

Fair Market Value

Compensation & Productivity Benchmark Methodology

Office of the Dean, School of Medicine Medical College Physicians Children's Specialty Group

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I. Preamble

MCW's Institutional faculty compensation strategy is to have an institution-wide framework to help guide the alignment of departmental and individual efforts with the priorities of the Institution which is both sustainable and market responsive. These strategies in turn lead to performance planning initiatives that can be translated into concrete and operational objectives that can be measured, communicated, and used to drive decision-making at institutional, practice, departmental and individual levels.

Historically, planning and measuring performance was based on divergent methodologies and business objectives. MCW's Institutional strategy has led to the development of a standard platform for managing business rules and information used in planning, evaluating performance and productivity, and reviewing and setting compensation.

Beginning in early 2012, MCW undertook an initiative to develop Fair Market Value (FMV) guidelines for faculty compensation. Delineating a FMV methodology is an accepted practice used across the country in academic and healthcare institutions for assessing reasonable levels of compensation and complying with regulatory requirements. FMV results are intended to serve as a standard for institutional, practice and department leadership to assess alignment of faculty compensation and business needs, while also ensuring the institution's faculty compensation is in compliance with federal regulatory requirements.

In the same timeframe that FMV was being developed, focus was placed on understanding benchmarks used for clinical productivity. MCW generally used University Health Systems Consortium (UHC) – now Vizient – as the clinical productivity benchmark.

MCW's goal, in collaboration with each Practice and academic unit leadership, is to establish a consistent set of clinical compensation and productivity benchmarks and avoid different specialty areas using disparate benchmarking data resulting in inconsistent measures and outcomes. The Medical College Physicians (MCP) clinical practice reviewed a series of surveys and standardized on Vizient for consistency except where no Vizient benchmarks are available. Currently, Vizient is also being used as the productivity benchmark for Children's Specialty Group (CSG) faculty. According to the criteria set forth in this methodology, some departments have justified specialty specific data sources for their faculty.

II. Executive Summary

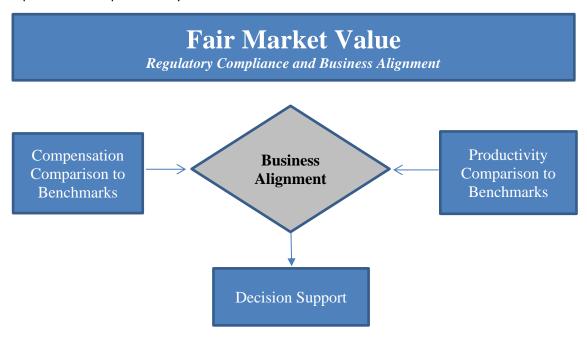
In collaboration with the Practices, this white paper describes the development of compensation and productivity benchmarks at MCW. Widespread understanding of how the benchmarks are evaluated and selected should enable faculty and institutional leaders to accept the outcomes of the FMV analyses, and, while continuing to refine departmental data upon which the analyses are based, provide a context to make leadership decisions. MCW will continue to refine its benchmark evaluation process so that the organization can continue to use those benchmarks that are the most valued and reliable.

While every attempt has been made to gather and present the best available benchmarks, not all specialties and subspecialties are represented in reliable published surveys. In these circumstances, processes are in place to work with the clinical practices and academic department leadership in defining appropriate benchmarks.

Approved benchmarks are meant to be a reliable and consistent standard which establishes guideposts to assess clinical practice, academic unit, and individual faculty compensation and productivity levels. These guideposts are intended to provide a level of alignment between compensation and productivity that will assist leadership in the decision-making process.

III. Overview

Since its initial inception at MCW in early 2012, the FMV methodology has been adjusted to reflect input from institutional, practice and academic unit leadership. The FMV methodology establishes a standard platform to review faculty compensation from a regulatory, retention, and consistency perspective. Both the business alignment and compliance components of the FMV process include compensation and clinical productivity benchmarks. The FMV methodology provides context to the alignment of compensation and productivity.



