GBAnalytics Survey - Clinical Effort and Compensation

Summary of Results

The GBA Data and Benchmarking Committee’s third GBAnalytics survey was distributed to members of the Group on Business Affairs on October 7, 2015. Developed by representatives from the Medical College of Wisconsin and Stanford University School of Medicine, this survey focused on clinical effort and compensation. Forty-seven schools submitted the survey that was targeted primarily at Principal Business Officers (PBOs). An additional sixteen schools started but did not submit the survey. A copy of the survey is provided at the end of this report, and a list of participating schools will be shared with PBOs of schools that completed the survey.

Effort Categories

Nearly 77% of schools that completed the survey indicated they categorize faculty time into effort categories. Of the 36 schools that categorize faculty time, nearly all use teaching, research, clinical, and administration to define faculty effort while only 8% use “community engagement.” Other categories used include leadership, hospital effort, departmental research, contracted labor, transition, and service categories including academic and university service.

Clinical Effort

Nearly 40% of the 47 schools who responded to the survey indicated they do not have a common definition or method to determine clinical effort or clinical FTE. Eight schools use hours in the clinic and operating room, and three schools use hours in the clinic and operating room plus protected administrative time to determine clinical FTE. Only two schools use effort charged to clinical accounts as a basis for determining clinical effort. Seven schools use a combination of various methods, and nine schools use other methods including work relative value units (WRVUs), days in clinic, and time spent in inpatient settings. Some schools add time for medical directorships, clinical administration, and resident teaching, and some factor benchmarks into the calculation of clinical FTEs (e.g., RVUs as a percent of benchmarks). Others calculate clinical FTE as a percentage of total effort.
Sources of Clinical Productivity Benchmarking Data

For schools that use productivity benchmarks to measure clinical effort, data collected by the Medical Group Management Association (MGMA) and UHC were most frequently used. Only three of 47 schools indicated they use benchmarking data from the American Medical Group Association (AMGA). Other sources of benchmarking data include Sullivan Cotter, LCG consulting services, and departmental or specialty sources (e.g., American Academy of Pediatrics, Association of Administrators in Academic Radiology). About a third of schools use more than one source for benchmarking data, and 15% of schools indicated they do not use benchmarking data to measure clinical effort.

Basis for Adjusting Compensation

Nearly 65% of schools that completed the survey indicated they do not adjust compensation based on how effort is categorized. Two schools indicated they adjust compensation when clinic time is greater than 50%. Several schools reported that compensation is adjusted based on time in clinic, WRVUs, or a weighted average of time in conjunction with benchmark compensation data. Other schools indicated compensation adjustments are negotiated or are based on compensation plans that vary by department. One school indicated they are currently evaluating how to adjust compensation based on effort. One school noted that they use 14 independent variables to evaluate salary equity including AAMC median, years in rank, research funding, and RVU productivity.

Compensation Policies

Although the majority of schools have policies or guidelines that provide direction on adjusting compensation based on clinical effort, more than 20% of respondents indicated no governance exists. For those schools that

<table>
<thead>
<tr>
<th>Response</th>
<th># Schools</th>
<th>% of Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Policy provides direction on clinical effort comp adjustments</td>
<td>8</td>
<td>17%</td>
</tr>
<tr>
<td>B) Guidelines/principles on clinical effort comp adjustments - decisions based on dept chair recommendation</td>
<td>15</td>
<td>32%</td>
</tr>
<tr>
<td>C) Guidelines/principles on clinical effort comp adjustments - no review of dept chair decision</td>
<td>4</td>
<td>9%</td>
</tr>
<tr>
<td>D) No governance exists</td>
<td>10</td>
<td>21%</td>
</tr>
<tr>
<td>E) Other</td>
<td>9</td>
<td>19%</td>
</tr>
<tr>
<td>F) No information provided</td>
<td>1</td>
<td>2%</td>
</tr>
</tbody>
</table>

*Among 47 participating schools
have guidelines and policies, only four schools indicated that final decisions on compensation adjustments are made by department chairs. Several schools that reported having no policy or guidelines indicated that they follow departmental compensation plans or adjust salaries based on number of patients, collections, or benchmarking data (e.g., AAMC salary data). Two schools indicated they are currently developing new policies that will govern compensation decisions related to clinical effort.

Compensation Committees

About half of schools who responded to the survey indicated they have a compensation committee, and seven of the 23 schools that have a compensation committee agreed to share their compensation committee charter with the GBA Data and Benchmarking Committee. The responsibility of compensation committees varies from reviewing all or nearly all compensation decisions to reviewing only those decisions where salary is above a stated threshold. Some compensation committees are involved in reviewing policies and procedures (e.g., compensation and benefit plans, union contracts, benchmarking data) and addressing faculty concerns rather than individual compensation decisions while others are only advisory in nature. Several schools indicated their compensation committee is not active or is under development. In some cases, compensation committees are responsible only for decisions related to the practice plan whereas some schools have university-level committees. One school indicated a consulting firm has been engaged to advise their compensation committee.

