



Community Health Systems

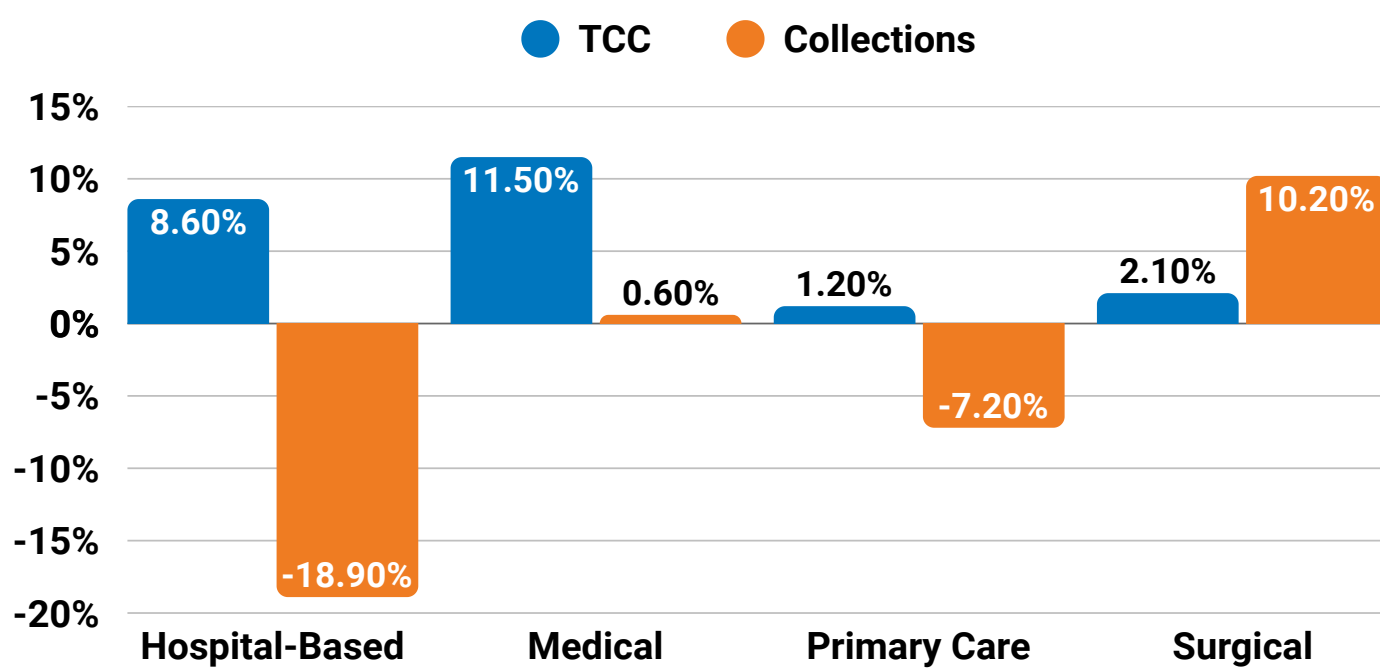
Insights from SullivanCotter's Physician Compensation and Productivity Survey

The pressure on financial sustainability continues to increase for community health systems. Lower professional collections and higher physician pay when compared to the national market are driving costs up.

What can you do about it? Turn insight into action with the right data!

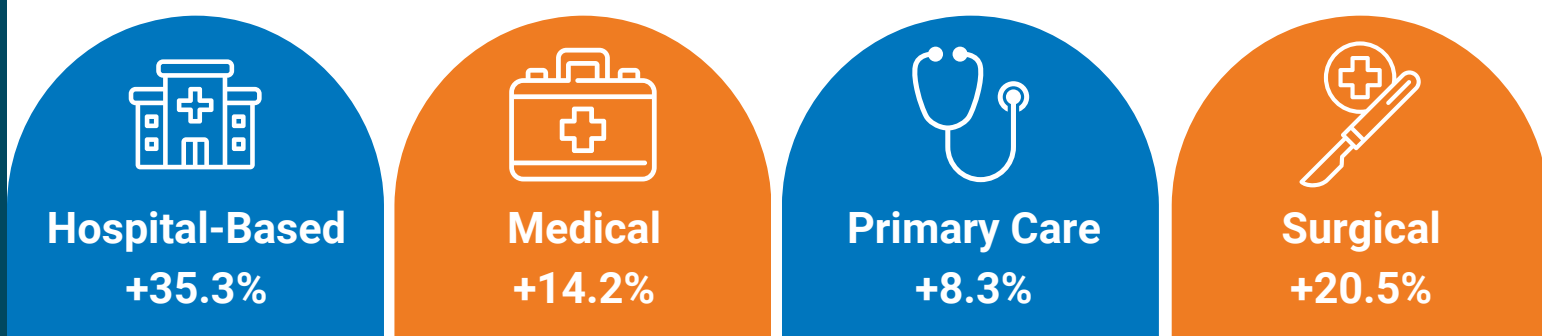
When compared to national benchmarks, **physician total cash compensation (TCC) is higher in community health systems** across three of the four specialty categories. However, collections for professional services are flat or even lower than national benchmarks.

Median Annual TCC and Cash Collections
Percent Difference to National Benchmarks



This results in **significantly higher TCC to collections ratios** – indicating that physicians within community health systems are paid higher for each professional services dollar they collect than national data would indicate. National and community wRVU data is virtually the same, further indicating that community health system collections are lower than national benchmarks on a per-wRVU basis.

TCC to collections ratios within community health systems are significantly higher than national benchmarks across each specialty grouping



How can community health systems address this challenge?



Carefully balanced compensation design and recruitment

- **Implement core performance expectations** – including a minimum level of services tied to base salary before any potential productivity incentives are paid
- **Align productivity incentives and financial affordability** with a specific focus on the retention of high performers
- **Include non-productivity incentives**, such as physician and APP care coordination, that are aligned with payer performance measures
- **Ensure advanced practice provider (APP) compensation program is externally competitive** and aligned closely with the physician plan

- Perform consistent **provider needs assessments** for physicians and APPs
- Focus on **recruitment and retention** within the local community – including incumbents and training programs with geographic ties
- Ensure that **succession planning** is proactive and coordinated considering the high cost to replace providers, and staff



Thoughtful workforce planning



Performance enhancement

- Use of **collaborative care models** to ensure top-of-license practice for all providers and care team members
- Develop care teams with **shared incentives**
- Improve **patient-centered access** via joint panels, maximizing APP scheduling, and more

Source: SullivanCotter 2024 Physician Compensation and Productivity Survey

Need help evaluating or designing physician or APP compensation, care models, provider needs assessments, or other transformation initiatives?



Contact us!



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