



2024 Review of Physician and Advanced Practitioner Recruiting Incentives

An Overview of the Salaries, Bonuses, and Other Incentives Customarily Used to Recruit Physicians, Physician Assistants, Nurse Practitioners and CRNAs



Introduction

The *2024 Review of Physician and Advanced Practitioner Recruiting Incentives* is the latest in a series of annual reports produced by AMN Healthcare's Physician Solutions division – formerly known as Merritt Hawkins. The Physician Solutions division of AMN Healthcare specializes in the recruitment of physicians in all medical specialties, physician leaders, and advanced practice professionals (APPs), including nurse practitioners (NPs), physician assistants (PAs) and certified registered nurse anesthetists (CRNAs).

Other divisions of AMN Healthcare, the nation's largest publicly traded healthcare workforce solutions company, specialize in a wide range of nurse and allied healthcare professional staffing services, as well as healthcare workforce technology, management and revenue cycle solutions.

This report marks AMN Healthcare/Merritt Hawkins' 31st annual *Review* of the search and consulting engagements we conduct on behalf of our clients. The *Review* is the longest consecutively published and most comprehensive report on physician and APP recruiting incentives in the industry.

Over the past 31 years the *Review* has become a standard benchmarking resource used by hospitals, medical groups and other healthcare facilities to determine which incentives are customary and competitive in physician and APP recruitment. The *Review* also has become a resource widely utilized by healthcare journalists, analysts, policy makers and others who track trends in physician supply, demand and compensation.

Ongoing Thought Leadership

Produced by AMN Healthcare's Center for Workforce Research, the *Review* is part the company's ongoing thought leadership initiatives, which include surveys, white papers, speaking presentations, blogs, webinars and podcasts.

The *2024 Review* is based on a representative sample of the 2,138 permanent physician and advanced practitioner search engagements that AMN Healthcare's Physician Solutions division had ongoing or conducted during the 12-month period from April 1, 2023, to March 31, 2024.

The intent of the *Review* is to quantify financial and other incentives offered by our clients to physician and APP candidates during the course of recruitment. Incentives cited in the *Review* are based on contracts or incentive packages used by hospitals, medical groups and other facilities in real-world recruiting engagements.

A Key Differentiator

Unlike other physician compensation surveys, the *Review* tracks **physician and APP starting salaries** and other recruiting incentives, rather than total annual compensation. It therefore reflects the incentives physicians and APPs are offered to attract them to new practice settings rather than what they may actually earn and report on their tax returns.

The range of incentives detailed in the *Review* may be used as benchmarks for evaluating which recruitment incentives are customary and competitive in today's market. In addition, the *Review* is based on a national sample of search assignments and provides an indication of which physicians and APPs are currently in the greatest demand, as well as the types of medical settings into which physicians and APPs are being recruited.

Following are several key findings of the *2024 Review*.



Key Findings

AMN Healthcare's 2024 *Review of Physician and Advanced Practitioner Recruiting Incentives* reveals a number of trends within the physician and APP recruiting market, including:

- **Average starting salaries for physicians and APPs were generally up year-over-year**, with increases seen in 13 of the 20 specialties tracked in the *Review* and decreases in only four (there is no comparison data for three of the 20 specialties).
- **Orthopedic surgeons are offered the highest average starting salary of physicians** tracked in the *Review* at \$686,000, while pediatricians are offered the lowest (\$244,000).
- **In addition to starting salaries, many physicians and APPs are offered signing bonuses.** The average signing bonus for physicians is \$31,473, while the average signing bonus for NPs and PAs is \$11,758.
- **Physicians and APPs also often receive relocation and continuing medical education (CME) allowances in addition to salaries and signing bonuses.** The average relocation allowance for physicians is \$11,284, while the average relocation allowance for NPs and PAs is \$7,910. The average CME allowance for physicians is \$3,969, while the average CME allowance for NPs and PAs is \$2,195.
- **NPs continue to be in strong demand and topped the list** of AMN Healthcare's most requested physician and APP search engagements for the fourth consecutive year. NPs are filling needs created by the physician shortage, and are being used to staff a growing number of urgent care centers, retail clinics, and telemedicine platforms. In addition, more specialty medical practices are employing them.
- **The average starting salary for NPs was up 8.6% year-over-year**, from \$158,000 last year to \$164,000 this year, underscoring the strong demand for advanced practice nurses.
- **Family physicians topped the list** of AMN Healthcare's physician search engagements for the 18th year in a row, second only to NPs among search engagements of all types.
- **The average starting salary for family physicians was up 6.27% year-over-year**, from \$255,000 last year to \$271,000 this year.
- **Though family physicians continue to be in demand, overall demand for family physicians and other primary care physicians is down significantly over previous years.**
- **AMN Healthcare now conducts more searches for APPs, including NPs, PAs, and CRNAs**, than it does for primary care physicians, highlighting ongoing patient migration away from primary care practices toward retail clinics, urgent care centers and telemedicine providers.
- **Only 14% of AMN Healthcare's search engagements this year were for primary care physicians**, down from 17% last year, while 23% of search engagements were for APPs, up from 19% last year.
- **The majority of AMN Healthcare's search engagements this year (63%) were for physician specialists, including obstetrician/gynecologists, gastroenterologists, radiologists, cardiologists and other specialists** who remain in strong demand, reflecting the needs of an aging population that is reliant on specialty care.
- **OB/GYNs were 2nd on the list of AMN Healthcare's most requested physician search engagements this year**, up from 4th last year. Demand for OB/GYNs remains strong, while supply may be inhibited by the Supreme Court's *Dobbs vs. Jackson* decision, after which fewer medical school graduates opted for OB/GYN residency positions.
- **71% of AMN Healthcare's search engagements were located in communities of 100,000 people or more, indicating that demand for physicians and APPs is not limited to small and/or rural communities.**

Following is a breakout of the characteristics and metrics of AMN Healthcare's 2023/24 recruiting engagements.

AMN Healthcare 2024 *Review of Physician and Advanced Practitioner Recruiting Incentives:*

Recruiting Engagement Characteristics and Metrics



1. Total Number of Physician/Advanced Practitioner Search Assignments Represented

The 2024 *Review* is based on a representative sample of the 2,138 permanent physician and APP search engagements AMN Healthcare Physician Solutions had ongoing or was engaged to conduct during the 12-month period from April 1, 2023 to March 31, 2024.

2. Settings of Physician Search Assignments

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Hospital	609 (28%)	939 (35%)	914 (34%)	813 (33%)	1,168 (36%)	1,065 (34%)
Group	547 (26%)	612 (23%)	487 (18%)	714 (29%)	1,042 (32%)	877 (28%)
Solo/partnership/Concierge	128 (6%)	52 (2%)	29 (1%)	70 (3%)	92 (3%)	31 (1%)
CHC/FQHC/IHS	101 (5%)	135 (5%)	219 (8%)	197 (8%)	199 (6%)	282 (9%)
Academics	462 (22%)	830 (31%)	911 (34%)	493 (20%)	591 (18%)	626 (20%)
Other (Urgent Care, HMO, Association, Home Health, etc.)	291 (13%)	108 (4%)	135 (5%)	171 (7%)	159 (5%)	250 (8%)

If Academics, what type of position? (Of 462 Academic Setting Positions)

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Research Faculty	12 (3%)	8 (1%)	21 (2%)	6 (1%)	25 (4%)	21 (3%)
Leadership/Administration	63 (14%)	307 (37%)	193 (21%)	105 (21%)	168 (28%)	143 (23%)
Clinical Faculty	387 (83%)	515 (62%)	697 (77%)	382 (78%)	398 (68%)	462 (74%)

3. States Where Search Engagements Were Conducted

AMN Healthcare Physician Solutions conducted search engagements in all 50 states with the exception of Hawaii during the 2024 *Review* period, as well as Washington, D.C.

4. Number of Searches by Community Size

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
0-25,000	278 (13%)	293 (11%)	326 (12%)	549 (17%)	534 (17%)	612 (20%)
25,001-100,000	449 (21%)	510 (18%)	536 (20%)	588 (18%)	530 (17%)	545 (18%)
100,001+	1,411 (66%)	1,873 (71%)	1,833 (68%)	2,114 (65%)	2,067 (66%)	1,888 (62%)

5. Top 20 Most Requested Searches by Specialty

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
1. Nurse Practitioner	426	420	405	335	270	169
2. Family Medicine	188	279	280	284	448	457
3. Obstetrics/Gynecology	87	149	148	108	122	161
4. Internal Medicine	85	130	133	117	146	148
5. Gastroenterology	69	99	95	67	65	85
6. Radiology	61	155	162	136	163	148
7. Cardiology	60	99	100	63	56	97
8. Anesthesiology	55	139	117	78	72	70
9. Hospitalist	44	63	63	27	71	143
10. Hematology/Oncology	41	96	86	74	91	53
11. Psychiatry	40	138	153	124	182	199
12. CRNA	38	50	86	64	71	47
13. Urology	35	53	48	N/A	N/A	N/A
14. Orthopedics	34	46	51	45	55	73
15. General Surgery	31	N/A	N/A	N/A	N/A	N/A
16. Neurology	28	57	43	63	115	84
17. Dermatology	23	47	35	42	43	60
18. Otolaryngology (ENT)	22	N/A	N/A	N/A	N/A	N/A
19. Emergency Medicine	22	N/A	N/A	N/A	N/A	22
20. Pediatrics	20	37	53	28	54	85

