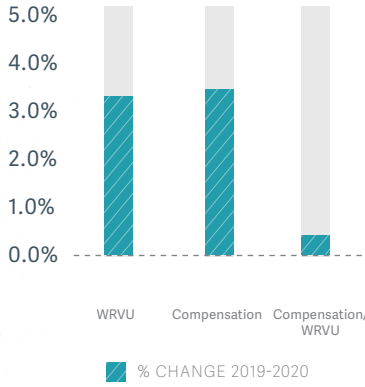


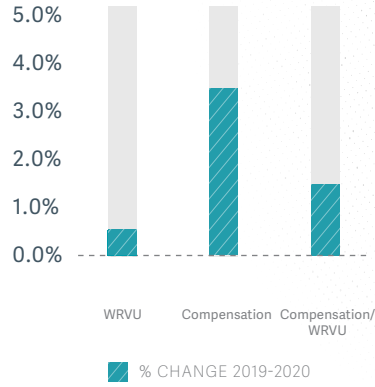
COMPENSATION and PRODUCTION TRENDS

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

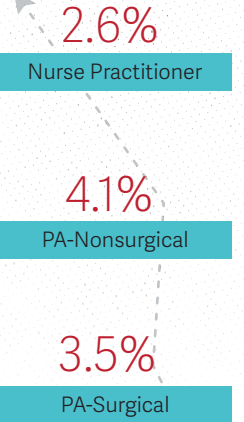
PRIMARY CARE PHYSICIANS



SUBSPECIALTY PHYSICIANS



APP COMPENSATION % CHANGE 2019-2020



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

	Market Median	Higher Producing Physicians	% Difference In Compensation per WRVU Median
Primary Care	\$53.96	\$50.66	-6.1%
Medicine	\$67.82	\$63.20	-6.8%
Surgery	\$64.91	\$61.28	-5.6%
Hospital-Based	\$64.56	\$56.93	-11.8%
All Physicians	\$61.80	\$57.27	-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	7.5%	\$22,694
Medicine Physicians	6.4%	\$29,197
Surgery Physicians	6.1%	\$30,854
Hospital-Based Physicians	7.0%	\$27,396
APPs	6.3%	\$8,946

61% of organizations include a quality component in their physician incentive plans.

79% 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 **\$49,934** per physician FTE in 2020, while APP benefit costs increased to **\$28,544**.

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



Benefit \$'s per FTE Physician

- HOSPITAL-BASED **\$57,585**
- MEDICINE **\$55,470**
- PRIMARY CARE **\$43,897**
- SURGERY **\$62,987**