Emerging Compensation Trends for Physician Executives

Health care leaders with strong clinical backgrounds are in high demand as the focus on value-based care intensifies. As a result, there are more opportunities than ever before for physicians to move into executive positions at hospitals, health systems and medical groups across the country.

Gain additional insight from SullivanCotter’s Physician Executive Compensation Survey and Medical Group Executive Compensation Survey.

Annual Compensation Increases

Overall base salary increases for physician executives ranged from 2.0% – 3.0% and vary based on the type of organization. Increases in total cash compensation (TCC) showed greater variance from 2.0% – 4.4%.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Median Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health System</td>
<td>3.0%</td>
</tr>
<tr>
<td>Hospital</td>
<td>2.8%</td>
</tr>
<tr>
<td>Medical Group</td>
<td>4.4%</td>
</tr>
</tbody>
</table>

Long-Term Incentive Plans

Eligibility for long-term incentive plans (LTIPs) continues to increase among physician executives in medical groups. From 2017 – 2018, the prevalence of LTIP eligibility for CMOs (MD) more than tripled while the CEO (MD) position also experienced a meaningful change.

Prevalence of LTIP eligibility for physician executives in medical groups

- CEO (MD)
  - 2018: 28%
  - 2017: 22%

- CMO (MD)
  - 2018: 11%
  - 2017: 3%

Physician Executives: Key Roles and Emerging Positions

2018 Overall Median Base Salary and TCC

Please note that compensation levels vary based on size of organization

- **Top Clinical Integration/Transformation Executive**
  - Base Salary: $480.0k
  - TCC: $596.9k
  - Up 7.2% from 2017

- **Medical Group CEO**
  - Less than 200 Physician FTEs
  - Base Salary: $438.5k
  - TCC: $493.4k
  - Up 11.3% from 2017

- **Top Quality Executive**
  - Base Salary: $387.9k
  - TCC: $461.7k
  - Up 5.5% from 2017

- **Top Medical Informatics Executive**
  - Base Salary: $338.1k
  - TCC: $376.9k
  - Up 7.6% from 2017

Want to learn more?

Contact-Us@sullivancotter.com

Looking to gain additional insight?

Order your copy of the survey reports!