



PHYSICIAN COMPENSATION TRENDS: housing assistance, more bonuses

BY HAYLEY DESILVA

ADOBE STOCK

Physician compensation continues to rise across most specialties as the talent pool shrinks, furthering a need for employers to get creative to stay ahead of the competition.

Hiring organizations are shifting to offer more than just higher salaries to attract clinicians, according to respondents to Modern Healthcare's 2024 Physician Compensation Survey. This year's results reflect data from 10 staffing and consulting firms. With most organizations continuing to boost salaries for physicians and offering signing or relocation bonuses, many employers are also focusing on non-monetary career incentives.

The incentives include a larger emphasis on things like work environment, vacation time and scheduling, such as offering one week on and one week off, as well as retooling on-call requirements.

Here are five takeaways from this year's Physician Compensation Survey.

1 EMPLOYERS CONTINUE TO OFFER HIGHER SALARIES, MORE BONUSES

Higher salaries and other financial incentives, including stipends, tuition reimbursement or housing bonuses, continue to be a top priority for recruitment and retaining efforts.

In another effort to stay ahead of the competition, some employers are even offering additional stipends to residents and fellows ahead of the completion of their programs, as far out as 2026 graduates, according to AMN Healthcare Physician Permanent Solutions President Leah Grant. The stipends offer money to residents and fellows to be used for any expenses in return for a commitment to join the employer once their training is complete. The payments are often made in addition to sign-on bonuses.

Some organizations are also beginning to offer a new bonus based on years of service, according to Fred Horton, president of AMGA consulting.

PHYSICIAN COMPENSATION SURVEY

Ranked by average reported compensation, with percent change from 2023-24

ANESTHESIOLOGY

	Average	% change
Sullivan-M	\$532,849	5.3%
Pinnacle	524,714	14.3
Pacific	522,000	8.3
Gallagher	511,552	8.5
Sullivan-P	509,669	5.6
AMGA	508,406	6.1
ECG	499,298	16.2
Jackson	477,300	-3.5
MDM	475,541	1.8
AMN/Merritt	460,000	2.2

CARDIOLOGY (Invasive)

	Average	% change
Sullivan-M	\$781,698	7.8%
AMGA	747,604	9.7
Sullivan-P	732,502	2.4
Gallagher	702,548	1.6
Pacific	691,000	4.1
ECG	626,947	2.7
MDM	602,485	6.4
AMN/Merritt	482,000	-6.8
Pinnacle	--	--
Jackson	--	--

CARDIOLOGY (Noninvasive)

	Average	% change
Sullivan-M	\$601,114	3.8%
AMGA	595,827	7.9
Gallagher	585,128	3.9
Pacific	577,000	7.6
ECG	561,059	10.3
Sullivan-P	548,893	3.2
MDM	534,295	8.8
Jackson	500,000	3.3
AMN/Merritt	396,000	-8.5
Pinnacle	--	--

DERMATOLOGY

	Average	% change
Pinnacle	\$621,667	0%
Sullivan-M	592,992	6.9
Gallagher	570,502	4.9
AMGA	559,418	6.7
Sullivan-P	538,348	3.6
Pacific	538,000	4.5
ECG	520,523	8.7
MDM	499,111	4.5
AMN/Merritt	486,000	13.8
Jackson	--	--

EMERGENCY MEDICINE

	Average	% change
MDM	\$423,744	2.7%
Gallagher	412,793	5.8
AMGA	409,108	6.5
AMN/Merritt	404,000	--
Sullivan-M	399,685	-1.3
Pacific	391,000	1.3
Sullivan-P	379,485	-0.4
Jackson	377,955	4.2
ECG	366,581	-2.4
Pinnacle	357,667	1.5

FAMILY PRACTICE

	Average	% change
Sullivan-M	\$326,661	2.9%
MDM	318,611	6.9
Sullivan-P	318,492	3.0
Gallagher	314,701	3.4
AMGA	312,627	4.2
Pacific	302,000	6.0
ECG	299,076	5.2
Pinnacle	273,750	5.4
Jackson	273,151	2.5
AMN/Merritt	271,000	6.3

GASTROENTEROLOGY

	Average	% change
Pinnacle	\$666,000	26.9%
Jackson	665,250	4.1
Sullivan-M	630,568	4.2
Gallagher	605,842	5.5
AMGA	603,157	8.1
MDM	598,333	11.4
Pacific	597,000	3.1
Sullivan-P	572,075	3.8
ECG	554,815	4.5
AMN/Merritt	531,000	4.9

GENERAL SURGERY

	Average	% change
Sullivan-M	\$534,828	4.6%
Sullivan-P	505,152	3.4
Gallagher	495,601	0.9
AMGA	494,287	5.0
Jackson	487,386	11.7
ECG	483,893	6.1
Pacific	483,000	6.9
Pinnacle	479,867	8.4
MDM	451,089	0.1
AMN/Merritt	419,000	-8.1

