

# CSRO

COALITION OF STATE RHEUMATOLOGY ORGANIZATIONS

## The Future of Rheumatology and You

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*CSRO-Immediate Past President*

# You Are the Future of Rheumatology

## A Changing Landscape and Generational Transition



With it comes Great Opportunity and Great Challenges

# Your Major Career and Life Concerns

- **Career Path and Job Security**
- **Work-Life Balance**
- **Financial Burden and Challenges**
- **Emotional/Mental Health in Workplace**
- **Finding the Right Position and Negotiating the Contract**
- **Mentorship and Guidance Now and in Your Career**
- **Uncertainty of the Future**

# Big Picture



# Healthcare (Rheumatology) is Changing

- **Care Model is Changing**
- **Consolidation/Integration Changes**
- **Workforce is Changing**
- **Technology is Changing**



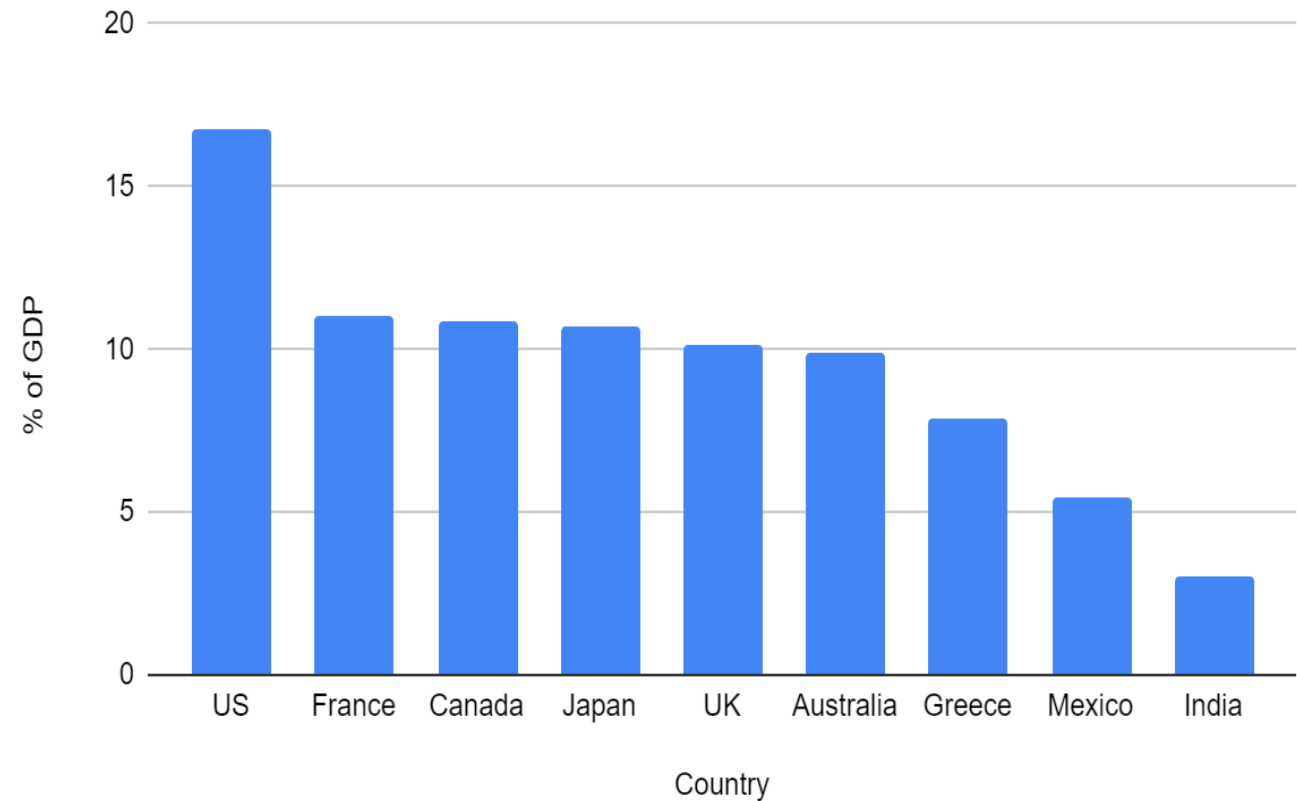
# Why Change? Increase in Cost

**2024 US health  
Costs \$ 5.1 trillion**

**17.2% of GDP**

**20% of GDP  
Projected in 2032**

Health Care Expenditure in 2019



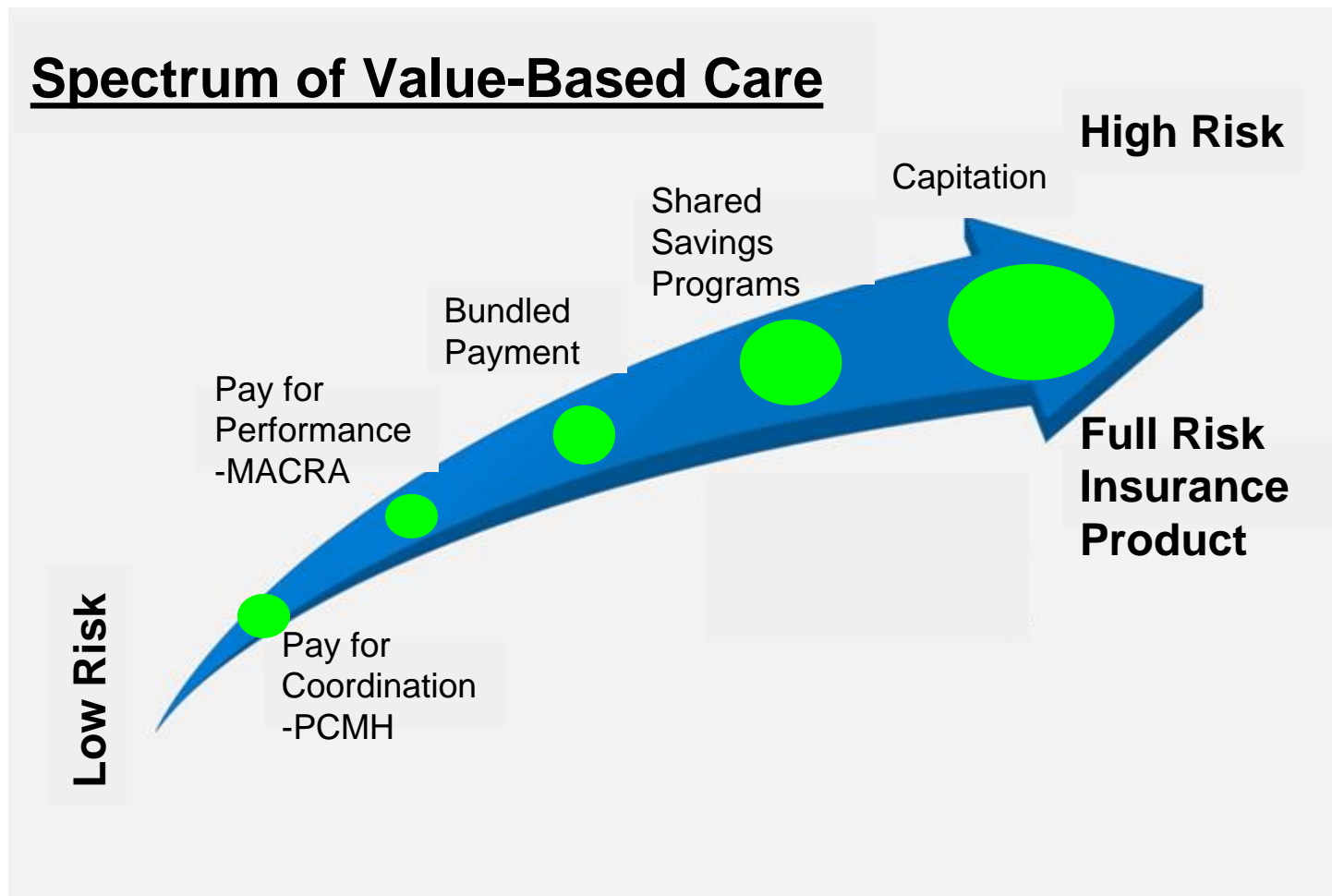


# The Health Care Model, Does it Need to Change?



- Medicare Part B and D (outpatient services & prescription drugs)  
Predicted Insolvency 2036
- Medicare Part A (Hospital/Inpatient services)  
Predicted Insolvency 2031
- Proposed Part A fix by Biden Administration would have extended solvency to 2051

# Fee for Service Vs Value-Based Care Transferring Risk to Provider





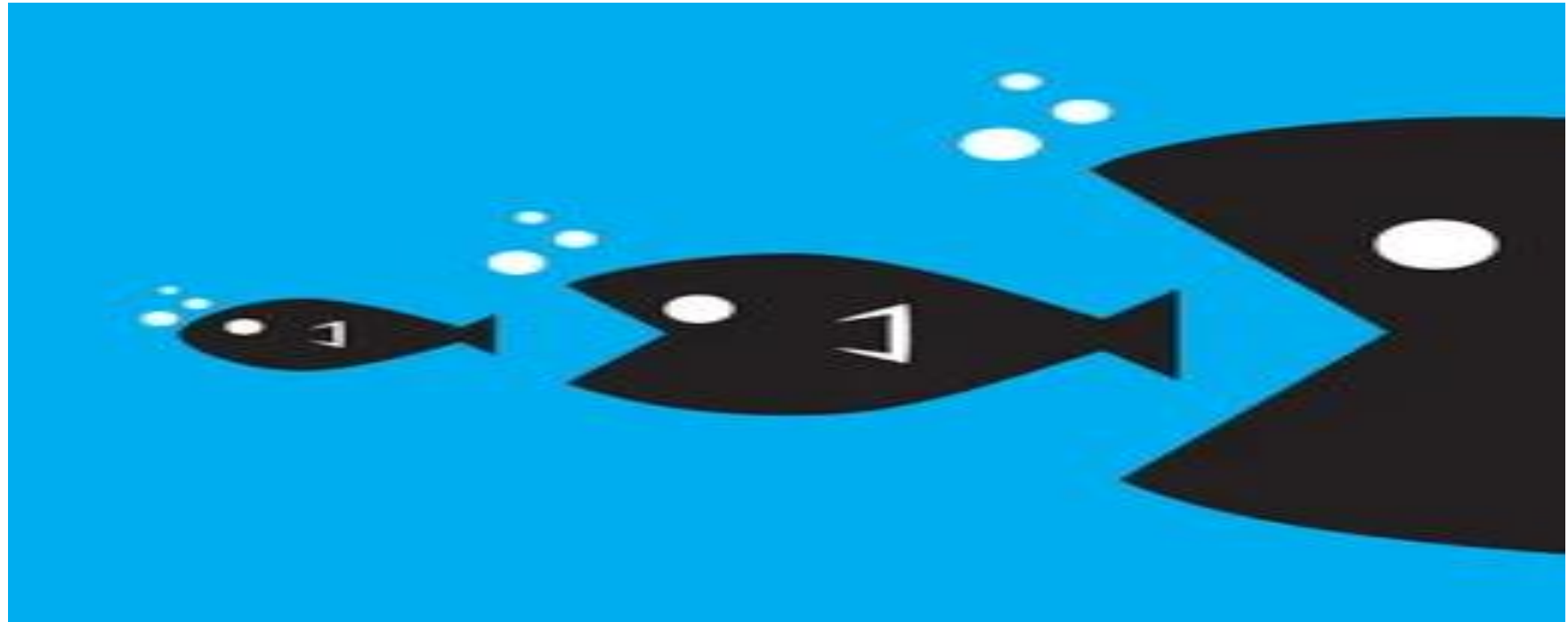
