

# Keeping solo practice more difficult for doctors



Dr. Ralph Nobo sees a patient, Heather Dedley as nurse Roselyn Griffin takes her blood pressure, in his Bartow office. He still has an independent practice. (George Skene, Orlando Sentinel)



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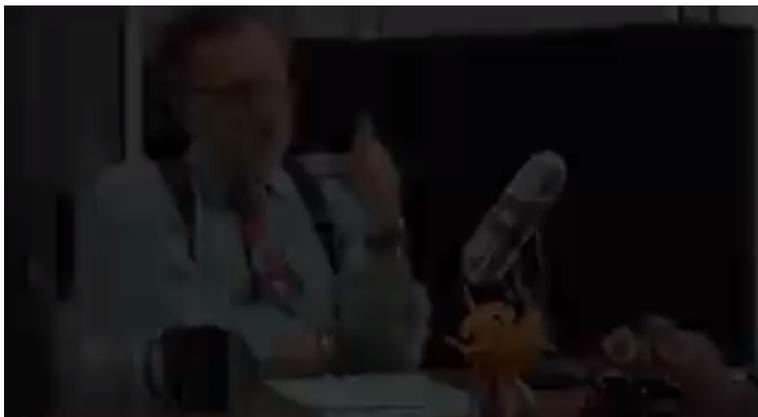


In rapidly changing health-care landscape, maintaining a solo practice has become difficult for many doctors.

MAY 16, 2015, 12:09 PM

**T**he thing that Dr. Ralph Nobo misses most about the old days, when he started his ob-gyn practice some 30 years ago, is the connection he had with his patients.

"You were there for the patient, and the patient was there for you. And that's being lost," said Nobo, who has a solo practice in Polk County. "Now they follow their insurance depending on the co-pay. ... That's a loss that we'll never get back."



In today's rapidly changing health-care landscape, solo practitioners such as Nobo are becoming an endangered species.

Running a medical practice has become complex. There are new government regulations and standards to meet, payment and practice models are changing, and implementing electronic health records is expensive.

Meanwhile, health systems are buying physician practices to improve their market share, and commercial insurance companies have less incentive to negotiate reimbursement rates with some small practices.

The most recent data by consulting company Accenture show that the number of independent physicians will decline to 33 percent in 2016, down from 37 percent in 2013. Fifteen years ago, the number was 57 percent.

"So one in three doctors will essentially work for themselves, and the rest will work for some other business entity," said Dr. Kaveh Safavi, global managing director for Accenture's health business.

This change concerns advocates of independent practices, such as the national trade group Association of Independent Doctors, which has 300 members in nine states.

"We want to fight mergers of hospitals and physician practices and reverse that trend," said Winter Park certified public accountant Tommy Thomas, who founded the group two years ago.

Citing several national studies, AID says that when hospitals acquire practices, the cost of care for patients goes up. Patients are less likely to be referred to practices outside of the health system and end up paying "facility fees," which don't exist in independent practices.

But hospitals deny those claims. All three major Central Florida health systems told the Sentinel that they do not charge facility fees in their outpatient practices.

"The facility-fee argument is an incomplete look at a very complicated system," said Dr. Frank Fahey, managing partner of Florida Heart Group, which joined **Florida Hospital** Medical Group two years ago after years of being an independent practice.

"At Florida Hospital Medical Group, we're an outpatient multispecialty practice. So if a patient comes in to my practice and they require an echo, they're getting it done in an outpatient facility, and they're not getting a facility fee."

Doctors have different opinions on whether the trend of hospitals buying practices is good or bad. Some say the changing health-care landscape has left them few choices.

"In cardiology, there's been a perfect storm of declining reimbursements and rising cost of practice and overhead, and we have to pay salaries of our staff. Couple that with increased regulatory issues and paperwork, and many practices have been driven to alternative forms of structure," Fahey said.

Being part of a large system helps with providing more integrated care to patients, he said.

But Dr. Andrew Taussig, a cardiologist at Central Florida Cardiology Group and fierce advocate of independent practices, disagreed with that assessment.

"It's the biggest bunch of [expletive] you've ever heard. That's just an argument. Integrated care is people picking up the phone and speaking with somebody," said Taussig, a member of AID.

"What the private doctors want is for everyone to play on a level playing field. In other words, whoever does the best work, whoever has the best outcome, whoever has the best patient satisfaction, those people we feel should do the majority of the work," Taussig said.

When Dr. Pamela Trout was a physician in training, she thought all she had to do was work hard and be a good doctor and everything would fall into place. "And then you realize how much politics goes into it. How much we're at the mercy of insurance companies," said Trout, a pediatrician who was a partner and owner at an independent pediatric-group practice but left the group last year.

"I thought about opening a practice on my own after I left, but the environment in Orlando is such that insurance companies are not negotiating really anymore with private practices," she said.

Trout took a 40 percent cut in salary and became an employed physician with Nemours Primary Care.

Insurance companies such as Florida Blue say they offer competitive rates to independent and affiliated doctors.

"We do have some concerns with the changing provider landscape, however," the company said in a statement. "As hospital systems seek to acquire more physician practices and other ancillary providers, our members are seeing an increase in the cost of care as a result."

In today's market, the ability for doctors to stay independent depends on the size of the group and the type of specialty, and smaller practices that want to stay independent have to be creative.

"They have to figure out how to be better than everybody else at something. They have to be particularly differentiated," said Safavi of Accenture. "You can be big and average, you can be small and good, but you can't be small and average."

Nobo, a board member for the national nonprofit group Physicians Foundation and president-elect of the Florida Medical Association, only practices gynecology now. But he started offering weight management and Botox two years ago "to make sure that I can continue taking care of patients that have been with me for 30 years."

Nobo said he's advised his son, a doctor in training, to join a group when he starts practicing.

"I'm kind of a little sad that my son is not going to enjoy what I saw with my father, who was a surgeon. The connection with your patient was almost sacred," Nobo said.

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