

Physician Compensation

Models and Mindsets

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Total Compensation

Contract Annual Salary – Guaranteed pay

Base (UNM guaranteed)

- +Supplement (performance defined – but has been guaranteed)
- +Administrative Roles (guaranteed while in role)



Benchmark: 25th TOTAL COMP AAMC (National)

+Incentives (not guaranteed, limited in number)

- Structured goals for leadership roles or structured programs
 - Medical Directors
 - Research, Educational roles at SOM level
 - Clinical primary care is only defined clinical incentive
- Typically for roles that don't get an Administrative Role Comp in Contract Salary
- Eliminated Department-wide incentive plan as we got to salary benchmarks

+Extra Compensation – paid call, extra shifts/coverage

=Total Compensation

Principles

- Salaries are less variable, more stable
 - Guaranteed salary
 - Equitable to peers
 - NOT linked to productivity/performance
- Salary compression in specialty/rank
 - SOM standard for promotion (\$2K assoc / \$3K prof)
 - When approval for benchmark salary adjustments, bring newly promoted up to the benchmark
 - Use new hires to drive equity adjustments for current faculty
- Biggest salary differentiator is for doing “extra”
 - Leadership roles (administrative pay or structured incentives)
 - Extra shifts/call, coverage for vacancies
- Department incentive eliminated as we got closer to benchmark, but reconsidering a new plan

Approach to Benchmarking

- Salary
 - **Faculty B+S vs Total Comp 25th AAMC/National/Public**
 - Faculty Total Comp seen as punitive to those with paid roles, incentives or taking extra paid call/coverage
 - Evaluate B+S to AAMC Total Comp each year to determine if funding and SOM approval to address gaps in salaries
 - If SOM gives departments some funds for a 25th Adjustment, they base on Total Comp to Total Comp
 - Keep 25th Salary adjustments separate from any mandated COLA increases

Salary Successes

- Prioritized getting faculty to 25th and above for past few years
- Standardized Administrative Role payments and incentives
- Good equity process with new hires and annual reviews across all faculty
- Primary Care incentive across Peds/Family/Internal Med
 - Population health indicators
 - Allows General Pediatricians to earn more than benchmark
- Hiring exceptions for hard to fill positions up to 50th % ile – double-edge sword!

Salary Challenges

- Demand for more competitive salaries for hiring and retention
 - Candidate demands
 - \$/RVU stagnant + 70% Medicaid
 - Hospital and SOM finances tight – funds flow is not standardized
- Linking productivity with salary could be challenging
 - Faculty feel cheated when asked to perform at 50th RVU, but we pay at 25th
 - Struggle with Med Group charge capture/coding issues
 - No process or integrated system to determine if all clinical activities have been met for the year
- BUT, not having productivity linked to salary limits us too
 - No performance reward or penalty
 - Limiting to our revenue growth/opportunity

Non-traditional Faculty

- Working Retirees
 - .05 - .25 FTE
- Psychologists
 - Aligned with Psych Dept benchmarks and use of AAMC 25th
- Researchers
 - Funding dependent, but try to align to 25th basic science AAMC
- First DNP as Faculty just hired
- Lecturers
 - Occupational Therapy Graduate/Doctorate program (education only)
 - Standard increases similar to staff

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