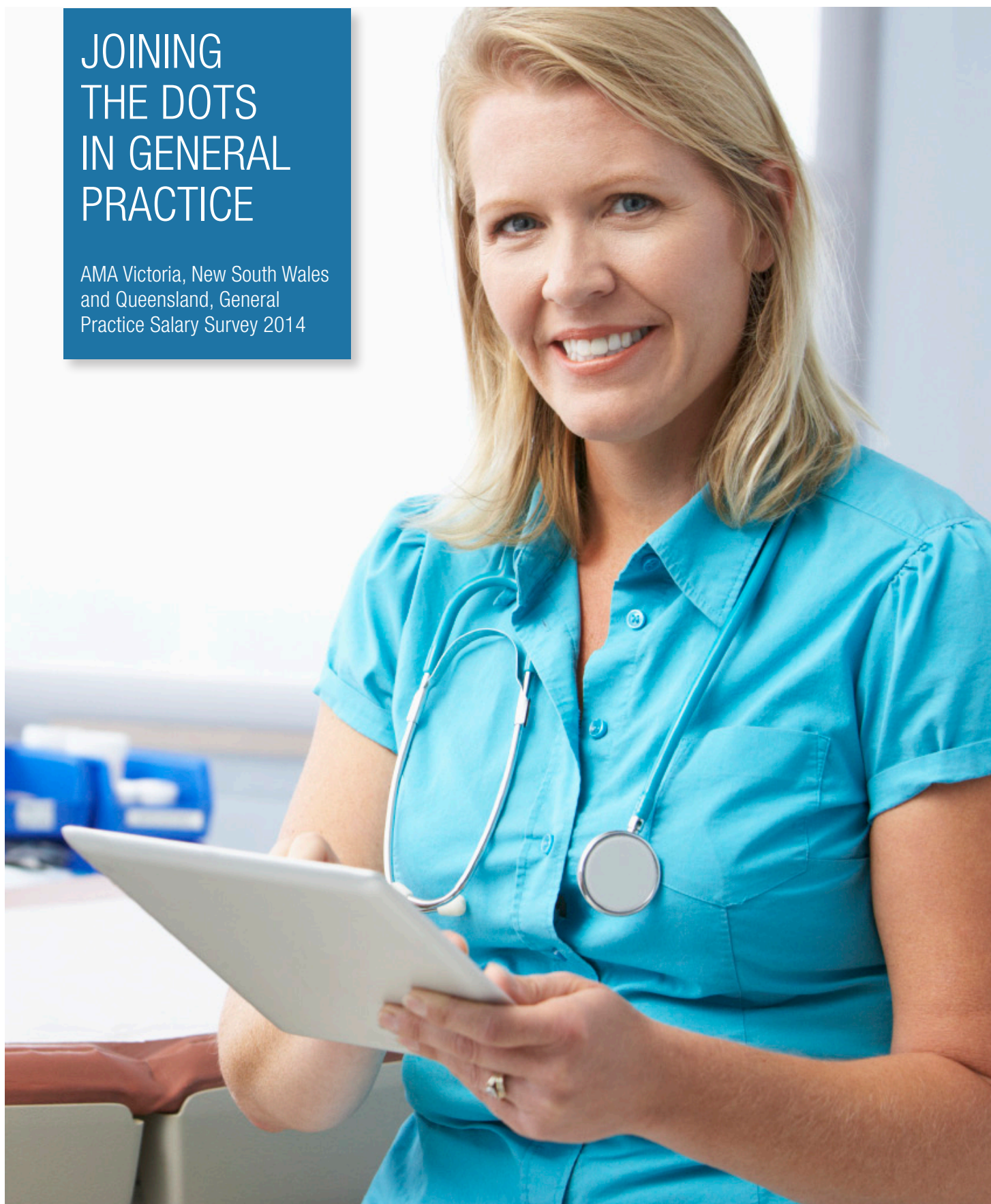
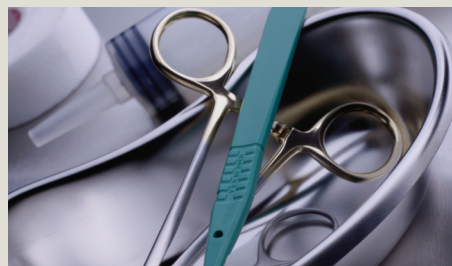
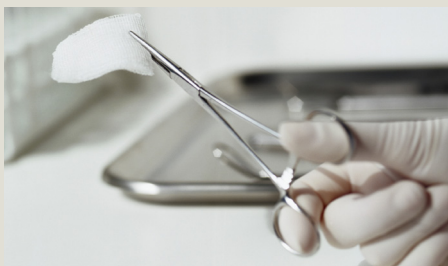


