

# How Much Do Medical Practice Managers Make?

✘ Read the 2011 update to this article [here](#).

You've heard that healthcare is one of the few job markets that is still growing in a down economy and you think you might like to be a medical office manager. The question is: how much do medical practice managers make?

The real answer to this question is "it depends." Two people in different parts of the United States could have the same job description and one could make \$50,000 and another could make \$100,00. Most experienced, capable medical practice managers make a good living somewhere in the middle.

What differentiates medical practice managers (and I use this term in a generic sense to cover the variety of titles used in the healthcare field) from other office managers is that they are expected to know something about almost everything. A typical day in the life of a medical manager might well include tasks in the areas of:

- human resources
- risk management
- coding and billing
- credentialing
- accounting
- information technology
- facilities management
- conflict resolution
- physician compensation plans
- marketing
- physician/provider recruiting
- and more! (**see my post on what managers do here.**)

The medical practice manager is often in the unique position

of both answering to the owners (physicians) and managing them – a phenomenon not seen in other industries.

What a medical practice manager earns relates to:

- what the decision maker(s) believes the job is worth, or what they're willing to pay
- what a consultant or financial adviser has said the job is worth
- what other local practices are paying their managers
- what the previous manager made

Factors influencing the posted salary for a position are:

- the specialty or specialties (single-specialty vs multi-specialty and primary care vs. sub-specialty care)
- the number of physicians/providers
- the number of sites or ancillary services (imaging, physical therapy , medical spa, ambulatory surgery center)
- hospital-owned vs. non-hospital-owned
- if hospital-owned, how the position is graded, or where it fits in the management structure
- billing in-house or outsourced
- financial soundness of the entity
- the entity's competition in the community
- cost of living factor for region

Factors that might influence the salary ultimately offered YOU for a position are:

- Years of experience in healthcare management
- Years of experience managing the same or similar specialty
- Years of experience managing the same or similar # of physicians
- Stability of jobs over the past 10-15 years
- Special degrees: Master's, CPA, CPC, Compliance, RN, Lean, Black Belt (Six Sigma)

- Having installed an EMR (electronic medical record)
- References

## Where does one look for specific information on what managers make?

The Bureau of Labor Statistics' (BLS) most recent information reports:

*Median annual wages of wage and salary medical and health services managers were \$80,240 in May 2008. The middle 50 percent earned between \$62,170 and \$104,120. The lowest 10 percent earned less than \$48,300, and the highest 10 percent earned more than \$137,800. Median annual wages in the industries employing the largest numbers of medical and health services managers in May 2008 were:*

General medical and surgical hospitals	\$87,040
Outpatient care centers	74,130
Offices of physicians	74,060
Home health care services	71,450
Nursing care facilities	71,190

According to a 2009 survey by the **Professional Association of Health Care Office Management** (PAHCOM), the median salary for health administrators in small group practices is \$56,000; for those in larger group practices with 7 or more physicians the median is \$77,000.

The silver-back of healthcare salary surveys comes from the Medical Group Management Association (MGMA). The Management Compensation Survey is one of the "golden trio" of surveys that I've used throughout most of my professional life. You can view a sample page here: **Sample Table** (pdf). The survey information is free if you are a MGMA member and participate in the survey yourself. **You can purchase the Compensation Survey here.**

Many state MGMA groups also sponsor state salary surveys and sell them to non-members. In addition, some local manager groups do limited surveys and make the information available for a fee.

Job descriptions for medical managers can be found under the Library tab at the top of the page.

More articles on medical management can be found under the category of "A Career in Medical Management" on the right-hand side of the page, including **"A Day in the Life of a Practice Administrator"** and **"The 5 IT Skillsets Every Physician Practice Manager Needs to Succeed in 2009 and Beyond."**