6. Other Specialty Recruitment Engagements

Allergy & Immunology
 Cardiothoracic Surgery
 Critical Care-Intensivist Medicine, Endocrinology
 Endocrinology, Diabetes & Metabolism
 Geriatric Medicine
 Hospice and Palliative Medicine
 Infectious Disease
 Nephrology
 Pulmonary and Critical Care
 Pulmonary Disease
 Neurological Surgery
 Ophthalmology
 Ophthalmology, Glaucoma
 Ophthalmology, Oculoplastic
 Ophthalmology, Retina Surgery
 Oral & Maxillofacial Surgery
 Pathology
 Pathology, Anatomic Pathology & Clinical Pathology
 Pathology, Clinical Pathology
 Pathology, Cytopathology
 Pathology, Forensic Pathology
 Pathology, Gastroenterology

Pathology, Hematology
 Pediatrics, Neonatal-Perinatal Medicine / Neonatology
 Pediatrics, Neurodevelopmental Disabilities
 Pediatrics, Endocrinology
 Physician Assistant
 Pediatric Gastroenterology
 Physical Medicine & Rehabilitation
 Physical Medicine & Rehabilitation, Pain Medicine
 Plastic Surgery
 Podiatrist
 Preventive Medicine, Occupational Medicine
 Psychologist
 Radiation Oncology
 Rheumatology
 Surgery, Breast
 Surgery, Colon & Rectal Surgery
 Surgery, Surgical Critical Care (Trauma Surgery)
 Surgery, Surgical Oncology
 Vascular Surgery
 Thoracic Surgery
 Urgent Care

Academic Recruiting Engagements

Advanced Practice Supervisor, Orthopaedic Surgery
 Assistant Dean, Osteopathic Practice and Principals
 Associate Chief Medical Officer
 Associate Chief of Clinical Affairs
 Associate Chief of Internal Medicine
 Associate Dean, Faculty Affairs
 Associate Designated Institutional Official
 Associate Director of Population Sciences
 Associate Director, Community Outreach and Engagement
 Cancer Center Director and Physician Executive,
 Cancer Care Service Line
 Chair, Ben May Department for Cancer Research
 and Director, Ludwig Center
 Chair, Cellular and Integrative Physiology
 Chair, Family and Community Medicine
 Chair, Infectious Diseases

Chair, Medicine
 Chair, Neurosurgery
 Chair, Nuclear Medicine
 Chair, Obstetrics and Gynecology
 Chair, Ophthalmology & Visual Sciences
 Chair, Orthopedic Surgery and Physical Rehabilitation
 Chair, Osteopathic Manipulative Medicine
 Chair, Otolaryngology and Head & Neck Surgery
 Chair, Pediatrics
 Chair, Pharmacology
 Chair, Primary Care and Rural Medicine
 Chair, Psychiatry and Behavioral Sciences
 Chair, Psychiatry and Behavioral Sciences
 Chair, Surgery
 Chief Clinical Officer, Children & Women's Hospitals
 Chief CRNA

Chief Executive Officer, Pediatric Physician's Organization
 Chief Medical Examiner
 Chief Medical Officer
 Chief Physician Executive
 Chief, Allergy & Immunology
 Chief, Breast Imaging
 Chief, Breast Medical Oncology
 Chief, Cardiac Imaging and Echocardiography
 Chief, Cardiology
 Chief, Clinical Pathology
 Chief, Developmental Behavioral Pediatrics
 Chief, Endocrinology, Diabetes and Metabolism
 Chief, Gastroenterology
 Chief, General Academic Pediatrics
 Chief, Geriatric Medicine
 Chief, GI Pathology
 Chief, Hematology Oncology
 Chief, Hematology, Oncology, Neuro-Oncology
 and Stem Cell Transplantation
 Chief, Hospital Medicine
 Chief, Maternal-Fetal Medicine
 Chief, Medical Physiology
 Chief, Neonatal-Perinatal Medicine
 Chief, Neurosurgery
 Chief, Obstetrics and Gynecology
 Chief, Orthopedic Hand & Upper Extremity Surgery
 Chief, Pediatric Anesthesiology
 Chief, Pediatric Cardiovascular Surgery
 Chief, Pediatric Emergency Medicine
 Chief, Pediatric Endocrinology
 Chief, Pediatric Genetics
 Chief, Pediatric Hematology Oncology
 Chief, Pediatric Infectious Disease
 Chief, Pediatric Neurology
 Chief, Pediatric Neurosurgery
 Chief, Pediatric Physical Medicine and Rehabilitation
 Chief, Pediatric Rheumatology
 Chief, Plastic Surgery
 Chief, Reproductive Endocrinology and Infertility
 Chief, Solid Tumor
 Chief, Vascular Surgery
 Chief, Women's Health Pathology
 Clinical Chief, Endocrinology
 Clinical Director, Allergy, Asthma, Immunology
 Clinical Director, Gastroenterology
 Clinical Director, Sarcoma Oncology
 Co-Director, Breast Center & Section Head, Breast Surgery
 Co-Director, Clinical Genetics Laboratory
 Co-Leader, Discovery & Developmental Therapeutics
 Research Program
 Dean, College of Medicine and Senior Vice President
 for Health Affairs
 Deputy Chief Medical Officer
 Director, Blood Disorders and Cell Therapy Center
 Director, Cancer Genetics
 Director, Center for Healthcare Policy and Research
 Director, Institutional Animal Care and Use Committee
 Director, Physician Assistant Training Program
 Executive Director, Cancer Network
 Executive Director, Digestive Diseases Institute
 Executive Medical Director, Oncology Clinical Research Unit
 Executive Vice Chair, Department of Medicine
 Executive Vice President, Chief Clinical Officer
 and Physician Executive
 Executive Vice President, Physician in Chief
 Fellowship Director, Cytology and Cytopathology
 Head Team Physician, Sports Medicine
 Medical Director, Adult Reconstructive Orthopaedic Surgery
 Medical Director, Ambulatory Anesthesiology
 Medical Director, Blood Banking Transfusion Pathology
 Medical Director, Bone Marrow Transplant Program
 Medical Director, Breast Surgery
 Medical Director, Cardiac Surgery
 Medical Director, Clinical Genetics
 Medical Director, Clinical Laboratories
 Medical Director, Employee Health and Urgent Care
 Medical Director, Family Medicine
 Medical Director, Fetal Intervention Program
 Medical Director, Glaucoma Ophthalmology Service
 Medical Director, Health Center for Student Care
 Medical Director, Neonatology
 Medical Director, Otolaryngology
 Medical Director, Pavilion Health
 Medical Director, Pediatric Ophthalmology
 Medical Director, Pediatric Radiology
 Medical Director, Physician Advisor Program
 Medical Director, Radiation Oncology
 Medical Director, Regional Psychiatric Program
 Medical Director, Renal Pathology Service
 and Electron Microscopy Laboratory
 Medical Director, Trauma Surgery

President and Chief Executive Officer, Cancer Institute
 President, Regional Medical Group
 Primary and Acute Care Medical Provider Manager, Student Health and Counseling Services
 Program Director, General Internal Medicine Substance Use Disorder
 Residency Program Director, Emergency Medicine
 Residency Program Director, Family Medicine
 Residency Program Director, Family Medicine
 Residency Program Director, Genetic Counseling
 Residency Program Director, Internal Medicine
 Residency Program Director, Obstetrics and Gynecology
 Residency Program Director, Pediatrics
 Residency Program Director, Psychiatry

Residency Program Director, Urology
 Senior Associate Dean
 Senior Associate Dean, Faculty Affairs and Faculty Development
 Senior Vice President and Dean, School of Medicine
 Service Medical Director, Molecular Genetics Laboratories
 Surgical Director, Heart Transplantation
 Surgical Director, Lung Transplantation
 System Director, Cardiothoracic Services
 System Medical Director, Orthopaedic Service Line
 Vice Chair, Clinical Pathology
 Vice Chair, Diversity, Equity, and Inclusion
 Vice Chair, Medical Education
 Vice Chair, Research in Orthopaedic Surgery

7. Income Offered to Top 20 Most Recruited Physicians and APPs

(Base salary or guaranteed income only, does not include production bonus or benefits. Average salaries indicated for non-Academic and Academic positions in select specialties in which Academic salary data is most robust. All numbers rounded)

Nurse Practitioner	LOW	AVERAGE	HIGH
2023/24 (All Positions)	\$85,000	\$164,000	\$310,000
2023/24 (Non-Academic)	\$85,000	\$164,000	\$310,000
2023/24 (Academic)	\$120,000	\$151,000	\$220,000
2022/23	\$115,000	\$151,000	\$271,000
2021/22 (All Positions)	\$68,000	\$138,000	\$266,000
2021/22 (Non-Academic)	\$68,000	\$153,000	\$266,000
2021/22 (Academic)	\$75,000	\$128,000	\$174,000
2020/21	\$90,000	\$140,000	\$275,000
2019/20	\$90,000	\$125,000	\$234,000
2018/19	\$90,000	\$124,000	\$200,000

YOY + 8.61% All Positions

Family Medicine	LOW	AVERAGE	HIGH
2023/24 (All Positions)	\$120,000	\$271,000	\$460,000
2023/24 (Non-Academic)	\$120,000	\$274,000	\$460,000
2023/24 (Academic)	\$211,000	\$249,000	\$315,000
2022/23 (All Positions)	\$120,000	\$255,000	\$375,000
2022/23 (Non-Academic)	\$120,000	\$255,000	\$325,000
2022/23 (Academic)	\$204,000	\$259,000	\$375,000
2021/22 (All Positions)	\$185,000	\$251,000	\$322,000
2021/22 (Non-Academic)	\$185,000	\$251,000	\$322,000
2021/22 (Academic)	\$210,000	\$263,000	\$300,000
2020/21	\$180,000	\$243,000	\$400,000
2019/20	\$140,000	\$240,000	\$325,000
2018/19	\$130,000	\$239,000	\$400,000

