Department of Pediatrics
Faculty Meeting

• Rick Majzun, COO
• Department End of Year Financial Report and Incentive Plan (Mike Propst, DFA)

October 23, 2019
• Marwa Abu El Haija
  Clinical Assistant Professor
  Division of Gastroenterology
• Olivera Couloures
  Clinical Associate Professor
  Division of Nephrology
• Kevin Couloures
  Clinical Associate Professor
  Division of Critical Care
• **Andy Wen**  
  Clinical Associate Professor  
  Division of Critical Care
• Shawna Mc Manus
  Director, Academic Affairs and HR Strategies
Advancing high-value healthcare by reducing unnecessary variation and facilitating evidence-based care

Target Based Care Program

Directed by:
Claudia Algaze, Medical Director CE
Andy Shin, Executive Medical Director Innovation, CE
Ling Loh, Director Analytics

Clinical Pathway Program

Directed by:
Whitney Chadwick, Medical Director CI
Hannah Bassett, CAP
Claudia Algaze, Medical Director CE
PARTICIPANTS WILL LEARN

- Knowledge of Translational Medicine (TM)
- Business, scientific and regulatory aspects of TM
- Challenges professionals encounter in TM, including accessing mentorship, building successful teams and developing healthy interdisciplinary collaborations
- Critical thinking skills to approach the challenges in TM
- Communication skills for presenting complex scientific ideas
- Stanford resources in Intellectual Property and TM resources

ELIGIBILITY: senior postdocs and fellows, instructors and assistant professors with 50%+ protected research time

Only 14 spots left! First come first serve.

FOR MORE INFO, GO TO:

http://med.stanford.edu/mchri/events/eureka-course.html
DEPARTMENT OF PEDIATRICS
HOLIDAY PARTY

WINTER IN THE MEDITERRANEAN

FRIDAY, DECEMBER 13, 2019
Ken Sutha, MD
American Kidney Fund Hero of Hope
Evidence Relating Health Care Provider Burnout and Quality of Care: A Systematic Review and Meta-analysis

Daniel S. Tawfik, MD, MS; Annette Scheid, MD; Jochen Profit, MD, MPH; Tait Shanafelt, MD; Mickey Trockel, MD, PhD; Kathryn C. Adair, PhD; J. Bryan Sexton, PhD; John P.A. Ioannidis, MD, DSc

Article, Author, and Disclosure Information
Congratulations!

Arash Anoshiravani, MD  Jen Carlson, MD  Rachel Goldstein, MD

“Providers’ Perspectives on Adolescent Confidentiality and the EHR: A State of Transition” was accepted to the Journal of Adolescent Health
E-cigarettes: An Emerging Threat to Public Health (EventID=110071)

2,322 views • Streamed live on Oct 16, 2019
California Tells Schools to Start Later, Giving Teenagers More Sleep

A new law pushed back start times at most public middle and high schools, citing research that says attendance and performance will improve if teenagers get more sleep.
State of Stanford Medicine

Christin Kuo, MD
Congratulations!

Nightingale Awards for Excellence in Nursing
Advocacy Update

Faculty Meeting
October 2019
The administration had proposed if people utilized services like Medicaid or SNAP would constitute a “charge” and would be held against them when they went thru the citizenship process.
There are nine different lawsuits, including one from California, challenging the proposed changes.
Developmental Behavioral Pediatrics goes to Washington
Kids at the Border

- We are still working on building teams to support the work at the border and our hospital protocols are well underway for kids admitted from the border.

- Anyone interested – on this or anything else - please reach out to Lisa

- lchamberlain@Stanford.edu
First experience with a children’s hospital
My professional background
Where I’m hoping I can help

Connection

Focus and prioritization

Operational performance
Pediatrics - FY19 Review & Comp Update

October 2019
Appointment Line FTEs

<table>
<thead>
<tr>
<th></th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
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Department Funds Flow wRVUs

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<th>FY16</th>
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<td>Total wRVU</td>
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<td>422,312</td>
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</table>

![Graph showing Department Funds Flow wRVUs over time from FY10 to FY19]
Clinical Profit

* projected bottom line as year end closes 09/20
NIH vs. Non-NIH Funding

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<th>Non-NIH</th>
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<td>$33.8M</td>
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<tr>
<td>FY19</td>
<td>$63.2M</td>
<td>$30.6M</td>
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Faculty Compensation

- Base/Variable salary framework
- Components of faculty bonus plan
Quick Facts

- DoP FY19 Budget: $239M
- Faculty Salary, Benefits, & Bonus: $133M
  - Salary: $92M
  - Benefits: $28.5M
  - Bonus & Coverage Payments $10.5M
  - Housing: $1M
- Bonus Plan: $7.5M
## Salary Scale

| Specialty | Asst 1 | Asst 2 | Asst 3 | Asst 4 | Asst 5 | Asst 6 | Asst 7 | Asst 8 | Assoc 1 | Assoc 2 | Assoc 3 | Assoc 4 | Assoc 5 | Assoc 6 | Assoc 7 | Assoc 8 | Prof 1 | Prof 2 | Prof 3 | Prof 4 | Prof 5 | Prof 6 | Prof 7 | Prof 8 | Prof 9 | Prof 10 | Prof 11 |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Cl 1      | 129    | 132    | 135    | 156    | 159    | 162    | 165    | 168    | 171    | 174    | 183    | 187    | 191    | 195    | 199    | 203    | 207    | 217    | 220    | 222    | 225    | 228    | 230    | 233    | 236    | 239    | 241    | 244    | 247    |
| Cl 2      | 190    | 194    | 198    | 230    | 234    | 238    | 242    | 246    | 250    | 254    | 267    | 272    | 277    | 282    | 287    | 292    | 297    | 311    | 313    | 315    | 318    | 320    | 323    | 325    | 327    | 330    | 332    | 335    | 335    |
| Cl 3      | 129    | 134    | 139    | 152    | 157    | 162    | 167    | 172    | 177    | 182    | 191    | 197    | 203    | 209    | 215    | 221    | 227    | 238    | 242    | 245    | 248    | 252    | 255    | 259    | 263    | 266    | 270    | 274    | 274    |

