

Physician Compensation Plan Implementation in an Academic Setting



Goal

To implement Yellow Surgical Group's (YSG) newly designed physician compensation plan that incorporates productivity, incentive pools, academic achievement, and teaching.

Client: Yellow Surgical Group*

Setting: Academic Medical Center

Location: Northeast

of Physicians: 80+

of Sub-Specialties: 16

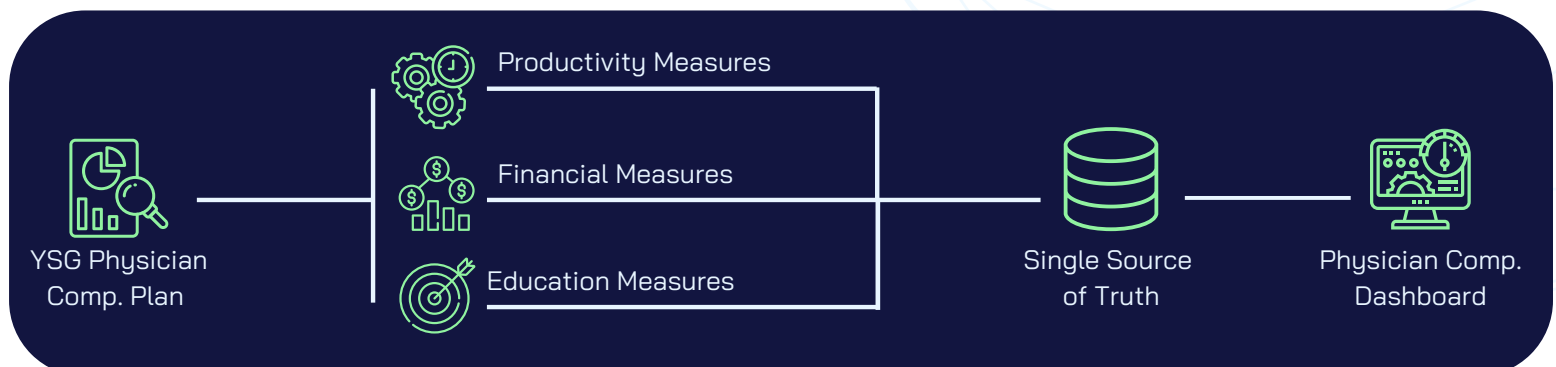
Please note that Yellow Surgical Group is a pseudonym.

Challenges:

- **Physician compensation plan designed with minimal consideration for implementation**
- Physicians' historical **lack of confidence in compensation reporting** integrity
- **Limited resources to manage manual plan** calculation and administration
- **Lack of standardized cFTE** and market-informed targets and benchmarks

Results:

- Created **clear definitions for key physician compensation metrics**
- Developed **physician compensation dashboards** to be shared monthly
- Reduced administrative burden through the **creation of a single source of truth**
- Increased physicians' trust through **transparent and reliable reporting**



Physician Compensation Plan Implementation in an Academic Setting Process

YSG designed the new physician compensation plan through a series of iterations with key financial, operational, and physician leaders. Ancore Health provided definitions and structure to the physician compensation plan design and helped YSG implement with purpose. Ancore Health was a catalyst in the roll-out process by meeting with each of the sub-specialty Chiefs and the department leadership to build trust in the calculations.

1 - Identified the Gaps



The first step was to establish trust in the data by ensuring clear definitions for key metrics and confirming the current state of physician productivity, compensation, and clinical time by benchmarking each physician and reviewing the findings with each sub-specialty Chief. Ancore Health developed a methodology to blend compensation and productivity benchmarks and a tool to determine targets and equity gaps between physician productivity and compensation.

2 - Defined the Standards

Ancore Health worked with YSG to standardize: (1) clinical time calculations; (2) Integration of approximately ten different data sources to ensure consistent wRVU and academic credit calculations; and (3) procedures to set and adjust benchmarks and targets annually.



3 - Designed the Administration Process



Ancore Health developed standardized individual web-based physician compensation dashboards to be shared monthly. In addition, Ancore Health worked with YSG to develop an ongoing validation process to ensure trust in the data calculations. Physicians have the ability to access these dashboards online and/or receive a push email.