YOY change + 6.27% All Positions

Obstetrics/Gynecology	LOW	AVERAGE	HIGH
2023/24	\$275,000	\$389,000	\$700,000
2022/23	\$240,000	\$367,000	\$700,000
2021/22	\$240,000	\$332,000	\$520,000
2020/21	\$207,000	\$291,000	\$750,000
2019/20	\$200,000	\$327,000	\$600,000
2018/19	\$200,000	\$318,000	\$475,000

YOY change +5.99% All Positions

Internal Medicine	LOW	AVERAGE	HIGH
2023/24 (All Positions)	\$180,000	\$271,000	\$375,000
2023/24 (Non-Academic)	\$180,000	\$276,000	\$375,000
2023/24 (Academic)	\$230,000	\$236,000	\$250,000
2022/23	\$168,000	\$255,000	\$350,000
2021/22 (All Positions)	\$180,000	\$255,000	\$375,000
2021/22 (Non-Academic)	\$180,000	\$256,000	\$375,000
2021/22 (Academic)	\$201,000	\$247,000	\$300,000
2020/21	\$170,000	\$244,000	\$500,000
2019/20	\$175,000	\$276,000	\$400,000
2018/19	\$184,000	\$273,000	\$400,000

YOY change +6.27% All Positions

Gastroenterology	LOW	AVERAGE	HIGH
2023/24	\$375,000	\$531,000	\$750,000
2022/23	\$315,000	\$506,000	\$700,000
2021/22	\$375,000	\$486,000	\$600,000
2020/21	\$125,000	\$453,000	\$750,000
2019/20	\$300,000	\$457,000	\$600,000
2018/19	\$350,000	\$495,000	\$650,000

YOY change +4.94% All Positions

Radiology	LOW	AVERAGE	HIGH
2023/24 (All Positions)	\$365,000	\$495,000	\$750,000
2023/24 (Non-Academic)	\$390,000	\$508,000	\$750,000
2023/24 (Academic)	\$365,000	\$422,000	\$550,000
2023/24 (Teleradiology)	\$375,000	\$456,000	\$690,000
2022/23 (All Positions)	\$370,000	\$472,000	\$693,000
2022/23 (Non-Academic)	\$120,000	\$481,000	\$693,000
2022/23 (Academic)	\$374,000	\$424,000	\$470,000
2021/22 (All Positions)	\$200,000	\$455,000	\$650,000
2021/22 (Non-Academic)	\$200,000	\$465,000	\$650,000
2021/22 (Academic)	\$340,000	\$416,000	\$500,000
2020/21	\$150,000	\$401,000	\$825,000
2019/20	\$275,000	\$423,000	\$577,000
2018/19	\$245,000	\$387,000	\$550,000

YOY change + 4.87% All Positions

Cardiology (Non-Inv.)	LOW	AVERAGE	HIGH
2023/24	\$120,000	\$396,000	\$750,000
2022/23	\$281,000	\$433,000	\$584,000
2021/22	\$300,000	\$484,000	\$1,000,000
2020/21	\$350,000	\$446,000	\$700,000
2019/20	\$300,000	\$409,000	\$575,000
2018/19	\$325,000	\$441,000	\$620,000
2017/18	\$300,000	\$427,000	\$580,000

YOY change -8.55% All Positions

Anesthesiology	LOW	AVERAGE	HIGH
2023/24 (All Positions)	\$310,000	\$460,000	\$600,000
2022/23 (All Positions)	\$260,000	\$450,000	\$600,000
2022/23 (Non-Academic)	\$375,000	\$496,000	\$600,000
2022/23 (Academic)	\$260,000	\$397,000	\$500,000
2021/22	\$260,000	\$400,000	\$500,000
2020/21	\$245,000	\$367,000	\$750,000
2019/20	\$280,000	\$399,000	\$535,000
2018/19	\$281,000	\$404,000	\$450,000
2017/18	\$325,000	\$371,000	\$540,000

YOY change +5.99% All Positions

Hospitalist	LOW	AVERAGE	HIGH
2023/24	\$182,000	\$283,000	\$425,000
2022/23	\$217,000	\$299,000	\$480,000
2021/22	\$203,000	\$284,000	\$376,000

YOY change -5.35% All Positions

Hematology/Oncology	LOW	AVERAGE	HIGH
2023/24 (All Positions)	\$300,000	\$444,000	\$650,000
2023/24 (Non-Academic)	\$400,000	\$497,000	\$650,000
2023/24 (Academic)	\$300,000	\$414,000	\$550,000
2022/23 (All Positions)	\$246,000	\$440,000	\$600,000
2022/23 (Non-Academic)	\$400,000	\$494,000	\$600,000
2022/23 (Academic)	\$246,000	\$391,000	\$550,000
2021/22 (All Positions)	\$215,000	\$404,000	\$590,000
2021/22 (Non-Academic)	\$240,000	\$426,000	\$590,000
2021/22 (Academic)	\$215,000	\$267,000	\$404,000
2020/21	\$180,000	\$385,000	\$1,000,000
2019/20	\$220,000	\$403,000	\$612,000
2018/19	\$200,000	\$393,000	\$450,000

YOY change +0.91% All Positions

Psychiatry	LOW	AVERAGE	HIGH
2023/24 (All Positions)	\$105,000	\$285,000	\$355,000
2023/24 (Non-Academic)	\$209,000	\$307,000	\$355,000
2023/24 (Academic)	\$105,000	\$219,000	\$338,000
2022/23 (All Positions)	\$230,000	\$356,000	\$450,000
2022/23 (Non-Academic)	\$196,000	\$360,000	\$450,000
2022/23 (Academic)	\$252,000	\$325,000	\$450,000
2021/22 (All Positions)	\$145,000	\$299,000	\$450,000
2021/22 (Non-Academic)	\$255,000	\$308,000	\$450,000
2021/22 (Academic)	\$145,000	\$271,000	\$338,000
2020/21	\$185,000	\$279,000	\$400,000
2019/20	\$185,000	\$276,000	\$400,000
2018/19	\$184,000	\$273,000	\$400,000

YOY change -19.94% All Positions

CRNA	LOW	AVERAGE	HIGH
2023/24	\$235,000	\$279,000	\$416,000
2022/23 (All Positions)	\$163,000	\$212,000	\$280,000
2022/23 (Non-Academic)	\$249,000	\$266,000	\$280,000
2022/23 (Academic)	\$163,000	\$184,000	\$230,000
2021/22 (All Positions)	\$163,000	\$211,000	\$270,000
2021/22 (Non-Academic)	\$163,000	\$245,000	\$270,000
2021/22 (Academic)	\$163,000	\$170,000	\$205,000
2020/21	\$158,000	\$222,000	\$353,000
2019/20	\$170,000	\$215,000	\$260,000
2018/19	\$154,000	\$197,000	\$250,000

YOY change +31.6% All Positions

Urology	LOW	AVERAGE	HIGH
2023/24	\$300,000	\$496,000	\$630,000
2022/23	\$415,000	\$540,000	\$625,000
2021/22	\$400,000	\$510,000	\$600,000
2020/21	N/A	\$497,000	N/A
2019/20	\$300,000	\$477,000	\$625,000
2018/19	\$300,000	\$464,000	\$575,000

YOY change -8.15% All Positions

Orthopedic Surgery	LOW	AVERAGE	HIGH
2023/24	\$500,000	\$686,000	\$815,000
2022/23	\$450,000	\$633,000	\$900,000
2021/22	\$400,000	\$565,000	\$790,000
2020/21	\$300,000	\$546,000	\$1,000,000
2019/20	\$425,000	\$626,000	\$850,000
2018/19	\$350,000	\$536,000	\$850,000

YOY change +8.37% All Positions

General Surgery	LOW	AVERAGE	HIGH
2023/24	\$245,000	\$419,000	\$517,000

YOY change N/A

Neurology	LOW	AVERAGE	HIGH
2023/24	\$217,000	\$383,000	\$475,000
2022/23	\$267,000	\$354,000	\$525,000
2021/22	\$275,000	\$356,000	\$525,000
2020/21	\$215,000	\$332,000	\$850,000
2019/20	\$255,000	\$295,000	\$450,000
2018/19	\$250,000	\$317,000	\$400,000

YOY change +8.19% All Positions

Dermatology	LOW	AVERAGE	HIGH
2023/24	\$250,000	\$486,000	\$700,000
2022/23	\$340,000	\$427,000	\$600,000
2021/22	\$250,000	\$368,000	\$450,000
2020/21	\$200,000	\$378,000	\$1,000,000
2019/20	\$300,000	\$419,000	\$850,000
2018/19	\$250,000	\$420,000	\$850,000

YOY change +13.82% All Positions

Otolaryngology (ENT)	LOW	AVERAGE	HIGH
2023/24	\$240,000	\$358,000	\$645,000

YOY change N/A

Emergency Medicine	LOW	AVERAGE	HIGH
2023/24	\$300,000	\$404,000	\$475,000

YOY change N/A

Pediatrics	LOW	AVERAGE	HIGH
2023/24	\$191,000	\$244,000	\$425,000
2022/23	\$190,000	\$233,000	\$276,000
2021/22	\$200,000	\$232,000	\$412,000
2020/21	\$180,000	\$236,000	\$400,000
2019/20	\$170,000	\$221,000	\$300,000
2018/19	\$140,000	\$242,000	\$400,000

