

Kansas City Business Journal - March 28, 2005

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KANSAS CITY BUSINESS JOURNAL

EXCLUSIVE REPORTS

Business Pulse Survey: Does the way eminent domain is used in Kansas City need to be restricted?

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From the March 25, 2005 print edition

Survey: Docs are not underpaid

Comparison to larger cities differs from survey of nearby markets

[Lola Butcher](#)

Staff Writer

A newly released survey finds that Kansas City-area physicians are paid better than their peers in other Midwestern metropolitan areas, including St. Louis, Denver, Indianapolis and Cincinnati.

The survey findings are noteworthy because Kansas City-area doctors filed lawsuits against the city's primary insurance companies in February, alleging that the insurers have conspired to keep physician reimbursement rates artificially low.

In those complaints, filed in Jackson County Circuit Court and Wyandotte County District Court, physicians cited a 2004 survey by Louisville-based [Innovative Quality Solutions](#). That survey showed that Kansas City-area doctors are reimbursed at lower rates than physicians in several surrounding communities.

The newly released survey was conducted in 2004 by [Lewis & Ellis Inc.](#) Actuaries and Consultants. It shows that Kansas City doctors are reimbursed at lower rates than doctors in Oklahoma City, Topeka and Dallas, but at higher rates than doctors in four other cities.

"It's pretty clear that Kansas City is right there in the middle," said Tom Handley, who conducted the survey.

Handley, who has conducted similar studies in the past, said the comparative rankings are fairly consistent.

The dueling surveys prompt a question: Is practicing medicine in Kansas City more like practicing in smaller communities nearby -- Springfield, Wichita and Des Moines -- or more like metropolitan areas that are farther away, such as Indianapolis, Denver and Dallas?

Dr. William Soper, president of [Mid America Medical Affiliates](#), a physicians advocacy group that commissioned the Innovative Quality Solutions survey, said the answer is clear.

"We aren't competing with Dallas and Denver," Soper said. "We're competing with Springfield and Topeka and Des Moines, and we can't recruit physicians (to Kansas City) because they are paid so much more in those communities."

The insurers being sued have denied the physicians' allegations of collusion.

In an earlier interview, Blue Cross and Blue Shield of Kansas City COO John Kennedy said the insurer has increased fees to physicians by a total of 29 percent during the past five years.

Reach Lola Butcher at 816-421-5900 or lbutcher@bizjournals.com.

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1/26/2006