

New study finds private practice physicians account for 180,000 jobs and \$20 billion in economic activity in Georgia

Private practice physicians' offices in Georgia accounted for more than 180,000 jobs, \$10 billion in personal income, and nearly \$20 billion in economic activity in 2008, according to a study that was just completed by the Carl Vinson Institute of Government at the University of Georgia in Athens.

"Physicians make a substantial contribution to Georgia's economy on a multitude of fronts, including the creation of jobs and maintaining a healthy and productive workforce," says M. Todd Williamson, M.D., president of the Medical Association of Georgia. "This report highlights those contributions in a credible and comprehensive way."

The Estimated Economic Impact of Private Practice Physicians' Offices in Georgia report, which was commissioned by the Medical Association of Georgia, was released in early October. The estimates were generated by the institute's faculty and staff using the Georgia Economic Modeling System (GEMS).

By 2020, the report predicts, the economic activity of Georgia's private practice physicians will increase to nearly 270,000 jobs, \$17.8 billion in personal income, and more than \$32 billion in total economic output.

The report concluded that each private practice physician in Georgia today supports 13 additional jobs, \$640,000 in personal income for those jobs, and nearly \$1.5 million in total economic activity.

"For some context, that means the economic impact associated with private practice physicians is about half of Georgia's construction industry and equal to the insurance and financial systems in the state combined," Dr. Williamson says.

The Atlanta metropolitan area has about 65 percent of jobs and personal income and more than 70 percent of the total economic activity generated by private practice physicians in Georgia. The rural areas of the state, meanwhile, have a lower proportion of the total economic activity generated by private practice physicians than their population proportions.

Georgia currently has about 18,500 physicians. The number of physicians is expected to grow, the report says, but the state may nonetheless face a shortage of 2,500 physicians by 2020 given the state's growing populous.

Adding an additional 500 physicians each year beginning in 2016 to avoid the projected shortage would have a significant positive economic impact, in addition to improved access to health care services.

The report concludes that if Georgia's medical graduate capacity is increased to mitigate the projected physician shortage, the economic output of private practice physicians could grow to nearly \$35 billion by 2020.

The full report is available at www.mag.org.