# Policy Research Perspectives

## Physician Practice Characteristics in 2024: Private Practices Account for Less Than Half of Physicians in Most Specialties

By Carol K. Kane, PhD

### Introduction

This Policy Research Perspective (PRP) describes physician practice characteristics in 2024 based on data from the AMA's Physician Practice Benchmark Survey. It also provides a look back at how practices have changed since 2012, the first year in which the survey was conducted. Many of the trends speak to the different environments in which physicians deliver care to their patients today compared to twelve years ago. They do so in practices that are increasingly owned by hospitals or other organizations and not by physicians, larger, and increasingly likely to include physicians in a variety of specialties, not just one.

In 2024, 42.2 percent of physicians were in private practice, that is, a practice that was wholly-owned by physicians. This is 18 percentage points lower than in 2012, the earliest year for which comparable data are available. The data suggest that inadequate payment rates, costly resources, and burdensome regulatory and administrative requirements are longstanding and important drivers of this change.

Forty-seven percent of physicians worked in practices that included 10 or fewer physicians in 2024, the first time this share has dipped below 50 percent. In 2012, 61.4 percent of physicians worked in practices of that size and, in the early 1980s, it was around 80 percent (Kane, 2015). Thirty-seven percent of physicians worked in single specialty practices in 2024. Although single specialty practices still account for more physicians than multi-specialty practices (27.8 percent) the gap between the two practice types (9 percentage points) was much narrower in 2024 than in 2012 (23 percentage points).

The changes in practice size and type are consistent with one another and are partially driven by the movement away from private practice. Private practices are both smaller than practices owned by hospitals or other organizations and are more likely to be solo or single specialty practices.

Lastly, only 35.4 percent of physicians had an ownership stake in their practice in 2024, 18 percentage points below the 53.2 percent share of 2012 and less than half the magnitude of the shares (around 76 percent) of the early 1980s (Kletke, Emmons, and Gillis, 1996).

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## Data and methods

The AMA's Physician Practice Benchmark Survey – conducted on a biennial basis since 2012 – is a nationally representative survey of physicians who have completed residency, provide patient care for at least 20 hours per week, are not employed by the federal government, and practice in one of the 50 states or the District of Columbia. Prior to 2024 we used M3 Global Research as a survey vendor but switched to WebMD/Medscape in 2024 because the latter had a larger physician panel.[1] With this change, we also expanded the sample size from 3500 to 5000 physicians.

### Survey eligibility

Only physicians who meet the criteria listed above (e.g., have completed residency) are eligible for the survey. Eligibility is first determined based on information present in the AMA Physician Professional Data (PPD), a database of all physicians.[2] WebMD/Medscape licenses the PPD from the AMA and appends it to the physicians who are part of their panel. For our Benchmark Survey, they select only physicians who have completed residency, provide patient care, and practice in one of the 50 states or the District of Columbia to receive a survey invitation. Further, physicians invited to participate in the survey complete a screener that verifies the information from the PPD and asks about hours and federal employment. Any physicians that do not meet each of the eligibility criteria – despite PPD data suggesting that they did – are excluded from the survey. The survey was conducted from the end of August through the end of September and had a 43 percent response rate.

### Weighting

Several steps were taken to ensure that the final data were representative of the physician population. First, the distributions of physicians in the WebMD/Medscape panel and in the PPD were compared on the basis of age, gender, specialty, present employment, and state. Generally, the distributions aligned very closely. In addition, a weighting methodology and survey weights were constructed by NORC at the University of Chicago to reflect the probability of selection from the WebMD/Medscape panel into the sample and to adjust for non-resolution of eligibility status, differences between respondents and non-respondents, and differences between the distributions of the sample respondents and the population (eligible physicians in the AMA PPD). All estimates presented here are weighted.

This research was determined to be exempt by the AMA's IRB of record.

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[1] The samples for the 2014 to 2022 Benchmark Surveys were drawn from the M3 panel. The sample for the 2012 survey was drawn from the ePocrates panel. See Kane and Emmons (2013) for more information on the 2012 Benchmark Survey. In 2024, the active WebMD/Medscape panel had approximately 55,000 physicians who met the eligibility criteria for the survey based on PPD variables.

[2] Established by the AMA in 1906, the PPD includes significant education, training and professional certification information on virtually all Doctors of Medicine (MD) and Doctors of Osteopathic Medicine (DO) in the United States, Puerto Rico, Virgin Islands and certain Pacific Islands. A record is established when individuals enter medical schools accredited by the Liaison Committee on Medical Education (LCME), or in the case of international medical graduates (IMGs), upon entry into a post-graduate residency training program accredited by the Accreditation Council for Graduate Medical Education (ACGME). See https://www.ama-assn.org/about/masterfile/ama-physician-masterfile for more information.

