

These Doctors Earn Less but Say It's Worth It

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Earning a huge salary was never a top priority for Sarah Ramer, a nephrologist at the James J. Peters Veterans Affairs Medical Center in New York City. That was obvious even when she was still a medical student, since she opted for an extra academic year to get a masters degree in clinical research methods.



After doing a combined internal medicine/pediatric residency, Ramer completed two fellowships, one in adult nephrology and one in palliative care.

"Every extra year that you spend in training is another year you're not making a salary as an attending, so by doing 7 years in residency and a fellowship, I was not building my net worth the way some physicians do," she says.

When Ramer, now 41, was ready to enter the job market in 2019, she had two offers on the table — one at a large, urban, research-intense medical center that included some clinical work combined with research and that paid \$105,000, and one as a clinical nephrologist at a smaller suburban medical center with a \$230,000 salary and a \$20,000 performance bonus.

She took the first job, because she liked the idea of being ensured of having time to perform research, and she hoped to qualify for a career development grant from the National Institutes of Health.

Over the next few months, Ramer was diagnosed with cancer and the pandemic began ravaging the country. She considered taking a leave of absence from her job, but since she had only recently started at the job, taking a medical leave would mean she'd get only 50% of her salary, which would have left her with just over \$50,000 to cover her mortgage, student loans, and other expenses.

"Financially, it would have been disastrous for me to go on leave at that time," she says. "Things happen, but that's something I didn't consider when I decided to take a very low-paying job."

Ramer has completed cancer treatment and has moved on to her current role at the VA medical center, where she is earning less than she would have made at the suburban medical center but more than twice as much as she did at the urban research hospital.

Lifestyle Trade-Offs

While Ramer's salary is nearly four times that of the average American worker, it's only about 60% of what the average physician earns. That works for Ramer, who has never put much value in material possessions. She has lived in the same working-class New Jersey neighborhood for more than a decade and drives a 2010 Hyundai Elantra.

"I need a new kitchen and new bathrooms in my apartment," she says. "I'm still working on that. I have a good cushion, but I need to build up my emergency fund before I start spending money on home renovations."

Such trade-offs are common among physicians who've chosen to work in a rural area, at a Medicaid practice, or in public health. But physicians who find themselves on the lower end of the pay scale say that there are rewards and benefits to opting for less lucrative career trajectories.

For Sean Kissel, 30, a family physician in northern Utah, it's about the lifestyle afforded by his role, which has earned him between \$190,000 and \$230,000 over the past few years. "I have no on-call shifts," he says. "So, when I'm done, I'm done. I don't have to work weekends or holidays, and I have dinner with my kids every night."

According to the 2022 Medscape physician compensation report, physicians earned an average of \$339,000 annually last year. Primary care physicians took home an average of \$260,000, compared to \$368,000 for specialists. The disparity in physician income was even greater when broken down by specialty. Plastic surgeons earned the most (\$576,000), and public health and preventive medicine physicians earned the least (\$243,000).

Still, that study found that physician salaries were up across every specialty, ranging from a 1% increase for critical care physicians to a 13% jump for otolaryngologists.

Scaling Back

While private-pay physicians tend to make more than peers who work in community or government health clinics, they may have to work longer hours or face pressure to see more patients, which can decrease the quality of care they provide.

A [recent study](#) published in *JAMA Health Forum* found that most health systems base physician pay on the number of patients seen. That's the case for more than 80% of primary care physicians and more than 90% of specialists, according to the study.

Given that landscape, a growing number of physicians are opting for a "lifestyle" practice — accepting lower compensation in order to see a limited number of patients or work only a few days per week, says Stu Schaff, the founder and lead adviser of Contract Medicine, a consulting firm that helps physicians understand, evaluate, and negotiate their employment contracts. Schaff concedes that most of the doctors who fall into this category are winding down their careers or have a high-earning spouse with a salary that offsets their lower income.

Other physicians move into administrative roles within a hospital or health center. Such positions typically involve seeing fewer patients and may pay less, but they also have more traditional hours, which can be appealing, Schaff says.

"Those folks might still do patient care 1 or 2 days a week, or even less," he says. "They're still physicians. They're still using their physician expertise, but they're not practicing at the same level or generating the same level of income as they might in a full-time clinical position."

Cost of Living Matters

Kissel says that while he may take home less than the typical physician, he still makes enough to comfortably cover his expenses, including his student loan payments. Still, when new acquaintances learn he's a physician, they often assume he's earning much more.

"People assume most of us make mid-\$300,000's or low \$400,000's, and that's true for some family doctors, but not for all," he notes. "I like what I do. I'm in a good place, and we are happy with our life."

Plus, Kissel may benefit from living in Utah, where the lower cost of living may allow him to stretch his salary further. Although salaries are typically higher in the most expensive states in the US in comparison with states that have a lower cost of living, those higher salaries aren't always enough to make up the difference.

A recent [WalletHub analysis](#) found that New York, California, and Massachusetts were among the states with the lowest average annual wage when adjusted for the cost of living, while South Dakota, Indiana, and Wisconsin had the highest average wage after the adjustment.

"Even if a physician is in a lower-paying specialty or location, they're still well paid relative to the average US citizen," Schaff says. "When we talk about specialties that pay less, we're still talking — if you're full-time — about a six-figure income."

Location, Location, Location

To combat a provider shortage, rural health centers have been increasing the pay doctors receive. Nevertheless, many physicians are opting not to live in a community where they have no connection.

"I think there has to be a tie to the community for a physician to want to be here," says Scott Crouch, chief executive officer at Ozarks Community Health Center in Bolivar, Missouri. "NHSC [National Health Service Corps] can help some, but it's not the draw it once was."

Physicians and dentists who interview at the Ozarks Community Health Center often like the facilities and the area but don't want to live in a rustic locale. "Most medical schools are in bigger cities," Crouch says. "So it's hard to get them into a rural

environment."

In some cases, physicians opt to go the community health route but choose to work in a city, even if it means they're going to earn less. That was the case for Kevin King, 33, a general pediatrician at St. John's Community Health Center in Los Angeles. King knew he wanted to work in a community health center after completing a residency at a Medicaid clinic.

A Rewarding Career

"I find my work very rewarding," King says. "Working in Medicaid can be difficult, and there are many barriers to care. It's a lot more work to get things done, but the rewards come from the patients."

That said, King adds he wouldn't have been able to take this job without access to a loan forgiveness program that helps him manage his student-loan debt. "Without that, I'd probably have to find work in a private-pay population, making more money," he says. "Loan forgiveness allowed me to choose this career path."

King says he earns between \$150,000 and \$200,000 annually. That's significantly less than the \$243,000 median pediatrician salary in Los Angeles, according to Salary.com. Still, King says he wouldn't trade his job for a more lucrative one.

"In medicine, there are so many different career paths you can take after residency training," he says. "Finding one that brings you joy in what you do every day is more valuable than any amount of money."

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