### How does it work?

- Driven by **specialty**, by **rank**, and by **years in rank**
- AAAP National Academic Pediatric Salary Benchmarks. We average 80th %tile.
- 80th %tile anchored to “step 4” for Asst and Assoc, & “step 7” for Professor
- Effective FY18 on 9/1/17
Salary Scale – FY19 Changes

- +1.7% average market adjustment
- Moving the 80th percentile “anchor” 3 steps earlier
 Salary Scale – FY20 Changes

- Same structure as FY19
- +1.4% average market adjustment, per AAAP
- ~3% average increase (incl. step up + market adjustment)
### AAAP Survey Results - sample

#### COMPENSATION COMPARISON - M.D.s - ALL, 2017-2018

**Pediatric Subspeciality: Nephrology**

<table>
<thead>
<tr>
<th>Clinician/Teacher</th>
<th>Instructor/Lecturer</th>
<th>Assistant Professor</th>
<th>National</th>
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<td><strong>Associate</strong></td>
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<td>Base</td>
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<tr>
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<tr>
<td>Avg</td>
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<td><strong>Professor</strong></td>
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<td>Base</td>
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**Community-Based Provider**

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<td><strong>Inc/Bonus</strong></td>
<td><strong>Total</strong></td>
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<td>Base</td>
<td>Inc/Bonus</td>
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<tr>
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Bonus as % of Base Salary

- DoP Bonus and Coverage Payments = $10.5M = 11.4% of base salary
- AAAP average bonus as % of base salary: 7.2%
Bonus Re-design

- Salary scale means no merit-based comp in B+V
- Find a way within each division and function (clinical, research, education, and citizenship) to augment compensation
- Each faculty ought to be able to earn a bonus
- Fewer bonus each year based on targets
Bonus Re-design Committee

- Effort initiated June 2018
- Organized a committee with broad representation of faculty to come up with a revised plan vetted and understood by faculty
- Members – Scott Sutherland, Kara Davis, Jon Bernstein, Catherine Krawczenki, Surabhi Agrawal, & Mike Propst
- Process took over a year with several iterations and financial modeling
- Multiple discussions at Chiefs meetings
Bonus Plan Components

- Clinical
  - Individual RVUs
  - Group “Targets”
- Research
- Education
- Division Chief Discretionary
- Department Chair Discretionary
Individual Clinical Targets

OLD PLAN
- Individual RVU targets @ 50th %tile of the AAAP
- cFTE ≥ 0.3
- $50 per RVU above target

NEW PLAN
- cFTE ≥ 0.3
- 75% of Target: $5,000
- 90% of Target: $10,000
- 100% of Target: $20,000
- Under 0.3 CFTE: Cap at $10,000
- Prorate by cFTE
- $50 per RVU above target
Group Clinical Targets

OLD PLAN
- Each division is different
- Divisions receive a bonus pool of $50 per RVU for each RVU above the group target
- Bonus allocated by Division Chief based on their established criteria

NEW PLAN
- Each division is different
- Based on difference between Base and Total, Group RVU productivity, & clinical profitability
Research

OLD PLAN

- Publications: 0 – 5 points
- Sponsored Points = [(Indirect costs x 2) + MTDC]/$125,000
- Appointment FTE ≥ 50%
- ≥ 50,000 in MTDC’s
- Each research bonus point is paid $1,250

NEW PLAN

≥ 50,000 in MTDC’s
Education

OLD PLAN

- Each activity is assigned a point value based on time and effort
- Faculty survey responses are reviewed and total points tallied
- Per the survey design, there is no maximum number of points
- Each education value unit (EVU) is paid $12

NEW PLAN

- Increased to $15 per EVU
- Added sections on postdoc administration & service; faculty development in medical education
Chief’s Discretionary

OLD PLAN

- Reward faculty whose contributions are not appropriately captured through metrics
- Facilitates average total compensation at the 80th percentile
- Acknowledges contributions in citizenship

NEW PLAN

- Keep Chief Discretionary component but reduce size of pool, shift to more metric-based system
- Keep small pool for Chair Discretionary as is
- Chiefs from last meeting: “Let us give you a proper write up on how we allocate the pool.”
## Distribution

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**FY18 Bonus Model**
- Clinical Individual: 9%
- Clinical Group: 38%
- Research: 13%
- Education: 4%
- Chief Discretionary: 24%
- Chair Discretionary: 3%

**FY19 Bonus Model**
- Clinical Individual: 12%
- Clinical Group: 37%
- Research: 15%
- Education: 6%
- Chief Discretionary: 19%
- Chair Discretionary: 2%

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*Stanford Medicine*
Today’s Takeaways

- Salary increases per grid, each Sept 1st
- New bonus plan in effect now, with FY19 faculty bonuses (on first Dec check)