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## Changes That May Affect Physicians' Pay in 2015



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Several developments are expected in the year 2015 with respect to the income of physicians. While some changes will be troubling, others may garner more positive reactions. Some of the key changes to look out for include:

**Higher Deductibles.** In 2015, physicians will have to deal with the problem of high deductibles (\$1,000 or more). According to a 2014 study by the Kaiser Family Foundation, eight out of 10 covered employees now have a deductible and 18 percent of these deductibles are at least \$2,000. "Deductibles are out of control," said Brette Williams, who is in charge of provider education at Everest AR Management in Gainesville, Florida. When patients with high deductibles come in for care, doctors' offices risk not getting paid or having to make major, repeated efforts in order to get paid. Williams said that in a growing number of cases, the patient rather than the insurer is the main source of payment. The combination of high deductibles and a weak economy mean that "patients today owe more and have less," she said.

**Drop in Malpractice Premiums.** Malpractice premiums for three specialties -- gynaecology, internists and general surgeons -- have been consistently decreasing for the last seven years. The primary reason for this decline is the delayed effect of tort reforms, many of which were passed years ago to no immediate effect.

**Implementation of ICD-10.** While the International Classification of Diseases, Tenth Edition (ICD-10) has yet to be implemented, it is believed that it finally will happen by October 2015. When it does, physicians will have to get used to the new system and will have to be more specific when selecting the correct ICD code. Physician anxieties are on the rise as the deadline looms closer. "There is a concern that the technology won't work when the systems start up," Dr Wergin said. "You might not get paid right away."

**The Growth of Telemedicine Companies.** Companies offering patients web- and telephone-based consultations with doctors have shown rapid growth. According to the American Telemedicine Association, between 2011 to 2013, three major telemedicine companies -- Teladoc, MDLIVE and American Well -- have shown significant growth and their growth rates continue to increase. These companies are continuously taking patients away from physicians' practices. The convenience of getting immediate service, lower costs and getting medical advice without leaving one's home are some of the factors driving this growth.

**Competition from Retail Clinics.** According to a report in *Health Affairs*, visits to retail clinics increased by 400 percent between 2007 and 2009. These clinics are staffed by nurse practitioners and treat five conditions: sore throats, ear infections, sinus infections, bladder infections in women and conjunctivitis. The report states that these clinics are less expensive as compared to urgent care clinics, and the majority of them accept health insurance. They also offer immediate care for walk-in patients. Some physicians view these retail clinics as a threat since they feel they are skimming patients.

Source: Medscape

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