**Measurement of practice arrangements in the Benchmark Surveys**

This PRP focuses on four characteristics of physician practices:

- the practice type of the main practice[3] in which physicians work;
- the ownership structure of that practice (practice ownership);
- the number of physicians in that practice (practice size); and
- whether physicians are owners, employees, or independent contractors with their main practice (employment status).

In the Benchmark Survey, physicians indicated which one of eight practice types (plus an additional fill-in category) best described their main practice:[4]

- Solo practice
- Single specialty group practice
- Multi-specialty group practice
- Faculty practice plan
- Hospital
- Ambulatory surgical center
- Urgent care facility
- Medical school

Physicians who indicated that their main practice was a hospital were asked to clarify whether they worked *directly for a hospital* or for a practice *owned by a hospital*. Physicians who worked directly for a hospital fall under the "direct hospital employee/contractor" category in the exhibits in this report. This category is considered both a practice type and a practice ownership structure. Physicians who indicated that they worked for a practice owned by a hospital were asked a second time to identify their practice type (this time excluding the hospital category) and are categorized in this report according to that response.

For practice ownership structure, physicians (other than those who selected "hospital" as a practice type) were presented with four options (plus an additional fill-in category).

- Wholly-owned by one or more physicians in the practice
- Wholly- or jointly-owned by a hospital, hospital system, or health system
- Wholly- or jointly-owned by a health insurer or its parent
- Wholly- or jointly-owned by a private equity firm

The options for this question differed slightly from those of prior survey years. First, rather than the option which refers to insurers, prior surveys had an option for ownership by an HMO or MCO. Second, the option for ownership by a hospital, hospital system, or health system previously had been presented as two options, one wholly-owned and one jointly-owned. They were combined in 2024 (for ease of exposition, this option is referred to as "hospital-owned" in the remainder of this report). Third, the jointly-owned possibility had previously been absent for insurer and private equity ownership but was added in 2024. The physician-owned option remained the same.

[3] Main practice is defined as "the practice in which you spend the majority of your time."
[4] The option of "Health Maintenance Organization (HMO)/Managed Care Organization (MCO) was dropped in the 2024 survey. After consideration, it was determined that this better reflected a type of ownership rather than a practice type. In prior surveys around 1% of physicians selected this option.

These changes were not taken lightly as any change in question format can result in a break in trend. Still, we believe that the changes were merited because of the increased complexity around the ownership of physician practices. For example, a practice that is hospital-owned may, in turn, be affiliated with or owned outright by an insurer. There are also ventures between private equity firms and insurers. Whether or not there is a "right answer" to the question of ownership in those practices it is questionable whether the employed physicians in those practices have a clear and consistent understanding of which ownership category applies to their practice. In contrast, physicians – both owners and employees – in practices that are wholly-owned by physicians (referred to as "private practice" hereafter) are more likely to be able to identify that ownership structure; it's simply easier since either they or one or more of their physician colleagues are the owner(s). The changes to the question on practice ownership allows physicians in private practice to clearly and easily identify as such while providing other physicians with a simpler and shorter list of options to choose from.

The 2024 Benchmark Survey also included a new question that asked physicians who were employed by or who contracted with practices owned by hospitals, insurers, or private equity firms whether, in addition, any physicians in the practice also had an ownership stake.

With the changes, we have a measure of private practice that is captured the same as in prior survey years as well as additional information on how often physicians share ownership in a practice that is better described as owned by a hospital, insurer, or private equity firm. Whether a practice has *joint* ownership among a hospital, insurer, or private equity firm is beyond the scope of the survey.

As in prior years, physicians were asked how many physicians were in their main practice and instructed to include all sites or practice locations as well as themselves in their answer. Finally, physicians reported whether they were owners, employees, or independent contractors in their main practice. Of all the characteristics described in this report, employment status is the only one that focuses on the individual physician rather than on the practice.

**Practice ownership**

Trends

Forty-two percent of physicians were in private practice in 2024, an 18 percentage point drop since 2012 (our first year of the Benchmark Survey) (Exhibit 1). An additional 7.7 percent of physicians (data not shown) indicated that they or another physician had an ownership stake in their practice but identified their practice as owned by a hospital, private equity group, or insurer (and are categorized as such in Exhibit 1).

