

# 2007 Physician Compensation Survey

Based on 2006 Data

Medicus Partners conducted its fourth annual physician compensation and relocation survey in March of 2007. For the first time, the survey was conducted exclusively via the internet using Survey Monkey tools. Respondents totaled 3,827 and included practicing physicians as well as final year residents and fellows at 59% and 41% of total responses respectively. Only in-practice physician compensation was included in compensation statistics. Specialties surveyed were the 18 most recruited by our firm in 2006.

<b>Anesthesiology</b>	<b>Internal Medicine</b>	<b>Otolaryngology</b>
<b>Cardiology</b>	<b>Neurology</b>	<b>Pediatrics</b>
<b>Family Practice</b>	<b>Neurosurgery</b>	<b>Psychiatry</b>
<b>Gastroenterology</b>	<b>OB/GYN</b>	<b>Pulmonary Medicine</b>
<b>General Surgery</b>	<b>Oncology</b>	<b>Radiology</b>
<b>Hospitalist</b>	<b>Orthopedic Surgery</b>	<b>Urology</b>

## Doctors Optimistic about future earnings in spite of meager gains in 2006

In spite of many specialties merely trading water financially in 2006, 51.2% of primary care physicians and 52% of surgical specialists are optimistic that they will earn more this year than last.

The average 2006 percentage increase across all specialties surveyed was 5%, up from 4.8% in 2005. The number of specialties seeing an increase greater than 5% fell from 9 specialties to 5 in 2006. Sizeable gains in ENT, Oncology, Radiology and OB/GYN offset marginal increases in other specialties.

Average ENT compensation grew 15.8% in 2006 to \$366,000 followed by Oncology at 12.4% and Radiology at 10.6%.

Primary Care continues to see lack luster gains with an increases in Family Practice and Pediatrics of 1.2% and a decrease of 2.1% in general Internal Medicine.

Neurosurgery continues to be the most highly compensated specialty at an average of \$614,000 followed by Orthopedic Surgery at \$479,000, Cardiology at \$465,000 and Radiology at \$463,000.

Searches conducted by Medicus Partners in 2006 were more balanced with specialty recruitment constituting 58% of the searches against 42% primary care. Overall, Orthopedics was the most sought after by our clients followed by Family Practice, Hospitalist and General Surgery.

## Highlights

### Respondents indicated:

- 34% of respondents prefer to work in a single specialty group setting with only 8.4% choosing solo practice
- 58.6% of physicians prefer to live in major urban or suburban areas
- 4.3% of doctors chose small town/rural locations as their first choice
- Physicians cited reimbursement decreases as the primary limitation on their practice income at 26.1% and geographic location (patient mix) second at 17.2%
- Surgical specialists and internal medicine sub specialists responded that more money and better quality of life as their motivators to look for a new practice.
- Residents resoundingly chose quality of life as their primary objective in finding a good practice (38%) followed by geographic location (29.6%)

# Survey Results

Total annual compensation including income from practice-related investments and excluding benefits, rounded to the nearest 1,000.

<b>Specialty</b>	<b>Average</b>	<b>% Change</b>	<b>Median</b>	<b>% Change</b>
Anesthesiology	\$362,000	N/A	\$355,000	N/A
Cardiology (invasive, non-interventional)	\$465,000	1.5	\$428,000	10.7
Family Practice	\$173,000	1.2	\$161,000	3.9
Gastroenterology	\$460,000	1.9	\$412,000	.8
General Surgery	\$307,000	5.0	\$293,000	10.4
Hospitalist	\$188,000	0.01	\$174,000	0.5
Internal Medicine	\$184,000	(2.1)	\$170,000	0.3
Neurology	\$247,000	3.5	\$209,000	2.2
Neurosurgery	\$614,000	3.8	\$562,000	5.0
OB/GYN	\$284,000	8.6	\$260,000	11.1
Oncology	\$412,000	12.4	\$337,000	5.0
Orthopedic Surgery	\$479,000	8.8	\$438,000	6.2
Otolaryngology	\$366,000	15.8	\$294,000	9.8
Pediatrics	\$176,000	1.2	\$167,000	2.3
Psychiatry	\$204,000	5.0	\$185,000	3.2
Pulmonary Medicine	\$298,000	N/A	\$243,000	N/A
Radiology	\$463,000	10.6	\$411,000	6.9
Urology	\$395,000	3.0	\$352,000	3.6

What is your perception of the greatest limiting factor on your income?

	<b>2005</b>	<b>2006</b>
Competition	31%	3.4%
Malpractice increases	20%	5.8%
Decreasing Reimbursement	39%	26.1%
Geographic location	10%	17.2%

In what type of Practice Setting would you like to work?

Solo	NA	8.4%
Single Specialty Group	NA	34.1%
Multi-Specialty Group	NA	17%
Hospital Employed	NA	22%
Group Employed	NA	13%

In what size community would you prefer to live and work?

Major metropolitan (500,000+)	26%	25.9%
Suburban, w/in 30 minutes of metro	25%	32.7%
Mid-sized city (100,000-500,000)	34%	24.1%
Smaller city (25,000-99,999)	11%	13%
Rural (under 25,000)	4%	4.3%

What is your greatest motivation to make a change and to relocate?

Greater income	44%	14.6%
Nicer community/Geographic Location	21%	26.7%
Less competition	19%	21.7%
Better malpractice climate	16%	NA
Better Call/Coverage (Quality of Life)	17%	33.2%