YOY change +4.7% All Positions

8. Average Salaries for Five Top Most Requested Providers by Region

	MIDWEST	NORTHEAST	SOUTHEAST	SOUTHWEST	WEST
1. Nurse Practitioner	\$149,200	\$142,096	\$147,111	\$133,793	\$177,005
2. Family Medicine	\$252,219	\$275,714	\$258,071	\$279,642	\$279,687
3. OBGYN	\$431,750	\$325,833	\$399,571	\$389,500	\$403,620
4. Internal Medicine	\$266,444	\$266,625	\$260,000	\$258,800	\$287,000
5. Gastroenterology	\$645,333	\$441,667	\$504,500	\$599,218	\$501,000

9. Type of Contract Offered

	SALARY	SALARY WITH BONUS	INCOME GUARANTEE	OTHER
2023/24	684 (32%)	1,327 (62%)	107 (5%)	20 (1%)
2022/23	859 (32%)	1,656 (62%)	108 (4%)	53 (2%)
2021/22	886 (33%)	1,647 (61%)	104 (4%)	58 (2%)
2020/21	856 (35%)	1,503 (61%)	47 (2%)	52 (2%)
2019/20	809 (25%)	2,349 (72%)	21 (<1%)	72 (2%)
2018/19	686 (22%)	2,198 (70%)	61(2%)	184 (6%)

10. If Salary Plus Production Bonus, on Which Types of Metrics was the Bonus Based? (Of 1,327 Searches Offering Salary Plus Bonus – Multiple Responses Possible)

	RVU BASED	NET COLLECTIONS	GROSS BILLINGS	PATIENT ENCOUNTERS	QUALITY	OTHER
2023/24	57%	13%	1%	3%	26%	0%
2022/23	59%	20%	1%	5%	25%	0%
2021/22	58%	22%	2%	5%	31%	0%
2020/21	57%	23%	2%	10%	23%	0%
2019/20	73%	13%	2%	12%	64%	0%
2018/19	70%	18%	3%	9%	56%	0%

11. If Quality Factors Were Included in the Production Bonus, About What Percent Of Physician’s Total Compensation Determined by Quality?

2023/24	10%
2022/23	14%
2021/22	11%
2020/21	10%
2019/20	11%
2018/19	11%

12. Searches Offering Relocation Allowance

	YES	NO
2023/24	1,176 (55%)	962 (45%)
2022/23	1,663 (62%)	1,013 (38%)
2021/22	2,106 (78%)	589 (22%)
2020/21	1,821 (74%)	637 (26%)
2019/20	3,147 (97%)	104 (3%)
2018/19	3,064 (98%)	67 (2%)

13. Amount of Relocation Allowance (Physicians Only)

	LOW	AVERAGE	HIGH
2023/24	\$3,000	\$11,284	\$100,000
2022/23	\$3,000	\$12,778	\$150,000
2021/22	\$2,000	\$10,718	\$30,000
2020/21	\$2,000	\$10,634	\$75,000
2019/20	\$1,000	\$10,553	\$40,000
2018/19	\$2,000	\$10,393	\$30,000

14. Amount of Relocation Allowance (NPs and PAs Only)

	LOW	AVERAGE	HIGH
2023/24	\$2,000	\$7,910	\$20,000
2022/23	\$2,000	\$7,997	\$25,000
2021/22	\$1,000	\$8,542	\$25,000
2020/21	\$2,000	\$8,363	\$15,000
2019/20	\$2,000	\$7,114	\$15,000
2018/19	\$2,500	\$7,067	\$15,000

15. Searches Offering Signing Bonus

	YES	NO
2023/24	1,086 (51%)	1,052 (49%)
2022/23	1,689 (63%)	987 (37%)
2021/22	2,475 (92%)	220 (8%)
2020/21	1,505 (61%)	953 (39%)
2019/20	2,344 (72%)	907 (28%)
2018/19	2,220 (71%)	911 (29%)

16. Amount of Signing Bonus Offered (Physicians Only)

	LOW	AVERAGE	HIGH
2023/24	\$3,000	\$31,473	\$325,000
2022/23	\$500	\$37,473	\$570,000
2021/22	\$5,000	\$31,000	\$400,000
2020/21	\$1,000	\$29,656	\$240,000
2019/20	\$2,500	\$27,893	\$100,000
2018/19	\$3,000	\$32,692	\$225,000

17. Amount of Signing Bonus Offered (NPs and PAs Only)

	LOW	AVERAGE	HIGH
2023/24	\$2,000	\$11,758	\$160,000
2022/23	\$2,000	\$8,355	\$25,000
2021/22	\$2,500	\$9,000	\$48,000
2020/21	\$3,000	\$7,233	\$50,000
2019/20	\$2,500	\$8,500	\$35,000
2018/19	\$2,500	\$9,000	\$25,000

18. Amount of Signing Bonus Offered for Top 5 Most Requested

	LOW	AVERAGE	HIGH
1. Nurse Practitioner	\$1,100	\$11,037	\$160,000
2. Family Medicine	\$5,000	\$30,013	\$100,000
3. OB/GYN	\$10,000	\$38,281	\$100,000
4. Internal Medicine	\$10,000	\$32,205	\$100,000
5. Gastroenterology	\$15,000	\$46,040	\$100,000

19. Searches Offering to Pay Continuing Medical Education (CME)

	YES	NO
2023/24	1,904 (89%)	234 (11%)
2022/23	2,491 (93%)	185 (7%)
2021/22	2,481 (92%)	214 (8%)
2020/21	2,306 (94%)	152 (6%)
2019/20	3,124 (96%)	127 (4%)
2018/19	2,966 (95%)	154 (5%)

20. Amount of CME Pay Offered (Physicians Only)

	LOW	AVERAGE	HIGH
2023/24	\$300	\$3,969	\$55,000
2022/23	\$3,000	\$3,840	\$45,000
2021/22	\$1,000	\$3,691	\$35,000
2020/21	\$1,000	\$3,695	\$50,000
2019/20	\$800	\$4,166	\$20,000
2018/19	\$1,000	\$3,620	\$35,000

21. Amount of CME Pay Offered (NPs and PAs Only)

	LOW	AVERAGE	HIGH
2023/24	\$500	\$2,195	\$5,000
2022/23	\$1,000	\$2,299	\$5,000
2021/22	\$750	\$2,537	\$5,200
2020/21	\$1,000	\$2,956	\$30,000
2019/20	\$1,000	\$2,313	\$5,000
2018/19	\$1,000	\$2,862	\$5,000

22. Searches Offering to Pay Additional Benefits

	2023/24	2022/23	2021/22	2020/21
Health Insurance	66%	65%	68%	78%
Malpractice	66%	63%	66%	76%
Retirement /401K	56%	58%	61%	68%
Disability	66%	57%	61%	70%
Educational Forgiveness	17%	18%	16%	21%

23. If Educational Loan Forgiveness was Offered, What was the Term (Of 364 Searches Offering Loan Forgiveness)

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
One Year	25 (7%)	24 (5%)	35 (8%)	45 (9%)	72 (9%)	N/A
Two Years	22 (6%)	53 (11%)	67 (15%)	109 (21%)	184 (24%)	N/A
Three Years Plus	317 (87%)	404 (84%)	332 (77%)	360 (70%)	528 (67%)	N/A

24. If Education Loan Forgiveness Was Offered, What Was the Amount? (Physicians Only)

	LOW	AVERAGE	HIGH
2023/24	\$10,000	\$117,217	\$420,000
2022/23	\$10,000	\$98,665	\$400,000
2021/22	\$10,000	\$101,572	\$400,000
2020/21	\$2,500	\$104,630	\$800,000
2019/20	\$40,000	\$101,590	\$300,000
2018/19	\$10,000	\$101,571	\$300,000

25. If Education Loan Forgiveness Was Offered, What Was the Amount? (NPs and PAs Only)

	LOW	AVERAGE	HIGH
2023/24	\$10,000	\$78,333	\$250,000
2022/23	\$10,000	\$70,769	\$140,000
2021/22	\$1,650	\$55,950	\$90,000
2020/21	\$60,000	\$80,000	\$100,000
2019/20	\$40,000	\$68,323	\$90,000
2018/19	\$20,000	\$61,250	\$100,000

Trends and Observation



AMN Healthcare's annual *Review of Physician and Advanced Practitioner Recruiting Incentives*, now in its 31th year, tracks three key physician and advanced practitioner recruiting trends:

- 1 Based on the recruiting engagements AMN Healthcare is contracted to conduct, the *Review* indicates which types of physicians and APPs are in the greatest demand and which are the most challenging to recruit.
- 2 The *Review* indicates the types of practice settings into which physicians and APPs are being recruited (hospitals, medical groups, solo practice, etc.) and the types of communities that are recruiting them based on population size.
- 3 The *Review* indicates the types of financial and other incentives that are being used to recruit physicians and APPs.

Each of these trends is discussed below, following an overview of the current market in which recruitment of physicians and APPs is taking place.

The Current Physician and APP Recruiting Market: Continued Shortages and Provider Burnout

There are various sources and metrics that can be used to assess physician supply and demand trends and to evaluate the current job market for physicians. Key among them is a periodic report issued by the Association of American Medical Colleges (AAMC).

In its 2021 report, the AAMC forecast a shortage of up to 124,000 physicians by 2034, including approximately 47,000 too few primary care physicians and an even greater shortage of approximately 77,000 specialists.

The AAMC's April 2024 report downgrades this forecast to a projected shortage of 86,000 physicians by 2036 (*The Complexities of Physician Supply and Demand: Projections From 2021 to 2036. AAMC. April 2024*). However, the report cautions that the reduced shortage numbers are based on "the hypothetical future growth in the number of medical residency positions nationwide." Should this growth not materialize, the forecasted shortages could be significantly higher.