In turn, the share of physicians in hospital-owned practices increased from less than one quarter (23.4 percent) in 2012 to more than one third (34.5 percent) in 2024. Twelve percent of physicians were employed directly by a hospital (or contracted directly with a hospital), double the share (5.6 percent) in 2012. In 2024, 6.5 percent of physicians characterized their practice as private equity-owned, higher than the shares in 2020 and 2022, which were both around 4.5 percent. Lastly, 4.6

percent of physicians indicated that the ownership of their practice was not one of the options listed in Exhibit 1.[5]

Private practice by specialty

The extent to which physicians remain in private practice varies greatly across specialty (Exhibit 2). Generally, the highest shares occur among physicians in surgical subspecialties. Ophthalmology, with 70.4 percent of physicians in private practice in 2024, was, by far, the specialty with the largest share. Second was orthopedic surgery (54.0 percent) followed by other surgical subspecialties with a combined share of 51.2 percent. In all other specialty groups fewer than 50 percent of physicians were in private practice. Very different than surgical subspecialties, less than one third of general surgeons were in private practice in 2024.

Although emergency medicine physicians, anesthesiologists, and radiologists all tend to provide services in the facility setting[6], the practice ownership of emergency medicine physicians was quite different from that of the other two specialties. While more than 45 percent of anesthesiologists and radiologists were in private practice this was the case for only 33.2 percent of emergency medicine physicians.

Private practice ownership rates for primary care physicians were similar (in the high thirty percent to low forty percent range) for pediatricians, general internists, and family medicine physicians. The share for obstetricians/gynecologists, at more than 45 percent, was higher.

Timing of practice purchases

Across all physicians in hospital-, insurer-, or private equity-owned practices, 15.1 percent were purchased in the past 5 years (after 2019), 15.3 percent in the five years prior to that (between 2015 and 2019), and 41.6 percent before 2015 (Exhibit 3). Twenty-eight percent of physicians were not sure. However, the data illustrate that practice ownership by private equity firms is a relatively more recent phenomenon than ownership by hospitals. Thirty-eight percent of physicians in private equity-owned practices said they had been acquired in the past five years. In contrast, 10.0 percent of physicians in hospital-owned practices were acquired in that time frame. To the same point, while almost half (47.2 percent) of physicians in hospital-owned practices said they had been acquired prior to 2015, only 17.1 percent of physicians in private equity-owned practices said the same.

Reasons why practices are sold

We asked physicians in practices that had been acquired by a hospital, private equity firm, or insurer in the last 10 years about the motivations for the sale.[7] Physicians were provided with six reasons and asked to rank each on a five-point scale from “not important at all” to “very important.” The

[5] This includes an explicit option of “insurer-owned” as well as fill-in responses. In each year of the Benchmark Survey, between 1 and 2 percent of physicians indicated that their practice was insurer-owned. Prior to 2024, it also included “wholly-owned by a not-for-profit foundation” which was eliminated as an option in 2024.
[6] AMA analysis of 2021 Medicare 5% claims data shows that more than 90% of emergency medicine physicians and anesthesiologists and 62% of diagnostic radiologists billed at least 75% of allowed charges in a facility setting.
[7] The responses summarized in Exhibit 4 are also limited only to physicians who were members of the practice when it was acquired.

reason which garnered the most “very important” or “important” responses was the need to “better negotiate higher payment rates with payers” (70.8 percent), followed by the need to “improve access to costly resources” (64.9 percent) and “better manage payers’ regulatory and administrative requirements” (63.6 percent) (Exhibit 4). These were the top three reasons regardless of whether the practice was sold before or after 2019. Lower, but still at more than 50 percent, was to “ease participation in risk-based payment models” (55.1 percent). The need to “increase availability of additional services that patients need” and to “better compete for employees in the labor market” were considered “very important” or “important” by just under 50 percent of physicians.

**Practice size, practice type, and physician employment status**

The data on practice size highlight the continued erosion of small practice (Exhibit 5).[8] In 2024, 47.4 percent of physicians worked in practices with 10 or fewer physicians, compared to 61.4 percent in 2012, and around 80 percent in the early 1980s. Further, the share of physicians in practices with 50 or more physicians increased from less than 5 percent in the early 1980s (Kane, 2015) to 12.2 percent in 2012 and 18.3 percent in 2024.

The changes in practice type over the last decade are consistent with the changes in practice size (Exhibit 6). The share of physicians in solo practice has continued to decline steadily from 18.4 percent in 2012 to 11.9 percent in 2024. In addition, single specialty practice continued to account for the largest share of physicians (37.2 percent in 2024) but that share was markedly smaller than in 2012 (45.4 percent). Twenty-eight percent of physicians worked in multi-specialty practices, up around six percentage points since 2012. Multi-specialty practices tend to be larger than single specialty practices, with 40.6 percent of physicians in multi-specialty practices reporting they were in practices with 50 or more physicians and 29.0 percent in practices with 10 or fewer physicians compared to 10.5 percent and 62.8 percent of physicians in single specialty practice, respectively (data not shown).

