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GUEST COLUMN: Report: Physicians Bill an Average of \$3.8 Million a Year to Commercial Insurers

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Physicians bill commercial health care insurance companies an average of \$3.8 million a year, according to a new report from AMN Healthcare, parent company of Merritt Hawkins, a **Wisconsin Hospital Association Gold-Level Corporate Member**.

The company's 2023 Physician Billing Report tracks claims submitted by physicians in 18 specialties, as well as claims submitted by nurse practitioners (NPs) and certified registered nurse anesthetists (CRNAs). On average, providers tracked in the report submit close to \$4 million a year in billing to commercial health insurance companies. General surgeons submit the highest average annual claims among physicians included in the report at \$11,669,016, while pediatricians submit the lowest average at \$1,323,104.

The report indicates that physicians who practice in diagnostic, surgical and internal medicine subspecialties typically generate higher average billing to commercial payors than do primary care physicians. The average billing amount to commercial payors generated by specialist physicians is \$4,650,750, according to the report, compared to \$1,770,564 for primary care physicians. Under current health care reimbursement models, surgical, diagnostic and other procedures typically performed by specialists are compensated at higher levels than are the consultative services typically provided by primary care physicians. As a result, claims submitted by specialists are usually higher than those submitted by primary care physicians.



Kurt Mosley

See the average physician billing to commercial payors by specialty <u>here</u>.

The report indicates that advanced practice professionals such as CRNAs and NPs also generate revenue. CRNAs submit an average of \$1,750,281 in claims to commercial payors, according to the report, while NPs bill an average of \$777,393, underscoring their economic importance.

Analysis in the report points to the continued key role of physicians and certain advanced practice professionals as revenue generators. The report tracks billing only for services provided by physicians, NPs and CRNAs directly, and does not include "downstream" revenue these providers may generate through the tests and hospital admissions they order and other activities. Factoring in this revenue would further underscore their importance as revenue drivers.

The report indicates that though payment models in health care are evolving, much of health care economics is still driven by the type and volume of services physicians and advanced practice professionals provide. They remain key catalysts of both care and revenue.

WHA members who would like a copy of the report may contact Merritt Hawkins <u>Brandon Schumacher</u>.

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