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Anesthesia Demographics Past, Present and Future?

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Objectives:


- Understand the changing demographic of anesthesia practice in the US
- Anticipate positioning your practice for the future
- Understanding the cultural history of anesthesia practices and planning for the necessary changes the future will bring
- Strategic planning for anesthesia group practice future



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Conflicts of interest:


- I have no disclaimers



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Data Sources


- ASA
 - From surveys of graduating residents
- MGMA
 - Surveys of members
- CU Resident Graduates
 - Recently obtained
 - Preliminary study
 - unpublished



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Background:

- I spent the first 27 years of my professional career in private practice in South Florida
- I am presently (for the past three and one half years) endeavoring to be an academic anesthesiologist at the University of Colorado School of medicine in Denver Colorado




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Currently-

- As of April of 2017 eight entities employed more than 22 percent of all anesthesia providers in the US

• Greenfield, MD and Locke, MA; ABA Communique, Volume 22, Issue 3



• Evolution

- One person (man) individual practices that coordinated to cover facility sites and call.
- Encouraged (read coerced) by hospitals to form group practices
 - Facilitates negotiations on behalf of hospitals

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Evolution

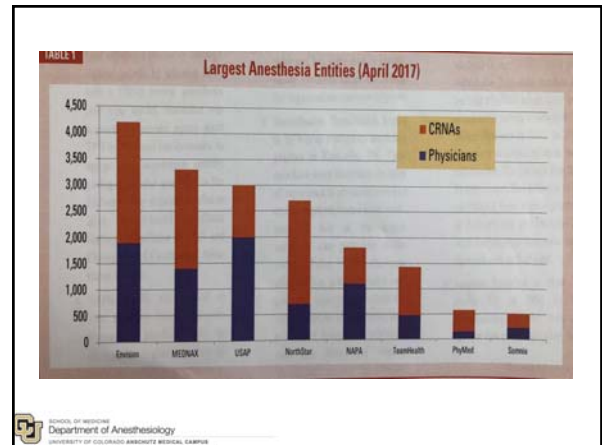
- Culturally the tradition of individuality persists
- **Tension:**
- Individuals make *clinical* decisions
- Group makes *practice* decisions

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Traditionally anesthesia groups:

- Owned by MD providers
- Niche Market, i.e. local
 - One or more hospitals
 - Ambulatory centers
 - Physician offices
- Lean overhead
 - Billing expenses
 - Malpractice insurance
- Primary objective
 - Job security
 - Preservation of income and lifestyle
 - Maintenance of status quo

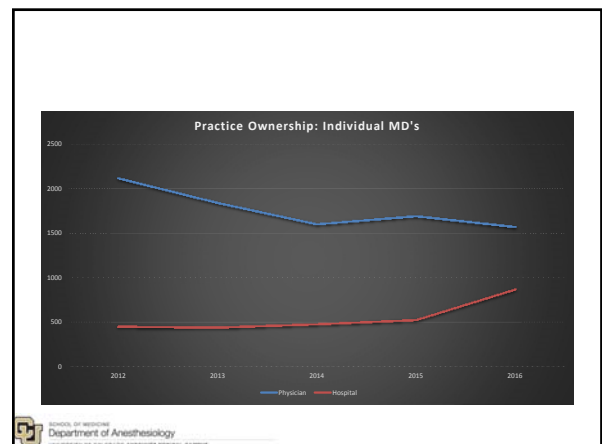
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**Group Ownership:
Physician vs. Hospital**

	Physician Gp	Physician #	Hospital Gp	Hospital #
2012	92	2119	41	455
2013	94	1845	49	445
2014	72	1609	44	482
2015	72	1699	42	528
2016	53	1578	65	870

