

Adopted: January 30, 2018

Revised: December 11, 2020

Objectives

To provide a system of compensation for clinical, administrative, research, and educational activities provided by physicians (“Providers” or “faculty”) employed by Boston University Family Medicine, Inc. (the “Corporation”) that

1. supports the clinical and academic missions of the Department, Boston Medical Center (“BMC”), and Boston University School of Medicine (“BUSM”)
2. provides equity among faculty by matching compensation to effort
3. establishes a link between provider clinical productivity and compensation
4. recognizes academic productivity and mission-critical activities, including departmental citizenship
5. enables financial sustainability

Limitations

This Policy is intended to have general applicability. It is, however, within the discretion of the President (“President”) of the Department (the “Chair”) to depart from this policy as he or she deems appropriate; provided, however, that any deviation from this policy will be set forth in the salary letter provided to each physician.

This policy does not constitute an employment contract between the physician and the Department. The Department reserves the right to amend this policy at any time, on a prospective basis, as it deems necessary.

All compensation paid directly or indirectly to Providers will be in compliance with the policies and procedures of the Department, the Faculty Practice Foundation, Inc. d/b/a Boston University Medical Group (the parent corporation for all faculty practice plan corporations at BMC known as “BUMG”) and BUSM, and in accordance with the Physician Practice Agreement signed by each Provider.

Additionally, the Compensation Policy is intended to comply with all applicable laws and regulations governing physician compensation arrangements. In no instance shall a Provider’s compensation vary with or take into account the value or volume of referrals for designated health services made by, or other business generated by, a Provider or otherwise be inconsistent with applicable law.

In the event of a change in law or regulation, or any change in interpretation of a law or regulation, that might raise questions regarding whether the policy complies with applicable law, the President will take appropriate action to remedy the situation immediately. This action may include modifying individual physician compensation amounts retroactively or prospectively.

Affected Faculty

This policy applies to all Providers employed by the Department who have had clinical responsibilities for at least two years. In the first two years of employment compensation will be guaranteed. The beginning measurement period to effect compensation in year three will be the first day of the Provider's second year of employment. After this measurement period (after the second year and thereafter), compensation is based on this policy.

In the event of termination of employment, the Provider shall be entitled to compensation only with respect to services rendered through the effective date of termination. The provider shall not have any claim whatsoever to any receivables, including, but not limited to, any receivables that are outstanding or collected on or after the date of termination.

This policy does not apply to Providers in the Sports Medicine Practice and Boston University Affiliated Physicians; a separate compensation policy applies to those Providers.

Compensation Program

Compensation shall be based on four components: (1) salary from clinical, administrative, and educational activities ("base salary"), (2) performance metrics, (3) citizenship, and (4) an incentive component for academic and professional development.

Base Salary

A Provider's base salary will be calculated using the elements below and paid based on the Provider's annual hour commitment (FTE). Seventy-five percent (75%) of the total base salary will be guaranteed, the remaining 25% will be subject to the performance metrics described below. The Corporation will work with each Provider each year to establish an annual hour commitment prior to the start of the academic year. See Appendix A for details on the annual hour commitment.

(1) Academic Rank

- a. Instructors and Assistant Professors will receive 92.5% of the most recent Association of American Medical Colleges (AAMC) Northeast Region median for Assistant Professors
- b. Associate Professors will receive 92.5% of the most recent AAMC median for Associate Professors
- c. Professors will receive 92.5% of the most recent AAMC median for Associate Professors plus \$20,000
- d. In the event the AAMC median at a rank decreases, the prior fiscal year AAMC median will be used. The Department will evaluate the feasibility of maintaining this "hold

harmless” as the salary market evolves or if the median should decrease for a second year.

- e. Providers who receive a mid-year promotion will receive a compensation increase in the following January or July, whichever is sooner.

(2) Experience

- a. Beginning in a Provider’s fifth year, the Provider will receive an additional 1% each year (up to the Provider’s 9th year or 5%) on the base salary for the Provider’s rank (that is, 93.5% in the fifth year).
- b. If a Provider receives a promotion, then the Provider’s salary after the promotion will be the greater of 1) 92.5% plus the experience percent at the new rank or 2) 92.5% plus experience at the prior rank.

(3) Primary Care Continuity

- a. Providers who provide more than 4 primary care sessions each week for the applicable year will receive an additional \$2,500 for each such extra session.
For example, if a Provider does 6 primary care sessions each week in the applicable year, the Provider will receive an additional \$5,000 annually.
- b. The primary care continuity amount will be determined by annual clinical primary care hours per year.

(4) Fellowship / Education

- a. Provider who have advanced education or training will receive additional compensation, see Appendix B.
- b. With the exception of Obstetrics, fellowship and education stipends are capped at \$5,000

(5) Leadership

See Appendix C for the stipends related to Department leadership roles

(6) Contract and Grant Revenue

Consistent with the terms of a Provider’s Physician Practice Agreement, a Provider may earn salary for research, teaching, clinical, or administrative work performed on behalf of an external organization. The salary included in applications and contracts will be set by the Corporation in accordance with this compensation plan, where feasible. Externally derived salary from contracts or grants will be a “pass-through” to the Provider.