Sources of Clinical Compensation Benchmarking Data

Nearly all schools use benchmarking data to guide salary decisions, and more than half of schools that responded to the survey use more than one data source. Although compensation data from the AAMC and MGMA are the most popular sources of data, a number of schools use compensation data from AMGA, UHC, Sullivan Cotter, LCG consulting services, Integrated Healthcare Strategies (HIS), and specialty-specific sources (e.g., American Academy of Pediatrics).

<table>
<thead>
<tr>
<th>Clinical Compensation Benchmark Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Data Source</strong></td>
</tr>
<tr>
<td>AAMC</td>
</tr>
<tr>
<td>MGMA</td>
</tr>
<tr>
<td>AMGA</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Benchmarks Not Used</td>
</tr>
</tbody>
</table>

*Frequency among 47 participating schools

Questions should be addressed to Heather Sacks, Director, Planning & Administrative Affairs
hsacks@aamc.org

APPENDICES:

- Clinical Effort and Compensation Survey
- List of Participating Schools – available only to participating schools
- Comments provided in open-ended text boxes – available only to participating schools
GBAnalytics: Clinical Effort

The Data and Benchmarking Committee of the AAMC Group on Business Affairs solicits your help in gathering benchmark information regarding the use of categories to define clinical effort, its impact on compensation and the governance of compensation practices.

GBAnalytics are short polls where the purpose and outcome of the poll must benefit the GBA, and not be for the purpose of doctoral or personal research. Participation in this GBAnalytics survey is voluntary, and it should take no more than 10 minutes to complete. All questions are classified as "unrestricted," and in accordance with the AAMC’s data release policy, participating schools will receive a summary containing school specific information. A summary of the aggregate responses will be posted to the GBA members-only site. This summary will not include any school identifying information. All survey responses will be stored on a secure server at the AAMC to which a limited number of AAMC staff will have access.

Questions regarding the survey should be addressed to Heather Sacks (hsacks@aamc.org). Please complete by October 21, 2015. Aggregate results of this survey will be compiled and distributed back to participating schools by November 18, 2015, and a summary will be posted to the GBA members-only site: www.aamc.org/gba
GBAnalytics: Clinical Effort

1. Do you categorize your faculty time into effort categories?
   - Yes
   - No

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2. Which of the following categories do you use?

☐ a. Clinical
☐ b. Teaching
☐ c. Research
☐ d. Community Engagement
☐ e. Administrative
☐ f. Other

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GBAnalytics: Clinical Effort

3. If your Institution has a common definition or method to determine the clinical effort (or cFTE) which of the following are used (check all that apply)?

   □ a. Hours in clinic and OR
   □ b. All effort charged to a clinic account
   □ c. Hours in clinic and OR plus protected administrative time
   □ d. Other [___________]
   □ e. We do not have a common definition or method to determine the clinical effort

4. Do you use clinical productivity benchmarks to measure clinical effort? If so what benchmark do you use?

   □ a. MGMA
   □ b. UHC
   □ c. AMGA
   □ d. Other [___________]
   □ e. We do not use clinical productivity benchmarks to measure clinical effort
GBAnalytics: Clinical Effort

5. If compensation is adjusted based on how effort is categorized (clinical, teaching, research, etc.) what thresholds are used?

   □ a. Actual clinic time >50%
   □ b. Clinic and administration time is >50%
   □ c. Clinic, administration and teaching is >50%
   □ d. Other _____________
   □ e. Compensation is not adjusted based on how effort is categorized

6. What form of compensation governance does your Institution have in place?

   □ a. There is a policy in place, which provides direction on compensation decisions related to clinical effort adjustments
   □ b. There are guidelines that describe principles related to compensation adjustments related to clinical effort, but decisions are made based on department chair recommendations.
   □ c. There are guidelines that describe principles related to clinical effort, but there is no review of department chair decision.
   □ d. No governance exists
   □ e. Other: _____________

7. Do you use clinical compensation benchmarks to guide salary decisions? If so, what benchmark do you use? Check all that apply.

   □ a. MGMA
   □ b. AAMC
   □ c. AMGA
   □ d. Other _____________
   □ e. We do not use clinical compensation benchmarks to guide salary decisions
GBAnalytics: Clinical Effort

8. **Do you have a compensation committee?**

- Yes
- No
GBAnalytics: Clinical Effort

9. If your school has a compensation committee, what criteria are used to determine decisions that are reviewed by the Committee?

10. Would you be willing to share the Compensation Committee Charter by email? If yes, you will be contacted by a member of the GBA Data and Benchmarking Committee.

  ○ Yes
  ○ No
GBAnalytics: Clinical Effort

Please provide any additional information about how compensation is determined:

[Text box]

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