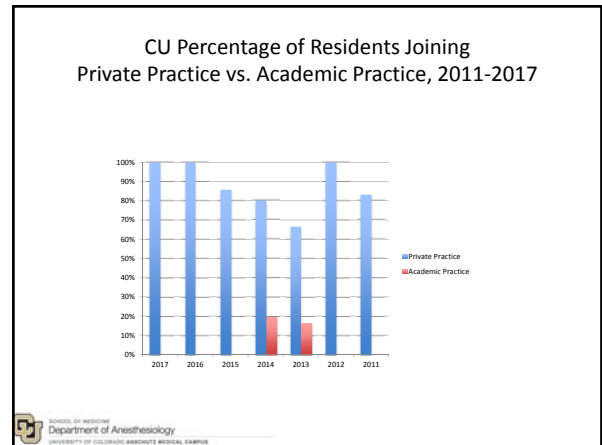
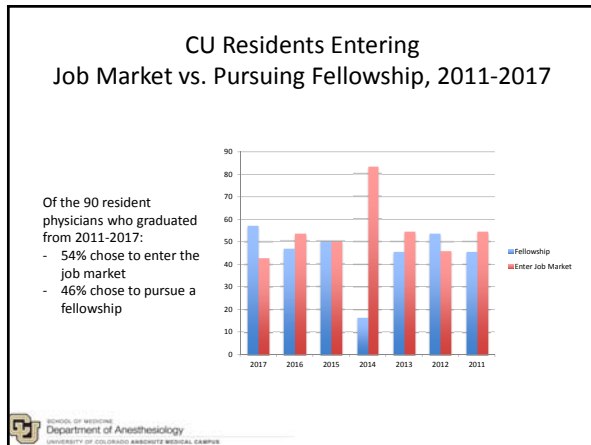
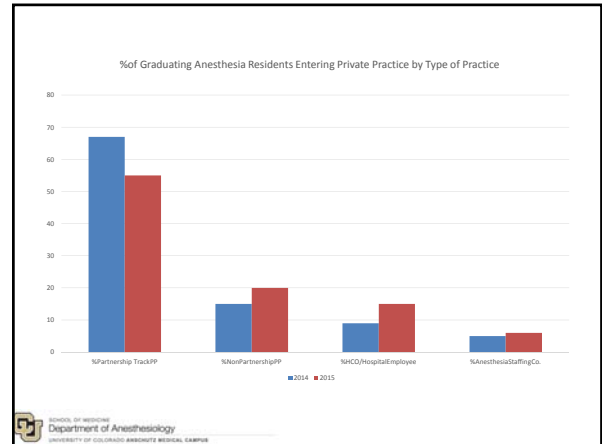
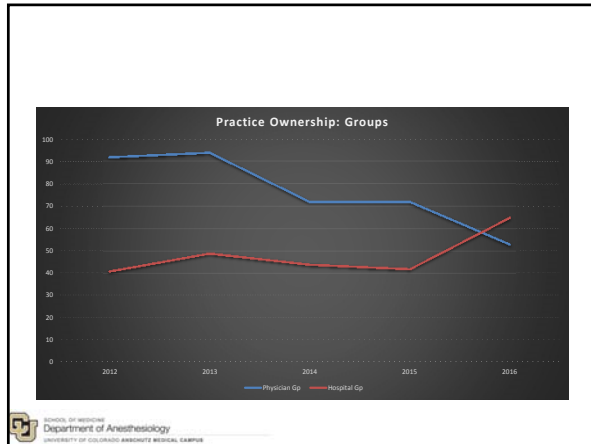
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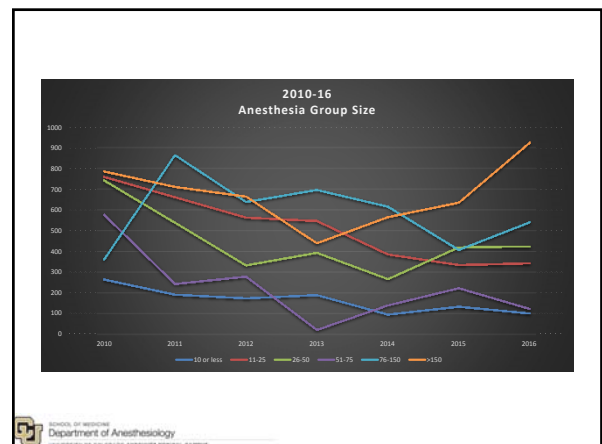
Zeichner, Steven, 2/10/2018



