AY16 DOM Clinical Compensation Plan Committee

Alan Farwell, Chair
Chava Chapman
Amy Fitzpatrick
Felicia Patch
Rick Ruberg
Meg Sullivan
Josh Safer

Alice Jacobs, *ex officio*

DOM Finance: Dennis Chow, Maureen O'Sullivan

AY16 Clinical Compensation Plan

Goal/Charge: review AY15 compensation plan and provide recommendations to Dr. Coleman regarding incentives/disincentives for AY16 compensation plan.

FPF Compensation Principles

Simple	Straightforward, easily understood and not unnecessarily complex
Transparent	Clear rationale and necessary details are provided
Fair	Equitable and justly compensate effort
Consistent	Sufficiently broad in application that frequent revisions are not required
Flexible	Adaptable to changing healthcare environment and allow the Chair latitude to manage unforeseen or difficult situations
Competitive	Result in compensation that is consistent with the local and national market
Incentive based	Compensation is linked to performance measures that support our mission
Responsible	Delivers sustainable financial performance

FPF Incentive Based Performance Measures

Clinical productivity	Revenue, net income, wRVUs, clinical service time, hours of availability, sessions, on-call duties, panel size
Quality	Process and outcome measures, resource utilization, patient satisfaction, access
Administration	Leadership roles, program development and oversight
Teaching	Defined roles above baseline expectations, awards
Research and scholarly activity	Extramural funding, publications, scientific presentations, professional society leadership
Alignment	Teamwork, referral management or leakage
Citizenship	Interpersonal effectiveness, collegiality, committee service
Professionalism	Patient focused, accountable, life-long learning, responsive, act with honor and integrity, respect for others
Compliance	Billing, coding and documentation; confidentiality, conflicts of interest, infection control
Technology	Meaningful use, e-prescribing

AY16 Clinical Compensation Plan

Concerns

- Not simple
- Many aspects are overly punitive – emphasis on disincentives
- Many variables in clinic and inpatient service beyond clinicians control
  - ✓ No Shows
  - ✓ Payor mix, payment/wRVU
  - ✓ Volume
- Administration of incentives by section chiefs is often not transparent
- Salary equity – goal is AAMC median salary/rank
  - ✓ Fixed to academic rank
  - ✓ Seniority issues

AY16 Clinical Compensation Plan

Realities

- Complete overhaul in not within current time limit for this committee
  - ✓ Possible task force charge
- Clinical revenue is main driver of budgets – reason for wRVU-based targets
- Changes have to be fiscally sound
- Increases in incentive pools, COLA need to be offset by decreases elsewhere

AY16 Clinical Compensation Plan

Incentives

- **wRVU-based -** current individual wRVU targets – UHC 50th percentile, adjusted by section chief
  - ✓Move toward section targets
- **Non-wRVU-based** – trial of quality projects in AY15
  - ✓Teaching
  - ✓Service/Committees
  - ✓Quality Projects
  - ✓National Reputation

AY16 Clinical Compensation Plan

- **Incentive pool**
  - ✓ Current incentive funds too low to be actual incentives
  - ✓ Complicated formula for AY15 allows uses of section surpluses but may not be equitable across sections
  - ✓ DOM budget deficit
  - ✓ Discussed and discounted withholds
- **Novel proposal**
  - ✓ Those eligible would have to apply for projects to be funded by the incentive pool

AY16 Clinical Compensation Plan

Disincentives/eligibility

- Mainly ambulatory criteria
- Individual wRVU targets
  - ✓ Reasonable to set targets as directly related to revenue
- 45 Sessions per weekly session
  - ✓ Pro-rated for inpatient wards/intensive inpatient consult service
- Meaningful use
  - ✓ Other institutions direct MU finds to clinical faculty
- Red list
  - ✓ Likely to be more strict with Epic as linked to billing
- Bump rate – 30 d <3%, 90 d <5%
  - ✓ 90 d likely to be adjusted or eliminated
- Section criteria – meeting attendance, etc

AY16 Clinical Compensation Plan

Salary reduction/at risk

- Few faculty have been subjected to salary reduction
- Demoralizing
- Issues with the faculty member that does not pull their own weight
  - ✓ Remediation committee

COLA

- Lack of COLA = salary reduction
- DOM costs ~$500,000/1% COLA
- Should more funds be put into COLA than incentives?
- Graded COLA vs incentives

AY16 Clinical Compensation Plan

Remaining topics

- Salary equity
- Other suggestions?