The results from FMV compensation and productivity analysis are not only used in decision support for institutional, practice and academic unit leadership, but also provides a single source of information used in Performance Metrics, Financial and Budget Forecasting, Affiliate Hospital Funds Flow, and other initiatives.

IV. Benchmark Selection Criteria and Guidelines

This section provides criteria to ensure selected benchmark data are both compliant with applicable legislation and reflective of accepted practices. These guidelines allow various sources of available data, including individually reported professional association data, ad hoc, unpublished, or 'park bench' data points to be validated on a consistent basis. Because validating individual sources of data requires an investment of time and resources the following guidelines provide a threshold that benchmark data must meet to be considered.

The Sherman Anti-Trust Act of 1890, passed by Congress and signed into law by President Benjamin Harrison, is the foundation for how compensation survey data are governed. This Act, along with supporting legislation of 1904, ensured a competitive business environment by discouraging the formation of monopolies. The Act also has been used to ensure competitive wage levels through the elimination of anti-competitive price fixing. The Act and its effect on the way compensation data are now reported in surveys was brought to light and clarified through significant court cases and continues to be

the standard regulating modern day compensation survey publishing. The guidelines stipulated in this legislation are commonly referred to as Survey Safe Harbor Guidelines. These guidelines are as follows:

- Survey data must be conducted by an independent third party
- Reported data must be at least three months old
- Each disseminated statistic must have five companies reporting data
- No individual company's information can represent more than 25 percent of each disseminated statistic

The following criteria establish reliable data and should characterize accepted survey data:

- In compliance with the Sherman Anti-Trust Act
- Survey must have an adequate sample size
- No secrets about the data or methodology
- Survey sources and sample sources always identified
- Data are timely, up-to-date, and effective date of the data are well-defined
- Job matching standards are clear
- Competitive marketplace from which they are is drawn is understood

Best practices related to survey selection suggest the following characteristics to be sought or avoided to assist with maintaining consistent business rules and data continuity from year to year:

What to Look For	What to Avoid
Surveys that follow survey safe harbor guidelines	Surveys that report any data in violation of Survey safe harbor guidelines
Surveys conducted by firms that take care to clean and analyze data	Surveys conducted by firms that do not clean or analyze participant data
Surveys that have a consistent level of participation year over year	Surveys with wild fluctuations in participation year over year

The benchmarks selected for MCW FMV calculations also consider survey methodology, who reported the data and how it was collected. It is most desirable to have data reported by institutional personnel and collected through a method that is reliable and as error-proof as possible. When appropriate, we also consider who is reviewing and aggregating the data and find out whether data anomalies are confirmed with participants.

V. Compensation Methodology and Benchmarks

FMV methodology blends total compensation benchmark data from clinical, academic, and administrative leadership survey sources into a single composite value, weighting data based on reported allocations of effort for each faculty member¹. This is an accepted practice used in justifying compensation for federal regulatory and compliance purposes and is used by a number of academic medical institutions and health systems for benchmarking complex positions with distributed effort.

¹ Time allocated to external affiliates such as the VA is benchmarked against clinical surveys

The following nationally recognized compensation survey sources are used in the FMV methodology to represent meaningful and reliable comparisons to the effort associated with each faculty position²:

1. Clinical effort:

- American Medical Group Association (AMGA): Medical Group Compensation and Financial Survey. Includes data from 260 medical groups representing more than 92,621 providers.
- Medical Group Management Association-Physician Practice (MGMA-Physician): Physician Compensation and Production Survey. Includes data from more than 3,847 medical practices representing over 80,000 physicians and non-physician providers.
- SullivanCotter and Associates, Inc.: Physician Compensation and Productivity Report (includes
 data from health care organizations representing more than 135,000 physicians, PhDs,
 residents, advanced practice providers, and medical group executives).
- Department validated survey data

