

Is the Sky Falling?

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Questions about the impact of the economic recession on optometrists and their patients:

Do you know of any optometrist who has become unemployed in the last nine months?

Do you know of anyone who has become unemployed during this period?

Do you know of any optometrist who has declared bankruptcy in the last nine months?

Do you know of anyone else who has declared bankruptcy during this period?

Do you know of an optometrist whose home is in foreclosure?

Do you know of anyone else whose home is in foreclosure?

Have you visited the home of a poor person recently?

Have you ever visited the home of a poor person?

Do you live in a lower middle class community?

Has your practice seen a decrease in business and/or an increase in cancellations during the last nine months? (Md's answer: yes 70%)

During the last nine months, has your practice seen an increase in the number of patients who have lost their insurance due to the economic conditions? (Md's answer 91.7%)

Has your practice seen an increase in the number of patients who have had trouble paying their bills or are asking for help in meeting their financial obligations to their health bills in the last nine months?
(Md's answer 86.6% yes).

What are you currently doing in regard to patients who are struggling financially:

1. offering payment plans (Md's answer 75.9%)
2. offering discounts for self-pay patients (Md's answer 58.3%)
3. providing charity care (Md's answer 54.9%)
4. writing off noncollectable balances? (Md's answer 62.1%)

Is there anything else you'd like to add on this subject?

Health care, once thought to be recession-proof, is not immune to the economic slowdown.

We are small businesses. Doctors in private practice have fixed costs such as office rent, malpractice insurance, equipment and supplies. Variable costs, such as staff salaries, become more vulnerable to being reduced to keep up with the decline in revenue. But reducing these costs can have an impact on office efficiency and ultimately the bottom line.

According to the August 15, 2009 issue of The Review of Optometry, "optometrists' compensation dropped 4.19% between 2007 and 2009, to a median of \$122,523. But, when adjusted for inflation, O. D.s' salaries actually fell 7.7% to a median of \$107,498 in real dollars."

Primary care physicians had a drop in adjusted income of 1.73% (\$163,229) and specialists experienced a drop in adjusted income of 2.19% (\$298,075). Ophthalmologists had a loss of 4.28% after inflation, to a median of \$275,543 in real dollars.

But even with this drop in income, optometrists are privileged. We still earn a lot of money. We are not likely to be unemployed. We don't experience first hand what the rest of America is going through. We don't have to struggle to pay the rent, the mortgage, or health insurance. We can usually afford to buy what we want, even if we don't really need it. Does that make us any happier? Are we doing works of charity for others outside our work as an optometrist? How can we encourage people to seek optometric care in these times? How can we finance their care?

References

Impact of the Economic Recession on the Practice of Medicine in Ohio
Ohio State Medical Association, August 2009

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