don't know

Answer If Are you in an Accountable Care Organization (ACO) or other clinical co-management arrangement? No Is Selected

15. Are there ACOs in your area?

Yes

No

Don't know

Answer If Are there ACOs in your area? Yes Is Selected

16. Are the ACOs in your area having a positive or negative effect on your practice? Please describe why.

Positive (please specify why): _____

Negative (please specify why): _____

No effect

17. Are you participating in any alternative payment models (e.g., bundled payments)?

Yes

No

Don't know

18. Omitted

19. Omitted

20. Omitted

21. Has your practice hired a new physician in the past year or is it planning to hire a new physician in the next year?

Yes

No

If Yes Is Selected, Then Skip to If the ACA had never been passed and...

22. Would you hire a new physician if the economic environment was different?

Yes

No

Don't know

23. Please rate the following factors on how important they are in your decision not to hire a new physician.

	Not at all important	Somewhat unimportant	Somewhat important	Very important
Inadequate Medicare and/or Medicaid fees				
Uncertain future of the ACA				
Expense of recruitment				
Cost of maintaining an employed physician				
Increase in high deductible health plans and patient out-of-pocket responsibility				
Other (please specify):				

24. If the ACA had never been passed and you could start over to design solutions for individuals

who are uninsured, would you support or oppose the following government measures?

	Support	Oppose
Expand Medicare to cover more people		
Expand CHIP to cover more children		
Expand Medicaid to cover low-income adults		
Encourage greater enrollment in Medicaid or CHIP for children who currently are eligible		
Provide financial assistance (like vouchers, tax credits, or subsidies) to help individuals buy coverage		
Provide subsidies for high-risk-pool premiums for individuals who are not insurable		
More funding for outpatient charity clinics to provide free or reduced-price care		
More direct funding for hospitals that provide charity care		
Direct funding or subsidies for physicians who provide charity care		
Federal income tax deduction for all medical expenses		
Federal single-payer health insurance plan		
A penalty or tax on individuals who do not purchase health insurance		
A penalty or tax on employers who do not offer adequate health insurance		