Findings Released from SullivanCotter’s 2015 Medical Group Compensation and Productivity Survey

JULY 22, 2015 – Minneapolis - Sullivan, Cotter and Associates, Inc. (SullivanCotter), a human resources and total compensation consulting firm specializing in the health care industry, released findings from its annual Medical Group Compensation and Productivity Survey, which addresses key pay practices and trends unique to medical groups. The survey provides critical compensation and productivity data from 260 organizations on more than 89,000 individual physician and advanced practice clinicians, making it the largest medical group dataset in the market. Additionally, the number of specialties surveyed has risen from 240 in the 2014 survey to 273.

The new findings indicate that while productivity remains flat, all specialties continue to see an overall average increase in total cash compensation (TCC) of 2.2%. At 2.7%, medical specialties experienced a slightly higher than average increase, followed by surgical specialties at 2.4%. The average increase for all primary care specialties is 1.9%. “Although the demand for primary care specialties remains strong, the increases they’re seeing in compensation are still within the range of other specialties,” said Sara Loos, Team Leader, Physician Compensation Association Surveys at SullivanCotter.

Orthopedic surgery subspecialties and neurosurgery are among the highest paid overall, and certain pediatric specialties have seen some of the most notable increases over the past year.

“Compensation continues to increase for various reasons, including physician supply and demand, increase in performance-based compensation payments and the cost of living. However, because overall production remains flat, groups with work RVU production-based compensation plans are going to be impacted,” explained Brad Vaudrey, Physician Alignment Practice Leader at SullivanCotter. For all physician specialties, the average change in TCC per work RVU is an increase of 3.9%. Surgical specialties have seen the largest change increasing by 6%, with primary care and medical specialties following at 3.1% and 3%, respectively.

“While productivity-based compensation plans are still dominant, we continue to see a shift towards quality-based incentives and pay-for-performance models,” said Ted Chien, CEO and President of SullivanCotter. For organizations with quality or financial incentive components in place, 71% are using patient satisfaction measures, and 58% are using clinical outcomes. In primary care, where this trend is most prominent, 53% of organizations surveyed are using a quality incentive component, up from 36% last year. On average, 7% of compensation is tied to value-based measures.

For more information on SullivanCotter’s surveys, please visit our website at www.sullivancotter.com/surveys360 or contact us by phone at 888.739.7039.
About SullivanCotter

SullivanCotter is the leading independent consulting firm in the assessment and development of tailored total compensation and reward programs for tax-exempt, not-for-profit organizations. For more than 20 years, the firm has provided executive and employee compensation, governance, and physician compensation counsel to a wide variety of health care and higher education organizations, associations and foundations. A recognized leader in health care compensation benchmarking, trends and analyses, SullivanCotter has also developed the most widely recognized physician and health care executive compensation surveys in the United States. Building from this unparalleled data, the firm works closely with executives, boards and compensation committees to devise innovative solutions to attract and retain leadership talent while satisfying not-for-profit missions and regulatory requirements.

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