

# Primary Care Pay Trails Surgery, Specialty Care

*Procedure-oriented specialists earned 36%-48% more than did primary care providers in 2004-2005.*

BY JANE ANDERSON

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Primary care physicians receive the lowest reimbursement of all physician specialties, indicating a need for reforms that would increase incomes or reduce work hours for primary care physicians.

J. Paul Leigh, Ph.D., and his colleagues at the University of California, Davis, used data from 6,381 physicians providing patient care in the 2004-2005 Community Tracking Study.

Medical specialties were broken down into four broad categories: primary care;

surgery; internal medicine subspecialists and pediatric subspecialists; and an "other" category with physicians practicing in areas such as radiation oncology, emergency medicine, ophthalmology, and dermatology.

Wages of procedure-oriented specialists were approximately 36%-48% higher than those of primary care physicians, the investigators found.

Specifically, specialties with statistically higher-than-average wages involve neurologic, orthopedic, or ophthalmologic surgery, use sophisticated technologies such as radiation

oncology equipment, or administer expensive drugs such as oncology drugs in office settings, they found.

Lower-paid specialties were nonprocedural and relied on talking to and examining patients, they noted. "The major exception is critical-care internal medicine."

## VITALS

**Major Finding:** Physicians practicing primary care medicine are paid at least \$20 per hour less than their colleagues who practice surgery and specialty medicine.

**Data Source:** Reimbursement data from 6,381 physicians providing patient care in the 2004-2005 Community Tracking Study.

**Disclosures:** The study was supported by grants from the National Institute for Occupational Safety and Health and the University of California, Davis, Office of the Vice Chancellor for Research.

Wages per hour for primary care physicians were about \$61, while surgeons earned about \$90 per hour and other procedure-oriented specialties earned close to \$88 per hour, the study researchers said. Internal medicine subspecialists and pediatric subspecialists, meanwhile, earned slightly more than \$82 per hour (Arch. Intern. Med. 2010;170:1728-34).

"The present findings suggest that legislators, health insurance administrators, medical group directors, health care plan managers and executives, residency directors, and health policy makers should consider taking action to increase incomes or reduce work hours for specialties near the bottom of the wage ranking list, particularly generalist specialties," Dr. Leigh and his colleagues wrote. ■



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### Top Fraud Cases All Involve Health

Pharmaceutical companies paid large fines in 8 of the top 10 fraud cases settled by the Department of Justice in 2010, according to the Taxpayers Against Fraud Education Fund. An insurer and a hospital rounded out the top 10 largest fine payers, making all 10 of the top settlements health care related, the advocacy group said. Allergan Inc., which in September settled allegations that it had marketed Botox (onabotulinumtoxinA) for off-label uses, accounted for the largest settlement (\$600 million). AstraZeneca International came in second with its \$520 million payment for illegally marketing the antipsychotic Seroquel (quetiapine). About 80% of all fraud recoveries under the False Claims Act occur in the health care area, the group said.

### HHS Offers Health Center Grants

The Department of Health and Human Services will make up to \$335 million available to existing community health centers to help them increase access to preventive and primary care, including dentistry, behavioral counseling, and vision and pharmacy services. To apply for the bonus funding, community health centers must show HHS how they plan to use the money to increase their medical capacity and their services to underserved populations. HHS also has announced awards of \$727 million to 143 community health centers across the country to make capital improvements. These are the first awards to community health centers in a series to be paid out from the health care reform act passed last spring.

### Wired Practices Make More Money

Medical practices that have adopted electronic health records (EHRs) perform better financially than practices

that still use paper, according to the Medical Group Management Association. The group looked at the technology's impact on revenue, costs, and staffing and found that it correlated with \$50,000 more net revenue per full-time physician in practices that were not owned by hospitals or integrated delivery systems. The wired practices reported \$105,591 higher expenses per full-time physician, but had significantly more revenue per physician, the association said. "While the implementation process can be very cumbersome, these data indicate that there are financial benefits to practices that implement an EHR system," Dr. William Jessee, the association's president and CEO, said in a statement.

### NIH Funds Resistance Research

The National Institute of Allergy and Infectious Diseases has okayed four new contracts for large clinical trials designed to address the problem of antimicrobial resistance. The trials will evaluate alternatives to antibiotics as treatments for diseases such as acute otitis media, community-acquired pneumonia, and gram-negative bacteria infections, which frequently resist first-line antibiotics. Each trial will enroll at least 1,000 participants who have been diagnosed with these conditions. The new trials are part of a two-pronged government approach to antimicrobial research: learning how to protect the usefulness of available drugs while facilitating the development of new antibiotics. The institute already has begun four large trials looking at antimicrobial resistance, and the four new trials are similarly designed to answer specific questions on how to improve treatment strategies, such as by adjusting dosage and duration of treatment, the trials' announcement said.

### Drug-Related Hospitalizations Up

Hospitalizations for drug-induced conditions more than doubled between 1997 and 2008 for Americans aged 45 years and older, according to a report from the Agency for Healthcare Research and Quality. Meanwhile, admissions related to prescription- and illicit-drug problems grew by 96% for people aged 65-84 years and by 87% for those older than 85, the agency said. By comparison, the number of drug-related hospital admissions declined by 11% among adults aged 18-44 years. In the older groups, hospitalizations increased most for three types of drug-related conditions: drug-induced delirium; poisoning or overdose by codeine, meperidine, and other opiate-based pain medicines; and withdrawal from drug addictions, AHRQ said. Medicare and Medicaid paid 54% of the \$1.1 billion tab for these hospitalizations.

### Lawsuit Targets Michigan Blues

The State of Michigan and the U.S. Department of Justice have filed suit in federal court accusing nonprofit health in-

surer Blue Cross Blue Shield of Michigan of illegally using its market power to raise prices for hospital services provided to members of competing health plans. The suit alleges that the Michigan Blues plan's "Most Favored Nation" clauses, included in reimbursement contracts with approximately half of the state's hospitals, gave the insurer an unfair advantage by forcing hospitals to charge other insurers more for the same services. A joint investigation by the state's attorney general and the Department of Justice found that the insurer increased its use of the clauses in 2007, threatening to slash payments to 45 small, rural hospitals by up to 16% if they refused to comply. According to the investigation, the insurer used similar clauses with at least 23 larger hospitals but offered them increased reimbursement, as long as all other insurers had to pay more. Blue Cross Blue Shield of Michigan said in a statement that the lawsuit seeks to restrict its ability to provide deeply discounted rates to its members.

—Jane Anderson

## PAIN RELIEVERS



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