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# Academic Medical Centers Engaging with Community Physicians

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Academic Practice Plan Directors  
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# Academic Practice Plan Directors Survey (APPD)

In July 2012, APPD conducted a survey of its membership (~ 40 faculty practice plans) regarding their recent activities with community physicians. Responses were received from the following 20 FPPs:

- ❖ Emory University
- ❖ George Washington University
- ❖ Indiana University
- ❖ Massachusetts General
- ❖ Medical University of South Carolina
- ❖ Medical College of Wisconsin
- ❖ Rush University
- ❖ University of Chicago
- ❖ University of Maryland
- ❖ University of Missouri
- ❖ University of Nebraska
- ❖ University of New Mexico
- ❖ University of Pennsylvania
- ❖ University of Rochester
- ❖ University of Texas Health Sciences Center
- ❖ University of Utah
- ❖ University of Washington
- ❖ University of Wisconsin
- ❖ Weill Cornell
- ❖ Anonymous (1)

# To what extent is your organization engaging with community physicians?

Institution	Formal Strategy	Engaged in Discussions	Planning to Engage	No Activities
Emory University	X			
George Washington	X			
Indiana University	X			
Univ of Pennsylvania	X			
Univ of Rochester	X			
MUSC	X			
MCW	X			
Rush University	X			
Weill Cornell	X			
Univ of Maryland	X		X	
Anonymous	X			

# To what extent is your organization engaging with community physicians?

Institution	Formal Strategy	Engaged in Discussions	Planning to Engage	No Activities Planned
Massachusetts General		X		
Univ of Chicago		X		
Univ of Missouri		X		
Univ of Nebraska		X		
Univ of New Mexico		X		
Univ of Utah		X		
Univ of Washington		X		
Univ of Texas Southwestern			X	
Univ of Wisconsin				X

# Discussion Questions

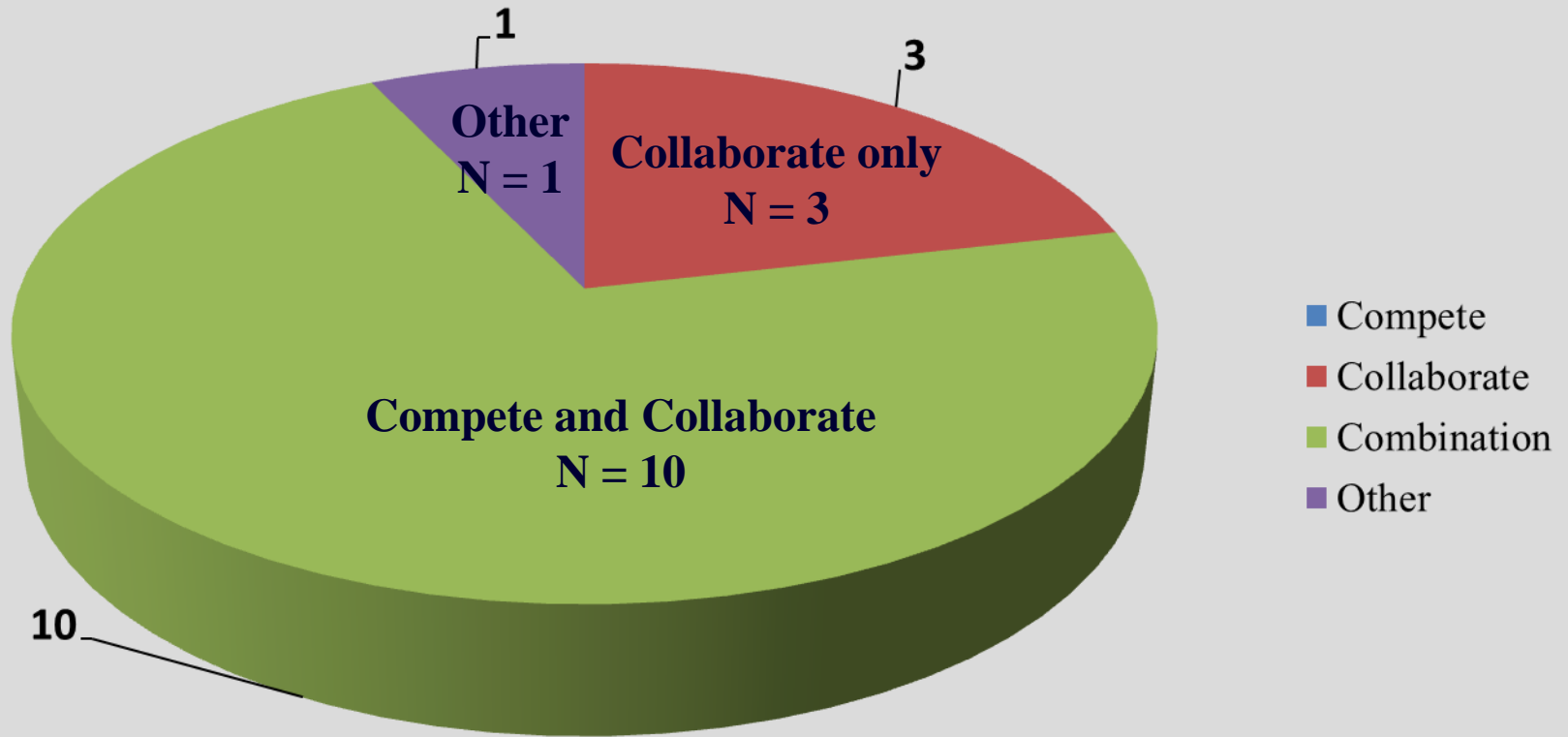
If you have a formal strategy:

- ❖ Is it articulated in a written document?
- ❖ How was it developed?
- ❖ How was it vetted?
- ❖ Who formally approved it?

