Microeconomics of Private Practice and the Employed Neurosurgeon: Contrast and Contradiction.

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**Introduction**

As the profession of Neurosurgery continues to have its increasing financial demands, correspondingly, the dwindling reimbursements of all insurers and sureties, compounds the efforts of the private practitioner. Thirty percent revenue decreases (since 2011), coupled with stringent regulatory oversights have threatened the existence of the entity that previous completed more than eighty percent of neurosurgical cases in this county. Compared to ten years previous, the continued downturn has forced many neurosurgeons into health system employment. That number closely approaching seventy percent.

**Methods**

- Our study analyzed the economic and practice differences of private practice versus employed neurosurgical models, and the distinct contrasts of patient indices and risks of designated patients and their association with practice patterns. This retrospective survey revealed marked differences in patient preferences and selection biases as it applied to employment status and reimbursement potential among the collective insurance markets.
- The concept of ‘patient deferral’ to the employed physician model either in an academic model or private practice setting is more prevalent. This applies to more complicated surgical patients, the uninsured and the undercared population.

**Results**

- The results of this study were derived from two neurosurgeons who had converted their employment status approximately ten years previous and a comparison of payer indices from ten years previous to present time. These data points were then compared to two private practice neurosurgeons and their surgical insurer profile. The results demonstrate a near ten fold difference in underinsured patients and near thirty percent difference in Medicare populations contrasting both groups.

**Conclusions**

- The employed model of neurosurgery demonstrated a pronounced difference in the underinsured surgical patients caseload compared to the private practice model in this region. National considerations and trends would be helpful to better guide this growing disparity.

**References**


**Contrasts and Contradictions**

<table>
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<tr>
<th>Microeconomic Forecast</th>
<th>Pros Private Practice</th>
<th>Cons Private Practice</th>
<th>Pros-Employment</th>
<th>Cons-Employment</th>
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<tbody>
<tr>
<td>Current System</td>
<td>Autonomy, Ancillary Services.</td>
<td>Starting salaries less Constant reinvention of practice</td>
<td>Steady hours, guaranteed income and relief from administrative duties, Immediate Patient Base</td>
<td>Loss of Autonomy and Additional revenue</td>
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<td>Single Party Payer (Considerations)</td>
<td>Dwindling reimbursements and overhead increases, Greater than a third of US citizenry enrolled in Medicare (01M) and Medicaid (75 M), the premises of autonomy becomes blurred.</td>
<td>Constant salary and patient referral system Beholden to corporation or Medicare Services Mission based strategies that conflict with competitors</td>
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**Caveats:**

The most beneficial practice setting really depends on what the surgeon’s professional goals are and where they are in their careers. Physicians who are winding down their practice often want to focus more on patients and less on administrative work, or see fewer patients per week.