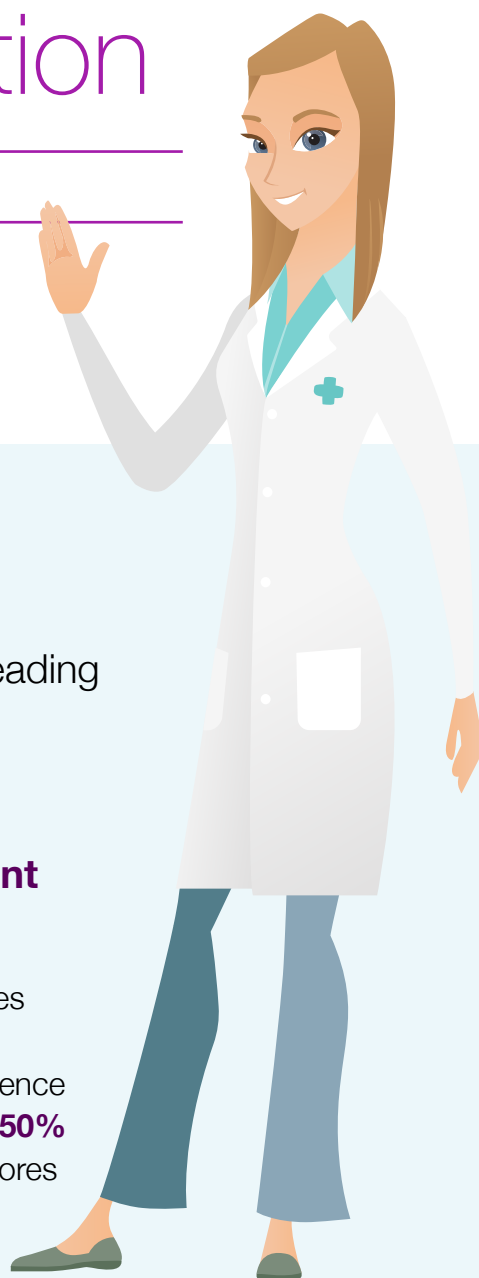


Fair Market Value Compensation

S P O T L I G H T O N

Hospitalists



Now Trending

Hospitalists are contributing to positive clinical outcomes and patient satisfaction, leading to success under the Hospital Value-Based Purchasing Program (HVBPP).

Hospitalists Are Vital to Clinical Success...

...and Reimbursement



Enhanced Quality of Care

+



Appropriate Lengths of Stay

+



Improved Patient Satisfaction

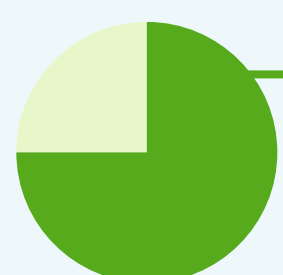
=

50% of HVBPP

Clinical outcomes and patient/caregiver experience of care **impact 50%** of all HVBPP scores

Source: *New England Journal of Medicine*, www.medicare.gov

Hospitals

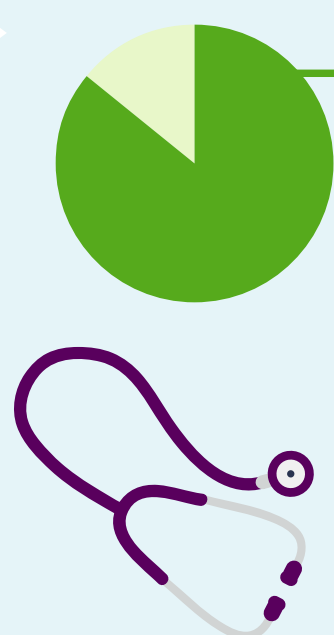


75%
U.S. Hospitals currently using hospitalists

Projected **demand:** increase in hospitalists from 2014-2025



Source: *AAMC Workforce Study*, *New England Journal of Medicine*

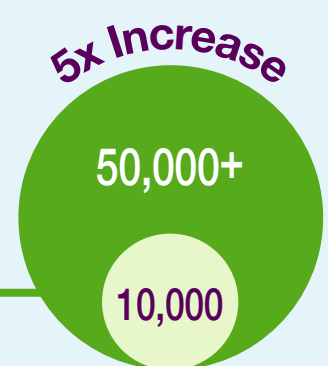


86%

Physicians practicing as hospitalists trained in **internal medicine or family medicine**