# Bend the Curve

## Transition: Fee for Service to Value-Based Care

- Value-based care aims to reduce cost while rewarding higher quality of patient care or outcomes instead of paying for individual services.
- By transferring risk from payer to provider to incentivize efficiencies that reduce the quantity and cost of services.
- How will value-based care affect rheumatology, no good model yet.

# Major Players in US Healthcare Industry

## All of Them are Consolidating



# Horizontal and Vertical Integration

- **Horizontal Integration:** expansion at the same level of the supply chain.
  - By acquiring other companies, growth in size and revenue.
- **Vertical Integration:** expansion to control more levels of the supply chain.
  - By acquiring other companies, growth in size and revenue, and advantage over competitors and more control of the market.
  - Examples include insurers merging with PBMs, or hospitals buying doctors' practices or employing providers.

# Major Players in US Healthcare Sector

- **Sponsors** (Pay for the healthcare)
  - Employers
  - Government Federal/State (Tax Payers)
  - Patients (Out of Pocket)
- **Payers** (Create Providers Networks & Contracts, Take Risk and Handle Payments)
  - For-Profit Commercial and Non-Profit Insurance Companies
  - Government (subcontracted to MACs)
- **Middlemen**
  - Distributors (Sells Wholesale to Providers)
  - Pharmacy Benefit Managers (Create Formularies, Contracts on Drugs)
- **Manufacturers**
  - Pharmaceuticals, joint replacements, medical supplies, etc
- **Providers**
  - Hospitals, health care systems, physicians, other medical personnel

