



CALIFORNIA PHYSICIANS 2002: *Practice and Perceptions*

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California Workforce Initiative

The California Workforce Initiative, housed at the UCSF Center for the Health Professions and funded by the California HealthCare Foundation and The California Endowment, is designed to explore, promote and advance reform within the California health care workforce. This multi-year initiative targets supply and distribution, diversity, skill base and regulation of health workers, utilization of health care workforce and health care workers in transition.



The Center for the Health Professions

The mission of the Center for the Health Professions is to assist health care professionals, health professions schools, care delivery organizations and public policy makers respond to the challenges of educating and managing a health care workforce capable of improving the health and well being of people and their communities.

The Center is committed to the idea that the nation's health will be improved if the public is better informed about the work of health professionals.



California HealthCare Foundation

CHCF, based in Oakland, is an independent philanthropy committed to improving California's health care delivery and financing systems. Formed in 1996, our goal is to ensure that all Californians have access to affordable, quality health care. For more information, visit us online at www.chcf.org.



The California Endowment

The California Endowment, the state's largest health care foundation, was established to expand access to affordable, quality health care for underserved individuals and communities. The Endowment provides grants to organizations and institutions that directly benefit the health and well-being of the people of California.



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- American College of Physicians, California Chapter
- American College of Cardiology, California Chapter
- California Academy of Ophthalmology
- American College of Surgeons, San Diego Chapter
- Association of California Neurologists
- California Orthopedic Association

The findings contained in this report do not necessarily reflect the views of the California HealthCare Foundation, The California Endowment, the Bureau of Health Professions or any co-sponsors of the project.

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* EXECUTIVE SUMMARY

California has always been a bellwether state for managed care. Many policy analysts anticipated that by the 21st century, California would represent a fully mature managed care market: most patients would be enrolled in one of a handful of consolidated HMO plans, and most physicians would be working in large organized medical groups.

The results of the 2001/2002 California Physician Survey conducted by the UCSF Center for the Health Professions suggest that a dramatically different scenario is now playing out in California. This survey of a representative sample of 1033 practicing physicians in urban regions of California found that:

- **Physicians in California are dropping out of managed care.**

Only 58% of patient care physicians in the state are accepting new patients if the patient has HMO insurance coverage. The percentage of specialists with HMO patients fell from 77% to 62% between 1998 and 2001. The rate of physician participation in private HMO plans is approaching the historically low rate of physician participation in Medi-Cal, the state's insurance plan for low income Californians. *A privately insured HMO patient in California now faces almost as much difficulty as a Medi-Cal patient in obtaining a new patient appointment with a new doctor.* The problem of lack of availability of physicians in many regions of the state is largely due to physicians not accepting patients with certain types of health insurance (or without health insurance altogether) rather than due to an absolute shortage of physicians practicing in California.

- **The "California Model" of loose networks of private practice physicians organized into large managed care practice organizations is unraveling.**

Almost one half of specialists and one-third of primary care physicians in the state are in solo practice. In addition, fewer physicians in the state are participating in Independent Practice Associations (IPAs), the most common mechanism through which physicians in private practice participate in managed care. Five years ago, three-quarters of all office-based primary care physicians in California participated in an IPA. In 2001, fewer than two-thirds of such physicians participated in an IPA. A little more than half of specialist physicians in California participated in an IPA in 2001, down from two-thirds in 1998.

- **The managed care organization that appears to have the most “staying power” for California physicians is Kaiser Permanente.**

Physicians working in Kaiser Permanente consistently express more positive opinions about their medical practice organization than do physicians working in IPAs and other types of managed care networks. About 20% of the state’s primary care physicians and 15% of specialists work in the Kaiser Permanente system. Compared with office-based physicians, Kaiser Permanente physicians are much more likely to:

- Believe that their practice organization has advantages for shared practice responsibilities and quality of care and not just for obtaining managed care contracts and patient volume,
- Receive financial incentives related to performance based on quality of care and patient satisfaction,
- Rate the practice pattern information they receive from their medical group and health plan as accurate, useful and intended to improve quality of care,
- Work in interdisciplinary teams, and
- Disagree that they experience pressures to limit referrals to specialists or ordering of medical tests.

Other key findings from the 2001/2002 California Physician Survey include:

- **Compared with a year ago, physicians report a net increase in hours worked per week.**

While the majority of physicians reported no change in the number of hours worked in the past year, almost a third of primary care physicians and a quarter of specialists reported that on average they worked more hours in 2000 than they had the year before. The net change in work effort amounts to an increase of about two hours per week per primary care physician and half an hour per week per specialist.

- **Most physicians are receiving practice pattern information.**

The majority of physicians reported that they received information about their patients’ satisfaction with care, pharmacy prescribing, preventive care service delivery, and disease specific practice patterns. Most physicians said that they found these reports useful when they came from their medical group and less useful when they came from a health plan, IPA, or hospital. Kaiser Permanente physicians rated the utility of these reports higher than did office based physicians.

- **Satisfaction with being a physician has been stable for the past several years.**
About 80% of California physicians are satisfied with being a physician, similar to the percent reporting satisfaction in past years.

- **Physicians' plans for retirement have not changed over the past several years.**
About 80% of physicians plan to still be practicing medicine and seeing patients in 3 years, similar to responses from prior surveys.

- **Physicians describe the practice environment in their communities as poor.**
Although most physicians are still satisfied with being a physician, most nonetheless perceive major problems in recruitment and retention of physicians, payment rates, and overall practice climate in their community.

- **Like many policy analysts, physicians are uncertain about whether there are too many, too few, or just the right number of physicians in their community.**
About a third of physicians reported that supply was just right; slightly higher percentages felt that the supply was greater than needed and lower percentages thought supply was lower than demand.

- **Most physicians do not feel threatened by legislative expansions of scopes of practice for non-physician clinicians such as nurse practitioners, optometrists, and midwives.**
Over two-thirds of physicians reported that laws that have increased the scopes of practice for non-physician clinicians have had no effect on physicians' professional security.

- **Many physicians recognize that there are social disparities in access to medical care.**
In addition to being concerned about how the health care system works for them, physicians also perceive problems in how the system works for certain patient populations. Seventy-seven percent of physicians thought the health care system treated people unfairly based on whether they have insurance, 33% thought the system treated people unfairly based on race and ethnicity and 16% thought the system treated people unfairly based on gender.