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# The latest in trends from AMGA's 2024 Medical Group Compensation and Productivity Survey

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Is compensation keeping up with inflation? With annual inflation above 6% in 2022, and above 4% in 2023 (based on data provided by the U.S. Bureau of Labor Statistics), there is pressure on employers to maintain compensation levels to keep up with inflation. AMGA's *2024 Medical Group Compensation and Productivity Survey Report* provides insights into key issues that will guide your organization through the coming year. We discuss short- and longer-term trends in compensation and productivity for primary care and specialty physicians as well as advanced practice clinicians (APCs) based on these latest market data results.

The 2024 survey results (based upon data collected from the 2023 calendar year) represent one of the largest datasets in the history of the survey. Overall, median provider compensation increased 5.3%, reflecting the highest year-over-year increase that we have seen in over 10 years. While these increases may seem to correlate to inflation, we are seeing a nearly identical increase in individual productivity as measured in work relative value units, or wRVUs (as we saw similar survey results for ASA units in anesthesiology, for simplicity within this article, wRVUs can be replaced with ASA units for specialties where ASA units are relevant).

At the median, wRVUs per provider increased 5.2%, showing an increased workload for providers during this timeframe. This result aligns with the trends we are seeing in patient visits, which also increased 3% as compared to last year's survey. These compensation and productivity changes resulted in a compensation per

wRVU rate that increased 0.4% at the median—a relatively small gain relative to increases in compensation, evidence that, without the productivity increase, compensation would have been flat.

The positive trend extends to net collections: The overall median net collections per provider increased 4.3% over 2023 survey results. Although professional net collections have rebounded post-COVID, we continue to see an alarming shift compared to trends in compensation and production. Specifically, net collections (4.3% increase from last year) continue to lag increases in compensation (5.3% increase from last year). This has been the story for several years; we will explore these trends later in the article.

As healthcare systems have gained experience employing providers and managing their physician enterprises, it appears they are becoming more capable in managing efficiency and setting expectations, thus leading to increased patient throughput per provider. However, it is important to note that even with improved efficiency and clear expectations, providers have worked harder to increase their productivity. This increased work effort includes an accelerated ramp up for new providers, as we will explain. The ongoing

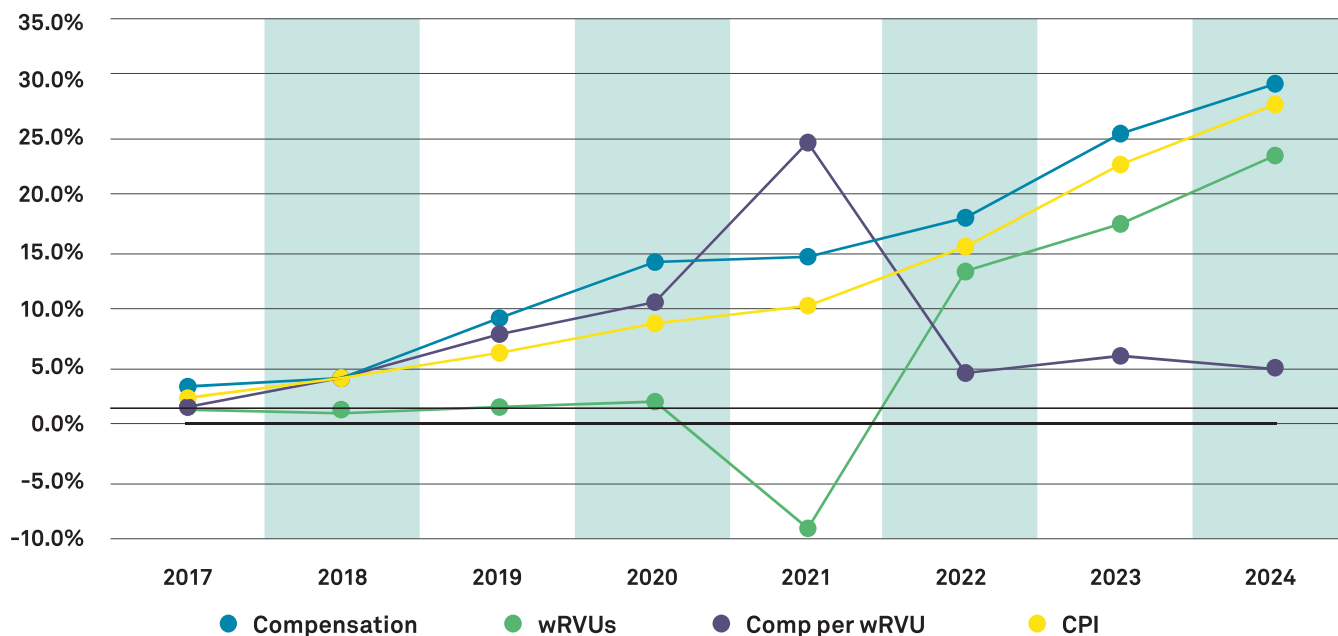
challenges with provider shortages paired with increasing population demands also factor into the increased productivity storyline. These and other factors can contribute to increased productivity levels, although the impact will vary by specialty. We explore trends in compensation, productivity, and net collections by specialty groups in the following sections.

