

Market Response to COVID-19:

Physician and Advanced Practice Provider (APP) Compensation Practices



Health care organizations across the United States continue to face a number of unprecedented challenges due to the COVID-19 pandemic. As the crisis evolves and the industry makes plans for financial recovery and operational transformation, many changes are expected that will, in turn, affect the workforce and cause additional disruption in an already uncertain environment.

SullivanCotter's **COVID-19 Physician and Advanced Practice Provider Compensation Practices Survey series**, which includes information from more than 100 leading hospitals and health systems, highlights the compensation and workforce-related actions organizations are currently implementing or considering in response.

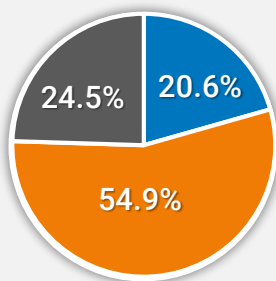
We expect that workforce practices will continue to evolve. In order to keep health care organizations up to date on emerging trends related to COVID-19, we will monitor developments in real time. **Please note: Data reflect responses as of early May 2020.**

Organization-Wide Practices

Furloughs/Layoffs

Approximately one-fifth (20.6%) are considering or have implemented **layoffs or furloughs** for physicians and APPs.

Prevalence

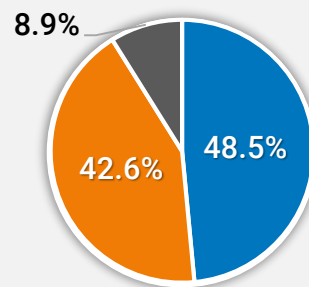


■ Yes ■ No ■ Do Not Know

Cash Compensation

Nearly half (48.5%) are considering or have implemented **total cash compensation reductions** for physicians and APPs.

Prevalence

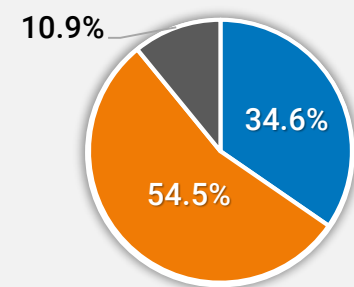


■ Yes ■ No ■ Do Not Know

Benefits

Over one-third (34.6%) are considering or have implemented **changes to benefits programs** for physicians and APPs.

Prevalence



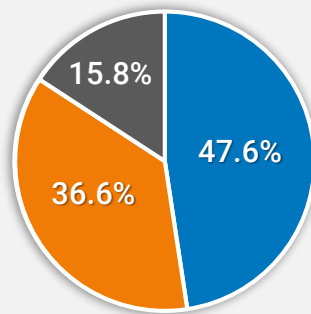
■ Yes ■ No ■ Do Not Know

Physicians

Salary Protections

Between early April and early May, the **utilization of compensation floors for non-front line employed physicians** to help stabilize income has decreased from 58.5% to 47.6%.

Prevalence



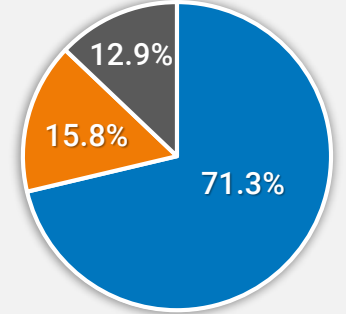
■ Yes ■ No ■ Do Not Know

APPs

Redeployment

Slightly less than three-fourths (71.3%) of organizations have **redeployed or plan to redeploy non-front line APPs to front line specialties** to help meet demand.

Prevalence

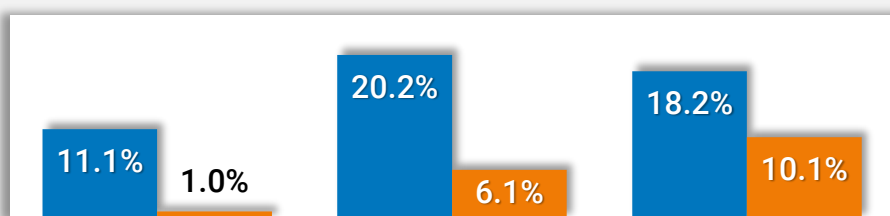


■ Yes ■ No ■ Do Not Know

Incentive Compensation

From early April to early May, the prevalence of anticipated changes to **physician non-productivity incentives** in 2020 has remained relatively stable at approximately 38%. Although few have implemented, the most **common considerations include reducing or eliminating incentives**.

Prevalence

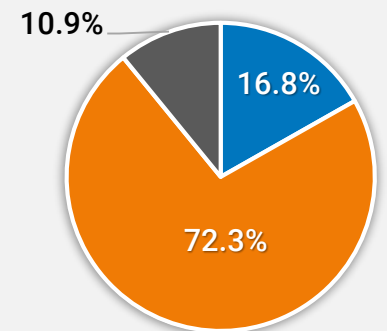


■ Considering ■ Implemented

Premium Compensation

Nearly one-fifth (16.8%) of organizations are considering or have implemented **premiums or one-time stipends for front line APPs**. The most common practice is to apply the premium to clinical work effort exceeding a 1.0 FTE.

Prevalence



■ Yes ■ No ■ Do Not Know

Sources: SullivanCotter 2020 COVID-19 Physician and Advanced Practice Provider Compensation Practices Survey Report I
SullivanCotter 2020 COVID-19 Physician and Advanced Practice Provider Compensation Practices Survey Report II