In 2024, 57.5 percent of physicians were employees, 35.4 percent were owners, and 7.1 percent were independent contractors. The employee and owner shares reflect a change of about eight percentage points in the upward and downward directions since 2022, larger than the two-year shifts in prior years. This larger than usual shift was observed in most age categories, specialties, and among men and women physicians (data not shown); there did not appear to be one segment of the physician population that was the driver.

**Differences between private, hospital-owned and private equity-owned practices**

There are marked differences among the three types of practice ownership that account for the greatest numbers of physicians. Physicians in private practice are concentrated in very small practices. Almost half are in practices with fewer than five physicians and only 11.8 percent in practices that include 50 or more physicians (Exhibit 7). In contrast, the practices of physicians in

[8] Exhibit 5 shows that 13.0 percent of physicians were direct hospital employees/contractors in 2024. These physicians are not included in the practice size distributions because it is not clear what their point of reference would be for a “practice.” Further, their share (13.0 percent) is different than in Exhibits 1 and 6 (12.2 percent) for the following reason. Physicians who did not know their practice size are excluded from the estimates in Exhibit 5. Because this makes the denominator in the practice size percentages smaller, it pushes up the direct employee/contractor share compared to that in the other two exhibits.

hospital-owned practices are much larger, with 16.1 percent in practices with fewer than 5 physicians and more than 30 percent in practices with at least 50 physicians. Private equity-owned practices much more closely resemble hospital-owned practices than private practices in terms of their size.

Private and hospital-owned practices also differ in terms of how they are organized. Seventy-eight percent of physicians in private practices characterize their practice as a solo or single specialty practice compared to only 31.3 percent of physicians in hospital-owned practices. In contrast, 20.5 percent of private practice physicians work in multi-specialty practices compared to 44.3 percent of physicians in hospital-owned practices. Different than for size, private equity-owned practices more closely resemble private practices in their composition, with 63.4 percent of physicians in solo or single specialty practices and 27.7 percent in multi-specialty practices.

**Discussion**

Data from the AMA's 2024 Physician Practice Benchmark Survey show that the trends in practice characteristics observed since our inaugural Survey in 2012 continue. Increasingly, physicians are less likely to work in small practices that they or other physicians own. Rather, they tend to work in practices that are larger, more likely to be multi-specialty, and, certainly, more likely to be owned by a hospital or private equity group than in the past.

In 2024 only 42.2 percent of physicians were in private practice, 18 percentage points below the share in 2012. The growth of the physician population notwithstanding, this means that around 80,000 fewer physicians were in private practice in 2024 than in 2012.[9] If not for the higher private practice percentages among physicians in surgical subspecialties, the overall share in private practice would have been even lower—all other specialty categories outside of surgical subspecialties had a private practice share under 50 percent.

Forty-seven percent of physicians either worked in a practice that was owned by a hospital, hospital system, or health system (34.5 percent) or were directly employed (or contracted directly with) a hospital (12.2 percent) in 2024. This collective share is 18 percentage points higher than in 2012. Lastly, 6.5 percent of physicians were in practices owned by private equity groups, higher than the shares in 2020 (the first year we asked about this ownership type) and 2022, both of which were around 4.5 percent.

Other analyses estimate a different share of physicians in private practice but also clearly find the same directional trend. For example, the Physician Advocacy Institute concludes that the share of physicians in "independent practice" fell from 37.8 percent in 2019 to 22.4 percent in 2024 with a commensurate increase in physicians who are "employees of hospitals/health systems and other corporate entities" from 62.2 to 77.6 percent (Physician Advocacy Institute, 2024). Importantly, that analysis focuses on the ownership of physicians' *affiliated* practices, which are not necessarily the practices in which they are employed or have an ownership stake. Although practice ownership can be complex when hospitals, private equity groups, and insurers are involved, we believe that when

[9] Based on an estimated eligible physician population of 650,750 in 2012 and 737,195 in 2024.

surveyed, physicians are able to accurately report whether they are in practices that are wholly-owned by physicians (private practice).

Our survey data show that ownership by private equity firms is a more recent phenomenon than ownership by hospitals. Thirty-eight percent of physicians in private equity-owned practices said they had been acquired in the past five years—sometime after 2019—compared to only 10.0 percent of physicians in hospital-owned practices. This aligns with research which shows that the numbers of practice acquisitions by private equity firms has increased over time (Singh, Reddy, and Zhu, 2024). Most research on private equity growth in the market for physician services focuses on a finite number of specialties in which private equity has made the greatest inroads. Thus, it's hard to compare the 6.5 percent share across all specialties with other research. The most recent estimate of private equity penetration across specialties is based on data for 10 specialties which together had a share of 4.3 percent in 2021 (Abdelhadi, Fulton, Alexander, and Scheffler, 2024).