JOINING THE DOTS IN GENERAL PRACTICE

AMA Victoria, New South Wales
and Queensland, General
Practice Salary Survey 2014



BACKGROUND TO GENERAL PRACTICE IN AUSTRALIA



General Practice in Australia comprises 30,700¹ individuals working in an estimated 7035 practices.² The size of GP practices can be grouped around; 2450 solo practices, 3075 with between 2-5 GPs and 1500 with 6 or more GPs.³ The average level of bulk billing of non referred medical services is 81 per cent.⁴ Over the past 10 years the number of placements in the GPET training program has increased from 450 (2003) to 1100 (2013).⁵ The proportion of female GPs is 43 per cent.⁶ Average hours worked by males is 44.1 hours per week and females is 33.6 hours per week.⁷

During the year the cost of living grew by 2.9%.⁸ Employee Average Weekly Earnings increased by 3.2 per cent for the 12 months to November 2013.⁹ The Medicare Benefits Schedule rebates for GP item numbers did not change in 2013.¹⁰ The AMA List of Medical Services and Fees reflects changes in practice costs and Net Income via its Annual Index. For 2013 the Index for non-procedural general practice increased by 2.95 per cent.¹¹

“ I will be delighted to be able to compare my conditions with other GPs as a result of this survey”

Quote from respondent about the survey

ABOUT THE SURVEY

The survey was conducted online over the period 28 February to 28 March 2014. GP members of AMA Victoria, New South Wales and Queensland were invited to complete the survey with email reminders sent over the survey period. Questions were aimed at ascertaining the payments made to GPs working in practices through either a percentage of billings or hourly basis. The survey of 3647 individuals delivered 346 responses across three states.

The breakdown by state is identified in **Figure 1**.



FIGURE 1 Number of respondents by state

Survey information was supplemented by data from various referred sources including the Australian Bureau of Statistics and Australian General Practice Education and Training.

FINDINGS

The most common method of payment for GPs was a percentage of fees (88 per cent of respondents) with 12 per cent paid on an hourly basis.

For those paid as a percentage of fees, the average (mean) percentage of billings retained by a GP was 62 per cent. The most common reported (mode) was 60 per cent. The largest two groupings of payment retained were 60 to 64 per cent (86 respondents) and 65 to 69 per cent (82 respondents) of billings

An average hourly rate of pay was more difficult to identify. Only 38 responded to the question of payment, in hours, Monday to Friday. The mean average was \$118 per hour in a range of \$30 to \$200 per hour however, the sample may be skewed by GP registrars in their first two years of training. It is difficult to draw conclusions based on such a small sample. The returns identifying payments for work on Saturday, Sunday and out of hours were less so results were not reproduced.

Just over 50 per cent of respondents reported receiving additional payment or part payment by way of the Practice Incentive Program (PiP). The most common arrangements involved some payments to GPs from the Diabetes Incentive (52 per cent), Cervical Screening Incentive (50 per cent) and Asthma Incentive (43 per cent).

There was no evidence to find the existence of a relationship between level of payments (percentage or hourly) and receiving a proportion of PiP payment.

The vast majority of respondees (81 per cent) identified themselves as Australian trained graduates. A small number (4 per cent) stated they were engaged for less than 6 months.

REPORT

The outcomes are presented in a format comparable to the questionnaire. It is instructive to view the results within the context of the local environment. Many factors exist that can influence remuneration. Issues such as the locality of the practice, the available GP pool, gender, qualifications, the profitability of the practice and the level of demand for GP services in the area can influence negotiations. Unfortunately a simple formula for objectively identifying the “value” of services provided does not exist.

The survey was designed to be relatively simple to complete in order to maximise the number of returns. As such, it was not possible to draw conclusions about what factors in a practice, or individual practitioner, might impact on their split/level of remuneration.