The AAMC report further notes that "if communities underserved by the nation's health care system could obtain care at the same rate as populations with better access to care, the nation would need approximately 202,800 more physicians as of 2021." In effect, the AAMC suggests that it is only the low rate at which residents of financially challenged or isolated communities are able to obtain physician services that keeps the physician shortage from being exponentially worse.

In a national address last year, American Medical Association (AMA) president Jesse M. Ehrenfeld stated, "The physician shortage that we have long feared – and warned was on the horizon – is already here. It's an urgent crisis." (*AMA President Sounds Alarm on National Physician Shortage. AMN News, October 25, 2023*)

Population Growth and Graying

The longstanding factors that drive demand for doctors continue to be population growth and population aging:

- By 2036, the U.S. population is projected to grow by 8.4%, while the population aged 65 and older is projected to grow by 34.1% and the population 75 and older is projected to grow by 54.7%, according to the AAMC. People 65 and older visit physicians at three times the rate of younger people and account for a disproportionately large number of tests and procedures.
- Physicians also are aging. Physicians aged 65 and older represent 20% of physicians in active patient care, while those 55 and older represent 42% of active physicians, according to the AAMC. A wave of physician retirements can be expected in the next decade which already is beginning to materialize due to both physician aging and physician burnout.

As a result of these and related trends, the AAMC is supporting passage of the Resident Physician Shortage Reduction Act, bipartisan legislation that would increase the number of Medicare-backed residency positions by 14,000 over seven years. A number of states are promoting similar measures to increase the access their residents have to physicians.



42%

**of active
physicians are
55 and older**

Opening the Door to IMGs and Non-Residency Matching Physicians

Tennessee recently passed a law to become effective in July 2024 that will make it the first state to allow international medical graduates (IMGs) to practice in the U.S. without having to complete a U.S.-based residency training program.

The Tennessee law comes on the heels of the Physician Workforce Act passed in Alabama last year, a state in which almost every county is a federally designated medically underserved area. The Alabama law removes a testing requirement for out-of-state physicians seeking to work in Alabama, allows IMGs to apply for a license a year earlier, and creates an apprenticeship program for medical residents who don't match into a residency so they can begin training under a physician and apply their skills to patient care.

Other states, such as Missouri, have created the position of Assistant Physician, which allows medical school graduates who did not match to a residency to work in patient care.

An Illinois law to take effect on January 1, 2025 would allow IMGs without a U.S. residency to practice in the state provided they work in an underserved area. Florida, Virginia, Idaho and Wisconsin are considering similar legislation, underscoring continuing physician shortages around the country.

More Types of Physician Employers, Limited Candidate Pool

The difficulty many patients have accessing medical services has created an opportunity for organizations that have not traditionally been active in significant levels of physician and APP recruiting. These organizations are developing models of care intended to improve patient access and to enhance patient experience. All of them now actively recruit a growing number of physicians and APPs from a limited group of candidates.

These entities include retail chains such as CVS/Aetna, Walgreens, and others, urgent care centers, telehealth platforms, insurance companies such as United Health/Optum, and private equity-owned medical groups. Traditional healthcare providers, such as acute care hospitals, hospital systems, and physician-owned medical groups, now are competing with a growing number of "market disruptors" in the recruitment of physicians and APPs.



77% of Physicians Now Employed

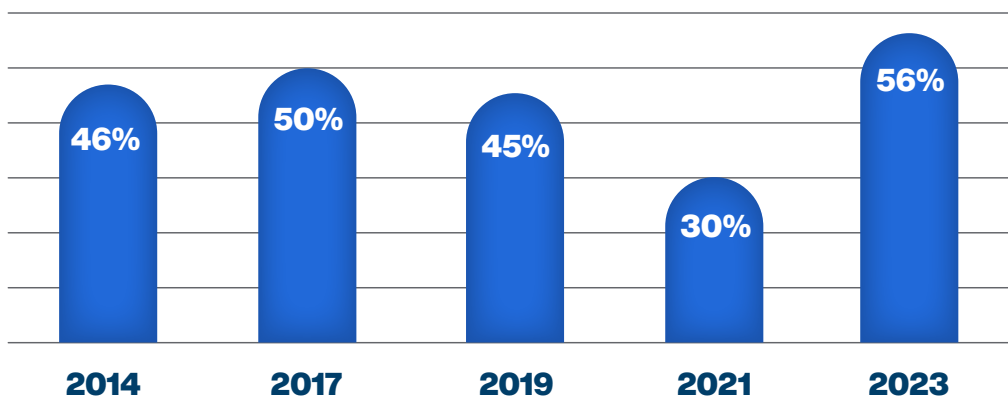
More than two-thirds of physicians (77%) now are employed by hospitals, health systems or other corporate entities, according to a report from the Physicians Advocacy Institute (PAI) and Avalere Health (*Physician Employment Trends/PAI/Avalere Health. April 25, 2024*).

Today, there are three distinct types of medical groups: health system or hospital-owned, corporate owned, and physician-owned. Their reasons for recruiting physicians may vary, from community need considerations to more financially based considerations. Regardless of their business model or motivations, many of these medial groups are actively seeking physicians and APPs.

Competition for Physicians Heats Up

In its periodic *Survey of Final-Year Medical Residents*, AMN Healthcare’s Physician Solutions division tracks the number of times physicians in their final year of training are contacted by recruiters about job offers. In its 2023 survey, the majority of residents (56%) said they had been contacted 100 or more times, the highest percent receiving 100 or more job solicitations since the survey was first conducted in 1991 (see below).

FINAL-YEAR RESIDENTS RECEIVING MORE THAN 100 JOB SOLICITATIONS



Source: Survey of Final-Year Medical Residents. AMN Healthcare. 2023.

The Engines That Drive Revenue

Competition for physicians and APPs has grown as the number of organizations providing care has grown. Competition also is driven by the key role physicians and APPs play in healthcare economics as revenue generators.

The revenue-generating potential of physicians and APPs is captured in AMN Healthcare's 2023 *Physician Billing Report*, which tracks annual billing by physicians in 18 medical specialties to commercial payors. The annual average for all specialties tracked in the report is \$3.8 million, though billing varies by specialty (see below):

AVERAGE ANNUAL PHYSICIAN BILLING BY SPECIALTY TO COMMERCIAL PAYORS	
1. General Surgery	\$11,669,016
2. Orthopedic Surgery	\$9,809,514
3. Critical Care (Intensivist)	\$6,677,319
4. Urology	\$5,886,763
5. Gastroenterology	\$5,530,221
6. Otolaryngology	\$4,190,555
7. Obstetrics/Gynecology	\$3,761,777
8. Rheumatology	\$3,410,281
9. Cardiology	\$3,406,027
10. Anesthesiology	\$3,329,020

Source: *Physician Billing Report. AMN Healthcare. 2023*

These amounts do not include billing to Medicare and other government payors, which could significantly increase the billing averages for some specialties. Given a collection rate of 50% or even less, most physicians generate millions of dollars in net revenue per year and continue to control how much of the healthcare dollar is spent

Workforce Volatility: Burnout and Turnover

Today's physician recruiting market is characterized not just by a dearth of candidates in many specialties, but by high turnover rates caused by physician burnout.

According to the Association of Advancing Physician and Provider Recruitment's (AAPPR) *Physician and Provider Recruitment Benchmarking Study*, 48% of all physician searches in 2021 were to replace departing physicians. This is up by 16% since 2018. One-third of physicians (33%) cited burnout as the reason for leaving their organizations. (*Report Finds Physician Shortage on the Rise as Burnout Continues to Drive Turnover. AAPPR Press Release. Oct. 18, 2022*).

The physician workforce is in a volatile state, as many physicians are reconsidering where, when and how they work. In response, employers need to be flexible and competitive in what they offer to physician and APP candidates, while also putting renewed focus on retention.

Findings from the 2024 *Review* offer data that may be useful in creating competitive physician and APP recruiting programs that also support enhanced provider recruitment and retention.



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2024 Incentive *Review*: Findings and Metrics



Based on a national sample of recruiting engagements, AMN Healthcare's *Review of Physicians and Advanced Practitioners* indicates which types of physicians and advanced practitioners are in the greatest demand.

NPs Number One for the Fourth Consecutive Year

For the fourth consecutive year, AMN Healthcare conducted more search engagements for nurse practitioners (NPs) than for any other type of physician or APP. Demand for NPs has been rising sharply in recent years, as the chart below indicates:

NUMBER OF AMN HEALTHCARE NP SEARCH ENGAGEMENTS BY YEAR						
2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
426	420	405	335	270	169	205

NPs Expanding into Specialty Care

More than 36,000 NPs complete their training each year, greater than the total number of physicians in all specialties who complete residency programs. The Bureau of Labor Statistics (BLS) projects the number of NP job openings to grow 45% by 2032, the highest rate of growth for any occupation, tied only by wind turbine technicians.

"Convenient care" providers such as retail clinics, urgent care centers and telehealth platforms built their delivery models around NPs and physician assistants (PAs) before expanding into physician-based services. These venues continue to add NPs and PAs to their staffs.

In addition, a growing number of specialty medical practices are adding NPs. From 2008 to 2016 there was a 22% increase in the number of specialty practices that employed NPs, who are mentored by specialty physicians to help provide specialty services and patient education in dermatology, orthopedic surgery, gastroenterology, cardiology and many other specialty areas. (*NPs Helped Fill a Shortage in Primary Care, But They're Headed Into Specialties*. KFF Health News. May 15, 2024).

