

# Modern Healthcare

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CRAIN

SURVEY:  
PHYSICIAN  
COMPENSATION



## Physician compensation plateaus during pandemic

BY GINGER CHRIST

**A**s doctors' offices shut down and hospitals paused elective procedures during the height of the COVID-19 pandemic last year, patient volumes for healthcare providers nosedived. And with them, productivity-based financial gains for physicians.

Physicians, who typically see cost-of-living pay increases each year, generally experienced much more modest salary gains in 2020, according to Modern Healthcare's 28th annual Physician Compensation Survey, which analyzes data from surveys of 10 placement firms.

"There's been this trend year-over-year of increases in salary but we saw that stop," said Michael Belkin, a divisional vice president at physician staffing firm Merritt Hawkins.

In 2020, the overall average of the reported median physician compensation inched upward less than 0.5% from the previous year to \$416,966. Compare that to 2019 when the overall average increased 2.7% from the year before.

There largely wasn't a major drop in physician compensation, as might have been expected during the pandemic, said Dave Hesselink, a principal at

workforce consulting group SullivanCotter.

"The reason for that is most large organizations helped protect physician compensation, especially during that large shutdown," Hesselink said.

In a survey SullivanCotter conducted last fall, about two-thirds of the organizations that responded said they had protected physician compensation to some degree in 2020. In some cases, those were short-term protections that lasted during the shutdown and, in others, adjustments were made to the salary floor, said Patty Bohny, a principal in SullivanCotter's physician workforce practice.

"There have been some winners and there have been some specialties that have not bounced back as fast as others," Belkin added. "Specialists have continued to be in high demand."

In 2020, medical oncology saw the largest year-over-year gains, recording a 5.6% increase to an average compensation of \$458,127, according to the survey. Pediatricians' compensation, meanwhile, took the biggest hit, falling 3.3% to an average of \$245,783.

On top of that, the number of physician jobs Merritt Hawkins was asked to fill was down about 25%

from the previous year, Belkin said.

“The biggest detriment to the searches for our clients was the shutdown of elective procedures. There was a significant decline in volume. ... Pair that with certain patients’ reluctance to go in,” Belkin said. “Our clients didn’t feel the need to recruit as heavily as they did in the past.”

At the same time, the demand for advanced practice providers and nurse practitioners has climbed with the widespread of adoption of telehealth during the pandemic, he said. And that has helped ease some of the demand for primary-care physicians.

“They’re still in demand; it’s just not such a ridiculous race to the alter to snatch up your next family physician,” Belkin said.

Family practitioners saw their compensation fall just shy of 1% in 2020 for an average of \$259,622, according to the Modern Healthcare survey. Only pediatrics, where patient volume is still low as vaccine access remains restricted, sources said, had a lower average compensation last year.

## CHANGING TRENDS

Belkin said more clients are offering doctors straight salaries, like Danville, Pa.-based Geisinger Health started doing back in 2017. Typically, about 70%-75% of contracts incorporate productivity. But in 2020, only about 60% did, he said.

Because volumes were so low industry-wide, many physicians never received productivity bonuses, he added.

The salary floor provided “a safety net” of sorts for physicians who saw their productivity fall, said Andrew Swanson, vice president of industry insights at the Medical Group Management Association.

“While it was good for physician compensation, it wasn’t really good for health system pocketbooks,” said Swanson, who noted there may be some changes to compensation models as systems reevaluate pandemic performance.

Hesselink said it will be important for organizations to take the effect the pandemic had on compensation into account when designing future compensation plans. SullivanCotter plans to consider both numbers that have been adjusted for the pandemic and ones that have not to make sure organizations are setting realistic productivity expectations, he said.

“We’re expecting a volatile period for the next four years,” Hesselink said.

That volatility will be tied to the pandemic, to planned changes in the Medicare physician fee schedule by CMS, and to anticipated coding changes by CMS, Bohney said.

