

Adopted: Approved November 29, 2017

Revised: Approved September 20, 2020

Objectives

To provide a system of compensation for clinical, administrative, research, and educational activities provided by the faculty of Boston University Medical Center Radiologists, Inc. (the “Corporation” or the “Department”) 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 of the Corporation 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 Provider.

This policy does not constitute an employment contract between the Provider and the Department. The Department reserves the right to amend this policy at any time 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 plans 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

Boston University Medical Center Radiologists, Inc.

appropriate action to remedy the situation immediately. This action may include modifying individual Provider compensation amounts retroactively or prospectively.

Affected Faculty

This policy applies to all physician faculty employed by the Department who have had clinical responsibilities for at least two years. In the first two years of employment compensation may be guaranteed. After the initial 2 years, compensation would be 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 that are outstanding or collected on or after the date of termination.

Compensation Program

Compensation is comprised of 60% in base salary, 10% in Citizenship, and the remaining 30% Productivity. All components are paid at 93% of the most recent Association of American Medical Colleges (“AAMC”) Assistant Professor Median for the Northeast Region for each specialty unless otherwise noted. The benchmark is reviewed and updated annually at the beginning of the budget process

1. Base Salary

Base salary is composed of three elements: (1) academic rank, (2) protected time, and (3) night differential.

Academic Rank:

The base salary component is set using AAMC benchmarks at 60 percent of 93 percent of the Assistant Professor Median of the Northeast Region (that is, 55.8% of the Assistant Professor Median of the Northeast Region). Providers ranked at an Associate Professor or Professor level will receive additional compensation equal to the difference between the Assistant Professor Academic Rank and their rank, valued at 100 percent of 93 percent of the Median. Compensation will be adjusted for a Provider’s FTE (Full Time Equivalent) percentage.

Protected Time:

Providers will receive protected time for department mission critical roles, administrative roles, research roles, and educational roles. Protected time covers any funding that a provider receives which includes but is not limited to: Department Funding, Grant Funding, Boston University Funding, Boston Medical Center Funding, and Contracts. The protected time adjustment is based upon percentage of salary covered, consequently for every 10% of salary coverage the provider will receive 3% in protected time. A list of protected roles and their associated percentages can be found in Appendix D.

Night Differential:

Providers that work full time on the night shift within the Department will receive an annual stipend of \$60,000 adjusted for FTE. This amount will be reviewed annually and updated as determined by the President of the Corporation.

2. Incentive Component

The incentive component shall be composed of two elements: (1) Citizenship element and (2) a Productivity element.

Citizenship

Providers will be required to meet the Citizenship goals outlined below in order to attain the 10% salary in their compensation.

Citizenship will be measured in 6 month periods. The Provider's performance in the measurement period will affect that Provider's following 6 month salary. For example, the Provider's performance from January – June will affect the July – December salary reset.

The variables affecting the Citizenship portion of compensation may be revised annually and will be communicated to the Providers at the beginning of the academic year.

1. Attendance at conferences and meetings (2.5%): At least 3 of 4 met in order to receive component.
 - A. Conferences (15, not including those as presenter)
 - B. Grand rounds – 50% minimum
 - C. Faculty meetings - 50% minimum
 - D. M&M conferences - 50% minimum

2. Education (2.5%): All must be met in order to receive the component.
 - A. Number of noon or medical student lectures: 6 total
 - B. Resident evaluations: mean scores 4 or more
 - C. Medical student evaluations: mean scores 4 or more

3. Reports (2.5%): All must be met in order to receive the component.
 - A. Request for Additional Information ("RAI") completion (no more than three (3) reports in a six (6) month period older than 10 days; reported on 10, 20, and 30 of every month)
 - B. Peer reviews (complete 100% of required every month)
 - C. Turn Around Time ("TAT") (no more than three (3) reports in a six (6) month period older than 10 days; reported on 10, 20, and 30 of every month)

4. Section specific or Section head specific (2.5%): All must be met in order to receive component.
 - A. Committees (attendance at at least 50% of committee meetings)
 - B. Inter-disciplinary conferences (determined by section heads)
 - C. Section heads: attendance at at least 50% of Section Head meetings

Boston University Medical Center Radiologists, Inc.

The Citizenship factors will be reviewed with the faculty on an annual basis at the end of the academic year. The President of the Corporation will have the authority for evaluating the Citizenship factors for each Provider.

Productivity

The 30% productivity component will be reduced by the protected time established by the Department, noted above. The remaining percentage for each Provider will go into a pool by Section within the Department. Each Section will then distribute the pool by the number of wRVUs that each Provider contributes. An example can be found in Appendix B.

Salary Reset

Provider salaries will be adjusted semi-annually.

Productivity and Citizenship components in each six (6) month “activity period” will form the basis for compensation paid in the next six (6) month “salary period.” For example, wRVUs earned in the activity period July through December will be used to calculate salary in salary period January through June.

The actual salary reset will be implemented each September and March.