NPs On the Front Lines of Rural Care and Mental Health

Nearly 100 million people live in federally designated Healthcare Professional Shortage Areas (HPSAs) for primary care. Primary care shortages are most pronounced in rural areas, where 130 hospitals have closed in the last decade. A 2022 study noted that NPs represent more than 25% of primary care providers in rural areas, up 17.6% since 2008. The percentage is higher in those

26 states allowing NPs Full Practice Authority (FPA). By contrast, the percentage of physicians practicing in rural areas declined by 12.8% over the same period (*5 Key Healthcare Trends Affecting Nurse Practitioners in 2023. HealthLeaders. Feb. 6, 2023*).

In addition, NPs are taking a larger role in addressing demand for mental health services. Close to 100 new psychiatric NP programs have been added to U.S. schools of nursing in the past 10 years, producing more than 13,000 new providers, according to the American Association of Colleges of Nursing Enrollment and Graduation Reports 2012-2022.

The number of NPs treating Medicare beneficiaries for psychiatric and mental health conditions grew 162% from 2011 to 2019, compared to a 6% decrease in the number of psychiatrists treating Medicare patients (*5 Key Healthcare Trends Affecting Nurse Practitioners in 2023. HealthLeaders. Feb. 6, 2023*). Without the growing contributions of NPs, the shortage of mental health professionals would be even more pronounced.

A Key Source of Revenue

Like physicians, NPs are direct drivers of revenue to their practices and employers. AMN Healthcare's *2023 Physician Billing Report* tracks annual billing submitted by NPs to commercial payors.

BILLING SUBMITTED BY NPS TO COMMERCIAL PAYORS		
25 TH PERCENTILE	50 TH PERCENTILE	75 TH PERCENTILE
\$453,880	\$777,393	\$1,311,922

These numbers would be higher if billing to Medicare and other government payors were included.

As the number of states granting NPs FPA continues to grow, the role of NPs — and demand for their services — will increase correspondingly.

Percent of Primary Care Physician Search Engagements Declines

The AAMC and other organizations continue to project a shortage of primary care physicians. The Healthcare Resources and Services Administration (HRSA) indicates that a shortage of 17,000 primary care physicians exists today and now designates over 7,000 Healthcare Professionals Shortage Areas (HPSAs) for primary care nationwide.

However, a growing number of PAs and NPs have helped address the shortage of primary care physicians, and many patients now obtain their primary care from NPs and PAs at urgent care centers and retail clinics rather than at physician offices.

As a result, the number of search engagements AMN Healthcare conducts for primary care physicians as a percent of all search engagements has consistently declined in recent years. As indicated in the *2024 Review*, only 14% of AMN Healthcare's search engagement last year were for primary care physicians, down from 17% the prior year and down from 33% ten years ago. By contrast, 23% of the company's search engagement in the *2024 Review* period were for NPs, PAs or CRNAs, up from 19% the previous year and up from just 6% ten years ago.

Overall, however, family medicine physicians remained AMN Healthcare's second most requested search engagement in the *2024 Review* for the 18th year in a row, while internal medicine physicians ranked fourth, suggesting that demand for primary care physicians remains robust, though not at the level of previous years.



Specialist Physicians Remain in High Demand

Close to two-thirds (63%) of AMN Healthcare's search engagements during the 2023/24 *Review* period were for specialist physicians, virtually the same as the prior two years.

According to the Centers for Disease Control and Prevention (CDC), patients 65 and older account for close to 40% of medical tests and procedures though they represent only 15% of the population. It is older patients who continue to drive the need for specialists, such as cardiologists, urologists, orthopedic surgeons, hematologists/oncologists, neurologists, and otolaryngologists, all of whom focus much of their practices treating various components of the body that decline as they age.

Because older people generate a relatively high number of medical procedures, population aging also drives the need for radiologists and anesthesiologists. Virtually every medical procedure requires a diagnostic image to be read by a radiologist, which explains why radiologists ranked sixth on AMN Healthcare's list of most requested search engagements last year. Similarly, most medical procedures require administration of anesthesia by an anesthesiologist or CRNA. Anesthesiologists ranked eighth on our list of most requested search engagements this year. Combined, anesthesiologists and CRNAs ranked third on the list.

A Dearth of OB/GYNs

Obstetrician/Gynecologists ranked 3rd on the list of AMN Healthcare's most requested search engagements this year, up from 4th the previous year and 5th the year prior to that.

Half of counties in the U.S. lack an OB/GYN and more than 2.2 million women of childbearing age live in maternity care deserts with no hospitals offering obstetric care, obstetric providers, or birthing centers, according to the nonprofit maternal health organization March of Dimes. More than 89 obstetric units closed in rural hospitals between 2015 and 2019, according to the American Hospital Association, indicating that access to OB/GYN services already is limited in many areas.

As demand for OB/GYNs increases, supply may be curtailing as a result of the Supreme Court's decision overturning *Roe vs. Wade*. States with abortion bans saw a 10.5% decrease in OB/GYN residency applicants in 2023, while there was a 5.2% decrease in applicants nationwide, according to the AAMC (*Obstetrics Faces Decline in Residency Applicants, Services*. *Modern Healthcare*. April 18, 2023).

The impact of the Supreme Court's decision in *Dobbs vs. Jackson* on OB/GYN supply is still playing out and will likely become more apparent over time.

Psychiatry Drops as a Percent of all Search Engagements

Psychiatry represented just 2% of all AMN Healthcare's search engagement in the 2023/24 *Review* period, down from 6% in 2019. Psychiatry ranked 11th overall in terms of number of physician and APP search engagements AMN Healthcare conducted this year, while it ranked second as recently as 2019.

However, this does not necessarily indicate that demand for psychiatrists is declining. COVID-19 exacerbated pervasive mental health problems in the U.S. and further restricted access to psychiatrists and other mental healthcare professionals.

Due to a dearth of psychiatrists, some healthcare facilities are turning to other types of mental healthcare professionals to fill their mental healthcare needs, including psychologists and NPs. AMN Healthcare continues to field a growing number of requests for these both these types of professionals.



1/2

**of counties in
the U.S. lack
an OB/GYN**

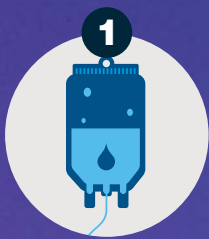
Specialists Lead in “Absolute Demand?”

AMN Healthcare determines demand for physicians and APPs in part by tracking the number of search engagements we conduct for various types of providers.

It is to be expected that specialties that have a comparatively high number of practicing physicians, such as family medicine, will generate a comparatively high number of search engagements. But how does the picture look if specialties are ranked by number of search engagements/job openings as a percent of all active providers in a given specialty, or by what AMN Healthcare calls “Absolute Demand?”

The list below ranks demand for physicians in this manner.

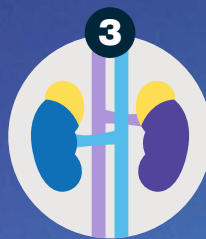
2024 AMN HEALTHCARE TOP 10 SEARCH ENGAGEMENTS AS A PERCENT OF ALL PROVIDERS IN VARIOUS SPECIALTIES (PATIENT CARE ONLY)



Hematology/
Oncology



Gastroenterology



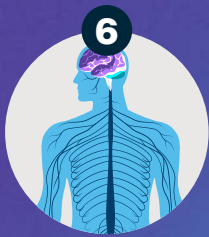
Urology



Cardiology



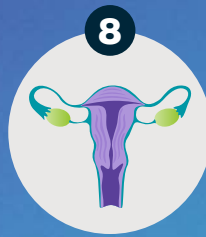
Radiology



Neurology



Otolaryngology



OB/GYN



Orthopedic
Surgery



Dermatology

Ranked by Absolute Demand, hematologists/oncologists were the most in-demand type of provider during the 2024 *Review* period, while no primary care physicians were ranked in the top ten.

Types of Healthcare Facilities Currently Recruiting Physicians

Following is a review of the types of settings into which AMN Healthcare recruited physicians during the 2024 *Review* period.

Hospitals Facing Financial Constraints

Twenty-eight percent of AMN Healthcare’s physician and APP search engagements conducted over the 2024 *Review* period were for hospital settings, down from 35% the previous year.

According to a May 2024 report from Kaufmann Hall, hospital labor expenses continue to rise, with labor expenses representing 84% of all expenses in Q1, 2024 (*National Hospital Flash Report. Kaufmann Hall. May 2024*). The report also notes hospitals are experiencing declining outpatient revenue, “reflecting the competitive challenges of providing outpatient care.”

This competition includes the pursuit of physicians, NPs and PAs, some of whom are being attracted by non-traditional providers such as urgent care centers, retail clinics and telemedicine platforms.

Financial pressures also have caused some hospitals to close down or limit service lines that produce relatively little revenue, inhibiting their physician and APP recruiting activity.



84%
of all expenses
in Q1 2024 are
labor costs

Academic Medical Centers – Growth and Challenges

Twenty-two percent of AMN Healthcare’s search engagements tracked in the 2024 *Review* period were conducted for Academic Medical Centers (AMCs), down from 31% last year and 34% the year prior.

AMCs are hospitals that provide patient care and also educate healthcare providers in partnership with at least one of the 145 U.S. medical schools accredited by the Liaison Committee on Medical Education (LCME) or the American Osteopathic Association (AOA). At AMCs, education, research, and clinical care are combined to provide the best care possible, using cutting-edge technologies, resources and therapies other hospitals may not have available.