### Primary Care (Physician)

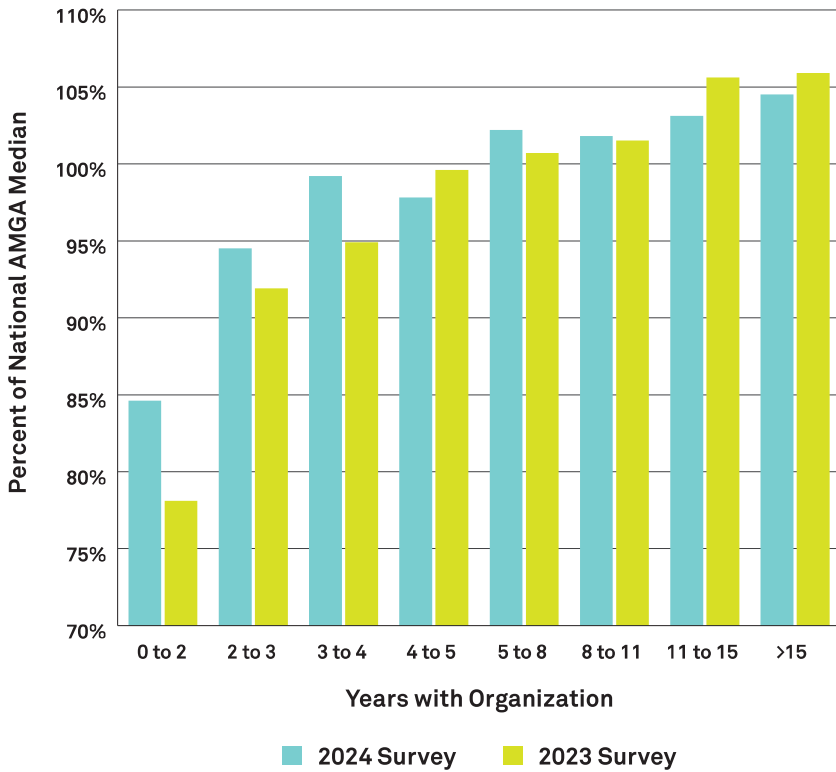
Median physician compensation for primary care physicians increased 3.6% over the prior year (see Figure 1). Of the specialty groups, this increase was the smallest, whereas last year’s survey showed a 6% increase for primary care (which was the largest of the specialty groups). Median wRVUs by provider increased 5% in the 2024 survey, resulting in a compensation per wRVU that showed a decrease of 1.0% at the median.

This trend in year-over-year change for compensation per wRVU is particularly alarming. This year’s trend for compensation per wRVU for primary care was also the lowest across specialty groups. Since the adoption of the Centers for Medicare & Medicaid Services outpatient Evaluation and Management (E&M) code changes in 2022, productivity and compensation per wRVU trends in this year’s survey suggest

Figure 1  
Primary Care



**Figure 2**  
**Median wRVUs by Years from Hire Date—Family Medicine**



organizations are settling in and realigning their approach for primary care.

