

2026
Publication

Hospital Medicine

A REVIEW OF
ORGANIZATIONAL
PRACTICES

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American Association
of Provider Compensation Professionals*



ABOUT THE AAPCP

Overview

The AAPCP was founded in 2020 to create a community for provider compensation and workforce strategy experts. Our members are financial, HR, legal, operational, strategic, and valuation leaders in healthcare organizations, consulting, law, and valuation firms.

What We Do

Provider Compensation. Our members are industry experts on all facets of valuation, model design, and implementation.

Workforce Strategy. Members are leaders in advising on clinical models, advanced utilization of healthcare professionals, market best practices in staffing models, and financial alignment strategies.

Organizational Compliance.

Our members ensure in this highly regulated space that financial arrangements with providers are managed, compliant, and governed appropriately.

225+

Organizations

1500+

Members

EXECUTIVE SUMMARY

Key Findings: Hospital Medicine at an Inflection Point

The AACP 2026 Hospital Medicine: A Review of Organizational Practices is one of the most comprehensive national studies of hospitalist physician and advanced practice provider (APP) compensation and workforce practices to date. The survey collected data from 46 healthcare organizations representing an estimated 4,400 to 5,900 employed hospitalist physician and APP FTEs nationwide.

PHYSICIAN COMPENSATION

Median on-site hourly rate

\$173 /hr

APP COMPENSATION

Median on-site hourly rate

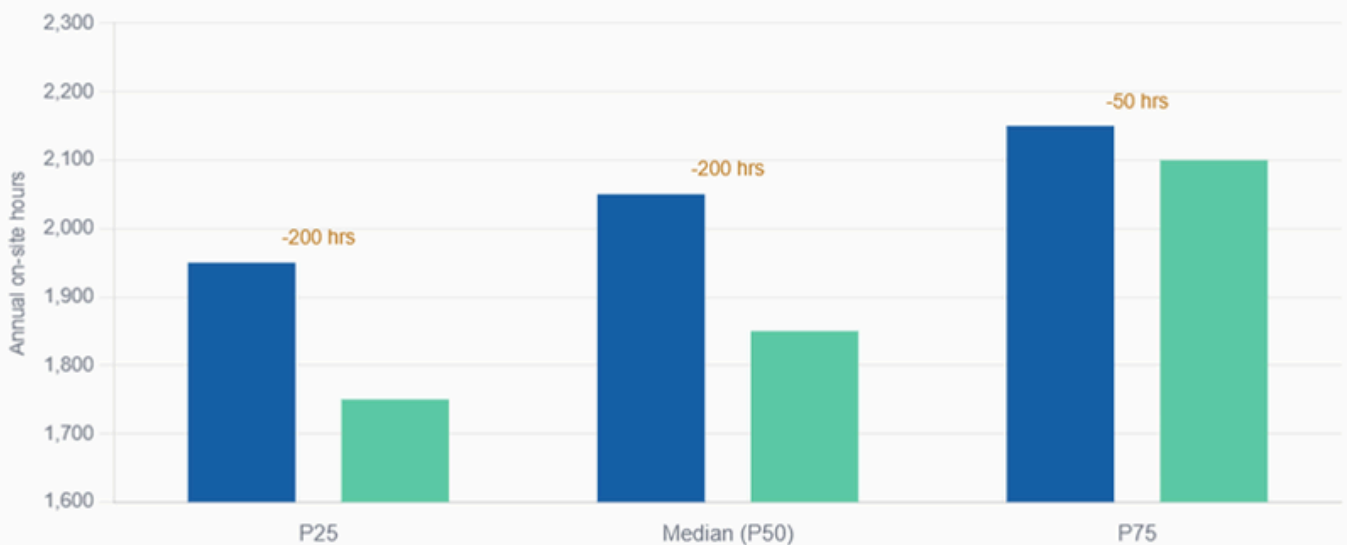
\$76 /hr

ANNUAL FTE HOUR REQUIREMENTS

Daytime physician vs. nocturnist — hours per 1.0 FTE

Nocturnists consistently work fewer annual hours than daytime hospitalists across all percentiles

