

Survey: Physicians see a grim future in New Jersey

Docs say more regulations, added administrative tasks take them away from job

BY ANJALEE KHEMLANI

An active game of tug of war is threatening to dismantle the already endangered field of physicians in the Garden State.

At least 95 percent of physicians in New Jersey see a grim future as changes in health care have negatively impacted their roles, according to the newest New Jersey Health Care Monitor survey by law firm **Brach Eichler**.

The reason is simple. After accounting for state and federal regulations, plus the various administrative tasks and technological demands, there is very little time to do the one thing they really want to: practice medicine.

A recent example of the increased burden is the state Assembly's out-of-network bill, which places responsibility on the physician to verify the network status of specialists and periphery caregivers a patient will encounter during elective procedures.

Those types of "just one more thing" add-ons through either increased use of technology or increased need for data are driving costs up for physicians — and they are paired with the decreasing reimbursements from insurance companies.

The survey by Roseland-based Brach Eichler showed that the two biggest concerns among physicians are keeping up with changing regulations and lowering costs.

John Tedeschi, CEO of the group **Advocare** and vice president of Continuum Health Alliance, said the hardest hit are independent practitioners, who are essentially operating small businesses subject to incredible amounts of regulatory demand and a rapidly changing field.

Tedeschi, a longtime physician, said the burden is greater for these smaller practices because they don't have the financial backing that hospital physicians or large group physicians do in order to collect the amounts of data required, and to handle the increased administrative tasks on their plate.

"The direction health care is taking now means a significant transformation for physicians to accomplish," he said. "They are used to being paid for fee-for-service.

"With the transformation into fee-for-value, the quality of performance is a large portion of how you are paid. That requires extraordinary amounts of data and input from many sources. To integrate all that and input data, if we really ask physicians to complicate their small practice with that kind of need, that kind of information, it's very, very difficult for them."



John Tedeschi, CEO of the group Advocare and vice president of Continuum Health Alliance. —AARON HOUSTON

Which is why physician groups such as **Summit Medical Group** have been able to position themselves to adapt to the increasing changes.

"With costs going up, doctors are finding it harder to make a living now," Summit Medical Group CEO **Jeffrey LeBenger** said. "In an integrated group like us, we have a standalone company, **Summit Management**, which takes care of all mining of data and population health metrics. But for an individual office of one to two doctors, it's difficult for that to happen."



Jeffrey LeBenger

Coming from another angle, Tedeschi said Continuum is geared toward enabling and advising smaller practices so they can avoid being swallowed up by hospitals or larger groups.

Even banks are in on the fight, with numerous having departments solely dedicated to the health care industry's needs. This can include loans for infrastructure overhauls, expansion or downsizing of space, and investment in new tools.

Ultimately, those options are also burdens, as they place physicians even further into debt and increasing costs.

There just seems to constantly be a demand for physicians to do more, at every turn, said **Bon Ku**, a doctor at **Jefferson University Hospital** in Philadelphia.

And there are some things, he said, they should be stepping away from.

One example was at a recent event to discuss the problems with treating diabetes. Ku said doctors should not be advising patients about nutrition.

"Doctors are not equipped with proper training," Ku said. "They are not best positioned in our current health system to deliver education and manage behavioral change.

"If you look at the medical school curriculum, we only have like one or two lectures on nutrition. We are educating diabetics about how to do behavior change and a large part is eating healthier, so it's coming from a medical student who got like an hour's worth of nutritional lecture in school."

Ku feels more people need to be a part of the process.

"I think we need to involve patients more in process," he said. "We kind of think of what that treatment plan might be and tell the patient to do it. If they don't comply, we automatically label them as non-compliant. I don't think we can continue to operate like that in paternalistic fashion."

Another area of growing demand is telehealth, and Ku said that rather than adopting the new technology into the current framework, physicians need to allow it to change their daily structure.

"Some people think it should be like 'The Jetsons' cartoon, where a doctor's face shows up (on a screen)," he said. "But a lot of patients want to just text their doctor. We don't do enough listening to patients and their individual preferences.

"Telehealth means more customizing to people's preferences. Nobody wants to take the day off of work to have to see their doctor. Why not provide in evening hours? Why is it only 9-5? The patient's voice is becoming much stronger and consumerism is a much bigger part of health care."

It's a point Tedeschi agrees with, and is the motivation behind his push to keep doctors independent.

By the numbers

A look at some of the results of the New Jersey Health Care Monitor survey by law firm Brach Eichler:

60

Percentage of physicians who saw a decrease in revenue from their practice in 2014

52

Percentage of physicians who have an unfavorable or very unfavorable outlook for their medical practice for 2016 (up from 40 percent a year ago)

39

Percentage of physicians who said they felt an increased administrative burden

26

Percentage of physicians who said reduced reimbursement was the greatest negative factor

15

Percentage of physicians who felt reduced time spent with patients had a negative impact.

Source: Brach Eichler, 2015 New Jersey Health Care Monitor

But the survey from Brach Eichler shows that physicians are looking to integrate with or hire other practitioners in order to continue their business.

Greater patient involvement, and easier ways to manage the changes in care, will ultimately keep physicians from becoming mere employees in a system, Tedeschi said.

Currently, 60 to 70 percent is spent on overhead, and hospital systems also have very limited breathing room.

The recent tax settlement between the town of Morristown and **Atlantic Health System** brought to light the potential impact for many hospital-affiliated physicians if more settlements or tax appeals appear around the state.

More physicians could become employees of a system that also has large overhead, losing their independence and privileges, according to **Renee Steinhagen** with **NJ Appleseed**.

Which is why LeBenger said the idea of a hospital base is a bad one, and patients are likely to want to stay away from one.

But one thing all three doctors agreed on was that the cost of doing business and

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