When comparing the growth trends of key survey metrics to the Consumer Price Index (CPI), we see that compensation and productivity generally align with the CPI, with the COVID years as an exception (based on data provided by the U.S. Bureau of Labor Statistics). But compensation per wRVU continues to lag behind. Over a seven-year timeframe, the CPI has resulted in prices that have increased over 25% while compensation per wRVU has only increased around 5%. While compensation increases have been maintained with the CPI, increased workload and increases to E&M wRVUs have been the key drivers, the former of which continues to heavily contribute to provider burnout.

Other survey trends indicate changes in ramp-up time for certain primary care providers. For providers who have been with their organization less than two years, wRVUs jumped to 85% of median in the 2024 survey, up from 77% last year (see Figure 2). On the other end of the spectrum, we have seen a slight drop in production for seasoned providers as compared to last year’s survey. These trends are worth monitoring over the next couple of years, especially as you think about recruitment and growth in your provider workforce.

**Figure 3**  
**Medical Specialties**

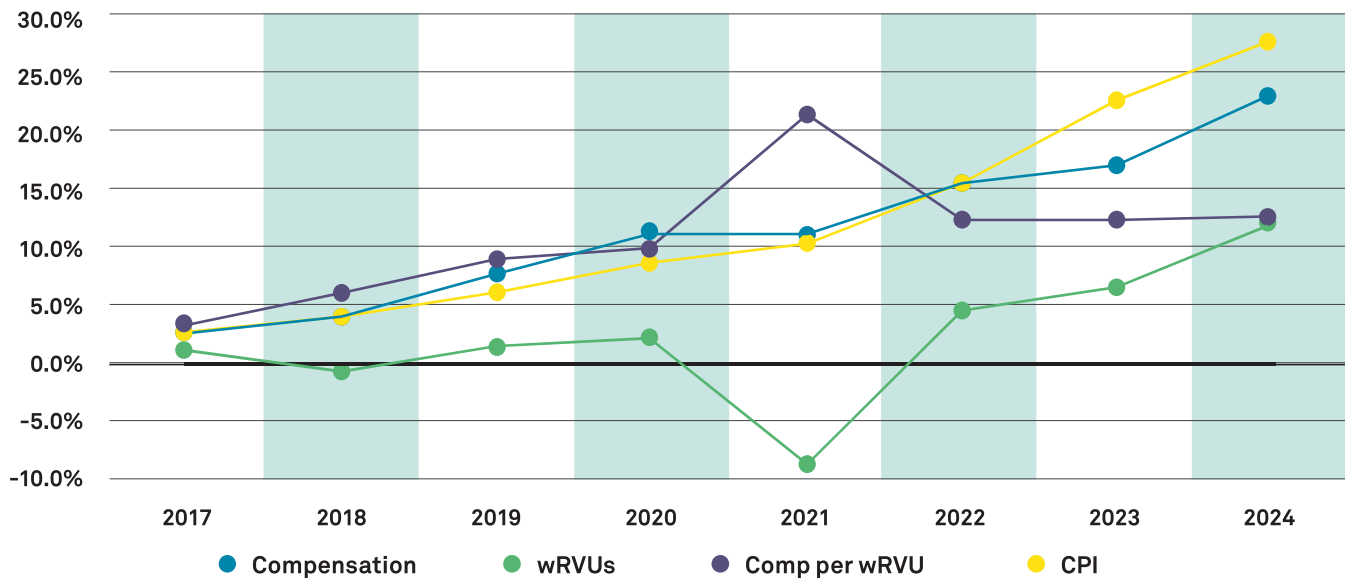
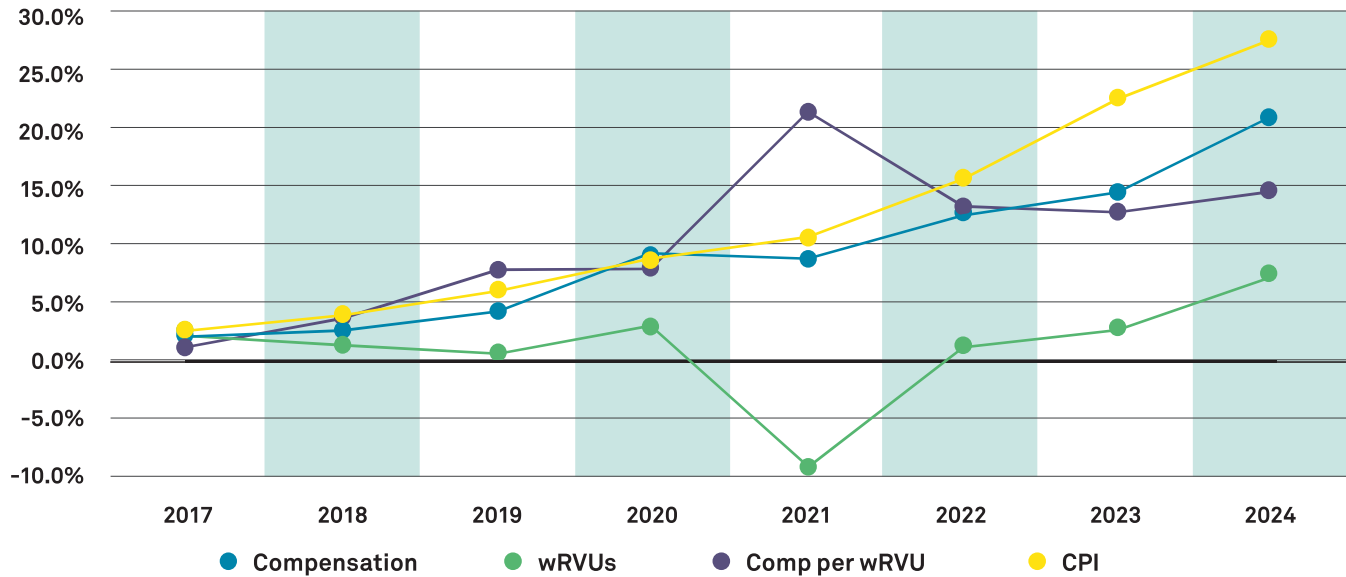