HOSPITALIST

	Average	% change
Pinnacle	\$359,545	28.2%
Sullivan-M	348,782	-0.4
Gallagher	347,308	0.3
Sullivan-P	346,241	0.8
MDM	338,701	8.4
Pacific	336,000	2.8
AMGA	335,111	2.5
ECG	330,680	3.1
Jackson	322,603	-5.5
AMN/Merritt	283,000	-5.4

INFECTIOUS DISEASE

	Average	% change
Sullivan-M	\$351,318	1.3%
Pacific	338,000	3.0
Pinnacle	337,500	0.0
MDM	327,008	0.9
Gallagher	321,814	3.1
AMGA	313,520	4.2
Sullivan-P	300,576	2.4
ECG	297,354	2.6
Jackson	--	--
AMN/Merritt	--	--

INTENSIVIST

	Average	% change
AMGA	\$486,244	2.3%
Gallagher	482,608	0.9
Sullivan-M	479,141	-0.8
ECG	469,662	4.4
Pacific	466,000	2.6
Sullivan-P	460,423	-4.8
MDM	430,907	1.7
Pinnacle	412,500	0.0
AMN/Merritt	382,000	-8.6
Jackson	--	--

INTERNAL MEDICINE

	Average	% change
Sullivan-M	\$347,652	6.1%
AMGA	329,527	3.7
Sullivan-P	329,269	5.6
Gallagher	325,301	-2.3
ECG	317,728	6.3
Pacific	311,000	3.3
Pinnacle	300,833	13.5
Jackson	288,442	-5.2
AMN/Merritt	271,000	6.3
MDM	--	--

NEUROLOGY

	Average	% change
Sullivan-M	\$386,542	3.4%
AMN/Merritt	383,000	8.2
MDM	379,764	3.0
Gallagher	376,684	6.3
Pacific	373,000	3.0
AMGA	364,467	6.0
Jackson	362,500	0.3
Sullivan-P	349,243	3.9
ECG	330,842	6.2
Pinnacle	--	--

OBSTETRICS/GYNECOLOGY

	Average	% change
Sullivan-M	\$424,604	2.5%
Gallagher	409,026	0.2
Sullivan-P	405,185	-0.2
AMGA	396,300	3.6
Pacific	389,000	4.0
AMN/Merritt	389,000	6.0
ECG	383,207	6.1
MDM	380,099	8.1
Pinnacle	375,000	16.7
Jackson	343,807	7.9

ONCOLOGY (Including hematology)

	Average	% change
Sullivan-M	\$562,267	5.0%
Gallagher	552,418	2.8
Pacific	552,000	9.3
MDM	542,655	2.4
AMGA	533,402	7.1
Pinnacle	500,000	3.5
Sullivan-P	488,441	6.3
ECG	473,361	5.0
AMN/Merritt	444,000	0.9
Jackson	--	--

ORTHOPEDICS

	Average	% change
Gallagher	\$789,298	3.6%
Sullivan-M	740,947	2.8
Pinnacle	735,000	11.8
AMGA	723,421	5.5
Sullivan-P	713,010	2.1
AMN/Merritt	696,000	10
ECG	689,860	7.9
Pacific	686,000	5.1
MDM	672,133	0.4
Jackson	547,000	-0.1

PHYSICIAN COMPENSATION SURVEY

OTOLARYNGOLOGY		
	Average	% change
Sullivan-M	\$556,336	3.8%
Gallagher	549,083	0
MDM	545,112	2.7
Sullivan-P	532,729	3.9
Pacific	529,000	1.1
AMGA	518,848	6.4
ECG	502,221	7.8
AMN/Merritt	358,000	-9.4
Pinnacle	--	--
Jackson	--	--

PATHOLOGY		
	Average	% change
Sullivan-M	\$467,198	1.5%
Sullivan-P	435,075	3.8
Pinnacle	431,667	18.9
AMGA	417,455	1.7
ECG	402,323	9.9
Gallagher	392,868	8.0
AMN/Merritt	373,000	19.9
Pacific	312,000	8.7
Jackson	--	--
MDM	--	--

PEDIATRICS		
	Average	% change
MDM	\$323,098	8.5%
Gallagher	299,719	2.0
Sullivan-M	295,765	-2.2
Sullivan-P	286,063	-2.7
AMGA	279,490	3.1
ECG	277,432	4.2
Pinnacle	270,000	2.1
Pacific	265,000	4.7
Jackson	244,330	1.8
AMN/Merritt	244,000	4.7