MGMA: Anesthesia groups by size 2010-2016

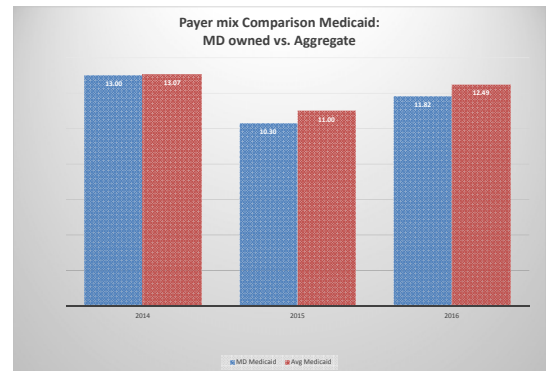
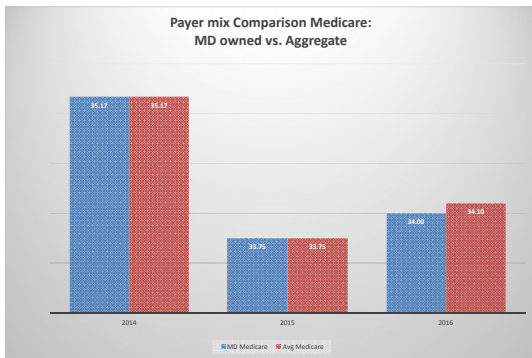
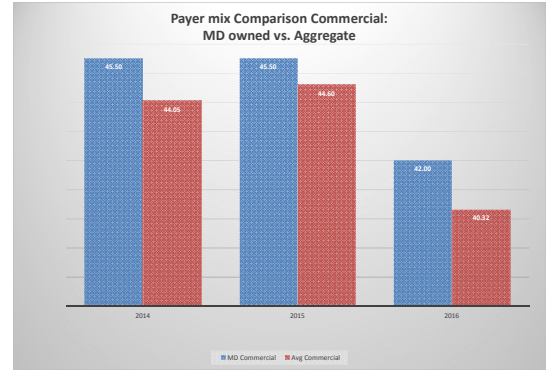
	10 or less	51-75	>150	
2010		266	579	787
2011		193	244	713
2012		175	280	666
2013		191	23	441
2014		97	141	567
2015		135	224	637
2016		102	124	926

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Is BIG better ?

- Better contracts with insurance provider
- More leverage in negotiations with facilities
- Cost of billing and compliance
- More health care facilities are part of large networks
- Greater security due to size and scope
- Greater Flexibility



Strategy



The market for anesthesia services in the US has been traditionally bound by regional "cultural" differences

- The anesthesia care team model were more common in the South and East, much less so in the West.
- Anesthesia groups in the Mid-Atlantic region actively pursued opportunities to provide services endoscopic for endoscopy and endoscopic centers. Practices in the west, particularly California, avoided.

Growth

- Challenges the fundamental nature of anesthesia groups-
- Anesthesia practices traditionally were professional associations with limited business and professional management
- Managing a practice of 100+ providers is drastically different from 10-20 (old mom & pop shop)

Professional Management

- Size does not guarantee success
- Goal no longer income and lifestyle
- Security and Predictability (long term goals) prioritized

Strategic Planning

- Anesthesia could, in the past, be summarized as the service of safely managing patients during surgery
- Quality was defined as safely and comfortably getting the patient through surgery

Strategic Planning

- Moving into the future we should be engaging ourselves as strategic partners with our hospitals and health systems
- Leveraging our greatest attributes:
- The ability to keep the patient comfortable and secure throughout the surgical experience
- Anesthesiology has the greatest potential to positively influence the patients experience

Strategic Partnership

- Hospitals: "We will provide you with work"
- Anesthesiologists: "We can provide optimized quality experience for your patients and facilitate your opportunities to attract more patients-increase your market share"

What hospitals think of us-

- Over-paid
 - Make a lot of \$\$
- "Carpetbaggers"
 - We don't have to go out and solicit business, just comes to us (through them)
- Lazy
 - All we do is sit there, surgeon does all the work

Strategic Partnership

- We must seek to offer Value in our relationships with hospitals and health care institutions
- We must make sure these same hospitals and health care institutions are aware of our contributions

Strategic Partners

- Anesthesia groups should have a thorough understanding and command of data relative to our sites of service
 - Including, but not limited to OR's, L&D suites, endoscopy, CVCU, Radiology suites and any other non traditional places we provide service
- Anesthesia must share this data with the hospitals and health care systems we partner with to optimally prove our value .

Leverage Anesthesia group brings to hospital:

- Data
 - Manage Data Base
 - Run OR's and off OR sites efficiently
 - Work 1:1 with surgeons
 - Improve efficiency
- Customer Satisfaction
- Quality
 - No longer anecdotal
 - Must be empirical and measurable

- Historically we have focused on what we do in the OR
- We must shift our focus to include what is happening outside the OR as well
- What happens outside the OR increasingly has more to do with the success of our practices

The second law of thermodynamics=US Health Care



RESOURCES:

Stein EJ, Mesrobian JR, Abouleish AE. The 2015 job market for graduating anesthesiology residents. ASA Newsletter 2016;80(1120-24)

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MGMA (Medical Group Management Association): Databank 2018

