

Fair Market Value Compensation

S P O T L I G H T O N

Hematology/Oncology



Now Trending

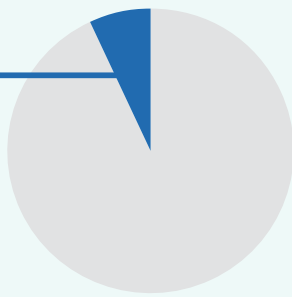
Cancer is the **second most common cause of death in the U.S.**, and more than 1.8 million new cancer cases are expected to be diagnosed in 2020. Yet, a national shortage of approximately 2,200 oncologists is expected by 2025, as a large number of oncologists retire.

NATIONAL PROJECTIONS

1.8M ↑
New cancer cases in 2020

↓ **2,200**
Oncologist shortage by 2025

Oncologists in Rural Areas



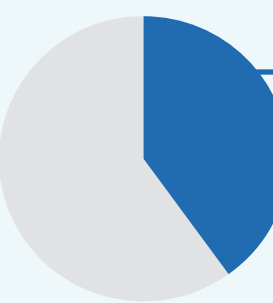
Access to oncologists in rural areas creates further issues. While 19% of Americans reside in rural areas, only 7% of oncologists practice there.

Sources: American Cancer Society; American Society of Clinical Oncology; www.ascopost.com; www.asco.org

Demand

Projected cancer incidence rate **increase** between 2017 and 2022

+11%

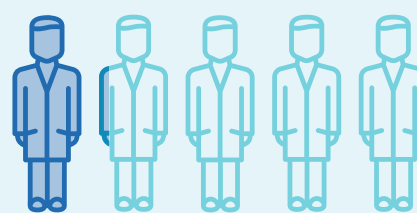
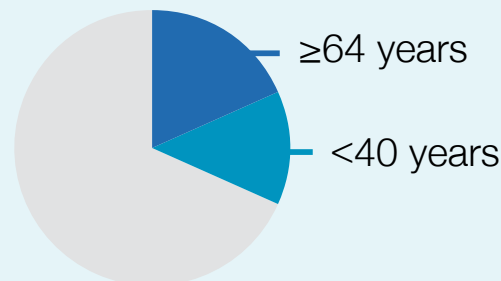


Overall demand for cancer services will **increase** by at least **40%** by 2025

Sources: The Advisory Board; www.modernhealthcare.com

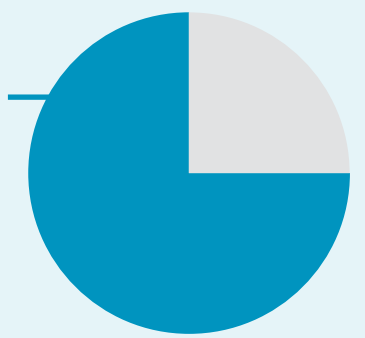
Age of Oncologists

Oncologists age 64 years and **older** currently outnumber the oncologists **younger** than 40 years of age



More than 20% of practicing oncologists are **over 65**

75% of cancer providers use **Advanced Practice Providers (APPs)** to meet demand



Sources: www.asco.org; Doximity; American Society of Clinical Oncology

Supply

Hematology/Oncology Compensation

Hematology/Oncology National Median Clinical Compensation

Compound Annual Growth Rate **3%**

\$446,254 2019

\$396,719 2015



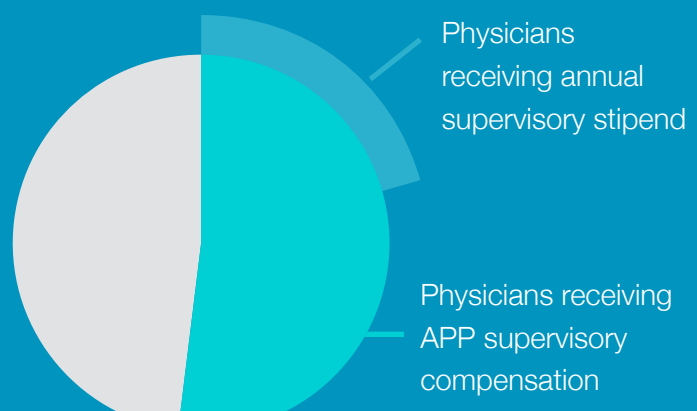
Hematology/Oncology National Median Administrative Compensation

Compound Annual Growth Rate **6%**

\$439,245 2019

\$348,893 2015

To help bridge the gap between supply and demand, **52%** of physicians receive additional compensation for **APP supervision**, on top of their base salary. And 40% of those receive a flat annual supervisory **stipend**, of which the median is **\$10,000**.



Median Physician Productivity in Work Relative Value Units (wRVUs)

Hematology/Oncology

CAGR **1%**

4,663 2019

4,493 2015

National Median Compensation per wRVU

Hematology/Oncology

CAGR **2%**

\$97.95 2019

\$91.76 2015

Sources: SullivanCotter; PYA proprietary data and calculations

Why PYA?

PYA provides independent and objective valuation and consulting services for a broad range of healthcare organizations. We support our clients' many needs, including physician employment arrangements, professional services arrangements, call coverage, and many other types of arrangements associated with various acquisitions and/or affiliations. Contact [Lyle Oelrich](#) or [Tynan Kugler](#) at (800) 270-9629 to discuss how we can assist you with your complex needs.

- PYA provides more than 1,200 fair market value (FMV) compensation opinions each year to support the needs of hospitals, health systems, and other provider institutions.
- Our work in the field of hematology/oncology averaged more than a dozen fair market value compensation determinations each year over the last seven years.
- View our [complete study](#) for further details.



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