2. Academic effort³:

- Association of Administrators in Academic Pediatrics (AAAP): Faculty Compensation & Productivity Survey. Includes data from over 100 institutions representing 10,120 faculty.
- Association of American Medical Colleges (AAMC): Report on Medical School Faculty Salaries.
 Includes data from all of the 144 accredited medical schools in the U.S. representing over 110,281 full-time faculty.
- Medical Group Management Association-Academic (MGMA-Academic): Academic Practice Compensation and Production Survey for Faculty and Management. Includes data from 616 clinical science departments representing over 20,876 faculty physicians and non-physician providers.

3. Administrative leadership effort⁴:

- Association of American Medical Colleges (AAMC): Dean's Office Staff Survey
- Association of Administrators in Academic Pediatrics (AAAP)
- Sullivan Cotter and Associates, Inc.

References to clinical, academic and administrative leadership work effort reflect the following:

- Clinical⁵: Activities that focus directly on inpatient or outpatient services for which a professional fee to a patient can be generated regardless of whether or not it is billed.
- Academic: Time spent on organized basic, clinical or translational research activities funded by extramural or internal sources, efforts supporting the education and community engagement missions. It may include other academic activities such as writing articles; serving as a visiting professor; participating in a national conference; and the like.
- Administrative: Leadership responsibilities and supervision of clinical programs (e.g., Medical Director; Program Director; Department Chair; faculty practice or department administration; and/or academic program administration).

² Survey statistics effective 2017

³ Allocated based on work performed in the educational, research and community engagement missions

⁴ Allocated based on work performed in a funded administrative leadership role

⁵ Source: Faculty and Privileged Staff Effort Allocation & Clinical Work Week (CWW) Guidelines, 2018

Table IV.1 below is an example of how benchmark data are blended to achieve a FMV median based on specialty, rank, and allocations of effort, and provide a comparison to actual total compensation:

Table IV.1 – FMV Compensation Example

Rank	Total FTE	Clinical FTE	Acad FTE	Admin FTE	External FTE	Base Pay	Incentive Pay	Total Comp	FMV Total Comp Median Benchmark	FMV Percentile
Assistant Professor	1.00	0.60	0.20	0.20	0.00	240,000	24,000	264,000	239,608	62%
Clinical Benchmarks	s								Median	
American Medical G	roup A	Associatio	on (AM	GA)					239,230	-
Medical Group Mana	ageme	ent Assoc	iation	(MGMA)	- Physician	Practice			242,978	
Sullivan Cotter and A	Associa	ates, Inc.							217,339	_
Average									233,182	
Academic Benchma	ırks									
Association of Amer			_						234,546	
Medical Group Mana									210,332	
Association of Admi	nistrat	tors in Ac	ademi	c Pediatri	cs (AAAP)				-	_
Average									222,439	
Administrative Bend										
Sullivan Cotter and A	Associ	ates, Inc.							276,056	
				Clinica	al FTE Wei	ghted Benc	hmark (0.6	0 x 233,182):	139,909	
							•	0 X 222,439):	44,488	
					_	•	•	0 x 276,056):	,	
						-	•		239,608	-

The full set of business rules for FMV calculations are found in APPENDIX A. Faculty Compensation.

VI. Clinical Productivity Methodology and Benchmarks

The wRVU productivity measure continues to be the predominant benchmark for clinical productivity in published survey sources. Established definitions for quality and population health productivity measures used in benchmarking are beginning to emerge. Allowing that there is some variability in the market, a general national definition of clinical effort, defined as nine half days, is being used by a preponderance of published surveys. This is the standard that MCW utilizes, but will assess and evolve in line with market.

The following nationally recognized productivity survey sources are available and were reviewed by the MCW Practices in determining the best representative source of meaningful and reliable benchmark and productivity data:

- Vizient: An alliance of 120 academic medical centers and 300 of their affiliated hospitals representing the nation's leading academic medical centers.
- American Medical Group Association (AMGA)
- Medical Group Management Association-Physician Practice (MGMA-Physician)
- SullivanCotter and Associates, Inc.
- Association of Administrators in Academic Pediatrics (AAAP)

Department specific data sources, as requested.