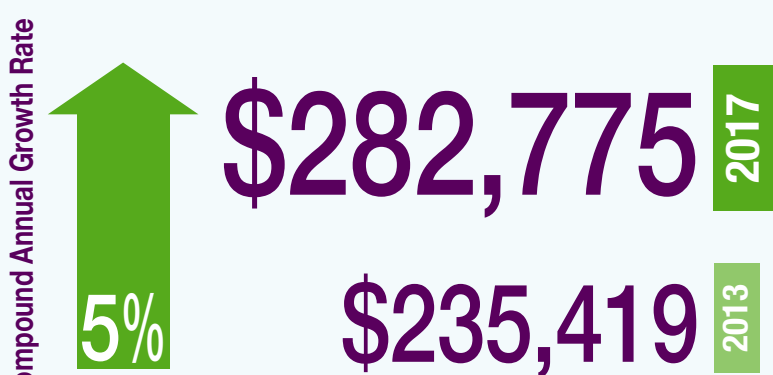
The estimated number of U.S. hospitalists increased from approximately 10,000 to more than 50,000 from 2003-2016

Physicians

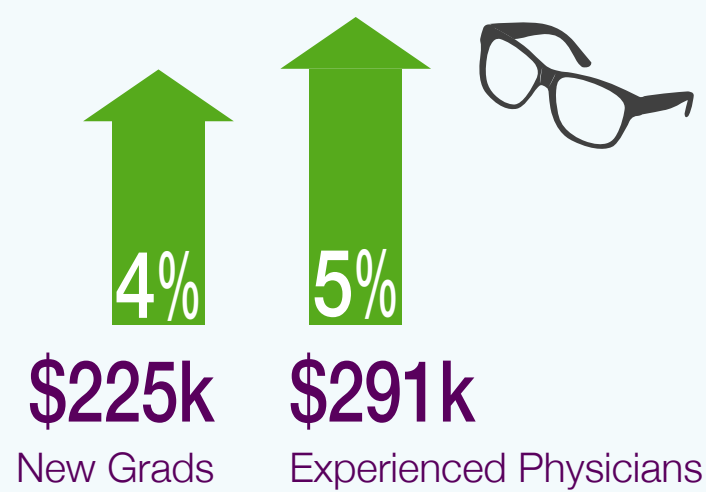


Source: *Society of Hospital Medicine*, *The American Hospital Association*

Hospitalist Compensation



National Median Clinical Compensation



Salary 2013-2017

Median Physician Productivity in Work Relative Value Units (wRVUs)

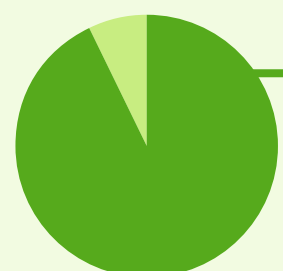


Possible reasons for wRVU level stability

- Growing importance of role as care coordinator to mitigate readmissions and improve quality of care
- Increasing requirements for hospitalists to work shifts, regardless of the number of patients they see

Sources: *American Medical Group Association - Medical Group Compensation and Productivity Survey*; *Medical Group Management Association - Provider Compensation Survey*; *Sullivan Cotter and Associates, Inc. - Physician Compensation and Productivity Survey*; and *Hospital & Healthcare Compensation Service - Physician Salary & Benefits Report*. Benchmark data presented for each year is based on prior year data.

Hospitalist Subsidies



>93%
Most hospitalist medical groups receive financial support, in addition to professional collections, from their host hospital



Average Subsidy per Full-Time Physician



Sources: *Society of Hospital Medicine*, *State of Hospital Medicine Report (2016, 2012)*

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 [Carol Carden](#) at (800) 270-9629 to discuss how we can assist you with your complex needs.

- PYA provides more than 1,000 fair market value opinions each year.
- PYA has extensive experience assisting health systems evaluate their professional services arrangements for fair market value compensation and subsidy calculation. Apart from the 135 FMV opinions provided for hospitalist services in the last 12 months, we provide similar assistance for other specialties including emergency department and critical care.
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