# Why Consolidate? Grow or Die Economy?

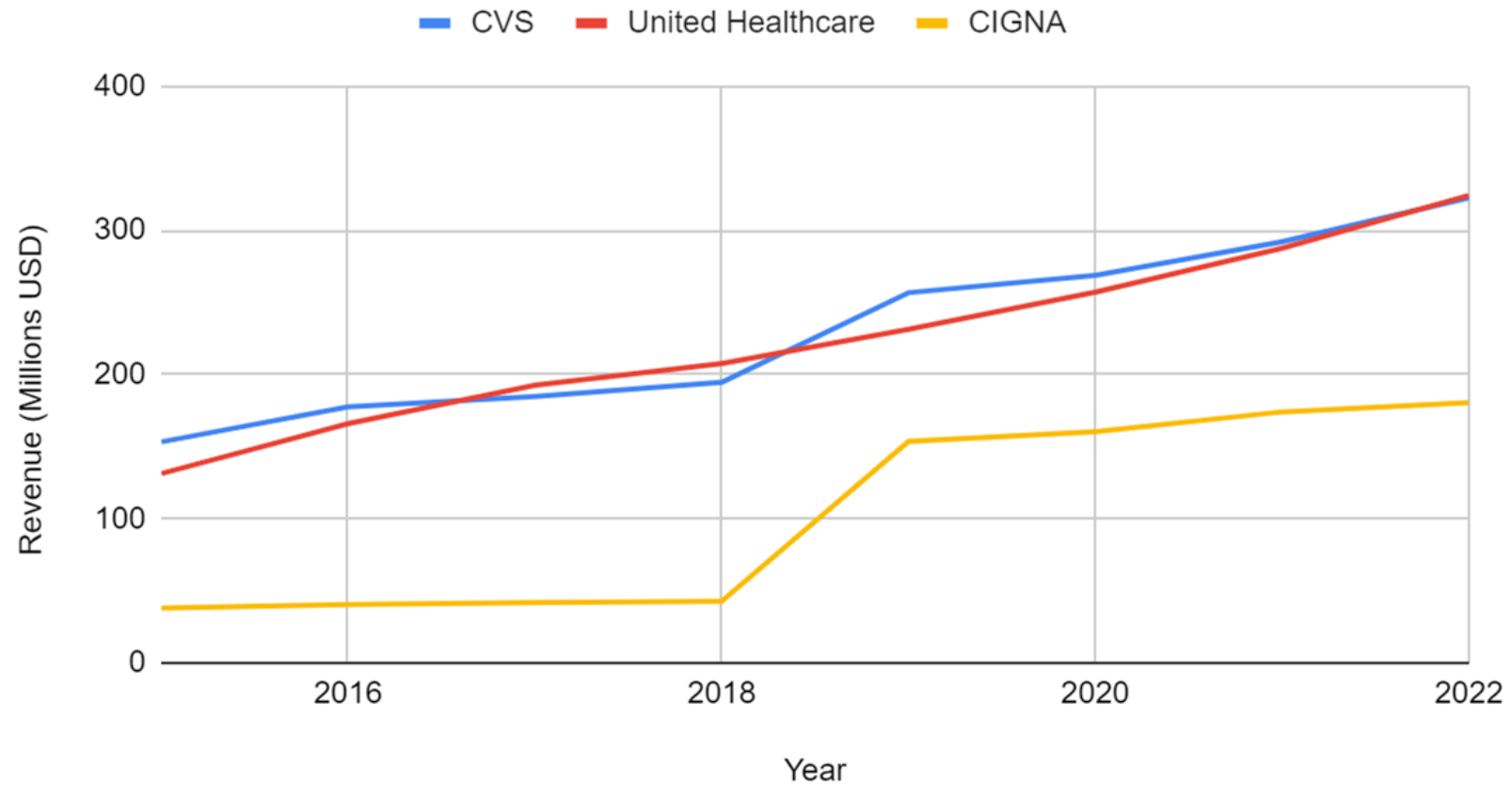
- **Greater market share**
- **Expand territory and services**
- **Reduce/Eliminate competition**
- **Increase leverage for negotiation for all aspects of business**
- **Increase ability to accommodate to and withstand economic stresses**
- **Increase ability to influence markets, government legislation and regulation**

# Health Insurance Companies

Insurance Company	Millions Insured 2022	2002 Fortune 500 Rank	2015 Fortune 500 Rank	2024 Fortune 500 Rank
United Health Care	39	84	14(UHC) 114(CTM)	<u>4</u>
CVS/Aetna	49.5	93 (CVS) 173(CMX)	49 (Aetna) 10 (CVS/CMX)	<u>6</u>
CIGNA	20.4	107	22(Cigna) 74(Ex-Sc)	<u>16</u>
Anthem	44	85	38	<u>20</u>

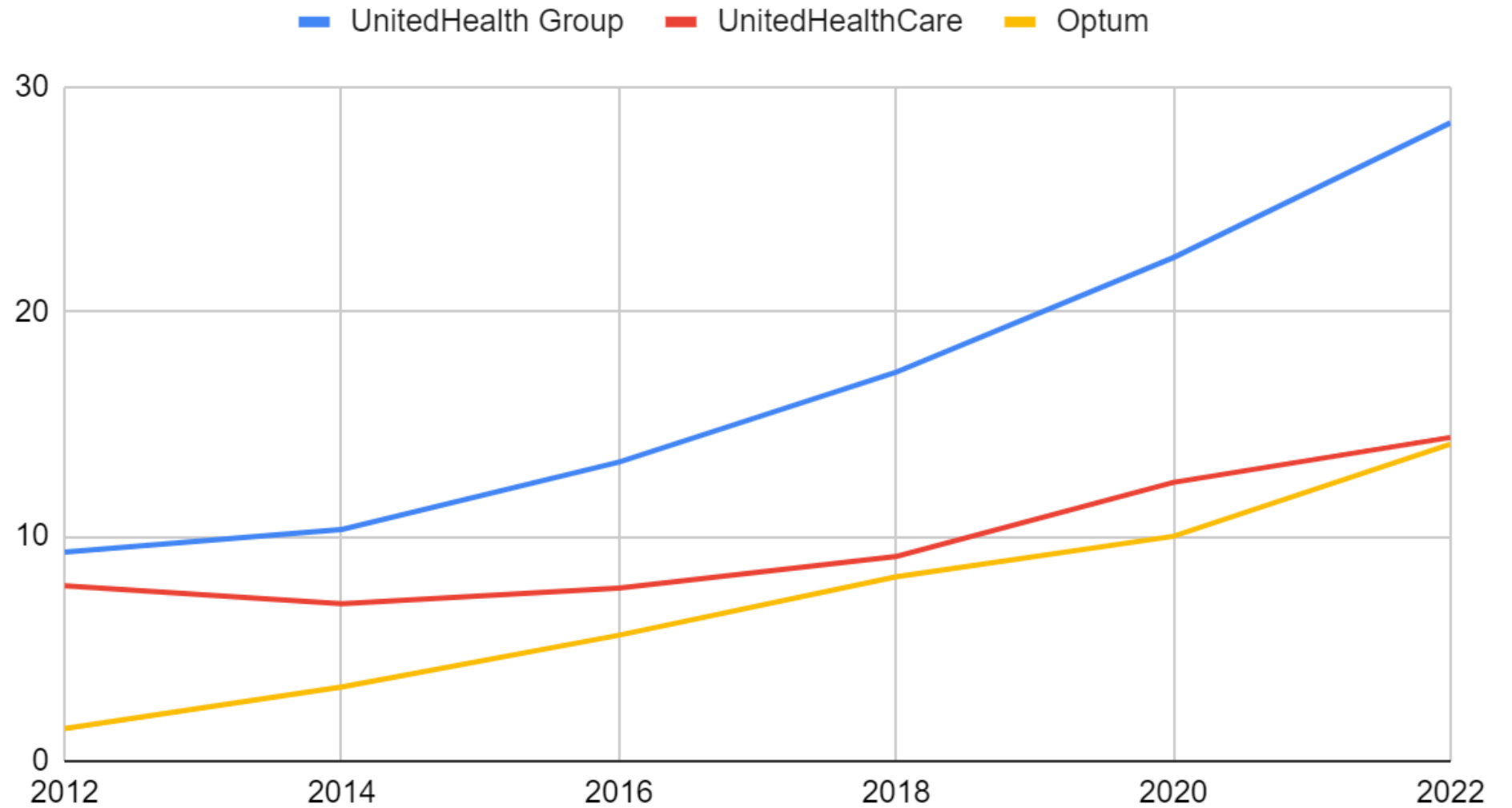
# Payer Revenue: Exponential Rise

CVS, United Healthcare, and CIGNA Revenue Since 2015





# United Health Group Profit (Billions)



# The Most Profitable Business in Health Care Pharmacy Benefit Managers

- **Greater than 80% of US drug distribution is controlled by the Big 3 PBM's**
- **Optum profit 4th quarter 2024, \$4.8 billion, UHC (Insurance) \$3 billion.**
- **All of the big 3 are making more money as drug supply chain middlemen than providing health insurance in the United States.**

