

Anesthesia Practice Management Survey

On an annual basis the American Society of Anesthesiologists (ASA) and Medical Group Management Association (MGMA) cooperate on a survey of anesthesia practices. Data in the survey encompasses anesthesia practice costs, revenue, production and staffing figures. Practices which participate in the survey receive a copy of the survey at no cost. The 2006 survey report, based on 2005 data can be used to gauge the financial performance of your practice. Following is a brief summary of significant survey results:

- An increase in the number of locations groups are being asked to staff has resulted in a decline in net revenues. Data from 2004 to 2006 shows the annual number of cases per location dropped by eight percent. Net revenue dropped over eleven percent, per full-time equivalent (FTE) physician.
- The survey also pointed out that hospital compensation or stipends are on the rise. Nearly seventy eight percent of all practices responding to the survey reported receiving from at least one of the hospitals for which they provide services. Of those practices, twenty-five percent reported receiving stipends in excess of one million dollars. It should be noted that most practice costs exceed net revenues by \$20,000.
- Median salary for a nurse anesthetist is \$162,951. This is across the board and does not take into account costs related to geographic location. Results also showed that smaller practices use nurse anesthetists more efficiently than do larger practices. On average, groups with ten or fewer anesthesiologists bill almost twice the number of total units per FTE physician than their larger counterparts. This is attributed to higher nurse to physician ratios in smaller groups.
- According to survey report authors, 2005 was the first year data was gathered on pain medicine practices and reported separately from those practices which provide anesthesia with limited pain management services. As may be expected, the average cost to support a FTE physician in a pain management office setting was \$86,042 versus the same physician in a traditional anesthesia practice at \$15,725.
- Median compensation, including benefits per FTE physician was also reported, as compared to group size. Again, the report does not take into account variances based on geographic location. The survey did delineate data based on practice size and other factors. Groups with between eleven and thirty FTE physicians reported the highest median compensation at \$389,572. Groups with thirty-one or more FTE physicians reported the lowest median salary at \$381,230. Groups consisting of ten or fewer physicians reporting slightly higher median salaries of \$383,882.

This is a small sampling of the data available from the American Society of Anesthesiologists (ASA) and Medical Group Management Association's (MGMA) 2006 practice survey. It should be considered that practices vary on many aspects. The authors of the survey have taken this into account. The report is presented so practices of similar size and make up can be compared. Without adjusting for such variances as practice size, care team model, payor mix and facilities

covered, one would only be able to get a very generalized account of the specialty. The complete Cost Survey for Anesthesia Practices Report may be instrumental in assessing the state of your practice. Further information can be found at www.ASAhq.org/news/mgmacostsurvey.htm.