The majority of AMCs have experienced considerable growth over the last five years. Based on data analysis from McKinsey & Company of 45 leading AMCs, median operating revenue grew from \$4.4 billion to \$6.9 billion (a 57% increase) from 2017 to 2022 (*Ensuring the Financial Sustainability of Academic Medical Centers. McKinsey & Company. April 2024*).

However, according to the McKinsey analysis, this high growth rate “has come with a sizable increase in operational complexity. AMCs face many challenges in today’s fast-moving healthcare environment, including reimbursements rising at a lower rate than costs, more care options for patients given new market participants, increasing use of alternative care delivery sites, rising costs due to inflation, and chronic workforce shortages.”

Because of these challenges, median operating margin fell from 3.7% in 2017 to 1.5% in 2022 for the AMCs analyzed by McKinsey, as rising expenses outpaced revenue growth.

While many AMCs face staffing challenges, addressing these needs can be difficult in light of prevailing financial constraints, which can have an inhibiting effect on physician and APP recruiting.

In addition, AMCs often are at a competitive disadvantage when it comes to compensation offers and may find it challenges under current conditions to significantly increase these offers.



Medical Groups – Private Equity Driving Growth

Twenty-six percent of AMN Healthcare’s search engagements tracked in the 2024 *Review* were conducted for medical groups, up from 24% the previous year and up from 18% the year before that.

Increased physician and APP recruiting activity at medical groups is in part a result of the resources brought to bear by private equity companies, which have greatly expanded their footprint in the medical services market.

Between 2019 and 2022, there was a 9% increase in the number of hospital-owned physician practices. In the same time frame, there was an 86% increase in the number of corporate-owned physician practices. (*COVID-19’s Impact on Acquisitions of Physician Practices and Physician Employment. Physicians Advisory Institute April 2022*). The acquisition of physician practices by private equity companies accelerated during the pandemic when many private practice groups were seeking additional financial resources.

Many of these acquisitions were of high revenue-generating specialties, such as gastroenterology, dermatology, urology and others, which private equity companies seek to grow through the recruitment of physicians and APPs. Medical groups also actively recruit physicians and APPs to address workforce volatility, as physicians retire due to burnout or opt to switch practice settings.



88%
increase in
corporate-
owned physician
practices

Urgent Care and Retail Pick Up the Recruiting Pace

Thirteen percent of AMN Healthcare’s physician and APP search engagements conducted in the 2024 *Review* period were for urgent care centers, retail clinics, and other settings, up from 4% the previous year.

Backed by the resources of retail giants, large hospital systems, and private equity companies, these venues have the ability to add personnel while seeking to create a “new front door” to the healthcare system. Many of these settings have expanded from offering basic primary care services provided mostly by NPs and PAs to offering more complex chronic care provided by primary care physicians and physician specialists. Should these settings continue to prove appealing to consumers, they can be expected to drive further physician and APP recruiting activity.

An Uptick in Solo/Partnership/Concierge Recruitment

Six percent of AMN Healthcare’s physician and APP search engagements tracked in the 2024 *Review* were conducted for solo practices, partnerships, or concierge practice settings, up from 2% the previous year and up from 1% the year before.

These settings generally feature practice ownership, in which physicians are being recruited to set up their own solo practice or to join another physician as an owner/partner in a private practice. In some cases, these may be concierge/direct pay practices in which physicians contract directly with patients, bypassing third party payers, though not all concierge practices feature practice ownership.

Independent medical practice ownership has dwindled in recent years and today the majority of physicians are employed. However, the increase in recruiting activity to these settings indicated by the 2024 *Review* suggests possible renewed physician interest in these practice settings, particularly concierge medicine which allows physicians to forego the challenges of third party payments.

Federally Qualified Health Centers (FQHCs) Continue Safety Net Role

Five percent of AMN Healthcare’s search engagements tracked in the 2024 *Review* were conducted for Federally Qualified Health Centers/Community Health Centers or Indian Health facilities, the same number as the previous year.

FQHCs offer a primary care, behavioral health and dental care safety net for all patients regardless of their ability to pay. FQHCs are supported by both sides of the political aisle, and federal funding is regularly approved to support them.

As long as funding is available, FQHCs will play a vital role in providing care for traditionally underserved populations and will continue to be active in the recruitment of primary care physicians, behavioral health professionals and dental professionals.

Recruiting Not Limited to Rural Areas

Physician and APP shortages, and, by extension, physician recruiting efforts, are often thought to be concentrated in smaller communities and rural areas. AMN Healthcare’s 2024 *Review* underscores how this dynamic continues to change.

For the first 22 years that AMN Healthcare/Merritt Hawkins completed the *Review*, the number of search engagements we conducted in communities of 100,000 or more never exceeded 50%. That has not been the case over the last seven years (see chart below):

PERCENT OF AMN HEALTHCARE SEARCH ENGAGEMENTS IN COMMUNITIES OF 100,000 OR MORE						
2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
66%	71%	68%	67%	66%	66%	62%

As these numbers indicate, during the 2024 *Review* period, two thirds of AMN Healthcare’s search engagements were for communities of 100,000 people or more.

AMN Healthcare worked for clients in 49 states during the 2024 *Review* period, underscoring the national presence of physician recruiting needs and challenges.

Average Starting Salaries

AMN Healthcare’s *Review* tracks the starting salaries offered to recruit physicians and APPs, as well as other types of recruiting incentives.

Average starting salaries represent the base only and are not inclusive of bonuses or other incentives. This is in contrast to physician compensation numbers compiled by the Medical Group Management Association (MGMA), the American Medical Group Association (AMGA) and other organizations, which track overall average physician incomes rather than starting salaries.

AMN Healthcare’s salary ranges are therefore indicators of the financial incentives needed to attract physicians and APPs who are already established in a practice, or those coming out of training, to a practice opportunity, rather than indicators of physician and APP average incomes.





Starting Salaries Up in Primary Care

The 2024 *Review* indicates starting salary offers in primary care (family medicine, internal medicine, pediatrics) were up year-over-year, after being flat in previous years. Average starting salaries in family medicine grew from \$255,000 last year to \$271,000 this year, a 6.7% increase.

Similarly, the average starting salary for internal medicine physicians grew from \$255,000 last year to \$271,000 this year, also an increase of 6.7%. General internists play an important role in managing the care of older patients, many of whom have multiple chronic conditions, and demand for their services will grow as the population ages. They also are the most numerous physician specialty, but the supply of general internists is likely to diminish as more of them are choosing to subspecialize.

The average starting salary for pediatricians grew from \$233,000 last year to \$244,000 this year, a 4.7% increase.

PRIMARY CARE PHYSICIANS SEEING STARTING SALARY YEAR-OVER-YEAR STARTING SALARY INCREASES			
	2023/24	2022/23	INCREASE
Family Medicine	\$271,000	\$225,000	+6.7%
Internal Medicine	\$271,000	\$225,000	+6.7%
Pediatrics	\$244,000	\$233,000	+4.7%

These starting salary increases demonstrate that though search activity for primary care physicians has decreased relative to previous years, demand for primary care physicians remains robust while supply remains limited.

Starting Salaries for Specialists

Over the last several years, starting salaries for medical specialists as tracked by the *Review* have generally increased, though not always on a year-over-year basis. These increases have reflected the growing demand for specialty services driven by population aging and other factors.

As the numbers below indicate, average starting salaries increased in eight out of the 15 specialties tracked in the *Review* and declined in four. No year-over-year comparison data is available for three of the specialties.

PHYSICIAN SPECIALISTS SEEING YEAR-OVER-YEAR AVERAGE STARTING SALARY INCREASES/DECREASES			
	2023/24	2022/23	INCREASE
Dermatology	\$486,000	\$427,000	+13.8%
Orthopedic Surgery	\$686,000	\$633,000	+8.37%
Neurology	\$383,000	\$354,000	+8.19%
Obstetrics/Gynecology	\$389,000	\$367,000	+5.99%
Anesthesiology	\$460,000	\$450,000	+5.99%
Gastroenterology	\$531,000	\$506,000	+4.94%
Radiology	\$495,000	\$472,000	+4.87%
Hematology/Oncology	\$444,000	\$440,000	+0.91%
DECREASE			
Psychiatry	\$285,000	\$355,000	-19.94%
Cardiology	\$396,000	\$433,000	-8.55%
Urology	\$496,000	\$540,000	-8.15%
Hospitalist	\$283,000	\$299,000	-5.35%
NO YEAR-OVER-YEAR DATA			
General Surgery	\$419,000	N/A	N/A
Otolaryngology	\$358,000	N/A	N/A
Emergency Medicine	\$404,000	N/A	N/A

Year-over-year starting salary fluctuations may sometimes result if AMN Healthcare conducted an unusually large number of searches for a given specialty in a market where physician compensation is either atypically low or high. Fluctuations also may occur if market conditions change in a given specialty.

For example, the near 20% drop in average starting salaries for psychiatrists may be a result of the markets in which some of these search engagements were conducted and the decline may be a one-year aberration. The near 14% increase in starting salaries for dermatologists represents the second year starting salaries for dermatologists have increased significantly, and likely is the result of rapidly accelerating demand for this specialty.

Average Starting Salaries for APPs

The average starting salary for NPs during the 2024 *Review* period was \$164,000, up from \$152,000 the previous year, an 6.6% increase. Though starting salaries for NPs continue to climb, they still earn considerably less than physicians. As was referenced above, NPs generate revenue and continue to represent a good return on investment in an era when many healthcare organizations are focusing on cost control.

The average starting salary for CRNAs tracked in the 2024 *Review* was \$279,000, up from \$218,000 last year, a 31.6% increase. Demand for CRNAs is accelerating, underscoring the growing number of medical procedures being generated by

an aging population. Adding CRNAs allows healthcare facilities to increase the number of procedures they perform while controlling costs, as CRNA average starting salaries, though rising, remain less than those of anesthesiologists.

