By G. John Verhovshek, MA, CPC

SALARY 2011 survey

More Money, Educated, & Valuable
Members break the $40K barrier

The results of the AAPC 2011 Salary Survey are in, and the news is good. With nearly 12,000 responses, the greatest number so far, it's clear that salaries are climbing upward for coders, and coders who have invested in their education and professional development are reaping the greatest rewards. A growing demand for skilled coders in a tough economic and health reimbursement environment is a testament to the value these professionals bring to employers.

Coders Take a Variety of Career Paths

Coders have the luxury of taking a number of career paths, especially now with health reform, electronic health records (EHRs), and ICD-10 entering the scene, so it's no surprise they define themselves in a variety of ways.
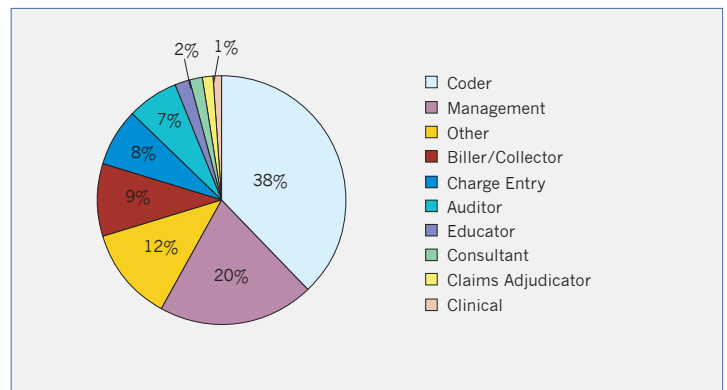
As in years past, **Chart A** shows that the majority of respondents (38 percent) describe their job as "coder." Other common job titles are "biller/collector" (9.3 percent), "charge entry" (7.5 percent), and "billing manager" (6.5 percent).

Approximately 62 percent of respondents said they work primarily in physician-based coding; 10 percent are hospital coders; and 16 percent said they do both types of coding.
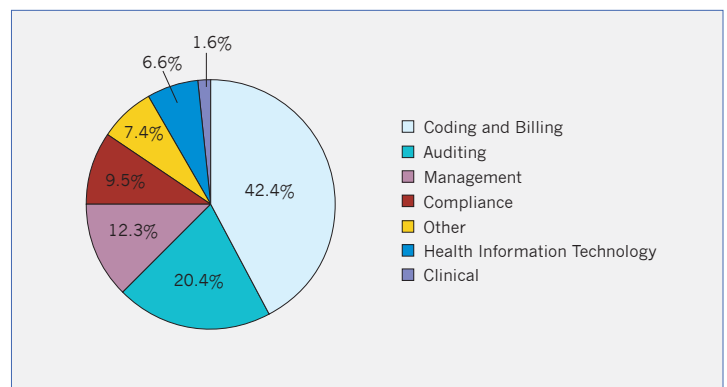
Respondents work in every specialty, with the greatest number in family practice (10.3 percent) and internal medicine (5.7 percent). Others include emergency medicine (5.2 percent), general surgery (4.5 percent), and obstetrics/gynecology (4.3 percent)—rounding out the top five specialties.

As for long-term career goals, about half (42.4 percent) said coding and billing is what they want to do long-term, as shown in **Chart B**. Just over 20 percent are looking forward to a career in auditing (This number has trended upward in recent years.); 12.3 percent want to be practice managers; and 9.5 percent cite compliance as the area in which respondents would most like to work.

Chart A: Which of the following best matches your current responsibility?

- Coder — 38%
- Management — 20%
- Other — 12%
- Biller/Collector — 9%
- Charge Entry — 8%
- Auditor — 7%
- Educator — 2%
- Consultant
- Claims Adjudicator — 1%
- Clinical

Chart B: Which of the following best represents your long-term career goal?

