



U.S. Physician Employment Report 2017

Workforce Trends by
Metro Area and Medical
Specialty

DECEMBER 2017



Introduction

Health care is one of the largest sectors in the U.S. economy; **it accounts for 17.8 percent of GDP or \$3.2 trillion**¹ and approximately one in 10 U.S. jobs.² With a growing and aging population, the demand for physicians is rising much more quickly than for other professions. And despite advances in technology that should reduce workloads, physician jobs are expected to grow 15 percent from 2016 to 2026.³

As demand for physicians continues to grow, we're starting to see early indications of a looming shortage of doctors. This trend is currently represented in a growing mismatch between where doctors are needed geographically, and a sufficient number of physicians available to fill these roles. A similar trend is occurring in medical specialties, with

certain specialties under pressure due to a lack of qualified practitioners.

This report aims to better understand the labor market for doctors by analyzing the demand for physicians on Doximity, the largest medical social network with more than 70 percent of all U.S. physicians as members. One feature of Doximity is that the network acts as a physician recruitment platform, enabling medical recruiters to post open positions and reach out directly to doctors based on their background, geography, and area of specialty or sub-specialty. As such, Doximity holds a wealth of data regarding clinical job postings and demand for doctors nationally.

This report provides a view into physician workforce trends in 2017.

Key findings

Nationally, physician compensation in the United States grew by 5.1 percent. Our research also found that physician compensation has grown in each of these 10 metro areas. This growth ranged from 16 percent in San Francisco to 7 percent in Boston.

Overall, changes in physician job postings and compensation growth were well correlated, which suggests that the growth in compensation could be due to existing shortages of doctors in these areas. Six metro areas – Boston, Los Angeles, New York, Philadelphia, San Francisco, and Seattle – appear within the top 10 for both job growth and compensation growth.

Metros where doctors are seeing the biggest pay raises



Metro Area

Pay Growth

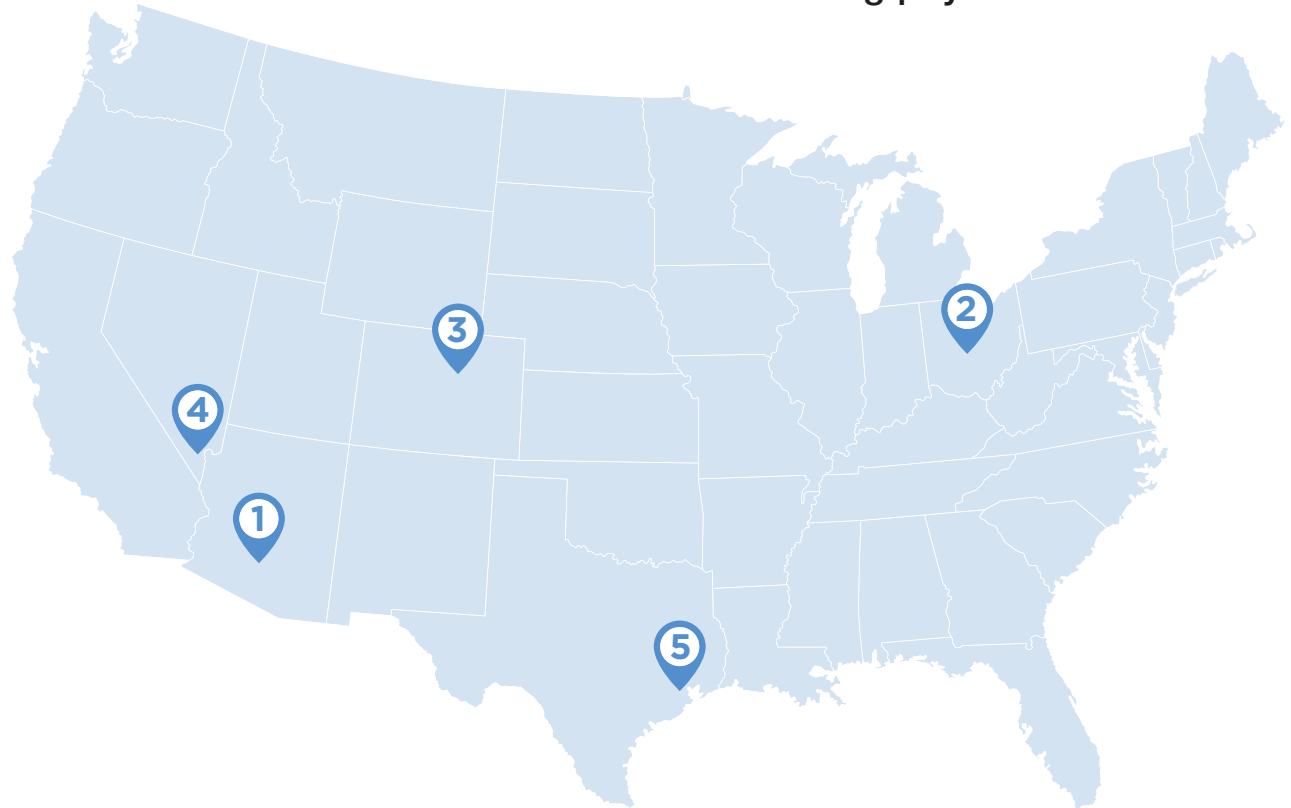
1. San Francisco, CA	16%	6. New York, NY	8%
2. Indianapolis, IN	14%	7. Minneapolis, MN	8%
3. Los Angeles, CA	13%	8. Pittsburgh, PA	8%
4. Philadelphia, PA	11%	9. Seattle, WA	7%
5. Milwaukee, WI	10%	10. Boston, MA	7%

