Department of Pediatrics

Faculty Incentive Bonus Plan, Compensation, and Productivity

Feb. 28, 2017
Faculty Incentive Bonus Plan: Goals

- To promote and reward faculty productivity in clinical care, education, research, and service through monetary incentives
- To align faculty incentive compensation with the Department’s bottom line
Faculty Incentive Bonus Plan: Eligibility

- Primary faculty appointment in the Department of Pediatrics
  - Not adjunct or affiliate
- Appointment FTE ≥ 50%
  - Clinical bonus requires clinical FTE ≥ 30%
  - Research bonus requires ≥ $50,000 MTDC and a Pediatrics PTA
- Appointment for ≥ 6 months of the fiscal year (by March 1)
- Active appointment through the end of the calendar year (Dec 31)
Faculty Incentive Bonus Plan: Data Collection

- Data are collected annually in the fall of each year
- Faculty Self-Report
  - Goals & Achievement Form
  - Updated CV
  - Research bonus metrics form
  - Education Value Units (EVU) survey
- Additional Data Sources
  - LPCH Epic RVU data
  - School of Medicine MTDC
  - AAAP Compensation and Productivity Survey
Faculty Incentive Bonus Plan: Components

1. Clinical
2. Research
3. Education
4. Division Chief Discretionary
5. Department Chair Discretionary

FY16 Bonus Plan Allocation

- Clinical: 52%
- Research: 16%
- Education: 4%
- Chief Discretionary: 26%
- Chair Discretionary: 2%
Faculty Incentive Bonus Plan: Clinical Care

Recognizes productivity based on specialty-specific RVU targets

- **Individual RVU targets** = 50th %tile of the AAAP survey productivity results
  - Adolescent Medicine, Cardiology, Endocrinology, GI, Heme-Onc, Allergy/Immunology, Nephrology, Pulmonology, Rheum and Stem Cell Transplant
  - Prorated by percent cFTE
    - Excludes other salary support, e.g. external/internal funded research, teaching effort course units (TECU), LPCH Medical Direction, GME

- **Group RVU targets** based on subspecialty specific reference points
  - CVICU, NICU, PICU, General Pediatrics, Genetics, Hospitalist Medicine, and ID
  - Metrics incorporate RVUs per cFTE, patient volume, unit census targets, extra shifts

- Divisions receive a bonus pool of $50 per RVU for each RVU above the group target, allocated by the Division Chief

- Faculty receive $50 per RVU for each RVU above their individual target*

*The RVU bonus increased from $45 to $50 in FY17
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Faculty Incentive Bonus Plan: Education

Recognizes faculty engagement in educational activities and programs, including teaching, teaching awards, advising, curriculum development, administration/service, scholarship and leadership

**Bonus Calculation**

1. Each activity is assigned a point value based on time and effort
2. Faculty survey responses are reviewed and total points tallied
3. Per the survey design, there is no maximum number of points
   
   FY16: mean points = 108, median = 90

- Each education value unit (EVU) is paid $12
Faculty Incentive Bonus Plan: Research

Recognizes faculty contributions, measured through sponsored research funding, research space utilization, and publication rates

Bonus Calculation

1. Publications: Associate Chairs for Research assess the number of peer-reviewed publications in the calendar year, author position, and journal quality and assign quintiles by academic rank, for a final score between 0 – 5 points

2. Sponsored Research Funding Grant Support Score *
   Points = [(Indirect costs x 2) + MTDC]/$125,000
   ➢ Each research bonus point is paid $1,250

*Associate and Full Professors are subject to negative space recovery modifiers
Faculty Incentive Bonus Plan: Division Chief Discretionary

- Provides Division Chiefs with funds to reward faculty whose contributions are not appropriately captured through the metrics.
- Facilitates average total compensation at the 80th percentile of the AAAP benchmarks, adjusted for rank and subspecialty.
Faculty Incentive Bonus Plan: Chair Discretionary

- Acknowledges mission contributions unrecognized or under-recognized by the other segments of the bonus program
Faculty Compensation

- Benchmark: AAAP 80th percentile for total compensation
  - Assumes Clinical Instructor benchmark = 0.85 * Assistant Professor
Faculty Compensation

- In FY14, 32% of the Department physician faculty were above the AAAP 80th percentile benchmark for total compensation
Faculty Compensation

- In FY17, 74% of the Department physician faculty are above the AAAP 80th percentile benchmark for total compensation.

Excludes faculty with administrative supplements and those in Hospital Medicine.
Productivity in FY14, FY15 and FY16 Relative to AAAP Benchmarks

- **FY14**
- **FY15**
- **FY16**
- **AAAP 50th %tile**

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Patient Acuity
MS-DRG Based Case Mix Index

Source: CHA PHIS Database, CY2015
Age 0-17, excluding OB and normal newborns