



Solo? Group? Academia? Pros and cons to these practice settings

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As a resident or fellow nearing the completion of your graduate medical education, you will confront a number of decisions that shape your career as a physician. One of those decisions is determining the type of setting in which you want to practice.

The AMA offers a number of tools and resources that can help you map your future as a physician, including insight on employment contracts and a list of open positions from employers around the U.S. through the JAMA Career Center[®]. The AMA also offers resources for physicians new—or returning—to private practice.

Choosing a practice setting ultimately will be based on your unique combination of needs and desires, but there are some things to know about different settings that may help influence your decision.

Here's a look at the pros and cons of each setting, as highlighted in the AMA's "Practice options for physicians" (PDF) resource.

Solo practice owner

There are two ways to take ownership of a solo practice: Establish a new practice from scratch or purchase an existing one. If you start your own practice, there are a number of considerations that should factor into your decision, such as geographical location and confidence in your ability to build a capable staff and grow a base of patients.

Pros: Being an owner gives you the utmost autonomy to practice the way you want to practice because you have control over administrative, financial, legal and quality improvement activities.



Cons: While this option offers the most freedom, it also can be the most difficult. That is because administrative burdens, high startup and overhead costs, and unpredictable work hours all fall on your shoulders.

Group practice owner

If you are joining a group practice—either single specialty or multispecialty—in an ownership capacity out of residency, you are likely buying in. The price of buying in will vary, as will the method of payment. Some buy-ins can be paid over a number of years. Physicians can also start at a group practice as an employee and later become an owner-partner.

For those interested in either a group or solo practice ownership arrangement, the AMA Private Practice Physicians Section seeks to preserve the freedom, independence and integrity of private practice.

Pros: Often, you will gain an established patient base, and you will probably share patient responsibilities. These settings may offer more predictable work hours and income. You're also taking on less financial risk than you would in founding your own solo practice.

Cons: Your autonomy is limited when you have partners. In group practice, you may have less of a voice in income distribution, office management and other practice issues.

Employee in a group practice, hospital or health system

Physicians employed by a managed-care organization, hospital-based specialty group, corporate health department or public health agency will typically have more time to devote to patients than a practice owner will because of the operational concerns that owners must navigate. As an employed physician, you are likely working under a contract and may be beholden to performance metrics to fulfill your obligations.

Most U.S. physicians now providing patient care are working outside doctor-owned medical practices, according to data the AMA collected from 3,500 physicians in the 2022 Physician Practice Benchmark Survey.

Pros: You will likely have an established patient base and greater income stability. You may also have a more predictable schedule, depending on the number of physicians in the organization.



Cons: You may have less autonomy and continuity with your patient base. There is little control over income distribution. Organizational policies—such as resource-use guidelines, quality-assurance standards and referral restrictions—may hinder who you can treat and how you can treat them.

Employee in an academic institution

Academic institutions offer opportunities to do research and be at the cutting edge of knowledge and skills, including taking on the patients who are toughest to diagnose and treat. You also can work to shape the future of medicine by teaching the next generation of students and residents.

Pros: Salaries typically are not great, but benefits—time off, retirement plans, etc.—can be. There are many opportunities to take on new roles and responsibilities.

Cons: Resident duty-hour limits often force attending faculty to fill patient-care gaps. Salaries may be lower because many safety-net institutions struggle financially.

Find out how the AMA Young Physicians Section gives voice to, and advocates for, issues that affect doctors under 40 or within the first eight years of professional practice after their training as residents and fellows.

The AMA provides the resources and support that physicians need to succeed in private practice. These include the “AMA STEPS Forward[®] Private Practice Playbook” (PDF), which is based on qualitative research into physician interest in private practice and the management needs for operating a private practice, and the “AMA Thriving in Practice” podcast, with tips from experienced private practice physicians on navigating pain points and other issues.

Learn more with the AMA about understanding physician employment contracts.