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FTI CONSULTING

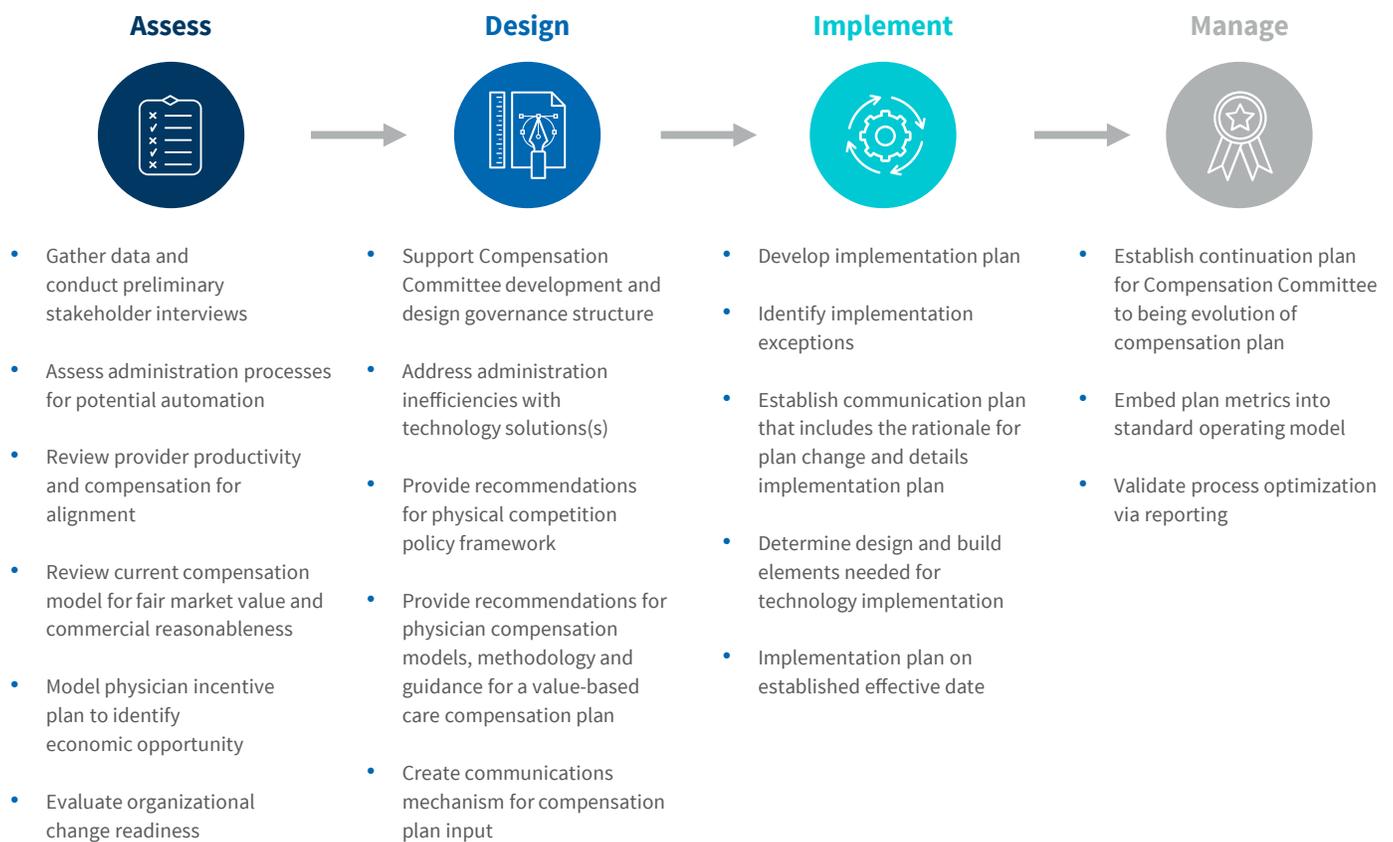
IMPLEMENTING AN INNOVATIVE
APPROACH TO PHYSICIAN COMPENSATION



EXPERTS WITH IMPACT™

Implementing an Innovative Approach to Physician Compensation

The healthcare landscape is rapidly changing, driven by regulatory and market forces including value-based care, changes in reimbursement, consolidation of smaller hospitals and systems, and the reemergence of private-equity backed physician groups. Physicians are looking for organizations that offer aligned incentives, competitive benefits, a voice in their day-to-day work, and a work-life balance. FTI is uniquely positioned to partner with you to assess, design, and automate this critically important process.