“It is going to be messy for a little bit,” Bohney added. “We think that more than ever we need data to be able to help guide those changes.” ■

## How to evaluate physician compensation after 2020

**Examine** month-by-month 2020 data to pull out months least unaffected by the pandemic for productivity

**Analyze** adjusted physician compensation figures for 2020

**Watch** for federal decisions on telehealth reimbursement

**Consider** federal changes to work RVUs, the Medicare physician fee schedule and coding

*Information provided by Michael Belkin of Merritt Hawkins, Dave Hesselink and Patty Bohney of SullivanCotter, and Andrew Swanson of the Medical Group Management Association.*

## About the survey firms

### AMGA

The Alexandria, Va.-based consultancy and professional membership organization, which represents large multispecialty medical groups, surveyed 189,503 physicians and 398 organizations representing 201 positions/specialties. The survey was conducted January to April 2020. For more information, contact Christopher Gibbs at 703-838-0033, ext. 362.

### ECG Management Consultants

The San Diego-based healthcare management consulting firm surveyed 75,000 physicians and 140 organizations representing 170 positions/specialties. The survey was conducted January through end of December 2020. For more information, call Maria Hayduk at 469-729-2600. Data submitted are preliminary.

### Gallagher

The Rolling Meadows, Ill.-based healthcare management consulting firm surveyed 75,414

physicians and 225 organizations representing 164 positions/specialties. The survey was conducted January to May 2021. For more information, contact Jon Delaney at 612-337-1142. Data submitted are preliminary.

### Jackson Physician Search

The Alpharetta, Ga.-based physician staffing firm surveyed 389 physicians and one organization representing 17 positions/specialties. The survey was conducted January through December 2020. For more information, call Jackson Physician Search at 866-284-3328.

### The Medicus Firm

The Dallas-based physician search firm surveyed 2,464 physicians representing 46 positions/specialties. The survey was conducted from June to July 2020 and includes 2020 placement data. For more information, call Abby Messier at 214-382-9970.

### Merritt Hawkins

The Dallas-based physician search firm surveyed 2,458 physicians and

744 organizations representing 20 positions/specialties. The survey was conducted April 2020 through the end of March 2021. Full survey results are available free of charge. For more information, call Desmyn Bryant at 469-524-4635.

### Medical Group Management Association

The Englewood, Colo.-based consulting and professional membership organization surveyed 185,816 physicians and 6,769 organizations representing 255 positions/specialties. The survey was conducted January to February 2021. For more information, call MGMA at 877-275-6462, ext. 1801.

### Pacific Companies

The Aliso Viejo, Calif.-based physician recruitment firm surveyed 5,578 physicians and 702 organizations representing 20 positions/specialties. The survey was conducted December 2020 to April 2021. For more information, contact Chris Kahl at 800-741-7629.

### Pinnacle Health Group

The Atlanta-based physician recruitment firm surveyed 55 physicians representing 40 positions/specialties. The survey was conducted May to June 2020. For more information, call Jennifer Polver at 404-591-4245.

### SullivanCotter

The Chicago-based national independent consulting firm submitted results for two surveys—one from medical groups and another from a broader sample of physicians and organizations. The medical group survey included 159,405 providers and 315 organizations representing 259 positions/specialties. The physician survey included 256,424 physicians and 868 organizations representing 259 positions/specialties. Both surveys were conducted January to April 2021. For more information, email surveys@sullivancotter.com. Data submitted are preliminary.

## SURVEY: PHYSICIAN COMPENSATION

### ANESTHESIOLOGY

	Compensation range:	% change
	\$467,833 to \$350,000	2019-20
Jackson	\$467,833	(1.23%)
MGMA	464,131	(1.68)
Pacific	462,000	(1.07)
AMGA	453,683	(2.57)
Sullivan-M	452,228	3.04
Gallagher	445,568	(4.38)
ECG	437,747	(3.60)
Sullivan-P	430,745	2.41
Medicus	412,875	—
Merritt	367,000	(8.02)
Pinnacle	350,000	(5.41)

### CARDIOLOGY

	Compensation range:	% change
	\$694,886 to \$500,000	2019-20
Sullivan-M	\$694,886	6.13%
Pacific	672,000	3.54
Sullivan-P	652,774	4.21
AMGA	643,906	(0.03)
MGMA	637,377	0.37
Gallagher	624,773	(0.93)
Merritt	611,000	(4.53)
Medicus	590,400	3.35
ECG	541,165	1.30
Pinnacle	500,000	(23.08)
Jackson	—	—

