REMUNERATION OF DOCTORS AND NURSES: Progress and next steps

Presentation by Rebecca Bennetts

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Background

• Remuneration levels of doctors and nurses can affect both:
  ➢ attractiveness (and choice of specialty)
  ➢ retention rates

• Wages and fees for services are one of the main components of spending on health systems
  ➢ Payments for doctors represent a sizable share of health spending in all OECD countries.

• Traditionally doctors were paid by either salary, fee-for-service or capitation. In recent years:
  ➢ Experimentations with mixed payment methods → making data collection more difficult.
Data collection categories

<table>
<thead>
<tr>
<th>Remuneration of health professionals</th>
</tr>
</thead>
<tbody>
<tr>
<td>General practitioners (salaried, self-employed)</td>
</tr>
<tr>
<td>Specialists (salaried, self-employed)</td>
</tr>
<tr>
<td>Hospital nurses (salaried)</td>
</tr>
</tbody>
</table>
**Definitions - Doctors**

**General practitioners:** Includes fully-qualified general practitioners (GPs). Physicians in training should normally be excluded. Include only full-time workers.

**Specialists:** Fully qualified physicians who have specialised and work primarily in areas other than general practice. Physicians in training should normally be excluded. Include only full time workers.

<table>
<thead>
<tr>
<th>Salaried</th>
<th>Physicians who are employees and who receive most of their income via a salary</th>
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<tbody>
<tr>
<td>Self-employed</td>
<td>Physicians who are primarily non-salaried. So are either self-employed or operate independently, usually receiving (mainly) either capitation or fee-for-service reimbursement.</td>
</tr>
</tbody>
</table>
Hospital nurses: Certified/registered nurses actively practising in public and private hospitals and who receive most of their income via a salary, including fully-qualified nurses (with post secondary education in nursing) and associate/practical/vocational nurses (with a lower level of nursing skills but also usually registered).

The following categories of nurses should normally be excluded:

- Nursing aids/assistants and care workers without any qualification in nursing
- Nurses in training
- Midwives
- Nurse managers
Remuneration is defined as **gross** annual income including social security contributions and income taxes payable by the employee.

<table>
<thead>
<tr>
<th>Including</th>
<th>Excluding</th>
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<tbody>
<tr>
<td>- All extra formal payments e.g. bonuses, on-call and overtime payments</td>
<td>- Social contributions payable by employer for salaried physicians</td>
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<tr>
<td>- Supplementary income (e.g. income from private practices for salaried physicians)</td>
<td>- Practice expenses for self-employed physicians</td>
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# Progress in data collection

<table>
<thead>
<tr>
<th>Category</th>
<th>Data Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration of GPs</td>
<td>26 countries</td>
</tr>
<tr>
<td>Remuneration of Specialists</td>
<td>28 countries</td>
</tr>
<tr>
<td>Remuneration of Hospital Nurses</td>
<td>28 countries</td>
</tr>
</tbody>
</table>
Data sources – Remuneration of Doctors

- Salary registers (NLD)
- Surveys (CZE, DNK, DEU, ITA)
- Health insurance schemes (LUX)
- Registers for tax and social security contributions
Relative remuneration of Doctors (2009 or latest year available)

**General practitioners (GPs)**

- Australia: 2.7
- Austria: 3.1
- Canada: 3.0
- Czech Rep.: 3.5
- Denmark ¹: n.a.
- Estonia: 1.8
- Finland: 2.1
- France ²: 2.5
- Germany: n.a.
- Greece: 1.6
- Hungary ³: 1.4
- Iceland ⁴: n.a.
- Ireland ⁵: 1.7
- Italy: n.a.
- Mexico: n.a.
- Netherlands: 3.0
- New Zealand: 3.5
- Norway: n.a.
- Slovak Rep.: 1.9
- Slovenia: 2.0
- Spain: n.a.
- Turkey: 1.9
- United Kingdom ⁶: 3.6

**Specialists**

- Australia: 4.3
- Austria: 4.4
- Canada: 4.7
- Czech Rep.: 3.3
- Denmark ¹: n.a.
- Estonia: 2.6
- Finland: 2.1
- France ²: 2.8
- Germany: n.a.
- Greece: 1.6
- Hungary ³: 2.8
- Iceland ⁴: n.a.
- Ireland ⁵: n.a.
- Italy: n.a.
- Mexico: n.a.
- Netherlands: 4.5
- New Zealand: 4.6
- Norway: n.a.
- Slovak Rep.: 4.3
- Slovenia: 4.4
- Spain: 4.7
- Turkey: 3.3
- United Kingdom ⁶: 5.0

Source: OECD Health Data 2011.
Data gaps - Doctors

- United States (2001)
- Sweden (2002)
- Portugal (2005)
- Germany (salaried), Belgium (both 2006)
- Japan, Korea, Poland, Switzerland (-)
Data comparability issues - Doctors

1. Practice expenses (e.g. are not excluded in IRE, BEL)
2. Gross vs. net income (e.g. net income for FRA)
3. Private practice income for salaried doctors (e.g. ISL, HUN)
4. Payments for overtime, bonuses, other income (e.g. AUT, ITA)
5. Exclusion of informal payments (common for HUN, GRC)
Data sources – hospital nurses

- Surveys (CAN, CZE, FIN, DEU, ITA)
- Hospital reports (AUS, GRC)
- Professional associations and nursing unions (ESP)
- Payroll data (DNK)
Remuneration of hospital nurses in USD PPP (2009 or latest year available)

Source: OECD Health Data 2011.
Relative remuneration of hospital nurses (2009 or latest year available)

Source: OECD Health Data 2011.
Growth in remuneration of hospital nurses (2000-2009 or nearest year)

Source: OECD Health Data 2011.
Data gaps – hospital nurses

• Belgium and Portugal (2005)
• Germany (2006)
• Austria, France, Korea, Poland, Sweden, Switzerland (-)
Data comparability issues – hospital nurses

1. Variation in scope of data coverage (e.g. only higher-level nurses in some countries working in or out of hospitals)

2. Payments for overtime, bonuses, other income (e.g. ITA, PRT, SVN)

3. Part-time vs. full time workers (e.g. BEL)
Doctors remuneration, ratio to average wage and tertiary wage (2009 or nearest year)

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Discussion

• **COMMENT** on availability and comparability of data, in particular any data sources to fill persisting data gaps;

• **COMMENT** on possible ways to improve data availability and comparability, including possible changes to definitions and guidelines for OECD Health Data collection;

• **EXPRESS** views on whether remuneration of doctors and nurses should be compared not only with average wage of all workers, but also with just tertiary-educated workers.