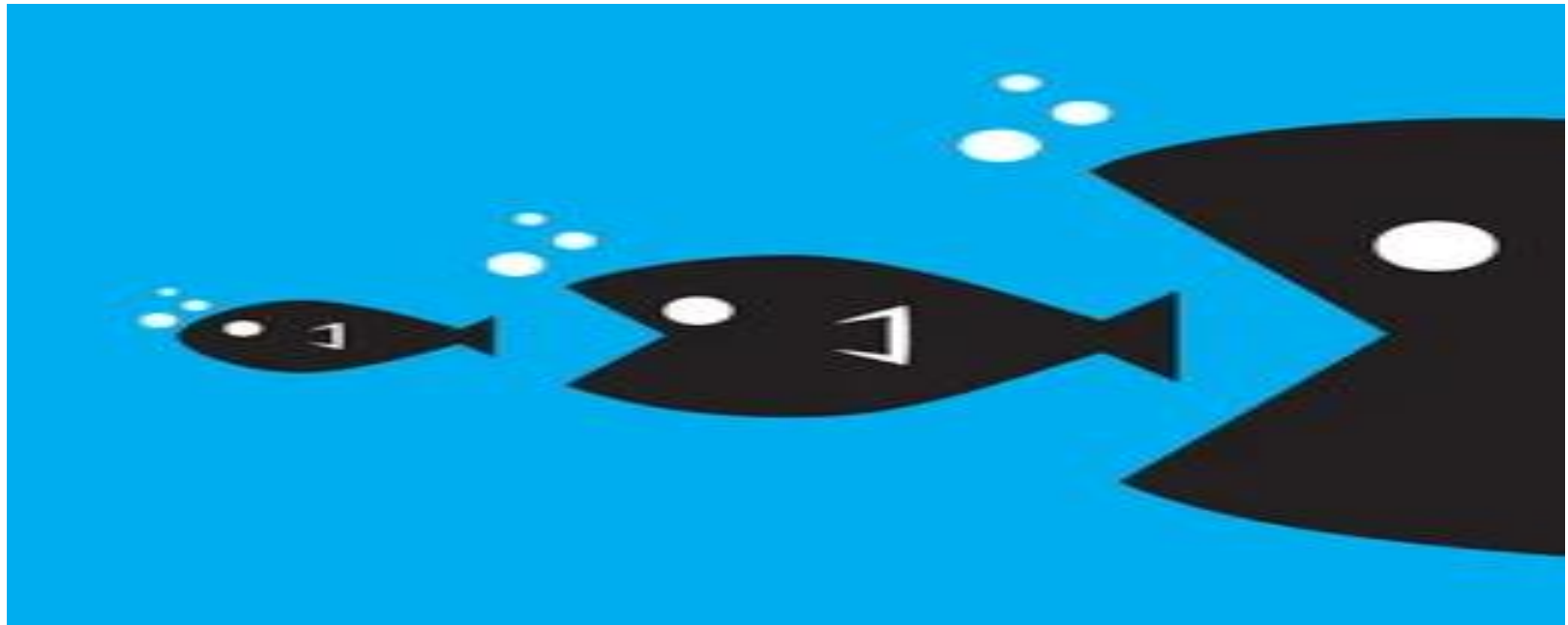
# Vertical Integration - PBMs/Insurance Companies



# Ownership of Sites/Physician Employer

- **Optum Health(UHC) largest employer of doctors**  
**Medical Providers > 90,000 (+20,000 in 2023)**  
**Sites of Care > 2,000, # of States > 20**
- **Kaiser Permanente largest non-profit health system**  
**Kaiser formed Risant Health 2023: added Geisinger**  
**(+1,700 in 2023), Cone Health (+1,800 in 2024)**  
**Physicians >28,000**  
**Sites of Care > 1,200, # of States 12**

# Physicians Are Consolidating Too Even Rheumatologists are Consolidating



# Rheum Single Specialty Groups and MSO's

- **Multiple Large Groups of Rheumatologists expanding Offices in Multiple States some becoming national players.  
Many Groups > 20 providers in Specific Markets**
- **Medical Service Organizations and Group Purchasing Organizations Specific to Rheumatology Allowing Small Practices to Join and Offer More Services and Negotiate Better Rates on Drugs and Other Purchases**

# Changing Workforce

- **Generational Turnover of Doctors**
- **Shortage of Primary Care and Specialists**
- **Maldistribution of Doctors Urban>Rural**
- **Employed in Large health care systems> Independent Practice**
- **Integration of NP's/PA's into Health Care Model**