### CARDIOLOGY (NON-INVASIVE)

	Compensation range:	% change
	\$536,658 to \$446,000	2019-20
Sullivan-M	\$536,658	(1.06%)
Gallagher	526,987	(7.79)
MGMA	521,248	(1.47)
AMGA	518,750	(2.63)
ECG	514,126	(0.15)
Sullivan-P	513,478	0.53
Jackson	510,714	5.48
Pacific	507,000	(0.98)
Medicus	485,583	—
Merritt	446,000	9.05
Pinnacle	—	—

### DERMATOLOGY

	Compensation range:	% change
	\$514,000 to \$300,000	2019-20
Pacific	\$514,000	3.63%
AMGA	506,276	1.59
Sullivan-M	501,976	1.35
Gallagher	491,294	(0.70)
ECG	470,495	(2.31)
Jackson	461,667	(12.06)
Sullivan-P	459,064	(2.36)
MGMA	449,782	(4.78)
Medicus	430,222	(5.99)
Merritt	378,000	(9.79)
Pinnacle	300,000	—

### HOSPITALIST

	Compensation range:	% change
	\$313,000 to \$243,750	2019-20
Pacific	\$313,000	3.99%
Gallagher	311,156	(2.04)
Sullivan-M	309,529	(3.09)
MGMA	308,636	0.33
AMGA	308,201	0.10
ECG	307,507	1.30
Medicus	302,233	11.85
Sullivan-P	297,501	(1.87)
Merritt	284,000	11.81
Jackson	271,429	(8.99)
Pinnacle	243,750	(8.36)

### INTENSIVIST

	Compensation range:	% change
	\$458,983 to \$385,000	2019-20
Sullivan-M	\$458,983	3.77%
Pacific	441,000	1.61
MGMA	440,000	2.62
Gallagher	437,766	2.38
ECG	432,570	1.10
AMGA	429,577	2.72
Sullivan-P	427,001	3.72
Medicus	427,000	—
Pinnacle	385,714	—
Merritt	385,000	—
Jackson	—	—

### INTERNAL MEDICINE

	Compensation range:	% change
	\$289,971 to \$244,000	2019-20
Sullivan-M	\$289,971	(0.31%)
AMGA	288,558	(0.05)
Gallagher	283,836	(3.36)
Sullivan-P	276,983	(0.56)
Pinnacle	276,263	5.60
MGMA	276,000	2.73
ECG	273,985	1.20
Pacific	273,000	4.60
Medicus	253,222	1.37
Jackson	248,456	(0.04)
Merritt	244,000	(4.31)

### NEONATOLOGY

	Compensation range:	% change
	\$390,000 to \$299,942	2019-20
Pinnacle	\$390,000	—
Pacific	375,000	7.45%
MGMA	345,330	1.94
ECG	341,973	1.90
Sullivan-M	339,065	4.30
Gallagher	331,151	4.12
AMGA	325,874	(1.84)
Sullivan-P	299,942	(0.76)
Medicus	—	—
Jackson	—	—
Merritt	—	—

### ORTHOPEDIC SURGERY

	Compensation range:	% change
	\$696,373 to \$546,000	2019-20
Gallagher	\$696,373	2.83%
Sullivan-M	667,808	(0.04)
Medicus	661,714	—
Sullivan-P	632,317	(0.37)
MGMA	629,360	1.67
Pacific	628,000	0.96
AMGA	626,297	(0.89)
Pinnacle	600,000	—
ECG	598,363	0.70
Jackson	565,000	—
Merritt	546,000	—

### PATHOLOGY

	Compensation range:	% change
	\$409,528 to \$287,000	2019-20
Sullivan-M	\$409,528	0.45%
AMGA	400,402	4.89
ECG	374,000	(0.20)
MGMA	359,819	(0.09)
Sullivan-P	354,418	(1.69)
Gallagher	349,754	(3.92)
Pinnacle	300,000	(2.44)
Pacific	298,000	1.71
Merritt	287,000	4.74
Medicus	—	—
Jackson	—	—

### PEDIATRICS

	Compensation range:	% change
	\$260,014 to \$226,428	2019-20
Gallagher	\$260,014	(5.48%)
Sullivan-M	257,992	(4.04)
ECG	257,027	(1.10)
AMGA	255,352	(0.81)
Pacific	247,000	3.78
Jackson	245,625	(5.89)
MGMA	245,159	5.94
Sullivan-P	242,017	(4.24)
Merritt	236,000	6.79
Pinnacle	231,000	(27.13)
Medicus	226,428	5.67