Key findings

Despite the overall trend being up, there were several metro areas where physicians saw either declining compensation or no compensation change.

For example, Phoenix saw a 9 percent decline, and while this study did not define the causality, recent changes in the market include a mix of insurer exits in the ACA exchange, ACOs and other low-cost providers impacting physician revenue, physician practices being bought by hospitals, and insurers growing and negotiating more strongly.

Metros where doctors are seeing pay declines



Metro Area	Compensation Decline
1. Phoenix, AZ	-9%
2. Columbus, OH	-8%
3. Denver, CO	-3%
4. Las Vegas, NV	-3%
5. Houston, TX	-1%

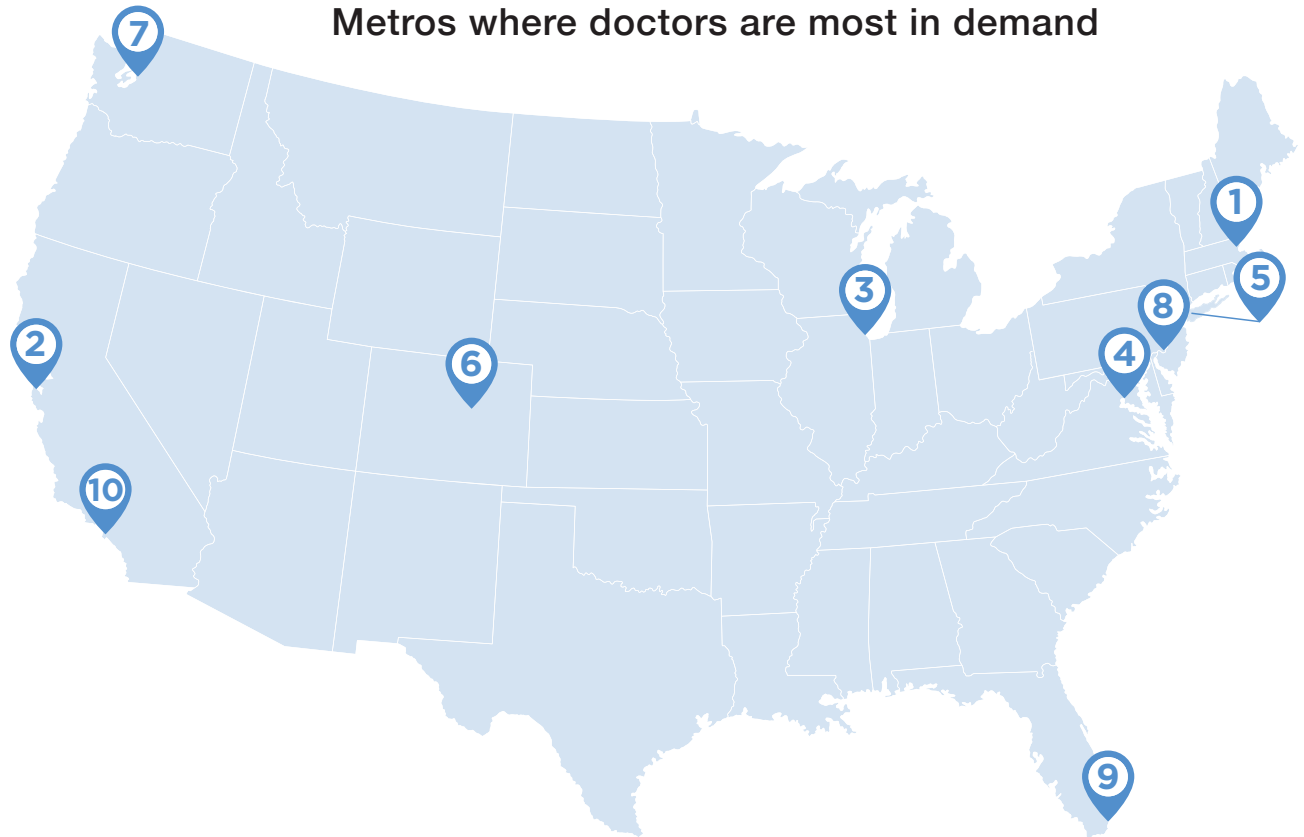
Key findings

Physician Job Advertisements by Metropolitan Area

This study evaluated how many open physician positions were advertised on the Doximity network in large U.S. metropolitan areas in 2016 and 2017. It found that physician job postings have grown significantly year-over-year in many of the largest metropolitan areas.