Physicians indicate three clear reasons for the shift away from private practice and toward practices that are owned by entities other than physicians: the need to better negotiate higher payment rates with payers, to improve access to costly resources, and to better manage payers' regulatory and administrative requirements. Moreover, these three reasons are top both for physicians whose practices were sold between 2020 and 2024 and for physicians whose practices were sold between 2014 and 2019. In fact, even more than a decade ago stagnant payment rates in the face of the rising costs of private practice were cited as a reason for selling to a hospital (O'Malley, et al., 2011). These are longstanding issues that have contributed to the erosion of physicians in small, physician-owned practices and continue to do so. In addition, the reasons given by physicians align with research which shows that markets with larger physician practices and with a greater degree of physician–hospital consolidation have higher prices for physician services (Neprash et al., 2015; Clemens and Gottlieb, 2017; Capps, Dranove, and Ody, 2018).

Between 2012 and 2024 the share of physicians in practices with 10 or fewer physicians fell from 61.4 percent to 47.4 percent, a 14 percentage point decrease. While this is a striking change over the past decade, it is not a new one. Practice size has been falling since at least the early 1980s when around 80 percent of physicians were in practices with 10 or fewer physicians (Kane, 2015).

When asked about practice size in the Benchmark Survey, physicians are instructed to report the numbers of physicians across all practice sites. Thus, we measure "firm size" and not "establishment size." Still, physicians in hospital-owned or private equity-owned practices may not consider all components of the larger organization (some of which may have been independent in the past) when measuring size. Thus, the estimates among physicians outside of private practice may underestimate the shares of physicians in the larger practice size categories. Still, what is clear is that private practices are markedly smaller, with almost half of private practice physicians in practices with five or fewer physicians compared only 16.1 percent and 12.9 percent of physicians in hospital-owned and private equity-owned practices, respectively.

Lastly, since 2012, there has been a near continuous decrease in the percentage of physicians who have an ownership stake in their practice, from 53.2 percent to 35.4 percent in 2024.

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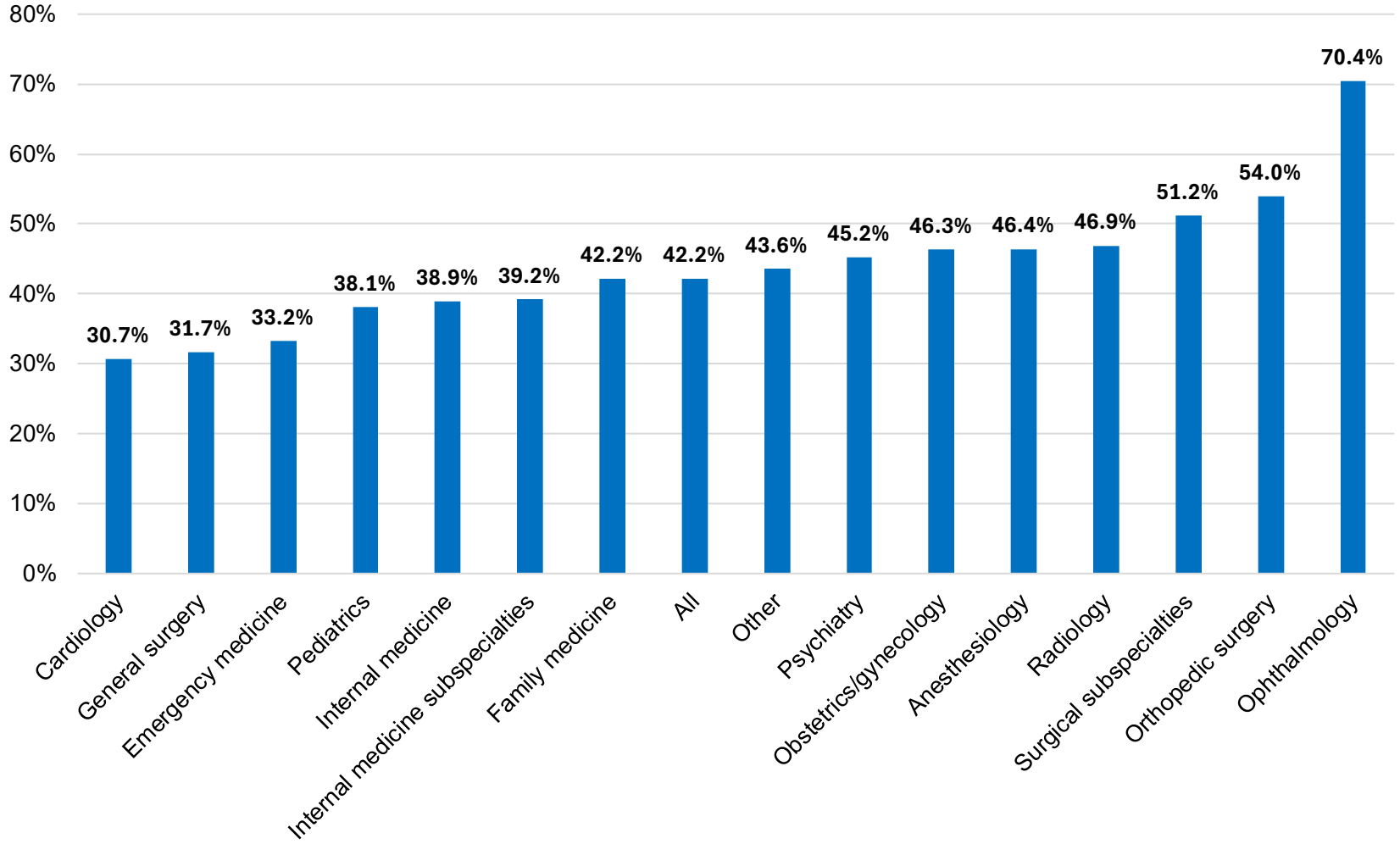
**Exhibit 1. Distribution of physicians by practice ownership**