Figure 4  
Surgical Specialties



### Medical and Surgical Specialties (Physician)

The 2024 survey median physician compensation for the roll-up of medical and surgical specialties increased 5.1% and 5.5%, respectively (see Table 3). Increases in compensation for these specialties are in stark contrast to last year, when compensation rose between 1.4% and 1.6% at the median. While it is tempting to attribute increases to an “every other year” pattern, the real driver of this year’s increase was that median productivity increased at commensurate rates of 5.3% and 4.7% for medical and surgical, respectively.

Median compensation per wRVU for medical specialties showed an increase of 0.2%, indicating relatively flat growth (see Figure 3). This has been the pattern for the second year in a row. For surgical specialties, median compensation per wRVU increased 1.7%, which was the highest increase across all specialty groupings (see Figure 4).

Looking at the seven-year trend, the increases in compensation for medical and surgical specialties show alignment with growth trends in the CPI. Growth in wRVUs over the seven-year timeframe shows 12.0% for medical specialties and 7.3% for surgical. Although not as large an increase as in primary care (which was driven in part by the increases in wRVU values for certain E&M codes), the productivity increases in recent years are an area to monitor. In aggregate,

Table 1  
Workload

Specialty	Group Count	Median Annual Hours
Hospitalist	46	2,016
Hospitalist–Nocturnist	40	1,876
Hospitalist–Pediatrics	13	1,992
Emergency Medicine	19	1,620
Trauma Surgery	12	2,028
Urgent Care	24	1,827
Critical Care/Intensivist	23	1,872

increases in specialist productivity in recent years have resulted in compensation per wRVU being flat, creating a widening gap between compensation per wRVU and the CPI growth.

