UWMF Compensation Review Committee

February 22, 2023, 2:30 - 4:00 PM

https://uwhealth.webex.com/uwhealth/j.php?MTID=mea12a2df3ed0eeb2013577f55d48b11d

Meeting Number: 2622 094 1796 // Password: 022223


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UWMF Compensation Review Committee - February 22, 2023 - Public Meeting Notice

Agenda

2:30 PM
I. Call to Order
Mr. Ronald Anderson

2:34 PM
II. Meeting Minutes - Open Session
Mr. Ronald Anderson

2:35 PM
III. UWMF Compensation Development Committee 2022 Annual Report and 2023 Work Plan
Dr. Cristopher Meyer

Attachment - UWMF Compensation Development Committee 2022 Annual Report and 2023 Work Plan

2:45 PM
IV. Closed Session
(Materials Available To Members Only)
Motion to enter into closed session pursuant to Wisconsin Statutes section 19.85(1)(e) for the discussion of confidential matters, which for competitive matters require a closed session, and pursuant to Wisconsin Statutes section 19.85(1)(c), which authorizes closed session for consideration and discussion of compensation data, for discussion of the following: review and approval of closed session minutes and discussion of Physician Faculty compensation above the 90th Percentile (FY22).

3:49 PM
V. Return To Open Session
Estimated time to return to Open Session

3:50 PM
VI. ACTION: Approval of Physician Faculty Compensation above the 90th Percentile (FY22)
(Motion to approve Physician Faculty Compensation above the 90th Percentile (FY22) as reviewed and discussed in closed session)

4:00 PM
VII. Adjourn
CDC Overview

Initial point of review of department compensation plans and other matters relating to physician compensation

• Review plans to ensure compliance with Compensation Principles & Procedures Policy
• Recommends compensation plan changes
• Develops, recommends and monitors compensation issues in accordance with the UWMF Compensation Principles & Procedures Policy and IRS code and regulations

Additional topics are brought to the Committee as informational or advisory
## 2022 Membership

<table>
<thead>
<tr>
<th>Faculty Member</th>
<th>Department</th>
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<tbody>
<tr>
<td>Dr. Daniel Bennett</td>
<td>Dermatology</td>
<td>Dr. Maha Mohamed</td>
<td>Medicine</td>
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<td>Dr. Michael Bentz</td>
<td>Surgery</td>
<td>Dr. Sarah Nehls</td>
<td>Ophthalmology</td>
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<td>Dr. Mahua Dey</td>
<td>Neurosurgery</td>
<td>Dr. J. Carter Ralphe</td>
<td>Pediatrics</td>
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<td>Dr. Paul DiMusto</td>
<td>Surgery</td>
<td>Dr. Deborah Rusy</td>
<td>Anesthesiology</td>
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<td>Dr. Dobie Giles</td>
<td>Ob/Gyn</td>
<td>Dr. Adnan Said</td>
<td>Medicine</td>
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<td>Dr. Paul John Hayner</td>
<td>Internal Medicine</td>
<td>Dr. Michael Tuite</td>
<td>Radiology</td>
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<td>Dr. Jennifer Lochner</td>
<td>Family Medicine</td>
<td>Dr. Jennifer Weiss</td>
<td>Medicine</td>
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<td>Dr. Aparna Mahajan</td>
<td>Pathology</td>
<td>Dr. Daniel Williams</td>
<td>Urology</td>
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<td>Dr. Cristopher Meyer</td>
<td>Radiology</td>
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<th>UWSMPH DA Rep</th>
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<tr>
<td>Kim Beld</td>
<td>Orthopedics &amp; Rehab Med</td>
<td>Ron Anderson</td>
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<td>Will Katz</td>
<td>Anesthesiology</td>
<td>Deb Archer</td>
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<td>Pratik Prajapati</td>
<td>Psychiatry</td>
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<th>Ex-Officio Members</th>
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<td>Kelsie Doty</td>
<td>UWMF Chief Admin Officer</td>
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<td>Dr. Jamie Hess</td>
<td>UWMF President</td>
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Committee Activity

• New department compensation plans reviewed:
  • Department of Dermatology
  • Reviewed following guidelines:
    • Recruitment Bonus and Salary Advance
  • Provided responses for questions related to Compensation Plan Guidelines
CDC – Provider Benchmark Workgroup

- Co-led by Dr. Jamie Hess and Kelsie Doty
- The workgroup completed:
  - Evaluation of existing benchmark data sources
  - Sponsored development of a benchmark data mart; anticipated availability in 2023
- Anticipated to be a permanent workgroup
  - Annual benchmark data update to CDC
  - Detailed review and report to CDC when/if alternative benchmarks are proposed by department compensation plans
CDC – RVU Workgroup