Change in job postings within these 10 metros listed below ranged widely – from 72 percent growth in Boston to 1 percent growth in Los Angeles. Additionally, this demonstrates that even within the same state, there can be great variation between physician demand, as indicated by San Francisco and Los Angeles. These results show that the demand for physicians varies widely across geographic markets.

Metros where doctors are most in demand



Metro Area

Job Growth

1. Boston, MA	72%	6. Denver, CO	12%
2. San Francisco, CA	42%	7. Seattle, WA	4%
3. Chicago, IL	36%	8. Philadelphia, PA	2%
4. Washington, DC	23%	9. Miami, FL	2%
5. New York, NY	21%	10. Los Angeles, CA	1%

Key findings

Physician Job Advertisements by Medical Specialty

The study also evaluated how physician job postings changed in common medical specialties in 2016 and 2017. It found that physician job postings have grown in most medical specialties analyzed. The change ranged widely across specialties – from 164 percent in geriatrics to a 23 percent increase in cardiology.

Medical specialties most in demand

Medical Specialty	Job Growth
Geriatrics	164%
Urology	49%
Oncology	45%
Hematology	39%
Obstetrics & Gynecology	31%
Gastroenterology	27%
Occupational Medicine	26%
Endocrinology	25%
Neurosurgery	25%
Cardiology	23%

Implications for 2018

Based on the trends from the last several years, we anticipate 2018 will be another strong year for the physician workforce. In particular, we expect that:

Demand for physicians will increase:

Overall, strong employment growth should continue for physicians, as well as a general uptrend in physician compensation. From 2016 to 2017, physician job postings and physician compensation grew significantly in many of the largest metropolitan areas. As the U.S. population ages and the number of Americans over 65 increases, the need for more physicians will likely expand and drive up employment opportunities and compensation in concert.

Demand will not grow symmetrically across U.S. markets:

There may be significant differences in compensation and employment growth across major metros due to local market factors. There are a number of possible influences, ranging from changes to, and local implementation of government programs such as Medicare, Medicaid, and the Affordable Care Act. Other possible factors include potential changes to the structure of local insurance markets and growth of large-scale health systems, and changes in payment programs (e.g. ACOs, bundled payments, and capitated contracts), and lastly, general economic trends. Any change that could affect the total number of patients with access to health care or conversely, reimbursements for services, has the potential to result in flattening or declining compensation at the local market level.



Conclusion

The increasing work requirements of physicians compounded with shortages of health care providers are critical issues for the entire health care system. Understanding the demand for new physicians across metropolitan areas and medical specialties could help ensure more patients have access to the care they need. This study cannot determine causation for the variation in demand across metropolitan areas or medical specialties, but we hope it can serve as a baseline and prove relevant to employers, recruiters, and others interested in the topic.

This information may also be helpful for physicians looking to identify where there may be an increasing need for their skills – from both a geographic and specialty perspective. As this research found that the growth in demand for physicians is unevenly distributed across geographic regions and specialties, physicians can use the insights developed in this report to identify the markets in-demand for their skills.

It is encouraging that the health care sector continues to grow, and as this data indicates, we anticipate 2018 will be another strong year for physician jobs.

Methodology

This study is based on more than 12,000 physician jobs posted on Doximity in 2016 and 2017. This report analyzed data on 20 metropolitan statistical areas and 15 medical specialties based on the number of job postings on the Doximity network in 2016. Compensation growth was drawn from Doximity's self-reported compensation surveys of approximately 40,000 full-time, licensed U.S. physicians who practice at least 40 hours per week between 2016 and 2017.

References

1. U.S. Centers for Medicare & Medicaid Services, U.S. Department of Health and Human Services, *NHE Fact Sheet*. Baltimore: 2017. <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nhe-fact-sheet.html>.
2. "Health Care Employment as a Percent of Total Employment." *The Henry J. Kaiser Family Foundation*. Last modified: May, 2015. Accessed: November, 2017. <https://www.kff.org/other/state-indicator/health-care-employment-as-total>.
3. Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Outlook Handbook, Physicians and Surgeons*. Washington: 2017. <https://www.bls.gov/ooh/healthcare/physicians-and-surgeons.htm#tab-6>.



Founded in 2011, Doximity connects physicians and advanced practice clinicians to make them more successful and productive. Doximity is the largest secure medical network with over 70 percent of all U.S. physicians as members, enabling collaboration across specialties and every major medical center. Doximity is based in San Francisco and was created by the founders of Epocrates and Rock Health.

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