■ Daytime physician ■ Nocturnist physician



2,050

Daytime physician median annual hours

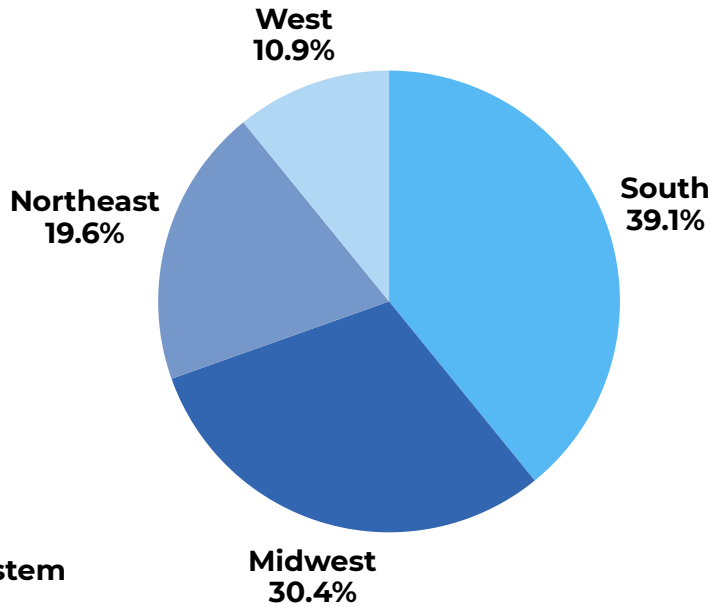
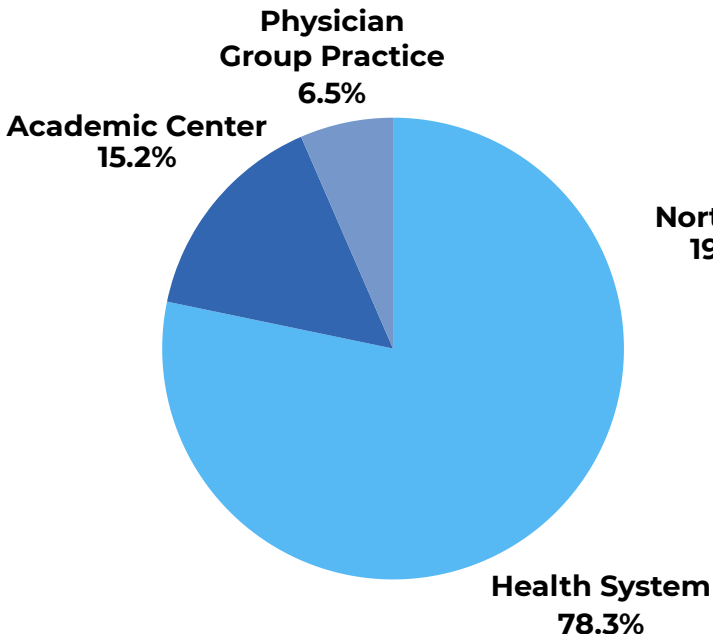
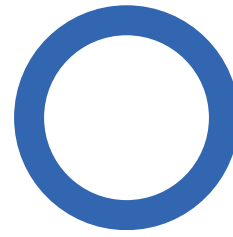
1,850

Nocturnist physician median annual hours

-122 hrs

Mean annual hour reduction for nocturnists

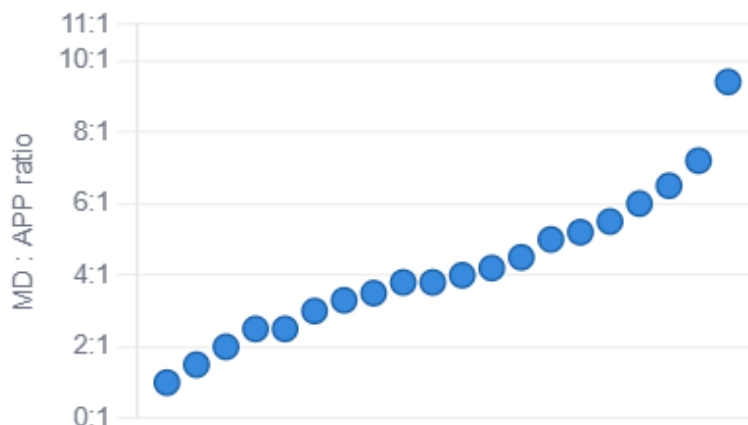
ORGANIZATION PROFILES



Of 46 total respondents, 43 (93.5%) reported employing hospitalist providers directly. Three organizations utilized contracted independent hospitalist groups.

APP WORKFORCE INTEGRATION

Physician-to-APP ratio distribution



3.8×
median ratio

84%
employ APPs



Collectively, responding organizations represented an estimated 4,400 to 5,900 employed physician and APP FTEs.



CLOSING REMARKS

The Future of Hospital Medicine for Physicians and APPs

The 2026 AAPCP Hospital Medicine: A Review of Organizational Practices represents one of the largest studies on Hospital Medicine to date. The report highlights a hospital medicine workforce environment increasingly shaped by rising compensation pressure, workforce shortages, and growing operational complexity.

Survey findings demonstrate continued expansion of APP integration models, widespread adoption of nocturnist and differential pay structures, and increasing use of quality, retention, and geographic incentives to stabilize coverage. One key finding not discussed in-depth, requiring more study, was the relationship between APP autonomy and compensation, where multiple organizations substantively increased compensation for APPs functioning at a physician-like level.

The data also reinforces that hospital medicine compensation cannot be evaluated through hourly rates alone. Annual hour expectations, nocturnist reductions, overtime structures, and incentive compensation materially impact total workforce economics and program sustainability. As compensation models become more sophisticated, organizations face increasing governance, valuation, and regulatory compliance complexity.

Ultimately, hospital medicine now sits at the intersection of workforce strategy, operational performance, financial sustainability, and regulatory oversight. Organizations with mature provider compensation governance structures and data-driven workforce strategies will likely be best positioned to recruit, retain, and sustain inpatient coverage in an increasingly competitive market.

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