- Coding and Billing — 42.4%
- Auditing — 20.4%
- Management — 12.3%
- Compliance — 9.5%
- Other — 7.4%
- Health Information Technology — 6.6%
- Clinical — 1.6%

Chart C: Average annual salary based on all respondents.

Answer Options	Response
Less than $20,000	1%
$20,000-$25,000	4%
$25,001-$30,000	8%
$30,001-$35,000	15%
$35,001-$40,000	19%
$40,001-$45,000	14%
$45,001-$50,000	11%
$50,001-$55,000	8%
$55,001-$60,000	5%
$60,001-$65,000	4%
$65,001-$70,000	3%
$70,001-$75,000	2%
$75,001-$80,000	1%
$80,001-$85,000	1%
$85,001-$90,000	1%
$90,001-$100,000	1%
$100,001-$151,000+	2%

Coders Earn Their Keep

This year, we asked respondents to estimate if they saved their practices or facilities annually through better documentation, more accurate coding, or improved billing procedures. Half estimate they saved their practices or facilities at least $10,000-$50,000 in the previous year. One-third said they believe they saved $50,000 or more.

Results indicate that hiring skilled, certified coders is a wise investment for employers. Among the highest-earning responders (those earning $50,000 or more annually), greater than 90 percent said they saved their practices or facilities $50,000 or more annually.

What Do You Make?

Overall results show that wages have risen in the past 12 months. As shown in **Chart C**, the average wage in 2011 for a Certified Professional Coder (CPC®) was approximately $46,800 (up $1,400 from last year); and, for the first time since we've conducted a salary survey, more than half of all respondents—including those without a CPC®—reported earnings of greater than $40,000 annually.

Almost 80 percent of respondents were CPCs®, and more than 55 percent said that certification was a requirement of their employment (up from 52 percent last year). Approximately 25 percent of respondents hold certifications beyond the CPC® or CPC-A®.

Individuals with advanced certifications earned more this past year on average. For example, those holding both a CPC® and Certified Professionals Coder-Hospital Outpatient (CPC-H®) certification earned over $54,700 annually (an increase of nearly $4,000 since 2010). Respondents with a Certified Professionals Coder-Instructor (CPC-I®) certification did even better, pulling in over $76,000 per year (up over $6,000 from last year).

Coders Tend to Be More Educated

Survey respondents are better educated than the general U.S. population. More than 88 percent of our respondents have had at least some college, and more than half have either taken technical training or have earned a college degree. Whereas only 55 percent of Americans have had some college, according to 2010 U.S. Census data. Among all respondents, those with a bachelor's degree out-earned those with only a high school diploma by a dramatic $10,000 per year ($41,802 vs. $51,825).

More than half of the respondents (51.6 percent) said they have 10 years or more experience in their specialties; and more than 20 percent have 20 years or more experience. Roughly one-third of respondents (31 percent), however, have five years or fewer in their field.

More than half of those with 20 years or more experience earned in excess of $50,000 per year. Slightly more than a quarter (27 percent) of respondents with 10 years experience earned $50,000 or more per year. Among those with five years experience, only 14 percent fell into this high-earning group.

Wages are affected by other factors, as well:

- Coders in states with a higher cost of living were paid more than those in states with a lower cost of living. To cite one example, workers in California (with a cost of living index of over 150, where 100 is "average") earned in excess of $57,700, while workers in Kentucky (with a cost of living index of 85) earned just under $37,500.

- Just over 45 percent of respondents work in urban areas, 36 percent work in suburban areas, and 18 percent work in rural areas. This mixture has been roughly consistent for the past several years. Among all respondents, urban workers earned approximately $47,500 on average, or approximately $2,000 dollars more per year than their suburban counterparts. Average pay in rural areas (where cost of living usually is lowest) was $40,300 annually.

- Only 5 percent of respondents worked fewer than 30 hours per week. The majority (58.2 percent) worked full-time (between 31 and 40 hours per week). More than one-third of respondents (37.1 percent) said they worked in excess of 40 hours per week.

