



*The Maryland State Medical Society*

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## **GENDER AND RACIAL WAGE GAPS PERSIST FOR MARYLAND'S PHYSICIANS, ACCORDING TO NEW MEDCHI SURVEY**

BALTIMORE, December 9, 2024 – A new survey indicates that pay gaps still persist between male and female physicians in Maryland. Conducted by Berkeley Research Group's Healthcare Transactions & Strategy practice, on behalf of MedChi, The Maryland State Medical Society, the survey tracks compensation, benefits, and practice metrics of Maryland physicians. It benchmarks compensation among Maryland physicians by gender, age, ethnicity and practice status, and also examines how Maryland physicians compensation has changed since the pandemic.

Despite improvements in compensation overall since 2021, racial and gender disparities still exist in salaries for Maryland physicians who identify as Black/African American. These physicians report a lower salary on average (\$302,000) compared to other racial groups. Consistent with MedChi's 2021 report, Native Hawaiian (\$525,000) and Hispanic/Latinx (\$474,000) physicians earned the highest annual income on average across other racial groups. The survey shows a pay gap still exists between male and female Maryland physicians. Gender-based compensation disparities between Maryland physicians have not changed much since 2020, when males earned 50% more than females. Today, males surveyed report earning 45% more than females on average.

"The fact that significant gender-based income disparities still persist among Maryland physicians is discouraging and something that needs to change" said Carolyn O'Connor, MD, Chair of MedChi's Gender Pay Equity Committee. "We were hopeful we would see more of a closure of this gap, but it remains virtually the same as years prior."

MedChi's Gender Pay Equity Committee identified compensation transparency as a key element of pay equity and recommended that this year's survey include questions that aimed to measure the impact. Transparency within an organization can help close gender- or race-related gaps in compensation while potentially improving employee sentiment around whether their compensation is fair and reasonable. Maryland physicians at practices with compensation transparency, particularly during the hiring process, are more often paid higher salaries. During recruitment, many organizations provide the actual criteria they use to determine a candidate's individual salary. The physicians who received these criteria are paid \$84,000 more on average than those who did not. Additionally, these physicians were more apt to view their compensation as fair and reasonable given their expertise, training, and effort level. More than 28% of Maryland physicians say their employer provided criteria used to determine individual salaries during the hiring process. This is the most common pay transparency practice prior to signing a contract and based on the survey, correlates with higher compensation. The average salary for physicians who were provided this criteria pre-hire is \$440,000, more than \$80,000 above the overall average. Some practices continue to deploy strategies to increase pay transparency after a contract is signed, and this has helped

retain physicians. Maryland physicians who say their employer conducts pay assessments throughout the year report the highest compensation on average (\$437,000) compared to the overall average (\$356,000). Despite some of these transparency trends, a higher portion of Maryland physicians in 2024 say that their compensation is unfair and unreasonable given their level of expertise, training, and current effort.

As far as compensation structure, the survey shows about 41% of Maryland physicians report a salary plus production bonus as their current compensation structure, which is the most common across all age groups and the portion of pre-tax income tied to quality is growing. Physicians report 14% of income being tied to quality on average in 2024, compared to 9% in 2020. Aside from clinical duties, half of physicians are also paid for administrative duties, and about one in four are paid for teaching and/or call duties in hospitals. Most physicians surveyed (~88%) say that a minority or very little of their 2024 income has come from telemedicine, a response rate similar to 2022 (~87%).

COVID-19 had a meaningful effect on physician compensation, but since the public health emergency (PHE) ended in spring 2023, productivity of Maryland physicians has steadily increased. More than 41% of physicians say their current compensation has improved since that time—up 29% on average since 2020. The typical compensation structure is salary plus a production bonus, so the more patients that physicians see in their office or operating room, the higher their compensation. The end of the PHE was a key inflection point for Maryland's physicians, as utilization of health services began to increase, and some patients were seeing their doctors at higher rates than before COVID-19 due to higher incidence of chronic disease and illnesses exacerbated by a delayed diagnosis or forgone care. The physician specialties experiencing the largest increase in compensation between 2020 and 2024 were cardiologists, anesthesiologists, and general surgeons.

Survey data is based on responses from 246 Maryland physicians with a margin of error of +/- 6.0%. A copy of a report on the survey's findings can be accessed at [www.medchi.org](http://www.medchi.org).

#### About MedChi

MedChi, The Maryland State Medical Society is a non-profit membership association of Maryland physicians. It is the largest physician organization in Maryland. The mission of MedChi is to serve as Maryland's foremost advocate and resource for physicians, their patients and the public health of Maryland. For more information, please visit [www.medchi.org](http://www.medchi.org).