| | 2012 | 2014 | 2016 | 2018 | 2020 | 2022 | 2024 |
|---|---|---|---|---|---|---|---|
| **Private practice** | 60.1%[a] | 56.8% | 55.8% | 54.0%[a] | 49.1%[b] | 46.7%[a] | 42.2%[a] |
| **Hospital-owned** | 23.4%[b] | 25.6% | 25.4% | 26.7%[a] | 30.5% | 31.3%[a] | 34.5%[a] |
| **Private equity-owned** | n/a | n/a | n/a | n/a | 4.4% | 4.5%[a] | 6.5% |
| **Direct hospital employee/contractor** | 5.6%[a] | 7.2% | 7.4% | 8.0%[c] | 9.3% | 9.6%[a] | 12.2%[a] |
| **Other** | 10.9% | 10.3% | 11.4% | 11.2%[a] | 6.8%[c] | 7.9%[a] | 4.6%[a] |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| **N** | 3466 | 3500 | 3500 | 3500 | 3500 | 3500 | 5000 |

Source: Author's analysis of AMA Physician Practice Benchmark Surveys.
Notes: Significance tests are for changes over time, within ownership category. 'a' is $p<0.01$, 'b' is $p<0.05$, and 'c' is $p<0.10$. Indications in each column are for that year and the one following except in the 2024 column where they are for 2012 and 2024. "Hospital-owned" includes physicians in practices owned by hospitals, hospital systems, and health systems. "Other" includes fill-in responses and insurer-owned. Prior to 2024, it also includes "wholly-owned by a not-for-profit foundation" which was eliminated as an option in 2024.

