

**University of Florida**  
**College of Medicine Faculty Compensation Committee**  
**FY2023**

**Active Members**

	<b>Title</b>	<b>Department</b>
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Juan Aranda, MD, FACC	Professor & Chief	Medicine
Chance Gray, MD	Assoc. Professor & Chief	Orthopaedics/Rehab
Jennifer Hunt, MD	Chair & Professor	Pathology
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Bruce Mast, MD, FACS	Professor & Chief	Surgery
Mariam Rahmani, MD	Assoc. Professor & Prog. Director	Psychiatry
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Scott Sumner, MBA	Chief Financial Officer	COM-Finance & Admin
Tammy Williams, MHA	Chief Operating Officer	COM-Finance & Admin
Michael Wright, CPA	<del>Interim</del> Director, Finance	COM-Finance & Admin

**Administrative Staff**

Steph Daniel	Financial Analyst II	COM-Finance & Admin
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# Faculty Compensation Plan FAQs

# Faculty Compensation Plan FAQs

- **How does the plan deal with FMLA events?**
  - The plan will adjust for the impact of FMLA events so that a salary reduction is not triggered by FMLA
  - The faculty members benchmark comparison is adjusted pro rata for the FMLA time away
  - If a faculty member is still able to attain sufficient productivity for the time they were not on FMLA, they will be eligible for productivity earned variable compensation payments.
  - Parental leave and required military leave will be handled the same way.
- **Do faculty need to be on payroll during the payout period to receive variable compensation?**
  - Yes. Faculty will need to be employed on the payout date for quarterly earned variable compensation payments in order to receive payment
  - However, since the earned variable compensation payments will be paid quarterly, the effect on faculty will be minimal
- **What is the minimum cFTE to participate in the earned variable compensation plan?**
  - The current minimum cFTE to participate in the earned variable compensation plan is 0.20.

# Faculty Compensation Plan FAQs

## *Base Pay Caps and Total Compensation*

- **Is there a cap on base pay?**
  - There is no cap on base pay. Care must be taken to ensure that base pay is equitably distributed across faculty in a department.
- **Is there a ceiling for total compensation?**
  - Total compensation will typically be capped at the 90<sup>th</sup> percentile on the AAMC total compensation all medical school tables
  - However, there are often exceptional circumstances, and in those cases, an exception can be requested from the Dean's office
- **Can a faculty member roll part of their annual variable compensation into base pay?**
  - Up to 1/3 of the earned variable compensation payment amount can be added to the following year's base pay
- **Will there be ability to pay extra duty pay to physicians who exceed 90<sup>th</sup>ile total comp?**
  - The extra duty pay will be included in total comp and therefore cannot be used to exceed 90<sup>th</sup>ile

# Faculty Compensation Plan FAQs

## *Benchmarking*

- **Which tables will be used for compensation and productivity?**
  - Along with the vast majority of AMCs in the U.S., we will use AAMC salary surveys and CPSC (previously UHC) production surveys as benchmarks whenever possible.
  - The AAMC administers the faculty salary survey to 155 accredited medical schools with 154 participating in the survey. The participants of the survey are 59% public, 41% private. We use the AAMC All Medical Schools Fixed Plus Medical Practice Supplement for base salary and the Total Compensation tables for total compensation for both MD and PhD faculty.
  - CPSC benchmarks will be used for productivity benchmarking. Unlike the previous way of using the benchmark to prescribe “targets,” the new plan will not establish targets but instead will be used to match levels of performance to levels of compensation for the calculation of Part D earned variable compensation payments

# Faculty Compensation Plan FAQs

## *Benchmarking (cont'd)*

- **In what circumstances can alternative tables be used?**
  - We have a strong preference for AAMC and CPSC benchmarks
  - When a department establishes that those benchmarks cannot be effectively applied, the COM will entertain alternative benchmarks for specific purposes
  - When alternative benchmarks must be used, there is a preference for applying them narrowly (for example, for a particular sub-subspecialty not covered in the AAMC reports) rather than broadly (for example, an entire department)
  - When alternative benchmarks must be used, there is a preference for benchmarks that are collected and published by independent third parties rather than stakeholder groups

# Faculty Compensation Plan FAQs

## *Salary Reductions*

- **Will salary reductions occur in the new compensation plan? Is there a safety corridor for missed productivity benchmarks? How will the reduction be determined?**
  - The compensation plan will include base salary reductions when compensation significantly exceeds productivity over an extended period.
  - New faculty will not be subject to base salary reductions until their third fiscal year of employment with a minimum of two full years of data to make that determination
  - A safety corridor of 5% will be established to allow for those who miss productivity thresholds by small amounts and a two-year average of productivity will be used for calculating productivity to avoid larger year over year swings.
  - An annual review of those who fall into the safety corridor will be performed to determine if further action should be taken. In the third year of the plan (including the shadow year) and each year thereafter, if missing the productivity threshold by greater than 5% for the two previous years, base salary reductions will occur at the beginning of the subsequent fiscal year.

