

Boston University Medical Group COMPENSATION PHILOSOPHY

Introduction

A compensation plan is one very important component in an overall incentive and performance feedback system – it is a tool to encourage, or discourage, behaviors in furtherance of common goals.

Boston University Medical Group (BUMG) does not seek to endorse nor implement a single compensation plan for all physicians and providers. Rather, each department is free to establish and administer a compensation system of their own design. However, all plans should be consistent with the goals, principles, and performance measures outlined below.

Goals

The major goals of a compensation plan are to:

1. Support the alignment of the compensation programs with the missions of BUMG, Boston Medical Center (BMC) and Boston University School of Medicine (BUSM)
2. Promote and reward department and individual performance in clinical care, research, and education
3. Advance the financial success of the department and BUMG

Principles

The following principles should be incorporated into the design and implementation of compensation plans:

1. Simple: straightforward, easily understood and not unnecessarily complex
2. Transparent: a clear rationale and necessary details are provided
3. Fair: equitable and justly compensates effort
4. Consistent: sufficiently broad in application that frequent changes are not required, but allows the Chair latitude to manage unforeseen or difficult situations
5. Collaborative: physicians and other providers have appropriate input to the development and management of the compensation program
6. Flexible: adaptable to the changing healthcare environment

7. Competitive: results in compensation that is consistent with the local and national market; promotes the hiring and retention of world class faculty and medical staff
8. Incentive based: compensation is linked to performance measures that support our mission
9. Compliant: requirements imposed by external regulations will be met
10. Financially responsible: the plan is affordable and takes into consideration all sources of funding

Performance Measures

The following items should be considered as possible performance measures for incentive based compensation:

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| 1. Clinical productivity | Revenue, net income, wRVUs, panel size, clinical service time, hours of availability, sessions, on-call duties, panel size |
| 2. Quality | Process and outcome measures, resource utilization, patient satisfaction, access |
| 3. Administration | Leadership roles, program development and oversight |
| 4. Teaching | Defined roles above baseline expectations and/or awards; some uncompensated teaching is expected of all faculty |
| 5. Research & scholarly activity | Extramural funding, publications, scientific presentations, professional society leadership, academic rank and promotion |
| 6. Alignment | Teamwork, referral management or leakage |
| 7. Citizenship | Interpersonal effectiveness, collegiality, committee service |
| 8. Professionalism | Patient focused, accountable, life-long learning, responsive, act with honor and integrity, respect for others |
| 9. Compliance | Billing, coding and documentation; confidentiality, conflicts of interest, infection control |
| 10. Technology | Meaningful use, e-prescribing, MyChart |