The survey is intended to provide GPs and practices with data to help with their negotiations. It is recommended that this survey be read in conjunction with the Negotiating Contractual Arrangements between GPs available from AMA Victoria.

About the survey respondents

Are you male or female?

The respondents were 58 per cent male and 42 per cent female, which equates to the general split of the GP workforce.

Where did you complete your medical degree?

Australia – 81 per cent
Overseas – 19 per cent

About the medical practise of respondents

How would you describe the level at which you work?

The vast majority of respondents (70 per cent) were experienced General Practitioners. **Table 1** shows the percentage of responses from each classification. The survey is heavily skewed toward GPs who possess four or more years of specialist registration.

Level of training	Percentage of respondents
GP Registrar by year	
Year 1	1%
Year 2 (Term 1 & 2)	1%
Year 3	2%
Year 4 (Advanced Training)	1%
General Practitioner	
New fellow (1-3 years post specialist registration)	5%
Experienced GP (4+ years post registration)	91%
Other	1%

TABLE 1 Percentage of respondents by level of training.



If you identify as an experienced GP, do you have qualifications in: Obstetrics, General Anaesthetics or General Surgery?

Of the number of 'experienced' GPs who identified themselves in the survey (302) 34 per cent had some procedural speciality. Obstetrics was the most common reported. The data did not suggest any difference in the level of percentage of billings retained or hourly rate if a doctor held such qualifications. However, there is a suggestion that GPs reporting such skills were (understandably) engaged by public hospitals when utilising these skills.

Are you vocationally registered?

The overwhelming majority (92 per cent) answered 'yes' to this question demonstrating that the results are strongly skewed toward vocationally registered doctors.

What is your length of engagement with the practice?

A small number of respondents (4 per cent) reported occupying a short-term replacement role for up to 6 months. The survey results may therefore have limited relevance to short term placements.

Where is your practice located?

The majority of respondents were from Victoria (168) followed by Queensland (97) and NSW (76). Two respondents reported themselves as locums without nominating a postcode.

How many GPs work at your practice location?

Respondents identified that on average seven GPs worked in their practice location. The reported size of practice is slightly larger than the general population at 5.25 GPs per practice.

“ As an owner of three practices, unlike the other health professionals, engaged doctors are exceptionally demanding and increasingly demanding of rates that exceed the viability of the clinics. There is, sadly, little understanding by too many GPs of the costs of running clinics.”

Quote from respondent about the survey

Remuneration

How do you get paid for your work at the practice?

The vast majority of GPs responding are remunerated based on a proportion of billings (88 per cent) rather than an hourly payment (12 per cent).

What percentage of your billings do you retain?

The average (mean) Monday to Friday, in hours retention was reported as 62 per cent of billings. Payments for Saturday were 63 per cent and Sunday 68 per cent whilst “after hours” was averaged at 72 per cent of billings. Nursing home payments were reported as 68 per cent. The data was trimmed to remove the top and bottom five outlier responses.¹² The analysis may have limited value for short term locum or solo practitioners.

The most common figure quoted was 60 per cent.

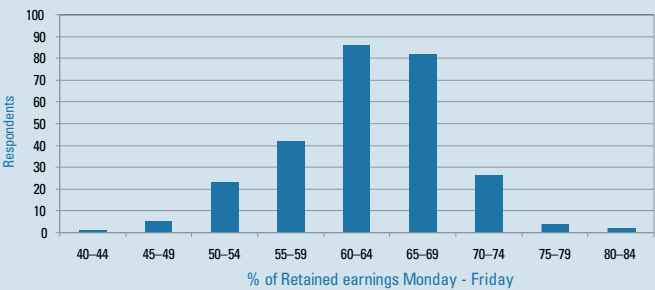


FIGURE 2 Groupings of respondents by percentage of billings retained for Monday to Friday in hours.

“ Need to consider more than just percentage but the way you are treated and valued, and your input into the practice.... the level of autonomy and respect both of which are very high - counts just as much as more money. WE also have high quality support from staff in the practice”

Quote from respondent about the survey

Average/ Range %	Monday - Friday	Saturday	Sunday	Out of Hours	Nursing Home
Mean	62	63	68	72	68
Max	82	100	100	100	100
Min	43	43	45	43	50
Median	61	62	65	66	65
Mode	60	60	60	60	60
Count	272	168	93	119	144

TABLE 2 Percentage of Payments by day location and time.