Trends in compensation per wRVU stagnation present challenges to healthcare. As groups are navigating increases in workload and higher demand, we are seeing physicians’ expectations of a full-time workload change. Based on data collected through the 2024 survey, median annual (clinical, patient-facing) hours for certain hospital-based specialties are below 2,000 (see Table 1). Emergency medicine physicians’ annual

Table 2

## Percent Change in Net Collections Over Survey Years

Net Collections	2024	2023	2022	2021	2020	2019	2018	2017
Primary Care	4.5%	5.9%	8.9%	-3.7%	-2.9%	5.0%	0.6%	1.7%
Medical Specialties	3.6%	2.2%	9.4%	-8.7%	-1.7%	2.9%	-1.2%	-0.6%
Surgical Specialties	5.2%	2.8%	6.2%	-6.9%	-1.4%	0.5%	0.4%	-0.6%
Radiology/Anesthesiology/Pathology	4.0%	7.7%	-0.6%	-4.1%	-2.7%	4.6%	0.5%	-7.7%
Other Healthcare Providers	4.4%	9.0%	18.0%	-12.6%	-4.4%	6.6%	-5.6%	7.1%
Overall	4.3%	5.1%	10.4%	-8.0%	-1.2%	1.4%	-1.2%	1.1%

median hours were 1,620, reflecting the challenging and high-pressure environment within which these physicians work. As providers are faced with higher patient loads and anecdotally higher acuity, it is not surprising that providers are dialing back the number of hours worked.

### Net Professional Collections (All Providers)

Similar to compensation and productivity, median provider net collections showed an increase, coming in at 4.3% overall as compared to the prior year (see Table 2). Variation in net collections' changes was fairly consistent across specialty groups, with medical specialties showing the lowest (3.6%) and surgical specialties

the highest (5.2%) year-over-year change at the median. These changes in net collections are consistent with the last two post-COVID survey years, which saw positive increases in net collections from the prior years.

When looking at collection trends from 2017 to 2024, we have seen a growing gap between net professional collections and compensation. During this seven-year timeframe, compensation has shown an aggregate 25.5% growth, whereas net collections have only grown 11.4% (see Figure 5).

Healthcare organizations are feeling this pressure directly as reimbursement continues to face challenges with Medicare cuts and other declines in reimbursement. Fred Horton, president of