# Faculty Compensation Plan FAQs cont...

- **What is the rationale for the 15% - 20% adjustment used to determine the total compensation benchmark applied to the earned variable compensation payment calculation?**
  - The COM compensation plan must both tie total compensation to production and be financially sustainable over time. Our modeling finds that implementing the proposed plan will result in a greater amount of compensation paid out to the faculty as a whole, even at current production levels. Several aspects of the plan are appropriately and intentionally designed to be favorable to the faculty.
  - For example, the plan ties total compensation to productivity in a way that our models suggest will increase the current salary of many existing faculty even if their production levels stay the same. The compensation plan design modulates salaries higher for higher production much faster than it modulates salaries down for low production.
  - The proposed cross comparisons between AAMC and CPSC benchmarks includes a 10% discount off of the production tables to account for the fact that faculty participate in multiple academic pursuits and specific departmentally defined roles. In addition, the compensation plan also must cover a limited number of additional unfunded Part B roles. The 15% - 20% delta between production benchmarks and total compensation benchmarks when calculating earned variable compensation payments supports all of these important parts of the plan. Adjustments like this are a standard part of contemporary compensation plans at our AMC peers with 15% being a commonly used adjustment factor.



# Faculty Compensation Plan FAQs cont...

- **What about externally funded Part B roles?**
  - Faculty who have time externally funded to support their FTE will have their cFTE reduced by an amount equivalent to the salary and benefits coverage of the external funding.
- **What about important Part B roles that may not have external funding?**
  - There are important roles that should be recognized with a Part B cFTE drawdown and may vary among departments. Although unfortunately the compensation plan cannot afford to fund with time every faculty contribution that has value and merit, Department chairs will receive a Part B Key Unfunded Roles pool that they may allocate to faculty to recognize these commitments.

# Faculty Compensation Plan FAQs cont...

- **Do Chair stipends come from the FTE pool?**
  - No
- **Can faculty get a stipend as opposed to protected time for administrative roles?**
  - The intent of the 3% pool was to buy down cFTE, however, it can be viewed as a resource pool converted to a dollar equivalent, to allow flexibility.
- **Would NIH grant funding be considered externally funded?**
  - Yes
- **For FTE calculation, will hired or budgeted faculty be considered?**
  - Hired faculty or incoming faculty who have signed contracts

Clinical FTE (cFTE)	0.77
Academic Rank	Associate
Actual YTD Work RVUs	3,963
Work RVU YTD Threshold	3,031
YTD Work RVU Variance to Threshold	932
YTD Calculated Incentive	\$9,926.91

<b>Salary:</b>	
Peoplesoft Salary	\$526,011
YTD Salary	\$241,175
Annual Full Time Salary	\$526,011

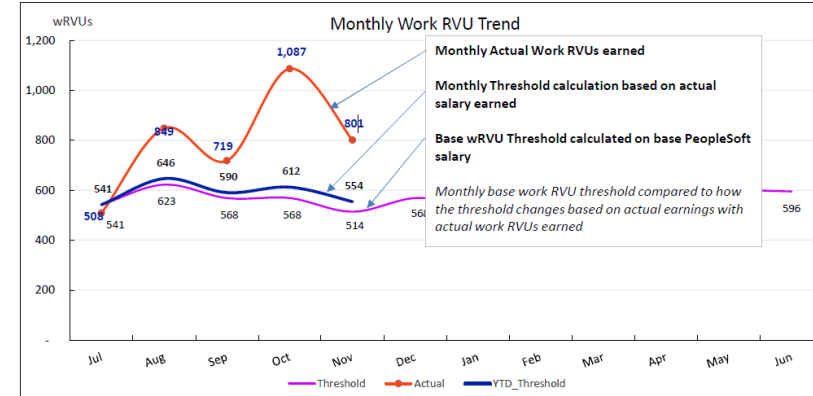
<b>Salary Benchmarks:</b>	
AAMC Specialty	102-Orthopedic Surgery: General
AAMC Fixed Plus YTD Salary Percentile	59.6%
AAMC Total Comp YTD Salary Percentile	40.6%