If you are engaged in discussions:

- ❖ What process are you using to determine your strategy?
- ❖ Are you involving a consultant?

# What types of strategies are being used?



❖ *No one selected “compete only”*

# Discussion Questions

- ❖ How did you determine whether you were willing to compete?
- ❖ Are there any limits on who/what types of providers you are (vs. are not) willing to compete with?
- ❖ As you developed your network, have you changed any of your thinking regarding whether to compete?
  - If yes, was this caused by observing unanticipated changes to referral patterns, market factors, and/or other issues?

# If you are bringing community physicians into your FPP or other entity, what type of arrangement have you utilized?

	Hire with a Faculty Appointment			
Institution	Within academic dept	In separate unit within dept/div	In separate unit with no dept/div connection	Separate entity
Univ of Utah	X			
MUSC	X			
Univ of New Mexico	X			
Univ of Pennsylvania	X		X	
Emory	X	X		
George Washington	X			
MCW	X			
Univ of Chicago	X			X
Univ of Pennsylvania	X		X	



# If you are bringing community physicians into your FPP or other entity, what type of arrangement have you utilized?

Institution	Hire with a Different Appointment Type				Other
	Within an Academic Dept	In separate unit within dept/div	In separate unit with no dept/div connection	Separate entity	
Rush		X			
Univ of New Mexico		X			
Weill Cornell			X		
Univ of Missouri			X		
George Washington			X		
MCW			X		
Univ of Maryland				X	
MUSC				X	
Indiana Univ					X

# Discussion Questions

- ❖ What are primary differences in the appointments types or tracks used to hire community physicians?
  - How do the requirements associated with those tracks differ as it relates to each mission area?
- ❖ If you are utilizing a different organization to hire community physicians, what is its form and how does it relate to the FPP?
- ❖ What factors were considered when determining whether community physicians would dock in academic departments vs. in a community department/division?
- ❖ What is the role of the Chairs related to the community physicians?

# Do the community physicians have the same compensation plan as faculty physicians?

Institution	Yes	Comments
Indiana Univ	X	Yes, with small differences for academics
Rush	X	
Univ of Pennsylvania	X	Adjusted for productivity

# Do the community physicians have the same compensation plan as faculty physicians?

Institution	No	Comments
Univ of Maryland	X	Much lower base with significant incentives
Univ of Utah	X	
Weill Cornell	X	More standardization across specialties; guaranteed for 3 years within production of upper and lower levels
Univ of Missouri	X	100% productivity based. Fully responsible for costs
MUSC	X	100% productivity based
Univ of New Mexico	X	Salaries closer to market with higher wRVU expectations
Emory	X	100% productivity based
George Washington	X	100% productivity based ; all upon cash collections
MCW	X	Community-based on wRVU plan with up/downside reward of 5% based on quality/other performance
Univ of Chicago	X	
Anonymous	X	Different productivity and benchmark comp system

# Discussion Questions

- ❖ What are the primary differences in compensation models used for the community physicians, as compared to the campus-based members of the faculty practice plan?
- ❖ Is there a meaningful difference in compensation levels between campus physicians and community physicians? Or, are differences more related to activity levels (eg, more clinical productive faculty are paid more but reasonably evenly, regardless of geography)
- ❖ If meaningful differences exist, how do you address that issue with campus-based faculty?

# Do the community physicians have the same fringe benefit plan as faculty physicians?

Institution	Yes	Comments
Indiana Univ	X	
Rush	X	
Weill Cornell	X	
Univ of Missouri	X	
Univ of New Mexico	X	
MCW	X	
Univ of Pennsylvania	X	
Anonymous	X	

# Do the community physicians have the same fringe benefit plan as faculty physicians?

Institution	No	Comments
Univ of Maryland	X	Pension 4% vs. 7.25%; no tuition benefit
Univ of Utah	X	
MUSC	X	Different Pension
Emory	X	Different retirement plan; no child tuition benefit
George Washington	X	No full tuition benefits
Univ of Chicago	X	Different retirement; no child tuition benefit

# Discussion Questions

- ❖ What are the primary differences in the fringe benefits packages of campus-based vs community physicians?
- ❖ As you discuss compensation and benefits with community physicians you are seeking to recruit, what feedback do you receive regarding:
  - What is the relative importance of compensation vs fringe benefits?
  - Which fringe benefits are most valued?
  - What are the primary differences between the benefits you offer and those the community physicians currently have?
  - Are there any benefits you offer that are not valued?