Figure 5  
All Specialties

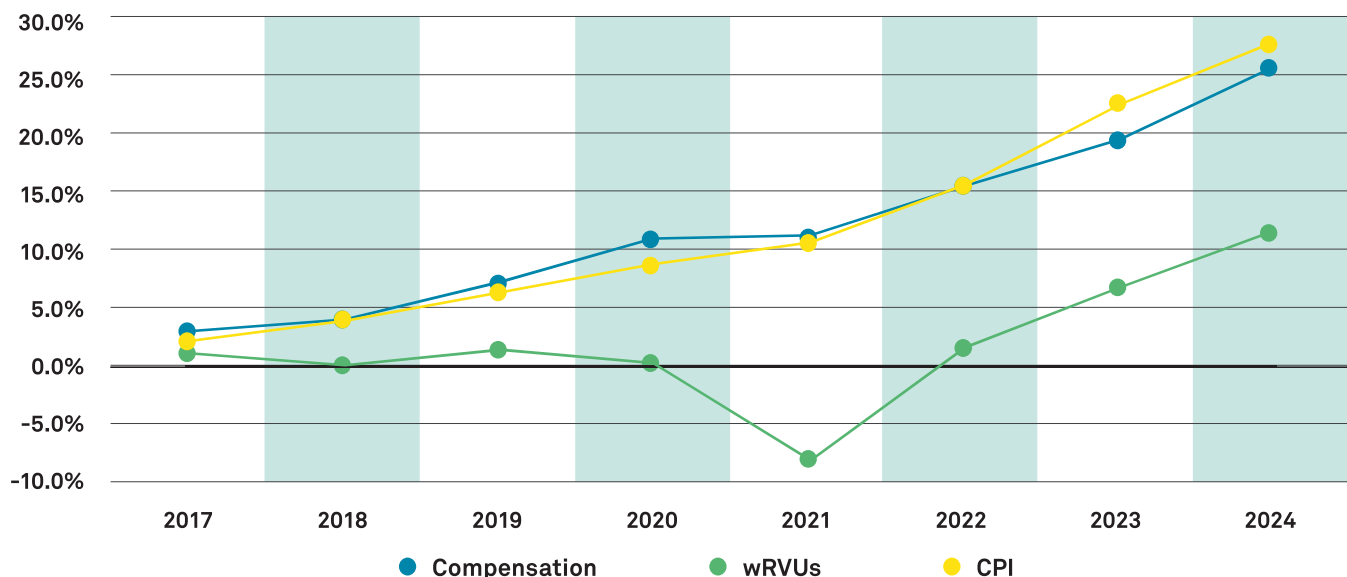


Table 3

## NP and PA Trends

Specialty	Year over Year % Change at Median		
	Compensation	wRVUs	Comp per wRVU
NP and PA – Primary Care	6.9%	11.6%	-3.9%
NP and PA – Medical	3.9%	-0.6%	3.8%
NP and PA – Surgical	6.0%	6.0%	0.0%

(PA) providers, trends of compensation, productivity, and compensation per wRVU are somewhat different from what we saw with physicians (see Table 3). Although compensation trends were similar, showing increases between 3.9% and 6.9% at median, productivity changes varied by specialty type. The median productivity for primary care NPs and PAs had the largest increase at 11.6%, followed by surgical at 6.0%, with medical showing the lowest at a decrease of 0.6%.

Utilization of NPs and PAs continues to evolve, especially amid

Table 4

## NP and PA Utilization

Specialty Group	% Change Physician	% Change NP/PAs
Primary Care Specialties	4.2%	14.3%
Medical Specialties	7.5%	-5.5%
Surgical Specialties	4.8%	7.3%

Analyses above are based on organizations that submitted both years

the ongoing incorporation of value-based care into the healthcare model. In looking at AMGA's database from the *Medical Group Compensation and Productivity Survey*, and controlling for organizations that were included in both the 2023 and 2024 survey years, we are seeing interesting shifts in utilization of NPs and PAs. Within primary care specialties, the physician workforce grew 4.2% on average while the NP and PA workforce grew 14.3%. For medical specialties, we saw an increase in physicians, but a decrease of 5.5% in the number of NPs and PAs (see Table 4).

These shifts in utilization, coupled with changes we are seeing in compensation and productivity, indicate a continued evolution in organizations' deployment of their NP/PA workforce to support the patient population. Shortages of physicians within primary care, especially as organizations look to implement robust value-based programs, appear to be

AMGA Consulting, offers this perspective: "This issue, especially related to Medicare payment updates, must be addressed in order for organizations to afford necessary increases in compensation without continually relying on a need for providers to see more patients. If not addressed, many groups will soon be in a very challenging position in relation to work-life balance, burnout, and provider satisfaction."

Horton continues by saying, "As organizations must meet the market in terms of provider compensation, and given the market continues to increase at rates greater than collections, there is an ever-decreasing funding level for operations as the money available is the result of revenue less provider compensation. I can remember when over 50% of net revenue was leftover/available after paying provider compensation in the past. Today, that percentage is closer to 40%, meaning that the net has decreased by approximately 10%, which is a very significant amount."

### Advanced Practice Clinicians—NPs and PAs

When looking at combined nurse practitioner (NP) and physician assistant

Table 5

## Three-Year Compensation Change

Primary Care	Medical Specialties	Surgical Specialties
13.1%	10.9%	11.4%

driving the increased NP and PA presence within primary care (and away from medical specialties).

### **A Closer Look at the Past Three Years**

The last few years have presented many new and different challenges. As an example, the 2021 E&M coding changes (which impacted primary care the greatest) had an impact on wRVUs and on corresponding compensation. By looking at the compensation change trend from data years 2020 to 2021, 2021 to 2022, and 2022 to 2023 (this takes into account the survey reports from 2022 through 2024), we gain a better understanding of compensation trends over time.

In our three-year analysis, we see that primary care compensation (at median) has grown the most at 13.1% (see Table 5). However, the ongoing trend issue is that in this year's survey we saw that primary care received the lowest increases and the lowest compensation per wRVU increase (actually a decrease of 1.0% at median). The question is thus: Will primary care's increase

continue to hold, or will we see medicine and surgical subspecialty increases return to past trending (in other words, higher than primary care in an ongoing manner)? There are a number of variables at play, but these pay rate and absolute amount aspects increase supply and demand of providers as they make decisions on what areas to pursue while in training programs.