Future-state modeling

FTI Consulting leverages experts in the field to assess the current state of operations and works with clinical and financial leadership to establish a desired future-state model for physician compensation which aligns organizational, operational, clinical and financial metrics. FTI Consulting will support clients in the implementation of an automated physician compensation system and provide ongoing operational support and technology optimization services.

FTI Consulting has expertise in assisting organizations implement an innovative approach to Physician Compensation inclusive of maintaining compliance, and automating the contracting, tracking, and reporting process.

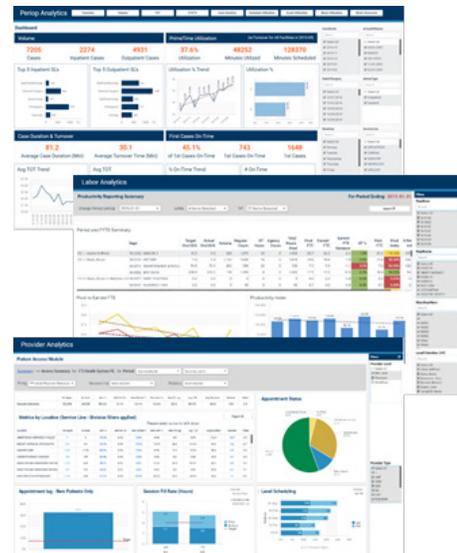
	Base Camp	Starting Out	Maturing	Leading	Innovating
Governance	Absence of recognized APP and Physician Compensation Committee	Identified leadership with clear roles and responsibilities	Establish senior-level leadership role to support strategic and operational goals	Provider compensation committee containing CMO, HR Rep, CFO	APPs included in overall governance
Quality Incentives	Absence of incentives for quality of care (QoC)	Inconsistent QoC incentives that are ill-defined and non-quantitative	QoC incentives applied to only physicians and are based on quantitative patient survey response data	QoC incentives applied to all staff, quantitatively based, and constitute a percentage of TCC	Risk-based contracting
Productivity Incentives	Straight salary or strictly individual incentives	Broad and generic team incentives applied across multiple specialties	Specialty and facility-specific team incentives applied w/o distinction for APPs	Team and individual incentives applied with unique parameters on provider type, specialty and facility	Productivity incentives measured more broadly than just wRVU
APPs	APPs do not receive distinct compensation model form physicians	Generic compensation model applied to APPs, does not account for how APPs are leveraged	Development of APP performance expectations appropriate to clinical setting	Value-based incentives tied to modified wRVU credit model; primary-care APPs see their own patients	Primary-care APPs see their own patient panel
Base Salary	Straight salary or base salary below 65% of TCC	Broad salary below benchmark, standards to meet base salary not aligned with FMV	Base salary meets benchmarks, but is not aligned with org. structure and APP leverage	Base salary constitutes 80% of TCC for physicians and APPs; criteria to qualify is specialty specific	Base salary constitutes less than 80% of TCC

Physician compensation assessment

FTI Consulting’s industry experts can assess your current state of physician compensation and design an improved future state that considers FMV, compliance, ease of administration and automation of previous manual processes. Automating the physician compensation process enables organizations to accurately and efficiently pay providers according to their contracts, saving staff time and creating more transparency for physicians.

- **Actionable Information** — Provides timely and actionable summary information and department-level results to executives, directors and front-line managers.
- **Visual Cues** — Enables bi-weekly reporting to identify areas in need of management action and outliers requiring immediate attention.

- **Ongoing Monitoring/Trending** — Illustrates favorable and unfavorable trends over varying time frames.



CHRIS GEORGE

Senior Managing Director
+1 617.897.1500
chris.george@fticonsulting.com

CHRIS CARSON

Managing Director, Health Solutions
+1 404.460.6200
chris.carson@fticonsulting.com

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