## Exhibit 2. Percentage of Physicians in Private Practice (2024)



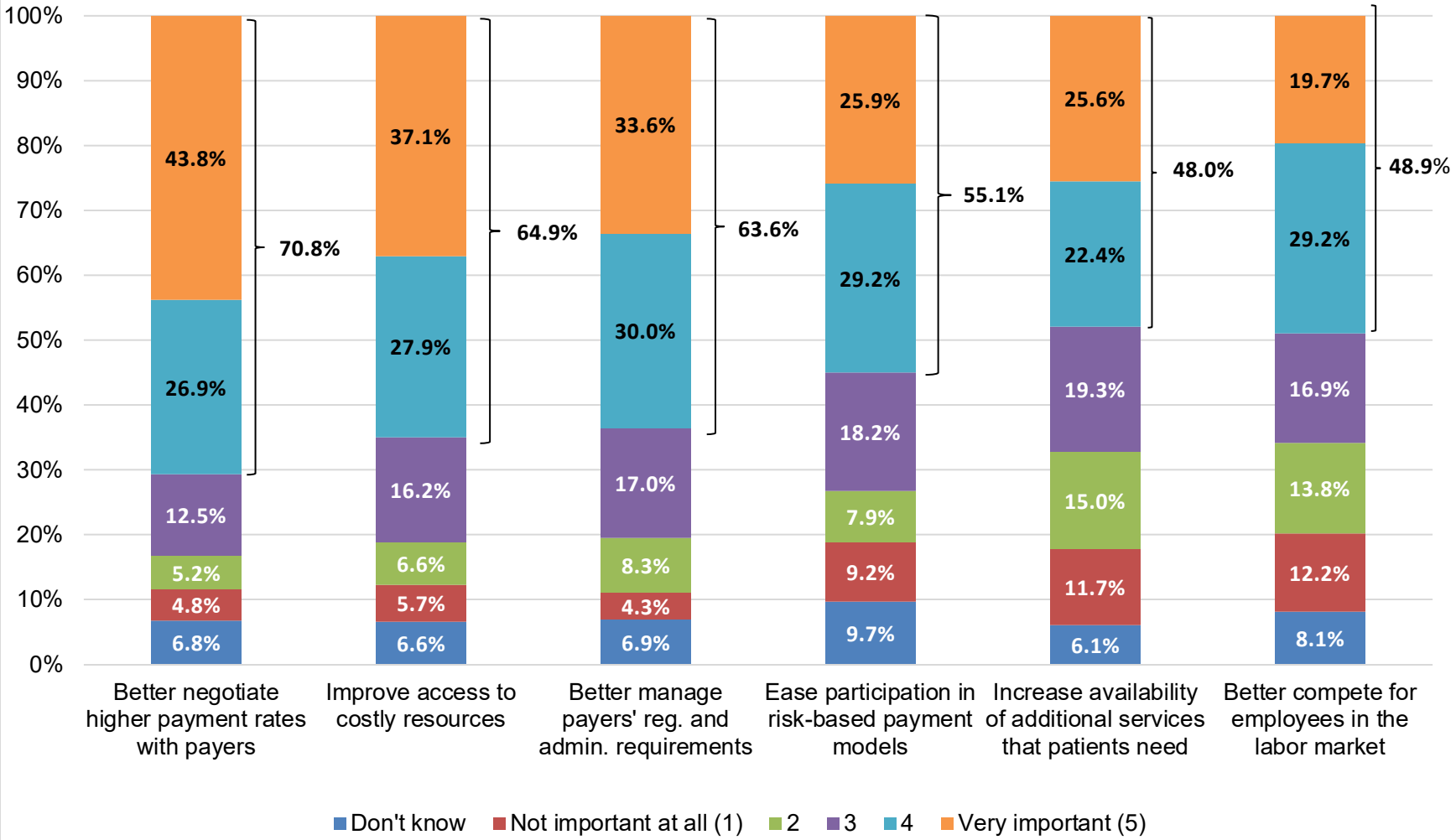

Source: Author's analysis of AMA 2024 Physician Practice Benchmark Survey. Note: Ns for each specialty exceed 100.

**Exhibit 3. Distribution of physicians by time period in which their practice was sold (2024)**

| | Hospital-owned | Private equity-owned | All |
|---|---|---|---|
| **Don't know** | 29.2% | 22.4% | 28.0% |
| **Before 2015** | 47.2% | 17.1% | 41.6% |
| **2015 to 2019** | 13.6% | 22.2% | 15.3% |
| **After 2019** | 10.0% | 38.3% | 15.1% |
| | 100% | 100% | 100% |
| **N** | 1626 | 327 | 2027 |

Source: Author's analysis of AMA 2024 Physician Practice Benchmark Survey.
Notes: Hospital-owned includes physicians in practices owned by hospitals, hospital systems, and health systems. The "all" column also includes physicians in practices that are owned by insurers in addition to those in practices that are hospital- or private equity-owned. The insurer category is not shown explicitly because its sample size is less than 100.

## Exhibit 4. Reasons that private practices were sold (2024)




Source: Author's analysis of AMA 2024 Physician Practice Benchmark Survey. Notes: These estimates are based on physicians whose practices had been acquired by a hospital, hospital system, health system, private equity group, or insurer after 2014 and who were practice members at the time of that acquisition (N=520). The bracketed percentage is the sum of important (4) and very important (5).

**Exhibit 5. Distribution of physicians by practice size**

| | 2012 | 2014 | 2016 | 2018 | 2020 | 2022 | 2024 |
|---|---|---|---|---|---|---|---|
| **Practice size** | | | | | | | |
| Fewer than 5 physicians | 40.0% | 40.9%[b] | 37.9%[c] | 35.7%[c] | 33.6% | 32.8%[a] | 28.8%[a] |
| 5 to 10 | 21.4%[c] | 19.8% | 19.9% | 20.8% | 20.0% | 19.0% | 18.7%[a] |
| 11 to 24 | 13.4%[c] | 12.1% | 13.3% | 12.7% | 11.5% | 12.1% | 12.5% |
| 25 to 49 | 7.1% | 6.3%[c] | 7.4% | 7.6% | 7.8% | 7.7%[c] | 8.8%[a] |
| 50+ physicians | 12.2% | 13.5% | 13.8% | 14.7%[a] | 17.2% | 18.3% | 18.3%[a] |
| **Direct hospital employee/contractor** | 5.8%[a] | 7.4% | 7.7% | 8.5%[c] | 9.7% | 10.1%[a] | 13.0%[a] |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| **N** | 3326 | 3388 | 3381 | 3339 | 3353 | 3328 | 4674 |

Source: Author's analysis of AMA Physician Practice Benchmark Surveys.