### PLASTIC SURGERY

	Compensation range:	% change
	\$599,177 to \$325,000	2019-20
Sullivan-M	\$599,177	(2.80%)
Gallagher	596,277	(8.44)
Sullivan-P	596,191	(1.96)
MGMA	542,671	1.38
AMGA	537,288	(2.13)
ECG	535,078	1.60
Merritt	450,000	—
Pinnacle	437,500	31.90
Pacific	419,000	(3.23)
Medicus	325,000	—
Jackson	—	—

## SURVEY: PHYSICIAN COMPENSATION

### EMERGENCY MEDICINE

	Compensation range: \$394,789 to \$310,000	% change 2019-20
<b>Sullivan-M</b>	\$394,789	4.15%
<b>AMGA</b>	380,099	0.58
<b>Medicus</b>	380,000	1.61
<b>Pacific</b>	379,000	4.41
<b>Gallagher</b>	377,214	(1.24)
<b>Jackson</b>	376,775	(7.96)
<b>MGMA</b>	360,771	(1.37)
<b>Sullivan-P</b>	359,425	0.24
<b>ECG</b>	349,811	2.21
<b>Pinnacle</b>	310,000	(7.68)
<b>Merritt</b>	—	—

### FAMILY PRACTITIONER

	Compensation range: \$276,070 to \$233,084	% change 2019-20
<b>Sullivan-M</b>	\$276,070	(3.65%)
<b>Gallagher</b>	275,543	(3.26)
<b>AMGA</b>	273,291	1.27
<b>Sullivan-P</b>	269,702	(2.09)
<b>Pacific</b>	268,000	7.63
<b>ECG</b>	267,085	0.90
<b>MGMA</b>	263,964	3.46
<b>Jackson</b>	245,230	(0.85)
<b>Merritt</b>	243,000	1.25
<b>Pinnacle</b>	240,875	(6.42)
<b>Medicus</b>	233,084	(7.22)

### GASTROENTEROLOGY

	Compensation range: \$562,000 to \$453,000	% change 2019-20
<b>Pacific</b>	\$562,000	3.31%
<b>Sullivan-M</b>	546,278	(0.37)
<b>MGMA</b>	539,961	0.67
<b>AMGA</b>	538,908	(0.74)
<b>ECG</b>	530,807	1.00
<b>Gallagher</b>	527,897	0.14
<b>Sullivan-P</b>	500,817	(2.09)
<b>Pinnacle</b>	498,333	19.59
<b>Medicus</b>	494,071	(12.30)
<b>Jackson</b>	485,833	(4.06)
<b>Merritt</b>	453,000	(0.88)

### GENERAL SURGERY

	Compensation range: \$470,261 to \$396,667	% change 2019-20
<b>Sullivan-M</b>	\$470,261	0.00%
<b>Gallagher</b>	464,965	(3.61)
<b>ECG</b>	452,222	(0.40)
<b>MGMA</b>	442,508	0.40
<b>Medicus</b>	442,116	13.18
<b>Pacific</b>	441,000	1.38
<b>AMGA</b>	439,196	(2.69)
<b>Sullivan-P</b>	429,206	(2.76)
<b>Jackson</b>	405,290	2.33
<b>Merritt</b>	400,000	3.90
<b>Pinnacle</b>	396,667	(0.83)

### NEUROLOGY

	Compensation range: \$357,000 to \$315,172	% change 2019-20
<b>Pacific</b>	\$357,000	7.85%
<b>Medicus</b>	354,708	(3.44)
<b>Sullivan-M</b>	344,471	3.32
<b>Gallagher</b>	339,070	0.33
<b>Merritt</b>	332,000	12.54
<b>MGMA</b>	330,756	1.44
<b>Jackson</b>	325,853	(0.76)
<b>AMGA</b>	325,278	1.25
<b>ECG</b>	315,267	0.50
<b>Sullivan-P</b>	315,172	1.42
<b>Pinnacle</b>	—	—