• Led by Dr. Mike Bentz
• For services with no CMS assigned RVUs for codes
• Previous work product:
  • Revised UWH gap-filling process for services billed as global (no modifier), professional only (modifier 26) or technical only (modifier TC).
  • Improve process to gap-fill RVUs of services billed with “unlisted code”
• RVU Workgroup did not formally meet in 2022
• No new topics required comment
CDC – Value Quality Based Compensation Workgroup

- Co-led by Dr. Dan Bennett and Kelsie Doty
- The workgroup is charged with
  - Recommending to the CDC appropriate compensation plan value/quality-based incentive best practices and metrics.
  - Reviewing any requested exceptions and evaluate for reason/purpose, relevance, and impact.
  - Monitoring best practices throughout healthcare for potential modifications as the market evolves over time.
- Statement of Deliverables completed 2022
- Presented to CDC, COC and CRC
New Compensation Plan Adoption Timeline

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<th>1/1/2022</th>
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<td>8 Departments, Primary Care, Urgent Care</td>
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Each compensation plan requires:
1. Faculty vote approval
2. CDC review and endorsement
3. Governance review and endorsement:
   • UWMF Board
   • UWHCA Board
   • SMPH Dean
   • UWMF Compensation Review Committee (CRC)
2023 Proposed Work Plan

- Review new compensation plans
- 16 of 17 departments remain “in process” of incorporating CPG Guidelines into compensation plans
- Based on department forecast, only 8 departments will be ready to present compensation plans in 2023.
- Estimate remaining 10 reviews in 2024. To expedite:
  - Content experts from PPA and CDC currently available to departments to expedite process
  - Update “best practice” documents as they become available based on approved plans
  - Board Effects vote in lieu of in person presentations may be required in 2024 based on anticipated volume
2023 Proposed Work Plan

• Continue revision of the cyclical compensation plan review process for 2025:
  • Review and modify faculty survey
  • Modify the cyclical review process to incorporate CPG Principals
  • Topics of ongoing CDC interest: Quality metrics in physician compensation, Diversity/Equity/Inclusion
Questions
Appendix
1. Make a case for change that will be shared with the CDC and then with all departments

“Remarkable Healthcare” is inextricably dependent on high-value, high-quality care and is supported by foundational competencies in: 1) Quality and Safety, 2) Information Management and Analytics, 3) Financial Performance, and 4) Staff and Physician well-being.

The healthcare finance environment is rapidly evolving to shift financial risk from payers to institutions, thus shifting institutional financial incentives from volume to value. “Value” incorporates assessment of both cost and quality, and “quality” may incorporate individual and population-based outcomes. Therefore, physician compensation plans must incorporate incentives for efficient, high-value, and equitable care in support of UW Health’s financial success as well as in support of our commitment to individual and population health goals.

Our ability to grow and maintain a strategic advantage with the public and payers depends on the development of mechanisms to reward high value, high quality care. Despite a lack of external innovative compensation models, UWMF and UW Health are poised to lead given our reputation, large primary care base, and the success of Quartz and our Accountable Care Organization. Well-designed physician compensation models will be important elements in the success of our academic center as the health care marketplace evolves.

Well implemented Value/Quality-Based incentives will benefit UW Health, our patients, and our community in many ways, including:

- Lowering cost to patients with better clinical outcomes and improved patient satisfaction
- Enhancing existing contracting and success with new 3rd party payers, Quartz, and our ACO
- Improving regional Population Health outcomes, including improving equity metrics
- Providing equitable and timely access to care
2. Identify UW Health goals for department/division alignment
Alignment of department and organizational goals will facilitate access, equity, reputation, financial performance and help to create consistency throughout clinical operations. Departments will be expected to align some or all their goals with organizational goals, but in no instance may a department goal be contradictory to the organization goal.

Organizational Goals include but are not necessarily limited to:
• Reduce inequities in health care access and outcomes within our community and UW Health
• Create and utilize mechanisms to collect and report meaningful clinical quality data
• Implement best practices to provide innovative, high-quality, and cost-effective care
• Improve patient, clinician and staff experience
• Improve coordination of care across UW Health

3. Propose an achievable starting point for departments. Starting points may vary from department-to-department or within departments depending on UW Health objectives and support for metric reporting.
Departments are expected to create or amend compensation plans (XYZ model) as directed by the UWMF Compensation Development Committee. New or amended compensation plans must explicitly address the included incentives for high quality, high value care. Compensation based on quality/value can be included in the Y quantitative or Z qualitative variable components of new compensation plans; novel approaches to quality/value-based compensation incentives are encouraged.

Departments will be responsible for aligning physician compensation with organizational and department/division value and quality goals. Criteria are:
• Measurable, meaningful, understandable, and equitable
• Goals must result in improvement in clinical process, reduced waste, improved patient or population outcomes and/or improved clinician fulfillment
• At least one goal must address organizational goals, and departments may be asked to incorporate specific organizational metrics (ACO, MIPS, WCHQ, etc) when they are of strategic importance