Performance Metrics

Twenty-five percent (25%) of each Provider’s total base salary will be at risk based on the productivity and value performance metrics described below.

(1) Productivity

Providers will have ten percent (10%) of their total base salary at risk for productivity metrics outlined below. Both of these measures will be pro-rated. Providers can exceed the target and receive additional compensation. These metrics will be measured in the 12 month

academic year and be applied to compensation in the following academic year. See Appendix D for examples of the salary calculation.

a. Panel Size (7.5%)

A 1.0 FTE in primary care is expected to have a panel size of 1,500 patients. This target will be adjusted for the Provider's clinical FTE (cFTE) in primary care.

b. wRVUs (2.5%)

Providers are expected to reach the most recent Vizient median wRVU benchmark, adjusted for cFTE

(2) Value

Providers will have fifteen percent (15%) of their total base salary at risk for the performance metrics outlined below. Both of these measures will be pro-rated. The Department's compensation committee will define the value metrics each year and communicate to all Providers prior to the start of the measurement period (July 1 to June 30). These metrics will be measured during the 12 month academic year and be applied to compensation in the following academic year

a. Patient Experience (5%)

b. Quality (10%)

Citizenship

Providers will have \$4,800 of total base salary at risk for citizenship. Citizenship goals will be measured for the 12 month academic year and, for each goal a Provider does not meet, will serve to reduce the Provider's compensation in the following academic year. Each goal is worth \$1,600, and a Provider must complete each component of a citizenship goal to receive credit for that goal. The citizenship goals may be revised annually by the Department's compensation committee and will be communicated to the Providers prior to the beginning of the academic year.

(1) Compliance – Flu vaccine, TB testing, fit testing, and HealthStream and Workday required courses

(2) Performance Evaluations - BU Faculty Review, BMC OPPE/FPPE, resident and medical student evaluations

(3) Credentialing – the providers must have the appropriate licensure, privileges and payer enrollment certifications for their clinical work

The Corporation will issue a written warning if any component of a citizenship goal is delinquent 15 days after the component's due date. If the Provider has still not completed the component within 30 days after the component's due date, then the Provider will not receive compensation for that citizenship goal.

Academic & Professional Development Incentive

An academic and professional development incentive pool will be included in the Department's annual operating budget to promote academic achievements and promote professional development. The

amount of the bonus pool will vary each year and be communicated to the Providers prior to the start of the academic year. The Department's compensation committee will develop the program and its measures, in consultation with the Providers. The incentive will be based on a points system and Providers will receive points based on the following activities:

- (1) Academic
 - a. Teaching
 - b. Publication (Peer-Reviewed)
 - c. Book chapter authorship
 - d. Grants Submitted
 - e. Grants obtained
 - f. Awards – national/local
- (2) Professional and Leadership Development
 - a. Present at national conference
 - b. Invited speaker / Visiting professor
 - c. National positions, committees

Compensation Reset

Provider compensation will be adjusted annually to reflect the base salary, performance, and citizenship components.

If the reset is higher than current base salary, the physician will receive a lump sum payment in September to reflect the underpayment in July and August. The new base salary will then be paid for the following 10 months of September to June.

If the reset is lower than the current base salary, the base salary reduction will be adjusted and spread over the remaining 10 months of September to June.

The measurement period for each metric will be July to June of the academic year and the results will be applied to the Provider's compensation in the following academic year. For Providers who begin employment between July 1 and December 31, then the first measurement period will begin the next July 1. For Providers who begin employment between January 1 and July 1, then the first measurement period will begin July 1 in the following year. For example, for a Provider hired August 1, 2020, the first measurement period would begin July 1, 2021, with compensation changed effective August 1, 2022. For a Provider hired February 1, 2021, the first measurement period would begin July 1, 2022 with compensation changed effective July 1, 2023

Compensation Reconciliations

At the end of the academic year, the Corporation reconciles activities-based paid salary (based on annual hour commitment) to earned salary based on actual work hours performed. Compensation increases resulting from the reconciliations will be paid in the September paycheck. Compensation decreases

Boston University Family Medicine, Inc. Professional Staff Compensation Policy

resulting from the reconciliations will be adjusted in September to December paychecks. The Corporation issues a mid-year salary reconciliation, issued in January that encompasses July through December, to apprise Providers of where they stand.