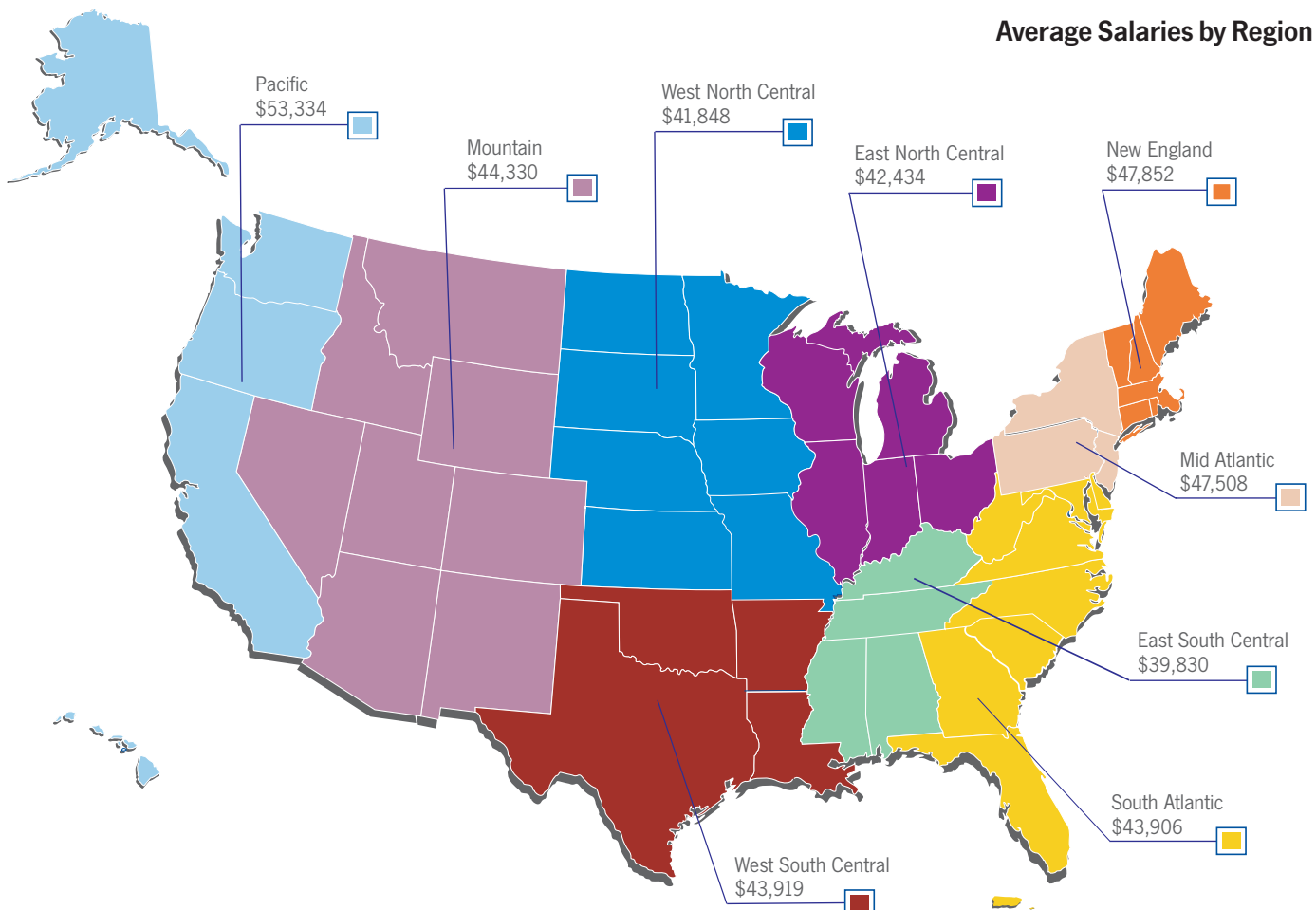**Chart D:** Employer-provided benefits remain high.