# Rheumatology Workforce: Demand > Supply

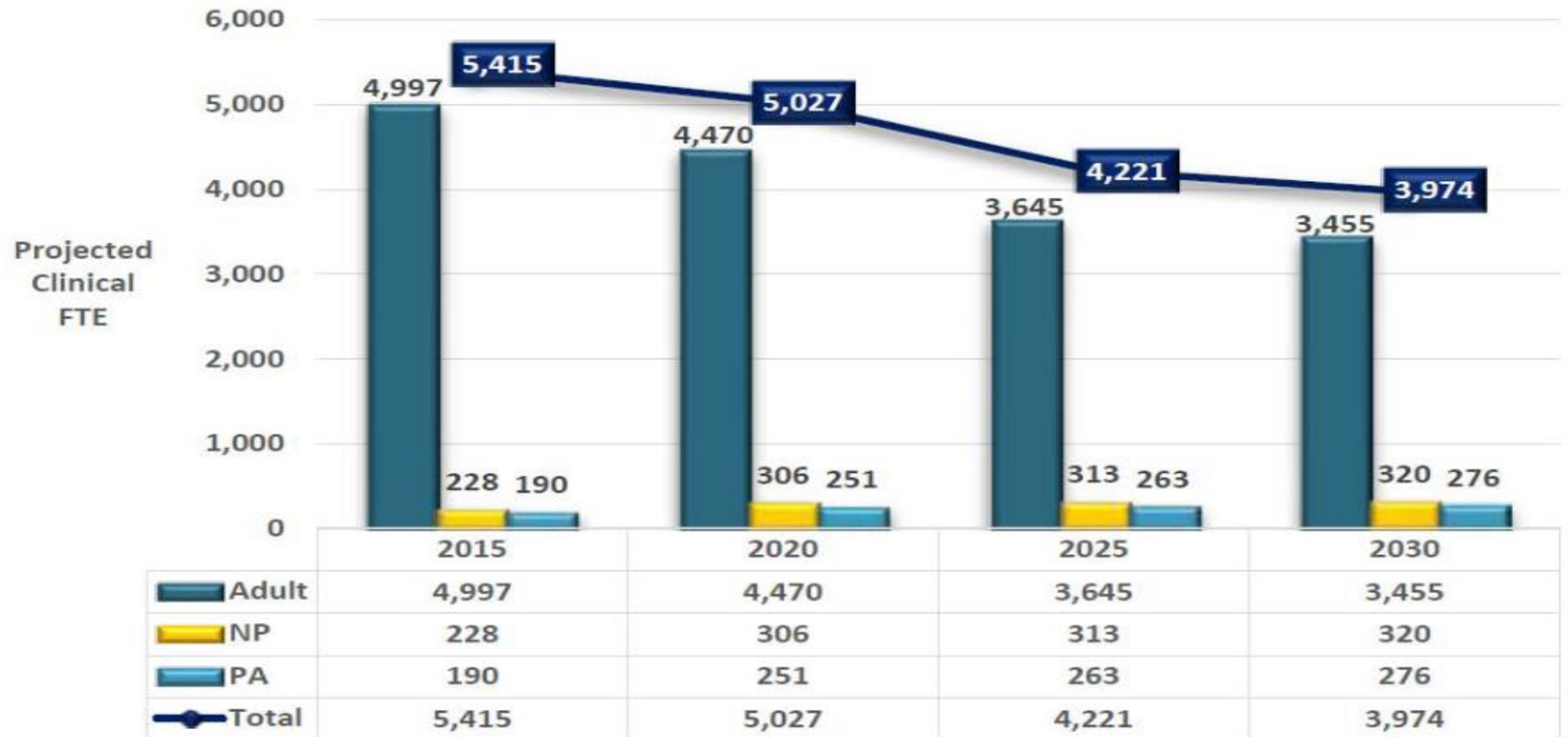


Figure E-1. Comparison of Projected Supply Adult Rheumatology Workforce

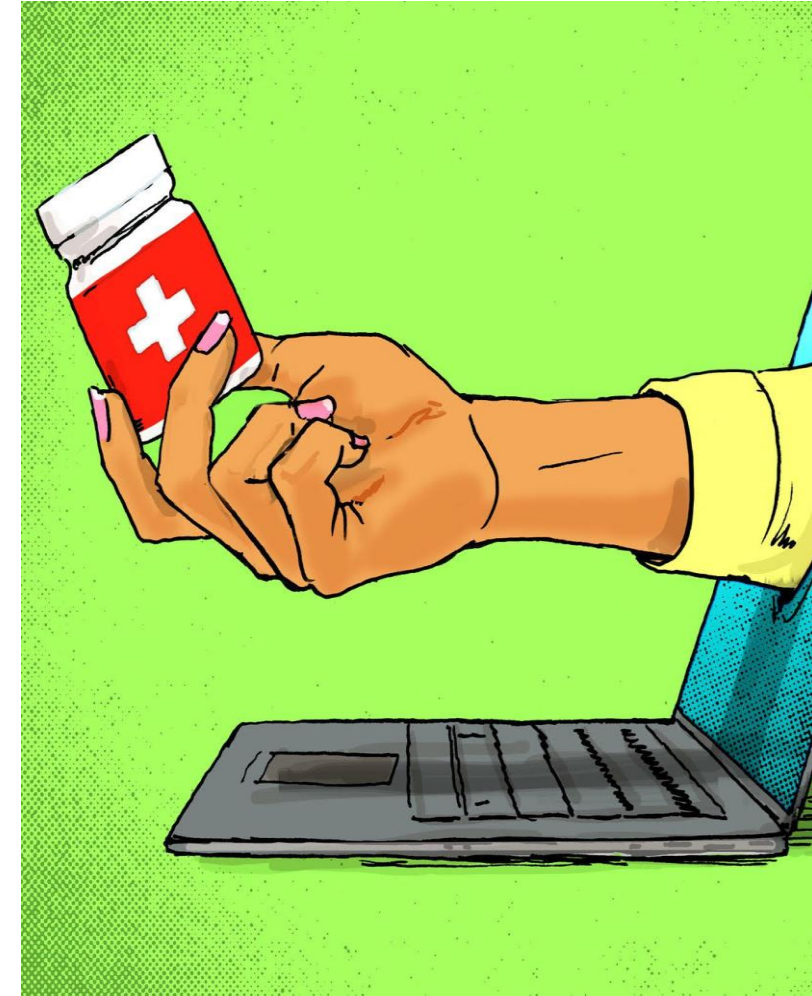
# Changing Technology



# Artificial Intelligence: Is it the Answer?

## AI's Potential and Risk

- Improve efficiency/Reduce cost
- Improve Care and Accelerate Research
- Demands of Monitoring IA Systems
- Undermine Patient-Doctor Relationship
- Interfere with Patient Care and Privacy



# Where are you going in Rheumatology?





# The Decision: Your Choice and Your Career



# Where do You Fit in the Healthcare Ecosystem?



**A Small Fish in a Big Pond?**

# Where do You Fit in the Healthcare Ecosystem?



**A Lone Wolf?**



# Where Do You Fit in the Healthcare Ecosystem?



**Or Maybe Something Else?**

# Potential Career Paths/Employers

- Academic programs
- University healthcare systems
- Non-profit healthcare systems
- For-profit healthcare systems
- Multispecialty groups
- Large single specialty group
- Small single specialty group
- Solo practice
- Government
- Industry