Appendix A: Annual Hour Commitment

Shift		Hours / Week	Weeks / Year	Total Clinical Hours	Non-F2F Multiplier	Total Hours	Rate Differential
Primary Care Day	8am-5pm	32	45	1,440	1.50	2,160	
Primary Care Evening	5pm-8pm	29	45	1,305	1.50	1,958	10%
Hospitalist Day	7am-5pm	66	26	1,716	1.25	2,145	
Hospitalist Evening	5pm-12am	35	45	1,560	1.25	1,950	10%
Observation Day	7am-7pm	84	21	1,722	1.25	2,153	
Observation Night	7pm-7am	84	19	1,560	1.25	1,950	10%
OB/GYN Day	7am-7pm	66	26	1,716	1.25	2,145	
OB/GYN Night	7pm-7am	84	19	1,560	1.25	1,950	10%
Mother & Baby	7am-1pm	66	26	1,716	1.25	2,145	

- 1.00 cFTE – Ambulatory Sessions = 8 sessions per week * 45 weeks per year = 360 sessions per year
- All sessions and shifts are reconciled to actual performed
- Each ambulatory session = 4 hours (evening is 3 hours)

Appendix B: Fellowship or Education Compensation Inflat

The following compensation will be added to a Provider's base salary:

- Fellowship
 - Obstetrics: \$6,000 - \$21,000 per number of L&D shifts
 - >110 -- \$21,000
 - >88 -- \$18,000
 - >66 -- \$15,000
 - >44 -- \$12,000
 - >0 -- \$6,000
 - Faculty Development - \$2,000
 - Research - \$2,000
 - Geriatrics - \$2,000
 - Addiction - \$2,000
 - Preventative - \$2,000
- Advanced Degrees
 - MPH or MBA - \$2,000
- Certificates
 - Grant Generating Program - \$1,000
 - Medical Student or Residency Faculty Fundamentals - \$1,000
 - National Institute for Program Director Development - \$1,000

Appendix C: Department Leadership Positions

The following department leadership stipends will be added to a Provider’s base salary:

Level	Title	FTE	Annual Stipend
Vice Chair	1.0 FTE = \$50,000		
	Vice Chair of Primary Care Innovation and Transformation	20%	\$ 10,000
	Vice Chair of Research and Scholarship*	20%	\$ 10,000
	Vice Chair of Network Development	20%	\$ 10,000
	BHN Medical Director	50%	\$ 25,000
Major Program	1.0 FTE = \$25,000		
	BUCMRP Medical Director	20%	\$ 5,000
	Director of Maternal & Child Health	30%	\$ 7,500
	FM Residency Program Director	70%	\$ 17,500
	FMMC Medical Director	40%	\$ 10,000
	Inpatient Medical Director	30%	\$ 7,500
	Medical Student Education Director	10%	\$ 2,500
	Roslindale Medical Director	40%	\$ 10,000
Unit	1.0 FTE = \$12,500		
	Director of Faculty Development	3%	\$ 75
	Director of Recruitment	10%	\$ 1,250
	FM Residency Associate Program Director	40%	\$ 5,000
	FM Residency Associate Program Director	40%	\$ 5,000
	FM-Psych Residency Co-Director	15%	\$ 1,875
	Nursing Home Director	10%	\$ 1,250
	Promotions, Fellowship Director	10%	\$ 1,250
Program / Project	1.0 FTE = \$3,000		
	BMC Patient Experience	10%	\$ 300
	Director of Diversity Programs	10%	\$ 300
	FMMC Quality Improvement	2.5%	\$ 75
	FMMC Quality Improvement	2.5%	\$ 75
	FMMC Quality Improvement	2.5%	\$ 75
	Inpatient Complex Care	10%	\$ 300
	Roslindale Residency Site Director	10%	\$ 300
	South Boston Residency Site Director	15%	\$ 450
	UPHC Geriatrics Lead	2.5%	\$ 75

Appendix D: Compensation Reconciliation Examples

Annual Salary \$ 200,000
cFTE 1.00

	Risk %	Risk \$	Target	Actual	% Change	Comp Change
Sessions / Year	75%	\$ 150,000	360	350	-2.78%	\$ (4,167)
Panel Size	7.5%	15,000	1,500	1450	-3.33%	(500)
wRVU	2.5%	5,000	4,500	4350	-3.33%	(167)
Patient Experience	5%	10,000	92.00%	94.00%	2.17%	217
Quality	10%	20,000	1.00	1.00	0.00%	-
		<u>\$ 200,000</u>				<u>\$ (4,616)</u>
			Citizenship			<u>(1,600)</u>
			Total Compensation Reconciliation			\$ (6,216)
			Annual Salary after Reconciliation			\$ 193,784

Annual Salary \$ 200,000
cFTE 1.00

	Risk %	Risk \$	Target	Actual	% Change	Comp Change
Sessions / Year	75%	\$ 150,000	360	370	2.78%	\$ 4,167
Panel Size	7.5%	15,000	1,500	1600	6.67%	1,000
wRVU	2.5%	5,000	4,500	4850	7.78%	389
Patient Experience	5%	10,000	92.00%	90.00%	-2.17%	(217)
Quality	10%	20,000	1.00	1.00	0.00%	-
		<u>\$ 200,000</u>				<u>\$ 5,338</u>
			Citizenship			<u>-</u>
			Total Compensation Reconciliation			\$ 5,338
			Annual Salary after Reconciliation			\$ 205,338