What is your hourly rate of pay for working on these days?

The hourly rates of pay differed markedly amongst respondents. With a small number of returns (38) for payments on Monday to Friday, it is difficult to take a meaningful snapshot. For Monday to Friday the average (Mean) was \$118 per hour, Median of \$120 per hour and most common (4 responses) of \$200 per hour. The range was \$30 to \$200 per hour.

The sample may be skewed by GP registrars in their first two years of training. It is this group that is often employed on hourly contracts. Given the small number of respondents, it is difficult to draw useful conclusions. The returns identifying payments for work on Saturday, Sunday and Out of Hours were less than Monday to Friday so were not reproduced.

Do you receive payment when you are on leave for the following?

A small number of respondents (43 or 13 per cent) reported receiving a payment when on Annual Leave whilst 38 respondents (11 per cent) reported receiving payment for Sick Leave. A smaller number of respondents (28) reported some payment for Professional Development Leave. These response numbers approximate respondents reporting payment of an hourly rate of pay.

Do you receive payment/part payment in relation to any of the following programs?

One in two GPs reported receiving additional payment or part payment for incentives. Respondents reporting payments from PiP are identified in the following table 3.

Practice Incentives	Response Count	Percentage of total responses
Quality prescribing incentive	64	18%
Diabetes Incentive (or SIP)	181	52%
Cervical Screening incentive (or SIP)	172	50%
Asthma Incentive (or SIP)	148	43%
Indigenous Health incentive	47	14%
eHealth incentive	65	19%
After Hours incentive	66	19%
Teaching payment	117	34%
Rural loading incentive	58	17%
Procedural GP Payment	29	8%
GP aged access incentive	77	22%

TABLE 3 Respondents receiving either full or partial share of PiP or SiP payments.

Does the practice pay an additional 9.25 per cent employer superannuation contribution?

Twenty two percent of respondents (75) received paid employer contributions to superannuation from the practice. The number of respondents receiving superannuation payments is double the number that said they were paid an hourly payment. One could conclude that a number of doctors receive employer contributions to superannuation on top of retained billings.

Does the practice pay any other payments? Please detail:

This question was "free form" requesting respondents to provide information on any other payments received. The vast majority wrote "no" to this question so no inference should be drawn from these comments. The list only provides an indication of some of the payments made in general practice.

- As a partner/owner I get share of profit
- Provides accommodation and electricity
- Option of upfront payments in exchange for pro-rata reduction in retained earnings
- AHPRA registration cost is reimbursed annually
- Dividends
- No but provides parking
- AMA and RACGP fees
- Fuel reimbursement and accommodation
- In patient hospital on call payment and in patient consultation fees (100 per cent).

GENERAL FEEDBACK



Any general comments you wish to make about the survey?

The entries were free form with approximately 100 respondents providing some form of comment. A strong theme centred on the need to segment the survey to take account of the income of practice principals. Many principals completed the survey on the basis they too receive either an hourly payment or a percentage of fees from a service entity.

Many were in favour of AMA undertaking such a survey and were very interested in obtaining the results.

“Thank you for the ease of filling out this survey, it was very relevant to my employment situation and very user-friendly”

Quote from respondent about the survey

FOR FURTHER INFORMATION



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For further information on negotiating terms and conditions of employment in General Practice contact:

AMA Victoria
03 9280 8722

AMA NSW
02 9439 8822

AMA Queensland
07 3872 2222

IT IS STRONGLY ADVISED THAT BEFORE EMBARKING ON NEGOTIATIONS THAT YOU CONTACT YOUR STATE AMA OFFICE FOR THE MOST UP TO DATE INFORMATION ON NEGOTIATIONS AND ISSUES AFFECTING GENERAL PRACTICE.

WARNING The information contained in this survey was prepared by AMA Victoria from information gathered regarding the environment in which General Practice operates. Every effort has been made to ensure the information was accurate at the time of publication.

AMA Victoria, AMA New South Wales and AMA Queensland do not make any recommendations in relation to remuneration for GPs in private practice. To do so could be construed as price fixing, which would be a serious breach of the Competition and Consumer Laws. Members should make up their own minds when considering prices and fees in General Practice.

END NOTES

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