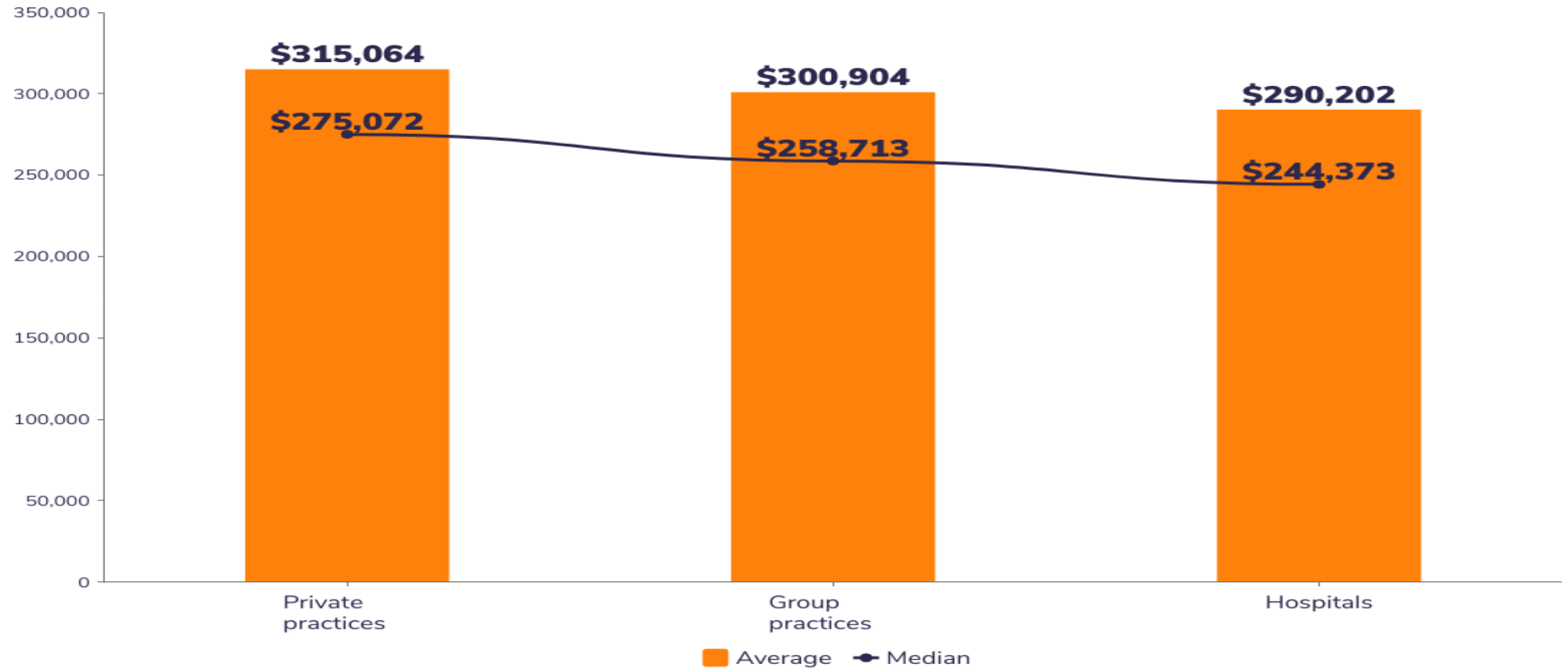
# Let's Address the Elephant in the Room What are You Looking For?



# Is Your Salary the Decider?



# Physician salaries for private practices, group practices, and hospitals in 2023



Source: Software Advice 2023 Physician Compensation Survey  
Q: Which of the following best describes your current place of employment?  
Q: What will your gross salary be for the year 2023?  
n: 61 physicians at private practices; 95 physicians at group practices; 87 physicians at hospitals

Software Advice.

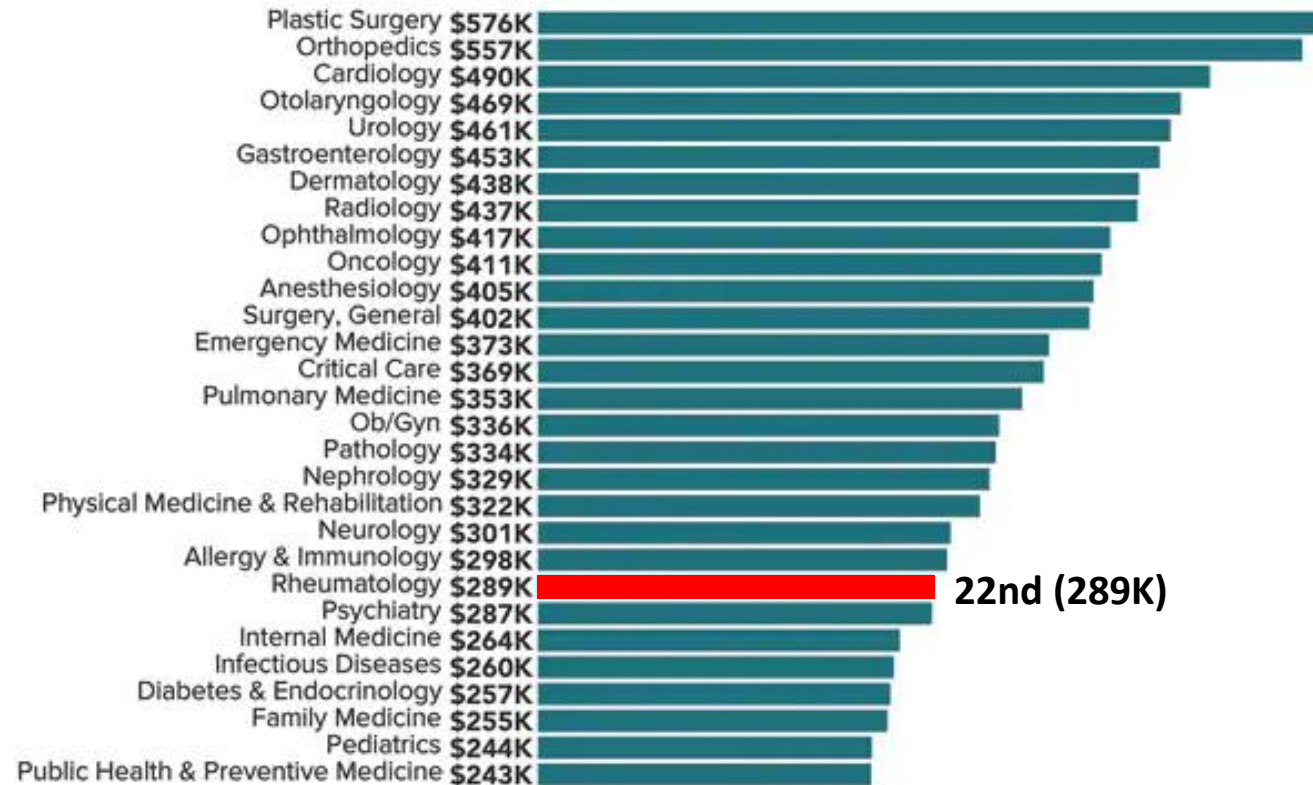


# What is a Rheumatologist's Income

Average Annual Physician Compensation (by Specialty)



Rheumatology is in the lowest third of specialties.



# Rheum Debt and Compensation

- The average med school debt for graduates in 2024 was \$235K.
- Average annual compensation for rheumatologists in 2024 was \$289K.
- How do I:

**Buy a House?**

**Raise a Family?**

**Plan for My Retirement?**

**Pay off My Debt?**

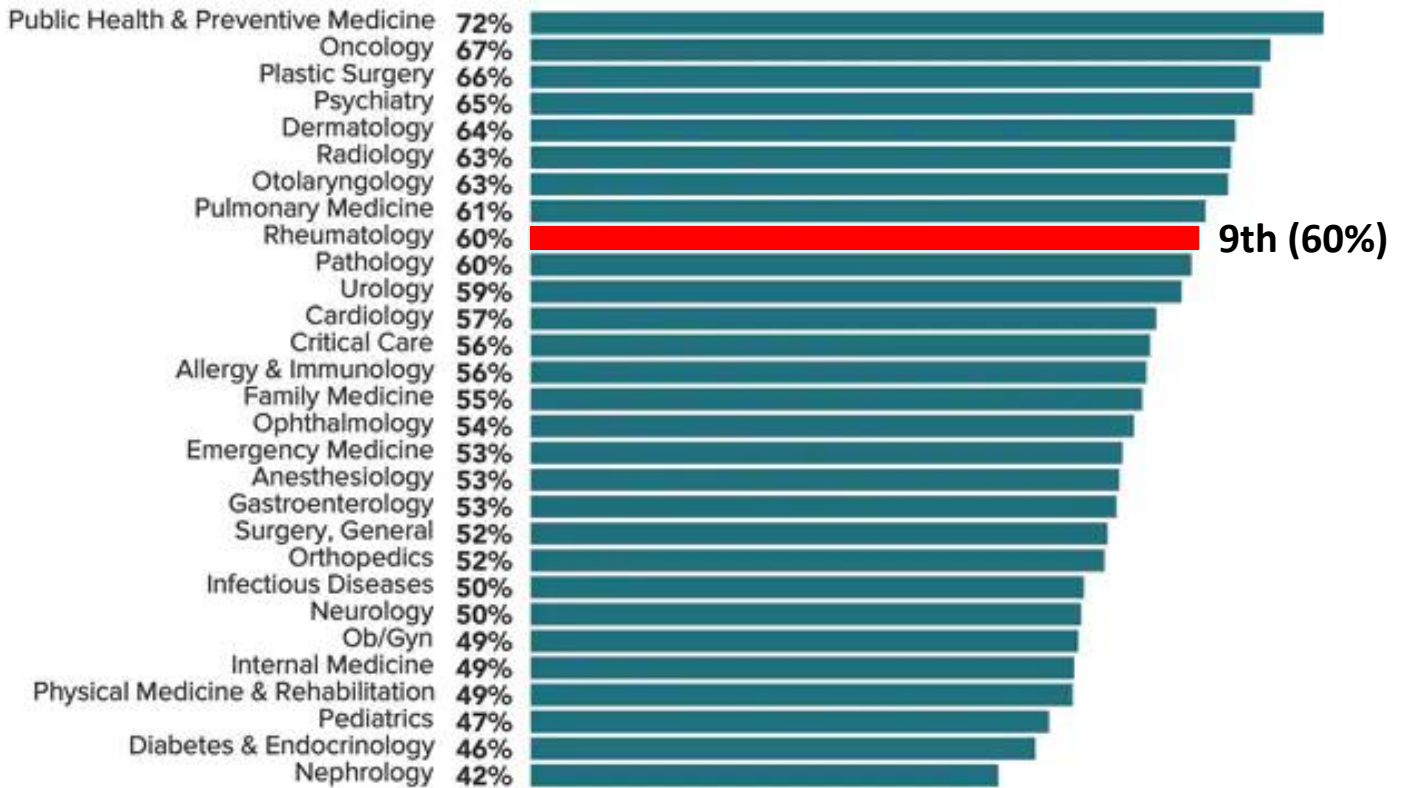


# Why Choose Rheumatology

Which Physicians Feel Fairly Compensated?



60% of  
rheumatologists  
felt fairly  
compensated in  
2022.

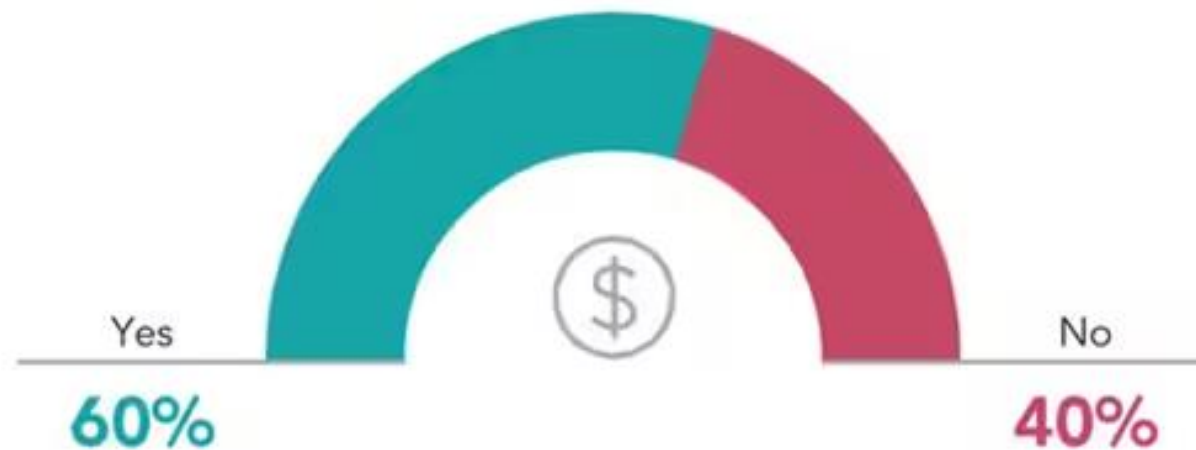


# Why Rheumatology? Because it's Different

- Office not Hospital Based
- Chronic Care of Patients not Acute/Episodic
- Cognitive not Procedural
- Interactive Care with Long-Term Relations

# Why Choose Rheumatology

Would Rheumatologists Take a Salary Reduction to Have Better Work-Life Balance?



# Work-Life Balance, Are you Getting it?

Is it about getting as **much time** of work off as possible?

Can you take it **when** you want it? Or your employer decides?

- **Vacation**
- **Scheduled events** (child's holiday sing)
- **Unscheduled events** (child sick at home)

# Autonomy and Agency, Do you need It? Responsibility and Risk, Do you want it?

- **Who** decides?
  - **Where** you work?
  - **Who** works with you? Boss, Peers, APP's and Staff?
  - **What** resources you have?
  - **How** much input you have on how things are organized?

# Make A Choice: Career or Job? Don't Make a False Choice

## You're in Demand Now

### You Have the Best Opportunity and Power to Decide

- **Think Long-Term:** Where Will I be Working in 2, 5, 10 and 20 years?
- **Think Specifics:** Where Will I be Happy Working ?
- **Think Realistically:** What do I Want and Need to be Fulfilled Throughout My Whole Career and be Compatible with My Lifestyle?

# Professional Fulfillment Vs Burnout Are You Staying or Leaving Your Job?

- Higher Rates of Physician Turn are Being Observed
- A study done at 15 Academic Institutions, JAMA 12/23  
37,000 Surveyed, 18,700 Medical Specialists responded
- Fulfillment/Burnout: Happiness, Meaningfulness, Satisfaction, Self-efficacy, Sense of Worth and Contributing
- Other Factors: Sleep impaired, Peer/Leadership Support, Schedule Control, Impact on Relations, Perceived Gratitude, EHR

**39.3% Professional Fulfillment, 37.9% Burnout**  
**32.6% =/> moderate Intent To Leave Job**

# Make the Right Choice For You

- **Be Prepared for the Process**
- **Get Out of Your Comfort Zone**
- **Don't Just Accept the 1<sup>st</sup> Job You're Offered**
- **Look at All Your Opportunities**
- **Discuss Position with People that Know**
- **One of the More Important Decisions You'll Make**
- **Take Your Time and Do it Right**



# Know Your Worth?

- Average of direct billings per FTE rheumatologist  
\$3.5 million/year
- Average value and saving per FTE rheumatologist  
\$2.9 million/year
- You're a valuable part of the system

The Clinical and Economic Value of Rheumatology: An Analysis of Market Supply and Utilization in the United States Authors: Christina Downey MD1, Marcus Snow MD2, Roberto Caricchio MD3, Jennifer Moody4, Tessa Kerby5 and Daniel Battafarano DO6, Aug/2023

# Happy in Life and Not Fulfilled in Work?

Why have you?