If the reset is higher than the current compensation, the Provider will receive a lump sum payment in September (or March) to reflect the underpayment in July and August (or January and February). The new salary will then be paid for the following 4 months of September to December (or March to June). This new salary will also be paid in the first two months of the next period (January and February or July and August), until the next reset is implemented.

If the reset is lower than the current salary, the salary reduction will be adjusted and spread over the remaining 4 months of September to December (or March to June). This new salary will also be paid in the first two months of the next period (January to February or July to August), until the next reset is implemented.

After every reset, each Provider will receive an updated salary letter indicating her or his compensation for the upcoming six months.

3. Year End Incentive Component

The year-end incentive component is additional income that may be earned by a Provider if the Department exceeds productivity targets. The year-end incentive pool will be equal to the profit, if any, of the overall Corporation after accounting for all expenses and an amount of retained earnings for the Corporation. The retained earnings shall be determined by the President and BUMG Senior Leadership, prior to the fiscal year in which it will be applied, based on the needs of the Corporation to fund its charitable purposes, ability to meet BUMG’s reserve policy of 30 days cash on hand, and the maintenance of reasonable reserves in relation to strategic objectives and general market conditions. At the end of a

Boston University Medical Center Radiologists, Inc.

fiscal year, the President and BUMG Senior Leadership may determine, based on those same considerations and the Department's actual financial performance, that it is not prudent to use the reserved incentive pool. The President and BUMG Senior Leadership may also determine, at the end of a fiscal year, that the Department has additional profit available for the Department's use. The President, based on the needs of the Corporation to fund its charitable purposes and outstanding obligations, the overall level of Provider salaries compared to median benchmarks, and the need for additional reserves, may decide to use the additional profit to supplement the Department's incentive pool.

Incentive measurements will be determined prior to the beginning of the academic year and communicated to the Providers. The incentive measurements may include productivity measures, citizenship factors listed under the citizenship component, and department contributions based upon their specific role.

Incentives will be calculated annually at the end of the academic year, and paid by October of the following academic year.

Boston University Medical Center Radiologists, Inc.

Appendix A: Calculation of Base Salary

FTE	1.0 (0.50 Night Differential)	
Protected Time	20%	
Provider Academic Rank	Professor	
Section	Diagnostic: Body Imaging	
Provider wRVUs	12,000	
Section wRVUs	58,000	
Section Incentive Pool	\$493,523	
Section Bonus Pool	\$150,000	
Fixed Base	\$201,438	60% x 93% x \$361,000
Academic Adjustment	58,590	93% x (\$424,000 - \$361,000)
Protected Time	20,144	(93% x \$361,000 x 30%) x 20%
Night Differential	30,000	0.50 x \$60,000
	Base 310,172	
Citizenship	33,573	10% x 93% x \$361,000
Productivity	102,108	(12,000/58,000) x \$493,523
	Incentive 135,681	
Year End Incentive	31,034	(12,000/58,000) x \$150,000
	Total Compensation \$476,887	

Appendix B: Calculating Section Incentive Compensation (At Risk)

Provider	FTE	Incentive	Protected %	At Risk %	93% of Median	Section Pool
Provider 1	1.00	30%	20%	80%	335,730	80,575
Provider 2	1.00	30%	10%	90%	335,730	90,647
Provider 3	1.00	30%	0%	100%	335,730	100,719
Provider 4	0.60	30%	0%	100%	201,438	60,431
Provider 5	1.00	30%	20%	80%	335,730	80,575
Provider 6	1.00	30%	20%	80%	335,730	80,575
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Appendix C: Compensation Benchmark(s)

<u>AAMC Benchmark (2018)</u>	<u>AAMC Median</u>	<u>93% of Median</u>
Diagnostic and Nuclear		
Instructor	\$345,000	\$320,850
Assistant Professor	\$361,000	\$335,730
Associate Professor	\$413,000	\$384,090
Professor	\$424,000	\$394,320
Interventional		
Instructor	\$356,000	\$331,080
Assistant Professor	\$391,000	\$363,630
Associate Professor	\$459,000	\$426,870
Professor	\$474,000	\$440,820

Appendix D: Department Protected Roles

<u>Position</u>	<u>Protected Time</u>	<u>Value</u>
Vice Chair	30%	9%
Vice Chair Research	30%	9%
Vice Chair Faculty Affairs	30%	9%
Resident Program Director	50%	15%
Associate Resident Program Director	25%	7.5%
Neuroradiology Fellowship Director	20%	6%
Bioimaging Director	20%	6%
BU Clerkship Director	10%	3%
Quality Officer	20%	6%
CT Section Head	10%	3%
Body Imaging Section Head	10%	3%
Ultrasound Section Head	10%	3%
MRI Section Head	10%	3%
MSK Section Head	10%	3%
Neuroradiology IR Section Head	10%	3%
Neuroradiology Section Head	10%	3%
Nuclear Medicine Section Head	10%	3%
Pediatrics Section Head	10%	3%
Interventional Radiology Section Head	10%	3%
Breast Imaging Section Head	20%	6%