# Do the community based physicians have the same malpractice program as faculty?

Institution	Yes	Comments
Indiana Univ	X	
Univ of Maryland	X	
Univ of Utah	X	
Rush	X	
Weill Cornell	X	
Univ of Missouri	X	
Univ of New Mexico	X	If part of academic department
Emory	X	
Univ of Chicago	X	
Anonymous	X	

# Do the community based physicians have the same malpractice program as faculty?

Institution	Yes	No	Comments
George Washington	X	X	Yes and No – sometimes maintain existing policies and sometimes rolled into our malpractice program
MCW	X	X	Yes, for those with 50% or more clinical efforts
Univ of Pennsylvania	X	X	Yes, except when physicians are leased
MUSC		X	Faculty have sovereign immunity; others purchase from state plan

# Discussion Questions

- ❖ If community physicians were added to your self insured trust, were there any concerns regarding a potential negative impact on the experience?
- ❖ How do you manage the malpractice tails of the community physicians?
- ❖ If you have an internal allocation methodology related to malpractice expense, is the same methodology used for campus-based and community physicians?

# Are the community physicians required to pay a Dean's tax?

Institution	Yes	No	Comments
MCW	X		Yes, at lower rate
Univ of New Mexico	X		Same rate if part of academic department
Univ of Chicago	X		
Weill Cornell	X		Same rate as faculty physicians
Anonymous	X		
George Washington	X	X	Same rate if academic appointment; no tax when no appointment
Univ of Pennsylvania	X	X	Yes, if in the FPP; no if in separate community network

# Are the community physicians required to pay a Dean's tax?

Institution	Yes	No	Comments
Indiana Univ.		X	Fixed dean's tax amount excludes net new physicians
Univ. of Maryland		X	
Univ. of Utah		X	
Rush		X	
Univ. of Missouri		X	
MUSC		X	
Emory		X	

# Are the community physicians required to pay a FPP tax?

Institution	Yes	No	Comments
Indiana Univ	X		
Univ of Maryland	X		Yes, 1.5% less
Rush	X		Same rate
Weill Cornell	X		Yes, approximately half
Univ of Missouri	X		Yes, approx. 0.5% less
MUSC	X		Same rate
Univ of New Mexico	X		Same rate if part of academic department
Emory	X		Yes, at higher rate than faculty
George Washington	X		Yes, at higher rate
MCW	X		Yes, at lower rate
Univ of Pennsylvania	X		Same rate if part of FPP
Univ of Chicago	X		
Anonymous	X		Yes, level depends upon employment type
Univ of Utah		X	

# Are the community physicians required to use all of the services provided by the FPP?

Institution	Yes	No	Comments
Indiana Univ	X		
Univ of Maryland	X		
Univ of Utah	X		
Rush	X		
MUSC	X		
Univ of New Mexico	X		
Emory	X		
George Washington	X		
MCW	X		
Univ of Chicago	X		
Anonymous	X		
Weill Cornell		X	Continue to manage own offices and staff
Univ of Missouri		X	Must pay for own EHR out of their collections
Univ of Pennsylvania		X	Some exceptions; allowed to provide own EHR

# Discussion Questions

- ❖ What issues and considerations were debated when determining whether to apply Dean's tax and FPP tax to community physicians?
  - If the Dean's tax was applied, how did you describe it to the community physicians and what feedback have you received?
  - If the FPP tax was applied, is it generally more costly or less costly than the existing administrative service expenses of the community physicians?
- ❖ What considerations were most important in determining whether community physicians would have to use FPP services?



# Discussion Questions

The next two slides list the largest faculty plans by faculty headcount and patient care revenue (per the most recent AAMC Faculty Practice Plan survey, 2010).

- ❖ How do you think our network strategies are going to impact these profiles in the next 1-3 years?
- ❖ As our faculty practice plans expand to include more diverse tracks and/or categories of physicians, is there anything about the way we count or define these metrics that should be altered in future surveys?

# Largest FPPs by Clinical Faculty Headcount

## *Top 10 Headcount*

1. Massachusetts General	2,271
2. University of Washington	1,332
3. University of CA Los Angeles	1,307
4. Brigham and Women's	1,273
5. Columbia University	1,248
6. Johns Hopkins University	1,208
7. Indiana University	1,192
8. Emory University	1,168
9. University of Wisconsin	1,144
10. Washington University	1,112

# Largest FPPs by Patient Care Revenue

## *Top 10 Patient Care Revenue*

1. Washington University	\$561 m
2. Massachusetts General	\$490 m
3. University of Wisconsin	\$473 m
4. Columbia University	\$468 m
5. Emory University	\$467 m
6. Northwestern University	\$427 m
7. Weill Cornell	\$412 m
8. Mount Sinai	\$395 m
9. Duke University	\$383 m
10. Indiana University	\$377 m

# Discussion Questions

- ❖ Are there any other key considerations you recommend as your peer FPPs develop networks of community physicians?