Answer Options	Response
Health insurance	92.7%
Dental insurance	80.2%
Vision insurance	64.9%
Disability insurance	61.3%
Life insurance	75.7%
Internal continuing education	35.5%
Paid continuing education	46.4%
Paid professional association dues	43.7%
Paid holidays	89.6%
Paid sick leave	82.0%
Paid vacation	91.9%
Retirement plan (401K, etc.)	84.2%
Tuition reimbursement	42.5%
Fitness program	19.6%
Gym reimbursement	9.5%
Other	3.6%

Not surprisingly, those working the longest hours also pulled in the largest paychecks: Just over 43 percent of respondents who worked in excess of 40 hours per week earned $50,000 or more, while fewer than 18 percent of those working 31-40 hours per week earned in excess of $50,000 per year.
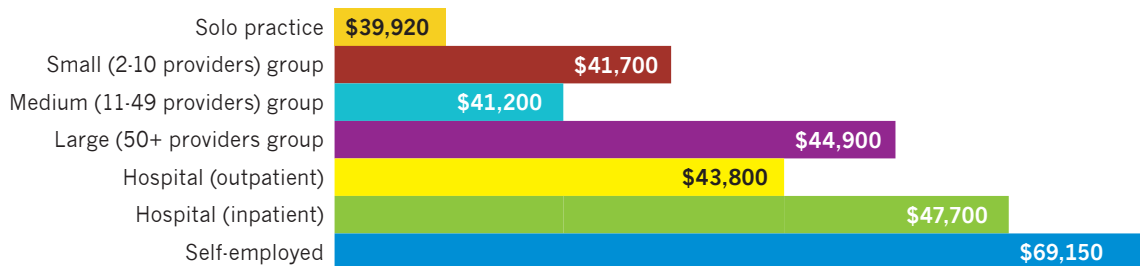
- As shown in **Chart D**, coders continue to enjoy benefits that are becoming less common in other work sectors.
- As shown in **Chart E** on the next page, those working at a solo practice make less, on average, than those at small to medium provider groups. Only 101 survey respondents described themselves as "self-employed." These high earners were among the most experienced and educated of all respondents.

Consolidation has become more common in health care in recent years, but the percentage of respondents working in solo practices, as well as in small, medium, and large group practices, has remained consistent. (For example, in both 2010 and 2011, 20.2 percent of respondents said they work in a large group practice.) Fewer than 20 percent of respondents said their practice has been involved in, or has considered, a merger or acquisition.

Average Salaries by Region

Pacific
$53,334

Mountain
$44,330

West North Central
$41,848

East North Central
$42,434

New England
$47,852

Mid Atlantic
$47,508

East South Central
$39,830

South Atlantic
$43,906

West South Central
$43,919

Chart E: Average wage of respondents shows disparity among group size.

Group	Average Wage
Solo practice	$39,920
Small (2-10 providers) group	$41,700
Medium (11-49 providers) group	$41,200
Large (50+ providers group	$44,900
Hospital (outpatient)	$43,800
Hospital (inpatient)	$47,700
Self-employed	$69,150

Unemployment Lower than National Average

The "Great Recession" officially ended June 2009, but the so-called "jobless recovery" has continued to affect hiring and employment. Unemployment in the United States has fluctuated around 9-10 percent for much of the past year. Coders are slightly less effected with an 8.7 percent unemployment rate, according to our survey. Of these, more than 75 percent said they are new to the business of medical billing, and are trying to get their first job.

Respondents who started a new job in the past 12 months said networking (both within and outside AAPC) was the No. 1 way they found work—so be sure to attend local chapter meetings. You might just find your next job there! Job hunters should also check AAPC's Medical Coding Jobs board (www.aapc.com/medical-coding-jobs/), which posts thousands of positions nationwide.

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