PLASTIC SURGERY		
	Average	% change
Sullivan-M	\$719,814	5.2%
Pinnacle	685,000	24.5
Sullivan-P	684,404	3.6
Gallagher	658,072	-12.9
MDM	647,131	1.0
AMGA	641,721	9.8
ECG	637,403	9.3
Jackson	530,000	-1.5
Pacific	489,000	14.8
AMN/Merritt	--	--

PSYCHIATRY		
	Average	% change
Pacific	\$352,000	1.7%
Pinnacle	346,111	6.3
Sullivan-M	338,714	2.3
MDM	333,231	0.4
AMGA	327,020	4.5
Gallagher	326,654	6.0
Jackson	314,540	-1.6
ECG	311,018	5.4
Sullivan-P	302,045	4.4
AMN/Merritt	285,000	-19.9

RADIOLOGY		
	Average	% change
Pinnacle	\$662,500	23.1%
Sullivan-M	601,297	2.9
Pacific	576,000	6.5
MDM	575,548	1.3
Sullivan-P	571,672	4.6
Gallagher	569,147	7.5
AMGA	561,006	6.4
ECG	533,355	7.9
AMN/Merritt	495,000	4.9
Jackson	490,000	8.0

UROLOGY		
	Average	% change
Pinnacle	\$733,333	0%
MDM	609,843	5.5
Pacific	604,000	10.4
Sullivan-M	588,259	6.9
Gallagher	577,441	6.4
Sullivan-P	562,573	6.2
AMGA	553,868	3.9
ECG	542,344	9.1
AMN/Merritt	496,000	-8.1
Jackson	--	--

Note: Figures represent average total annual cash compensation, which can include salary and bonuses, except for AMN Healthcare/Merritt Hawkins, which excludes bonuses. Percentages are rounded. Sullivan-M represents SullivanCotter's medical groups survey; Sullivan-P represents the firm's physicians survey. Percent change represents the comparison with the 2023 Modern Healthcare Physician Compensation Survey. '--' indicates data are unavailable

"That's something new," Horton said. "It used to be that once you got to a certain level, your compensation stayed the same regardless of years of service. But we're starting to see organizations say they're going to have a retention bonus, and that can fit into recruitment as well, because it's the whole package."

Building on the trend of providing relocation bonuses, some organizations are even offering subsidized housing for all physicians, regardless of specialty, Grant said.

One client is building rental properties so housing is at least available for physicians, but the rent isn't free, she said. Another is offering up to \$100,000 in down payment assistance, but not the whole payment, while a third is offering an interest-free loan of up to \$500,000.

2 BUT MONEY ISN'T EVERYTHING

Non-financial incentives are also getting more attention. Employers are realizing that monetary incentives are not the only way to improve physician recruitment and retention, Grant said.

Several consulting firms said organizations found physicians are focusing more on workplace issues, particularly the culture and operating environment.

Physicians are saying the reputation of an organization in some cases matters more than the size of the paycheck, said Chad Stutelberg, national managing director at consulting firm Gallagher.

"I think in the physician arena, we've lost some of that," Stutelberg said. "If you look at those who are successful, like the Cleveland Clinic, Mayo [Clinic], Geisinger, these big, well-

known [organizations] have traditions. They have that culture."

Employers have started to offer more day-to-day, non-monetary benefits as well, including more flexible schedules, additional vacation time and fewer on-call requirements.

Stutelberg said the high demand for on-call physicians is also driving their hospital clients to hire new physicians as fast as possible.

"They can't get enough [physicians] to take [on-call roles], and you can't force them to do it," Stutelberg said. "It's why physicians often gravitate toward specialties like hospitalists. Nobody wants to be on call anymore."

Some employers, to help improve retention, are hiring physicians with an agreement that they'll have a reduced workload. The strategy is meant to help avoid burnout, a top reason why more physicians are exiting the field, said Dave Hesselink, managing principal at consulting firm SullivanCotter.

"There was a tremendous amount of burnout during the pandemic," Hesselink said. "Since the pandemic subsided, we've seen folks either leave the workforce or contract the number of hours they're willing to work. So, that has resulted in compensation increases [because] now, another way to attract physicians in some specialties is to say, 'We'll pay you at a market-competitive rate, but you have to work less,' or perhaps, 'Your on-call expectations are less.'"

3 PHYSICIANS SHIFT AWAY FROM PRACTICE OWNERSHIP AS PRIVATE EQUITY GROWS

More physicians are turning away from private practice ownership to improve their work-life balance and find more financial stability, which could put some strain on employer

About the survey firms

AMGA

The Alexandria, Virginia-based consultancy and professional membership organization, which represents large multispecialty medical groups, surveyed 189,247 physicians and 459 organizations, representing 197 positions/specialties. The survey was conducted from January to May 2024. For more information, call Christopher Gibbs at 703-838-0033, Ext. 362.

