

Resolution 25-203
Support Independent Private Practice
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Whereas independent physician ownership of medical practices is decreasing, according to data from the American Medical Association showing a steady decline over recent decades (1), and

Whereas the barriers to starting up an independent practice are at an all-time high due to legal, regulatory, financial and workforce issues, and

Whereas primary care and other specialty shortages are at unprecedented levels in Florida due to population migration and aging, (2) and

Whereas employed physician burnout is also at record levels due to many factors, including staff shortages, high RVU work goals, and student debt (3) (4), be it

RESOLVED, that our Florida Medical Association support policies, regulations and legislation that help reduce barriers for physicians to choose independent practice, including such recommendations to: 1. provide state-funded grants or low-interest loans to help physicians start up practices in shortage areas and/or forgive medical student loan debt, 2. support provision of state-funded free EHRs for independent physicians and 3. help private physicians negotiate comparable reimbursement rates with larger health systems, and be it further

RESOLVED, that our Florida Medical Association perform a study of other ways to address the top barriers to independent practice (which are due to financial, administrative, and market consolidation issues) and present these suggestions by the next annual conference.

Fiscal Note:

Description	Amount	Budget Narrative
400 Staff hours Consultant	\$80,000 \$15,000 to \$50,000	Can be accomplished with current staff Consultant to perform study
Total	\$95,000 to \$130,000	\$15,000 to \$50,000 added to the operating budget

Fiscal notes are an estimate of the cost to implement a given Resolution. All Resolutions that are adopted by the House of Delegates will be referred to the FMA Committee on Finance and Appropriations for fiscal consideration.

References

1. American Medical Association (www.ama-assn.org) and Physicians Advocacy Institute (www.physiciansadvocacyinstitute.org) have studied this problem. Independent physician practices in the U.S. have been declining significantly over the past few decades, driven by a combination of economic, regulatory, and operational pressures. In 2012, 60.1% of physicians worked in physician-owned practices; by 2020, this fell to 49.1% and by 2023, nearly 80% of physicians were employed by hospitals, health systems, or corporate entities. From 2019 to 2022, approximately 75,000 physicians left private practices, with 36,200 practices acquired by hospitals or corporate entities. By 2022, only 44% of physicians were practice owners, compared to 53.2% in 2012 and 76% in the early 1980s. Key drivers:
 - a. Financial Pressures: Medicare reimbursement cuts, such as the 2.83% reduction in the 2025 Physician Fee Schedule and rising operational costs threaten practice viability.
 - b. Administrative Burdens: Increasing regulatory requirements, billing complexities and EHR demands drain resources and contribute to physician burnout, which affects 55% of physicians overall but only 13.5% in small independent practices.
 - c. Market Consolidation: Hospitals and corporate entities (e.g., private equity, insurers) acquire practices to gain negotiating power with payers.
 - d. Generational Shifts: Younger physicians prefer employment over ownership due to work/life balance, debt burdens and aversion to administrative responsibilities.
2. Florida faces a significant medical doctor shortage, projected to reach nearly 18,000 physicians by 2035. This crisis affects healthcare access, particularly in rural and underserved urban areas, with long wait times for appointments and strained medical facilities. This is due to:
 - a. Rapid Population Growth (FL population is adding 300,000 new residents annually).
 - b. Aging Population (The states fastest-growing demographic is those aged 65 and older).
 - c. Aging Physician Workforce
 - d. Insufficiency Residency Slots
 - e. Physician Burnout and Turnover
 - f. Barriers to Entry
3. A 2025 Stanford Medicine-led study found that physician burnout rates were 45.2% and remained high compared to other US workers, with workload pressures like RVUs cited as a factor.
4. Association of American Medical Colleges (AAMC) studies estimate average student loan debt \$250-300,000 in 2025 with loans not paid off for decades and contributing to burn-out.

A 2023 Medscape report noted that 53% of physicians cited financial stress, including debt as a burnout factor.