<b>Work RVU YTD Benchmarks:</b>	
Work RVU Specialty	ORT-Sports Medicine
Work RVU YTD Threshold Percentile	55.6%
Work RVU YTD Threshold*	3,031
Work RVU YTD Actual Percentile	75.0%

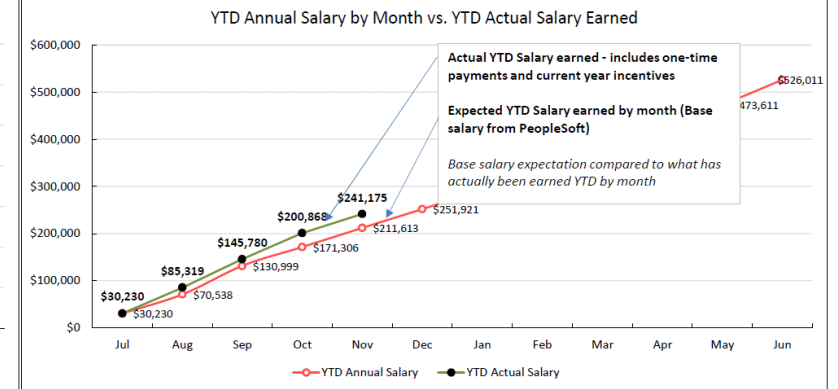
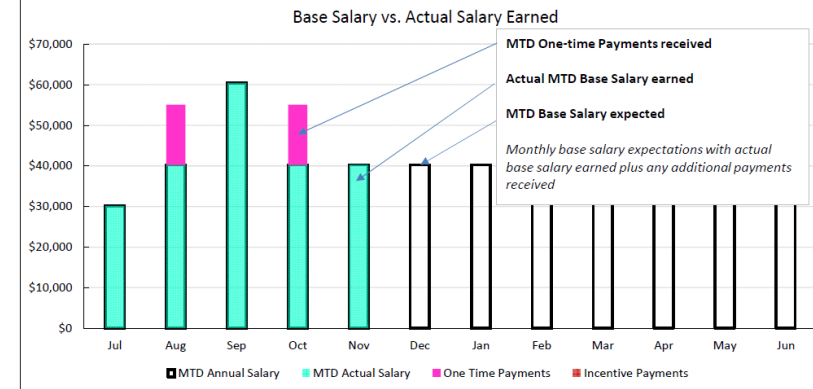
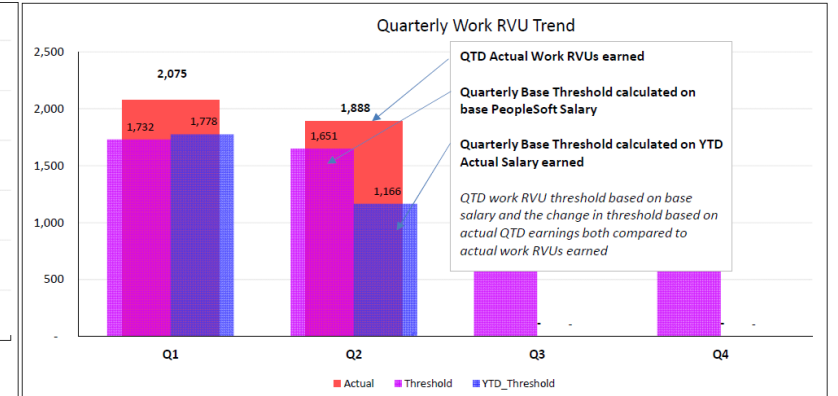
\* 10% Academic Adjustment Included

<b>Clinical FTE</b>	
Peoplesoft FTE	1.00
Restricted FTE (Funded Salary)	0.03
External Roles	0.10
Internal Roles (3% Discretion)	0.10
Part B Roles	0.20
Clinical FTE	0.77

Monthly Work RVU Threshold Progress



Quarterly Threshold Progress



# Questions about Timeline

- **If faculty perform well in shadow year, can they begin the plan earlier?**
  - No – all plans will start at the same time in FY 24
- **When will salary reductions occur?**
  - For existing faculty, if threshold for base not met for the shadow year, and first year after new plan in place, salary reductions will occur
  - For new faculty, salary reductions will occur after two full academic years of data is available
  - Subsequently, for all faculty, salary reductions will be triggered if not meeting threshold for base salary for two previous years