- Spent 9 years post-graduate training
- Deferred Income
- Accumulated Debt
- Delayed Starting Adult Life

You've Worked & Sacrificed  
to have a

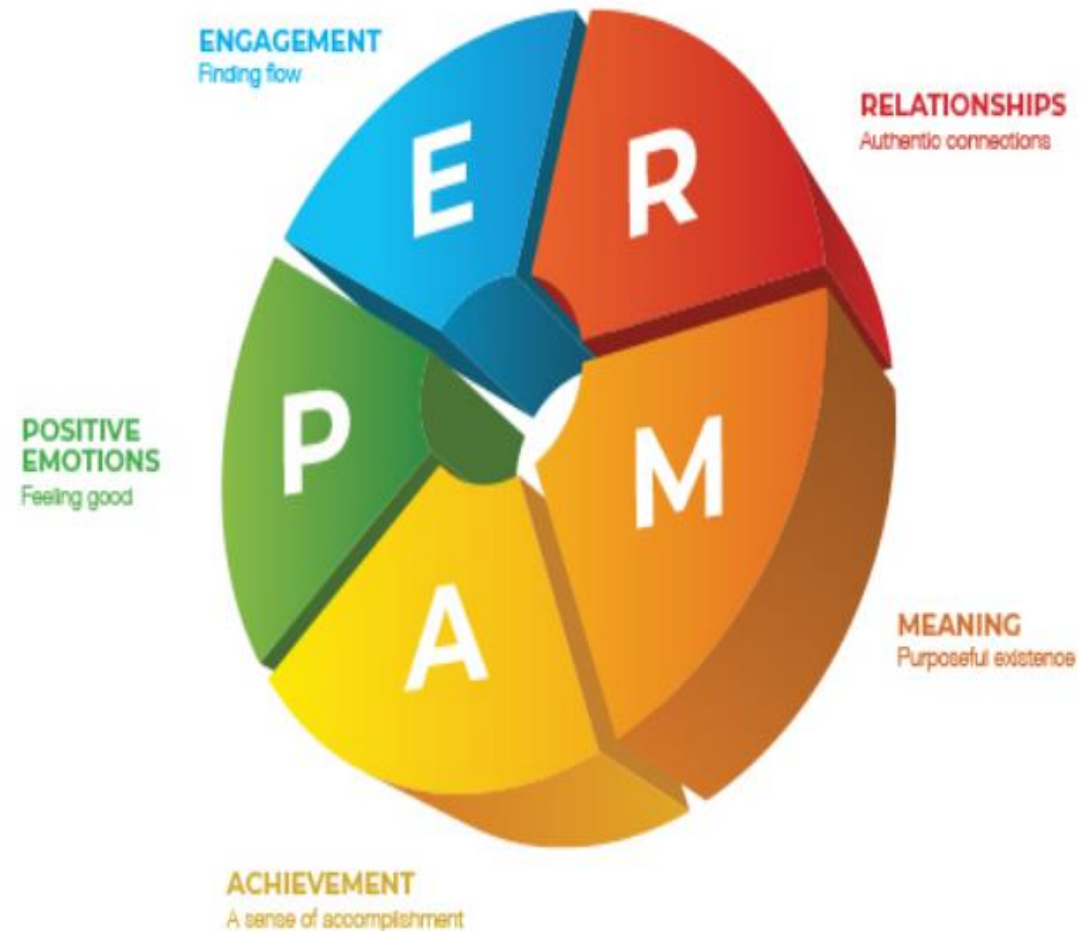
Career

Respect & Fulfillment



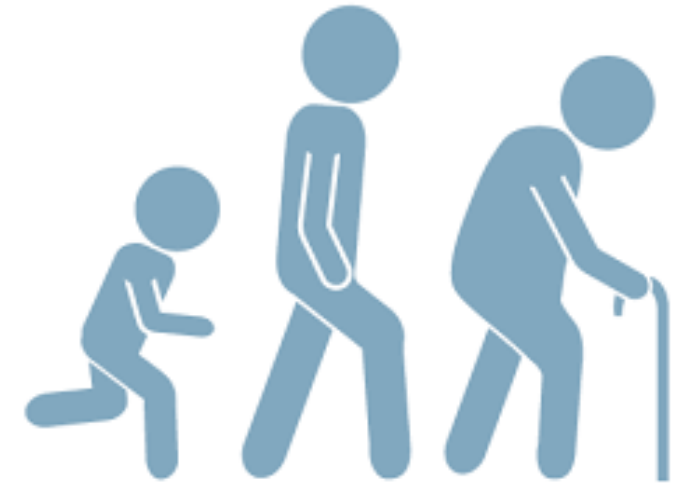
# Career Fulfillment: The 5 Pillars

- Engagement
- Relationships
- Positive Emotions
- Achievement
- Meaning



# Fulfillment-Relationship-Care

When you are fulfilled by your career, the greatest impact will be on you, those you care for and whose lives you affect.



# Foundational Patient-Doctor Relationship

Preserve the Trust

The Patient comes First

You are the Doctor

the Patient's Guide and Protector



# Patient-Doctor Relationship Foundational to Care

## **Changes Impacting/Eroding the Patient-Doctor Relationship**

- **For-profit corporate integration: employing providers and managing care**
- **Value-based care: pressure to reduce cost and increase efficiency of care**
- **Workforce problems: shortage of providers with increased demands**
- **Technology/remote care: changing traditional doctor patient care model**



# How do You Make a Difference Rheumatologist: The Patient's Advocate

## Advocate for Your Patient's High Quality Rheumatology Care

- Access to Care
- Ability for Your Patient to Receive the Right Care at the Right Time
  - Specialists, Diagnostics, Therapeutic Treatments

As the Rheumatologist, You are Your Patients' Advocate

If Not You, Who?

# How Do You Make a Difference

- **Commitment – Find the Right Career Path For You in Rheumatology**
- **Long-Term – Creating a Career that is Fulfilling to You and Your Lifestyle**
- **Preserve – The Patient-Doctor Relationship, Be the Patient's Advocate**
- **Engagement – Connect to Other Rheumatologists**
- **Involvement - Participate in Organizations Locally and Nationally**



# Stewardship of Rheumatology

**Advocacy for Rheumatology Patients and Providers**

**Partnership with National and State Rheum Societies**

- **Federal and State Government, both Legislative and Regulatory**
- **Monitoring Payers, PBM's and Third-Party Administrators**

# Your Career and Your Concerns

**Career Path, Job Security, Work-Life Balance, Financial Challenges, Emotional/Mental Health, Mentorship and Guidance in Your Career**

**Understanding what you need and how the changing landscape of healthcare affects you, will guide you on your path to career fulfillment**

# You are the Future of Rheumatology In a Changing Environment

Your Career Path Comes with Great Challenges and Opportunities

Your Professional Fulfillment and For You to Make a Difference





**If you do not change direction,  
you may end up where you are heading.**

[Lao Tzu](#)