

## Overview

In April 2011, Jackson Healthcare conducted a national physician survey to identify and explore the shifting dynamic between their fixed and variable compensation sources. This data reveals the breakdown of all the sources from which physicians are compensated.

Fixed compensation was defined as salary, hourly rate or stipend that does not vary with productivity. Variable compensation was defined as bonuses, productivity incentives, profit from ownership or any other compensation over and above fixed salary or hourly rates.

## Key Findings from Physician Compensation Source Survey

- 82% received no compensation from prescriptions, lab tests, diagnostic imaging, hospital admissions and facility/surgery fees
- 36% reported their total compensation was from fixed sources only
- 12% reported variable compensation based upon productivity
- 8% reported variable compensation from practice ownership
- 6.2% total compensation comes from the following sources:
  - 0.5% from charges from prescriptions
  - 1.0% from charges from lab tests
  - 1.1% from charges associated with hospital admission
  - 1.3% from charges associated with facility fees for surgeries
  - 2.3% from charges from diagnostic imaging

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## **Jackson Healthcare Survey Methodology**

In April 2011, Jackson Healthcare conducted a web-based survey of 1,512 physicians. The survey has an error range of +/- 1.6 percent, at the 95 percent confidence level.

If physicians indicated that a portion of their compensation was variable, they were asked a series of questions to report the percentage of their income that came from various variable compensation sources: productivity bonuses, profit from practice ownership, charges from diagnostic imaging, charges associated with facility fees from surgeries, charges associated with hospital admissions, charges from lab tests, and charges from prescriptions. Percentages of variable compensation were presented in multiple choice questions with ranges. The survey results were calculated by utilizing the top percentage in each range, for a worst-case scenario computation.

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