### **Considerations Looking Forward**

The ongoing workforce challenges caused by provider shortages and other shifts in workforce utilization continue to impact productivity, which has a downstream impact on compensation. Organizations are continuing to evolve their approach to compensation, with fellow AMGA member groups and AMGA Consulting clients expressing a desire for compensation models that align with the needs of the medical group. Medical groups are keenly focused on their ability to recruit and retain high-quality providers. Supplemental payments via sign-on bonuses,

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**The ongoing workforce challenges caused by provider shortages and other shifts in workforce utilization continue to impact productivity, which has a downstream impact on compensation.**





relocation assistance, and student loan repayment programs (all of which have remained flat over the last several years), in conjunction with a strong compensation model, are instrumental in accomplishing recruitment and retention goals.

Care model redesign and the transition from volume to value also continue to be critical factors looking forward. Optimizing the care model to meet demand and reduce the cost of care continues to be a focus area for many medical groups. While physician enterprises continue to search for an ideal formula to assist with their value transition, it is of note that there are examples of extremely successful value-based groups that utilize a wide range of compensation plans. These range from revenue-expense to wRVU, to panel size, and/or to straight salary. While their distribution plans have this degree of variability, the one constant is that they have extremely strong value-based infrastructure (think adequate care management processes and support) built into their organizations. It is our opinion that infrastructure, not compensation methodology, is the true enabler of success in a value-based environment.

We caution about using your compensation methodology to attempt to drive results. If an organization simply leverages its providers through compensation methodology, it will ultimately be perceived as onerous and likely ineffective. While having market-based incentive plans is a good thing, creating a plan with too many incentive components leads to confusion and can be ineffective.

Additionally, of utmost importance to supporting a successful compensation plan, a groups' ability to fund a plan will continue to be strained. As reimbursement declines, or even if it stays flat, groups must meet the market-based compensation increases to stay competitive, creating significant pressure on overall financial viability. Optimizing revenue and creating efficiencies in your care model will help support a sustainable model.

As we anticipate the market data for the 2025 survey year and beyond, we look forward to being able to answer the following questions:

- ▶ How will disruptors exiting, continuing market consolidation, and unionization impact the market?
- ▶ Will reimbursement trends continue to stagnate?
- ▶ How will support staffing challenges impact productivity and thus compensation plans?
- ▶ What measures are high-performing

physician enterprises taking to remain competitive and build a sustainable model?

### Survey Demographics

The results of the 2024 Medical Group Compensation and Productivity Survey Report represent one of the largest national datasets in the 37-year history of the survey, with data for more than 189,000 physicians and other providers. The report contains data specific to 145 physician specialties and 52 other provider types.

Of the 459 medical groups that participated in the 2024 survey, 64.7% are system-affiliated groups, representing 86.5% of providers in the survey (see Table 6). The percentage of providers from system-affiliated groups is consistent with the 2023 survey, which saw 86.4% from system-affiliated groups. In the 2024 survey results, more than 74% of the participating groups have greater than 300 physician FTEs, representing over 90% of the providers in this report. The geographic distribution continues to be consistent, with close to 25% of the respondents located in each of the four survey regions. [GPI](#)

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**Table 6**  
**Survey Demographics**

	Groups	% of Groups	Providers	% of Provider Total
<b>Group Size</b>				
Fewer than 50	16	3.5%	484	0.3%
50 to 150	45	9.8%	4,781	2.5%
151 to 300	57	12.4%	13,139	6.9%
More than 300	341	74.3%	170,843	90.3%
<b>Geographic Region</b>				
Eastern	142	30.9%	40,401	21.3%
Northern	101	22.0%	58,005	30.7%
Southern	69	15.0%	48,430	25.6%
Western	147	32.0%	42,411	22.4%
<b>Group Type</b>				
Independent	162	35.3%	25,464	13.5%
System Affiliated	297	64.7%	163,783	86.5%
<b>Total</b>	<b>459</b>		<b>189,247</b>	