Notes: Significance tests are for changes over time, within practice size category. 'a' is $p<0.01$, 'b' is $p<0.05$, and 'c' is $p<0.10$. Indications in each column are for that year and the one following except in the 2024 column where they are for 2012 and 2024. The percentage of physicians who are direct hospital employees/contractors is slightly larger in Exhibit 5 than in Exhibits 1 and 6 (e.g., for 2024, 13.0% compared to 12.2%). Physicians who did not know their practice size are excluded from the estimates in Exhibit 5. Because this makes the denominator in the practice size percentages smaller, it pushes up the direct hospital employee/contractor percentage compared to that in the other two exhibits.

**Exhibit 6. Distribution of physicians by practice type and employment status**

| | 2012 | 2014 | 2016 | 2018 | 2020 | 2022 | 2024 |
|---|---|---|---|---|---|---|---|
| **Practice type** | | | | | | | |
| Solo practice | 18.4% | 17.1% | 16.5%[c] | 14.8% | 14.0% | 12.9% | 11.9%[a] |
| Single specialty group | 45.4%[a] | 42.2% | 42.8% | 42.8% | 42.6% | 41.8%[a] | 37.2%[a] |
| Multi-specialty group | 22.1%[a] | 24.7% | 24.6% | 25.2% | 26.2% | 26.7% | 27.8%[a] |
| Direct hospital employee/contractor | 5.6%[a] | 7.2% | 7.4% | 8.0%[c] | 9.3% | 9.6%[a] | 12.2%[a] |
| Faculty practice plan | 2.7% | 2.8% | 3.1% | 3.0% | 2.9% | 3.5% | 3.7%[a] |
| Other | 5.8% | 5.9% | 5.7% | 6.2%[b] | 5.0% | 5.5%[a] | 7.2%[b] |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| **Employment status** | | | | | | | |
| Employee | 41.8% | 43.0%[a] | 47.1% | 47.4%[b] | 50.2% | 49.7%[a] | 57.5[a] |
| Owner | 53.2%[b] | 50.8%[a] | 47.1% | 45.9% | 44.0% | 44.0%[a] | 35.4[a] |
| Independent contractor | 5.0%[b] | 6.2% | 5.9% | 6.7% | 5.8% | 6.4% | 7.1[a] |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| **N** | 3466 | 3500 | 3500 | 3500 | 3500 | 3500 | 5000 |

Source: Author's analysis of AMA Physician Practice Benchmark Surveys.

Notes: Significance tests are for changes within employment status or practice type category. 'a' is $p<0.01$, 'b' is $p<0.05$, and 'c' is $p<0.10$. Indications in each column are for that year and the one following except in the 2024 column where they are for 2012 and 2024. "Other" includes ambulatory surgical center, urgent care facility, medical school, and fill-in responses. Prior to 2024, it also includes "HMO/MCO" which was eliminated as an option in 2024.

**Exhibit 7. Practice size and type differences among physicians in private practice, hospital-owned practices, and private equity-owned practices (2024)**

| Practice size | Private practice | Hospital-owned practice | Private equity-owned practice |
|---|---|---|---|
| Fewer than 5 physicians | 49.2%[a] | 16.1% | 12.9%[a] |
| 5 to 10 | 19.7%[b] | 23.0% | 21.9% |
| 11 to 24 | 11.6%[a] | 16.4%[c] | 20.9%[a] |
| 25 to 49 | 7.8%[a] | 13.3% | 11.7%[b] |
| 50+ | 11.8%[a] | 31.3% | 32.6%[a] |
| | 100% | 100% | 100% |
| **N** | 2149 | 1461 | 284 |
| **Practice type** | | | |
| Solo or single specialty practice | 77.9%[a] | 31.3%[a] | 63.4%[a] |
| Multi-specialty practice | 20.5%[a] | 44.3%[a] | 27.7%[a] |
| Other practice type | 1.6%[a] | 24.4%[a] | 8.9%[a] |
| | 100% | 100% | 100% |
| **N** | 2182 | 1678 | 327 |

Source: Author's analysis of AMA 2024 Physician Practice Benchmark Survey.
Notes: Significance tests are for differences between ownership category, within size or practice type. 'a' is $p<0.01$, 'b' is $p<0.05$, and 'c' is $p<0.10$. Indications in the private practice column are between that category and hospital-owned; in the hospital-owned category between that category and private equity-owned; and in the private equity-owned category between that category and private practice.