AMN Healthcare/Merritt Hawkins

Dallas-based AMN Healthcare, in conjunction with its subsidiary Merritt Hawkins, surveyed 2,138 physicians and 554 organizations, representing 20 positions/specialties. The survey was conducted from April 2023 through March 2024. For more information, call McKenzie Ledbetter at 913-242-3772. Data represent physician starting salaries, not total compensation, and are exclusive of bonuses or other compensation.

ECG Management Consultants

The San Diego-based healthcare management consulting firm surveyed 161,000 physicians and 307 organizations, representing 207 positions/specialties. The survey was conducted from January to April 2024. For more information, call Maria Hayduk at 612-378-1700.

Gallagher

The Rolling Meadows, Illinois-based healthcare management consulting firm surveyed 123,156 physicians and 215 organizations, representing 160 positions/specialties. The survey was conducted from January to April 2024. For more information, email Jon Delaney at jon_delaney@ajg.com or call 612-337-1142.

Jackson Physician Search

The Alpharetta, Georgia-based physician staffing firm surveyed 307 physicians and 248 organizations, representing 15 positions/specialties. The survey

was conducted from July 2023 to July 2024. For more information, call Jackson Physician Search at 866-284-3328.

MDMsearch

The Palm Coast, Florida-based physician recruitment firm surveyed 6,311 physicians and 423 organizations, representing 24 positions/specialties. The survey was conducted from January to December 2023. For more information, call Amanda Smith at 404-606-6213.

Pacific Companies

The Irvine, California-based physician recruitment firm surveyed 7,933 physicians and 2,412 organizations, representing 30 positions/specialties. The survey was conducted from September to December 2023. For more information, call Chris Kahl at 800-741-7629.

Pinnacle Health Group

The Atlanta-based recruitment

firm surveyed 281 physicians and 281 organizations representing 24 positions/specialties. The survey was conducted from June to August 2024. For more information, email Pinnacle Health Group at sales@phg.com.

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 161,448 providers and 335 organizations, representing 189 positions/specialties. The physician survey included 215,402 physicians and 541 organizations, representing 195 positions/specialties. Both surveys were conducted from January to April 2024. For more information, email surveys@sullivancotter.com.

budgets, Hesselink said.

“Physicians moving out of private practice don’t want to work that hard anymore,” Hesselink said. “[They] want to have the security of having a fixed income. They can’t do that in private practice. So, we’re going to continue to see the transition more toward an employment setting — and it’s also going to create some financial pressures for organizations that employ large numbers of physicians, where they are relying on the hospital enterprise to help fund this physician enterprise.”

A growing number of these physicians are also selling their practices to private equity companies, which could result in even more competition for employers looking to add physicians, according to AMN’s Grant.

“Between 2019 and 2022, there was a 9% increase in the number of hospital-owned physician practices, but in the same time frame, there was an 86% increase in the number of corporate-owned physician practices,” Grant said. “The acquisition of physician practices, primarily by private equity companies, has just been so accelerated, especially during the pandemic when many private practice groups were seeking additional financial resources.”

4 CHALLENGES IN RECRUITING SPECIALISTS CONTINUE

Specialty physician recruitment continues to be a sore spot for employers, as the supply is not keeping up with demand.

Gallagher’s Stutelberg said anesthesiology is a major example of the shortage. He said the problem is exacerbated by the rise in practices owned by private equity groups and ambulatory surgical centers that are also looking for anesthesia providers, while hospitals are already struggling to hire them.

New platforms offering remote-work options for some specialties have also been an obstacle for hospital employers. SullivanCotter’s Hesselink said psychiatry and radiology are two prime examples of this recruitment challenge.

“There’s just this proliferation of online platforms where you can have a visit with a psychiatrist or a therapist from your living room, and the psychiatrist or the therapist is in their living room as well,” Hesselink said. “Same thing with radiology, where, because of technological advances, so much of [the screenings] can be read remotely.”

5 PUSHBACK GROWS AGAINST PAY SCALES BASED ON PRODUCTIVITY

Some employers continue to move away from pay scales to salaries, or pay scales based on years of service, particularly in specific specialties.

AMN’s Grant said a separate, recent survey the firm conducted found that 62% of physicians receive employment contracts with a base salary and bonuses based on productivity, which has been the status quo for payment scales the past several years.

However, there has been some discontent among certain specialties, including primary care, gastroenterology and neurology, regarding productivity-based wage models, according to Gallagher’s Stutelberg.

“There definitely seems to be a movement in primary care, certainly in other specialties, to change the model and take them off production,” Stutelberg said. “Because if there’s one thing we’ve learned [through the pandemic] it’s that production is not a perfect model. It has its challenges, so some organizations are moving to salary models.” ■