### OBSTETRICS/GYNECOLOGY

	Compensation range: \$378,981 to \$291,000	% change 2019-20
<b>Sullivan-M</b>	\$378,981	(2.97%)
<b>Gallagher</b>	366,034	(6.21)
<b>Sullivan-P</b>	363,245	(2.01)
<b>AMGA</b>	357,266	(0.66)
<b>MGMA</b>	354,885	0.35
<b>Pacific</b>	351,000	1.45
<b>Jackson</b>	334,122	0.24
<b>ECG</b>	333,331	(0.80)
<b>Pinnacle</b>	325,000	14.04
<b>Medicus</b>	302,500	(5.03)
<b>Merritt</b>	291,000	(11.01)

### ONCOLOGY (INCL. HEMATOLOGY)

	Compensation range: \$541,666 to \$385,000	% change 2019-20
<b>Medicus</b>	\$541,666	17.21%
<b>MGMA</b>	481,250	0.00
<b>Gallagher</b>	480,467	2.55
<b>Pacific</b>	480,000	1.48
<b>AMGA</b>	462,644	(1.39)
<b>Sullivan-M</b>	458,412	2.57
<b>ECG</b>	447,686	0.35
<b>Pinnacle</b>	425,000	50.44
<b>Sullivan-P</b>	419,144	3.50
<b>Merritt</b>	385,000	(4.47)
<b>Jackson</b>	—	—

### OPHTHALMOLOGY

	Compensation range: \$425,000 to \$250,000	% change 2019-20
<b>Pacific</b>	\$425,000	11.55%
<b>Sullivan-M</b>	424,047	(5.66)
<b>AMGA</b>	416,333	(1.14)
<b>ECG</b>	407,061	(1.60)
<b>Sullivan-P</b>	402,781	(3.09)
<b>Gallagher</b>	393,775	(3.54)
<b>MGMA</b>	385,169	(1.38)
<b>Merritt</b>	335,000	—
<b>Medicus</b>	250,000	—
<b>Pinnacle</b>	—	—
<b>Jackson</b>	—	—

### PSYCHIATRY

	Compensation range: \$347,667 to \$250,222	% change 2019-20
<b>Pinnacle</b>	\$347,667	21.01%
<b>Pacific</b>	324,000	4.52
<b>AMGA</b>	299,250	(0.54)
<b>Jackson</b>	295,375	1.08
<b>Sullivan-M</b>	292,297	1.14
<b>Gallagher</b>	284,897	(2.41)
<b>Merritt</b>	279,000	1.09
<b>MGMA</b>	277,808	(6.68)
<b>Sullivan-P</b>	267,058	0.20
<b>ECG</b>	258,527	(0.70)
<b>Medicus</b>	250,222	(5.67)

### RADIOLOGY

	Compensation range: \$533,173 to \$401,000	% change 2019-20
<b>Sullivan-M</b>	\$533,173	2.63%
<b>Medicus</b>	527,500	7.12
<b>Pacific</b>	518,000	(2.08)
<b>AMGA</b>	512,918	0.68
<b>MGMA</b>	512,162	(5.31)
<b>Sullivan-P</b>	496,578	0.96
<b>ECG</b>	490,137	(4.60)
<b>Gallagher</b>	481,112	(3.76)
<b>Pinnacle</b>	462,500	—
<b>Jackson</b>	430,715	6.37
<b>Merritt</b>	401,000	(5.20)

### UROLOGY

	Compensation range: \$529,375 to \$464,180	% change 2019-20
<b>Medicus</b>	\$529,375	14.77%
<b>Pacific</b>	513,000	7.55
<b>Sullivan-M</b>	511,032	0.78
<b>Gallagher</b>	507,584	2.75
<b>AMGA</b>	500,698	2.82
<b>Merritt</b>	497,000	4.19
<b>MGMA</b>	494,317	0.12
<b>ECG</b>	477,109	0.30
<b>Sullivan-P</b>	476,765	(1.61)
<b>Jackson</b>	464,180	(0.53)
<b>Pinnacle</b>	—	—

Note: Figures represent average total annual cash compensation, which includes salary and bonuses. Percentages rounded. ECG Management Consultants, Gallagher and SullivanCotter provided preliminary data; all others are final. Sullivan-M represents SullivanCotter's medical groups survey; Sullivan-P represents the firm's physicians survey.