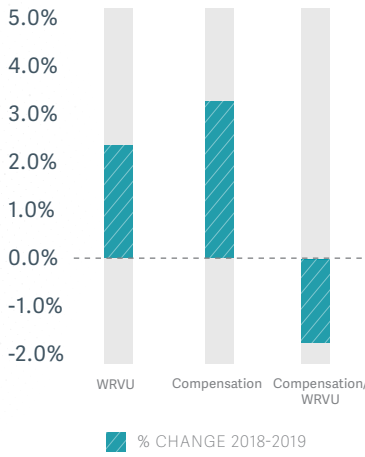


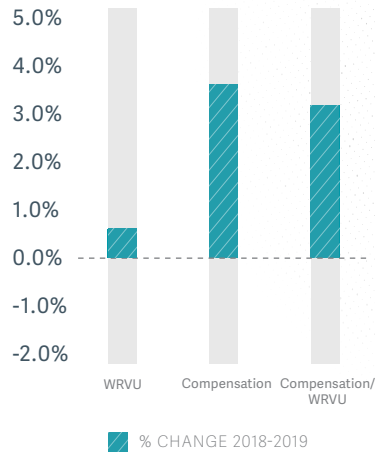
COMPENSATION and PRODUCTION TRENDS

COMPENSATION CONTINUES TO GROW, while physician production does not maintain pace.

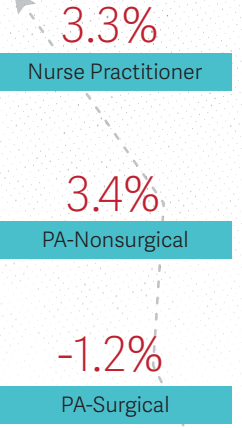
PRIMARY CARE PHYSICIANS



SUBSPECIALTY PHYSICIANS



APP COMPENSATION % CHANGE 2018-2019



Higher producing physicians' market rates differ from overall market rates.

	Market Median	Higher Producing Physicians	% Difference In Compensation per WRVU Median
Primary Care	\$53.35	\$50.85	-4.7%
Medicine	\$66.46	\$61.47	-7.5%
Surgery	\$65.94	\$61.46	-6.8%
Hospital-Based	\$65.73	\$57.88	-11.9%
All Physicians	\$61.15	\$56.68	-7.3%

Note: Higher producing physicians have WRVU production between the 50th and 75th percentiles.

Compensation planning efforts should consider the impact on market benchmarks of lower producing physicians. Compensation per WRVU benchmarks for higher producing physicians are below the overall market median by **7.3%**.

VALUE BASED COMPENSATION IS BECOMING MORE PREVALENT

PERCENTAGE OF ORGANIZATIONS



	Quality and Patient Satisfaction % of Compensation	Average \$
Primary Care Physicians	8.6%	\$24,456
Medicine Physicians	7.0%	\$30,489
Surgery Physicians	6.5%	\$33,752
Hospital-Based Physicians	6.9%	\$26,030
APPs	7.4%	\$28,050

77% of organizations include a quality component in their physician incentive plans.

89% of organizations report that WRVUs are the predominant metric utilized to determine physician compensation.

PHYSICIAN BENEFITS ARE INCREASING

The employer portion of benefit costs for physicians increased to **\$48,578** per physician FTE in 2019, while APP benefit costs increased to **\$27,590**.

The cost of benefits varies across specialty categories, with hospital-based having the lowest cost, and surgical physicians having the highest cost.



Benefit \$'s per FTE Physician

- HOSPITAL-BASED **\$42,371**
- MEDICINE **\$50,765**
- PRIMARY CARE **\$46,111**
- SURGERY **\$52,711**