Like NPs, CRNAs also generate revenue. According to AMN Healthcare's 2023 *Physician Billing Report*, CRNAs submit an annual average of \$1,750,281 in billing to commercial payors. CRNAs are particularly important in rural areas, where they represent approximately 80% of anesthesia providers (*The Relationship Between Rural Hospital Closures and NPs and CRNAs. Nursing Outlook. Nov-Dec 2021*).

NPS AND CRNAS SEEING YEAR-OVER-YEAR STARTING SALARY INCREASES			
	2023/24	2022/23	INCREASE
CRNAs	\$279,000	\$218,000	+31.6%
NPs	\$164,000	\$151,000	+8.6%


Physician Contract Structures

Physicians typically are offered employment contracts that feature a starting base salary that can be supplemented through a production bonus. Sixty-two percent of the search engagements AMN Healthcare conducted in the 2024 *Review* period featured this type of contract structure, the same number as last year. An additional 32% featured a straight salary, also the same number as last year, while 5% featured an income guarantee, up from 4% last year.

Salaries with production bonuses are commonly offered by hospitals and medical groups as an incentive to reward specific physician behaviors, such as volume of work performed or adherence to quality guidelines. The straight salary model is more frequently used by urgent care centers, FQHCs and academic settings.

AMN Healthcare has observed that fewer large medical groups are offering the salary with production bonus model than have done so in the past. For example, 75% of the contracts tracked in the 2017/18 *Review* featured a salary with production bonus, while only 17% featured a straight salary. Some medical groups have found that the straight salary model entails less ambiguity and is less likely to cause friction with physicians, and so have stopped offering production bonuses.

Income guarantees, which are essentially loans that must be repaid (but may be forgiven over time) generally are used to establish physicians in solo or small independent practices. Income guarantees were once the standard contract model, but as the number of private practice settings has declined, so has the use of income guarantees.



62%
of physicians receive employment contracts with a base salary plus a production bonus

Production Bonus Structures

Production bonuses determine the maximum income that physicians can potentially earn beyond their base salary. These bonuses are calculated using a variety of metrics, including:

1
Relative Value Units (RVUs)

2
Net Collections

3
Gross Billings

4
Patient Encounters

5
Quality

All of these metrics, with the exception of quality, are volume driven. The more work units (RVUs) physicians generate, the more net reimbursement they collect, the more gross billings they generate, or the more patients they see, the higher their bonus. Today, RVUs are the primary way that employers measure physician volume-based productivity. RVUs were featured in 57% of physician employment contracts offering a salary and production bonus as tracked by the 2024 *Review*, down from 59% the previous year.

Net collections, also a volume-based metric, were featured in 13% of AMN Healthcare's recruiting engagements this year that offered a production bonus, down from 20% last year. Gross collections, another volume-based metric, were featured in 1% of recruiting engagements that offered a bonus, the same number as last year.

The continued widespread use of RVUs (and to a lesser extent net collections and gross billings) illustrates the extent to which physician bonuses remain volume-based.

Quality-Based Bonuses Still Not the Standard

By contrast, only 26% of contracts tracked in the 2024 *Review* that featured a production bonus included one or more quality-based metrics, such as patient satisfaction scores, readmission rates or others, up marginally from 25% last year but down from 31% the year before that.

Major initiatives have been made in recent years by both payors and healthcare organizations to steer physician payments toward quality metrics and away from volume-based formulas. The goal of finding the right compensation formula – one that rewards physicians for quality but also ensures they stay productive – has been elusive. Volume-based production-based formulas are relatively straight forward and remain common in physician contracts, while the *Review* indicates that the use of quality-based formulas is not generally advancing.

In instances where the production bonus includes quality metrics, the 2024 *Review* indicates that, on average, 10% of the physician's total compensation will be determined by quality, down from 14% last year and down from 11% the year prior to that. The 2024 *Review* therefore suggests that the impact of quality metrics on total physician compensation is likely to be less than the impact of volume-based metrics.

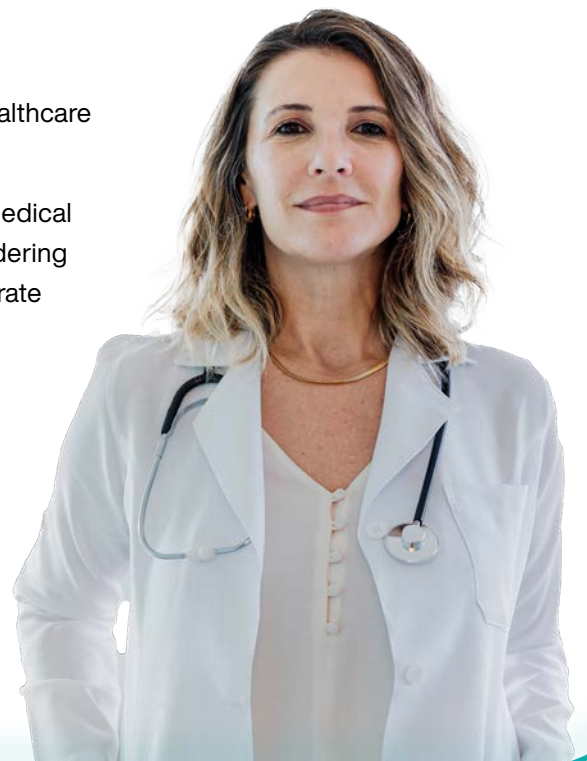
Signing Bonuses and CME

Signing bonuses were offered in 51% of the recruiting assignments AMN Healthcare conducted in the 2024 *Review* period, down from 63% the previous year.

Signing bonuses are a common recruiting incentive used by hospitals and medical groups and provide an additional impetus for candidates who may be considering multiple opportunities, offering an immediate, tangible reward that can separate one opportunity from another similar opportunity.

The decline in the number of search engagements offering signing bonus may be due to the relatively high number of search engagements AMN Healthcare conducted for academic centers, urgent care clinics and other venues that often do not offer signing bonuses.

Signing bonuses offered to physicians tracked in the 2024 *Review* averaged \$31,473, down from \$37,472 last year. Signing bonuses offered to NPs and PAs as tracked in the 2024 *Review* averaged \$11,758, up from \$8,355 last year.





89%

of recruiting engagements offered a CME allowance

17%

of recruiting engagements included medical education loan repayment

Relocation Bonuses and Other Incentives

Certain other incentives, such as paid relocation, paid CME, health insurance and malpractice insurance are featured in the majority of AMN Healthcare's search engagements. Relocation allowances were offered in 55% of the recruiting engagements tracked in the 2024 *Review* period, down from 62% the previous year. Relocation allowances generally are not offered to candidates who will be practicing telemedicine and therefore not relocating, or to those who are recruited within their current place of residence.

The average relocation allowance offered to physicians as tracked by the 2024 *Review* was \$11,284, down from \$12,778 the previous year. The average relocation allowance offered to NPs and PAs year was \$7,910, down slightly from \$7,997 last year.

The majority of incentive packages tracked by the 2024 *Review* (89%) offered a continuing medical education (CME) allowance. The average CME allowance for physicians tracked in the 2024 *Review* was \$3,969, up from \$3,840 the previous year. The average CME allowance for NPs and PAs was \$2,195, down from \$2,299 the previous year.

Medical Education Loan Repayment

Seventeen percent of AMN Healthcare's search engagements tracked in the 2024 *Review* featured medical education loan repayment, down from 18% the previous year. Educational loan repayment entails payment by the recruiting hospital or other facility of the physician's medical school loans in exchange for a commitment to stay in the community for a given period of time. This can be an effective incentive since average medical school debt now is approximately \$200,000, according to the Association of American Medical Colleges (AAMC).

The average amount of loan forgiveness offered to physicians as tracked in the 2024 *Review* was \$117,217, up from \$98,665 the previous year. The average amount of loan forgiveness offered to NPs and PAs was \$78,333, up from \$70,769 the previous year. In 7% of contracts featuring educational loan forgiveness, the term of forgiveness was one-year, while 6% featured two-year terms and 87% featured three-year terms.



Conclusion

According to projections made by the Association of American Medical Colleges (AAMC), the U.S. will experience a shortage of up to 86,000 physicians by 2036. Long-term demographic trends, including population aging, are driving the shortage, which is creating an imbalance between the supply of physicians and advance practice professionals (APPs) and demand.

This imbalance is being further exacerbated by the growing number of organizations recruiting physicians and APPs, including urgent care centers, retail clinics, equity-backed medical groups, insurance companies, telehealth platforms and others. The result is a highly competitive recruiting market in which starting salaries offered to physicians and APPs are typically increasing.

AMN Healthcare's *2024 Review of Physician and Advanced Practitioner Recruiting Incentives* indicates that demand is particularly strong for nurse practitioners (NPs) who were first on our list of most requested recruitment engagements for the fourth consecutive year. Demand also is strong for radiologists, anesthesiologists, gastroenterologists, urologists, orthopedic surgeons and other specialists who are required to meet the growing health needs of an aging population.

In addition to salaries, healthcare facilities are offering physicians and APPs a range of other recruiting incentives, including signing bonuses, production bonuses, continuing medical education allowances, relocation allowances and medical education loan forgiveness. These incentives, as well as a positive practice environment, are key to recruiting and retaining physicians and APPs in today's rapidly evolving healthcare market.

For additional information regarding AMN Healthcare's thought leadership resources and services, visit **AMNHealthcare.com**.