Just as all compensation data reported in benchmark surveys is annualized, each clinical productivity benchmark survey has its own methodology to determine annualized wRVU benchmarks. The Clinical Work Week (CWW) value provided for each clinical faculty member is utilized to adjust the wRVU benchmark in the same way the clinical FTE is used to weight the blend of clinical compensation survey data.

Below are the definitions of Clinical Work Week used by MCP:

Category	Standard Unit	Time period expectation to complete a unit	Expected time periods/year	CWW Value/Unit	
E &M Based					
E&M Based	8 half days	1 week	47 weeks/year	1 half day = 0.125	
Emergency Medicine					
Emergency Medicine	30 hours	1 week	47 weeks/year	1 hour = 0.033	
Hospitalists					
Wards	10 blocks			1 block = 0.07	
AMO	2 blocks				
		1 year	1 year	1 block = 0.07	
NAMO	12 nights				
				1 night = 0.0133	
Procedural					
Procedural	40 hours	1 week	47 weeks/year	1 hour = 0.025	
Anesthesia	Anesthesia				
Anesthesia	4 OR days	1 week	47 weeks/year	1 OR Day = 0.25	

In assessing productivity benchmark data, wRVUs are normalized to a clinical workweek to have a common basis of comparison. This methodology is not consistently applied between the benchmark sources referenced above. Therefore, MCW took steps to determine which survey uses the most reliable methodology and align our comparisons to it, knowing that no single available source is "perfect."

MCP and CSG Practices review the best available clinical productivity data sources for use as the standard productivity benchmarks. Based on reasons discussed below, MCP has selected Vizient as the primary source for clinical productivity benchmark data. Currently, Vizient is being used as the productivity benchmark for CSG; however, the Practice is evaluating the suitability of the Vizient benchmark. Note, for a few specialties, where Vizient benchmarks were unavailable, the Practice and academic unit leadership agree upon an alternate benchmark source.

On this basis, MCP has selected Vizient as the primary source for clinical productivity benchmarks for the following reasons:

1. Vizient Benchmarks are developed exclusively from other academic medical institutions.

- 2. MCW is currently submitting productivity data for both MCP and CSG to Vizient and clarity exists around the business rules in how the data are collected and reported.
- 3. Vizient does not use a "survey approach." They utilize detailed data submitted by member organizations using structured business rules in providing productivity benchmarks based on a "study approach."
 - a. Robust methodology for developing benchmarks includes a consistent methodology to measure wRVU's/production across institutions.
 - b. Detail data submission from institutions allows in-depth analysis of benchmarks and development of custom benchmarks when necessary through the use of CPT codes.
- 4. Vizient productivity is normalized to one clinical work week (cFTE).

MCP/Adult Specialty Survey Comparison

An analysis was conducted to review the wRVUs from four surveys across 54 MCP/Adult practice specialties. The results revealed that differences between the mean wRVU benchmarks, when adjusted for clinical workweek, are within $\pm 5\%$. See Table V.1 in Appendix B to view the data and details on the rationale and method of the adjustment factors.

Conclusion MCP / Adult Specialty

The wRVU productivity differential between Vizient and the other clinical productivity surveys is due to the emphasis on cFTE adjustment of the productivity data. The other commercial surveys in general do not adjust, or even require cFTE data from submitting organizations and average in all data submitted. The statistical analysis demonstrates with a high degree of reliability the three main commercial surveys are within an acceptable statistical confidence interval. Vizient, whose methodology is documented above, is accounting for the time the other surveys allow to blend into their published results. By doing so, Vizient productivity data are more finely tuned to the actual time spent in clinical work, supported by the billing data provided by member institutions.

See Appendix B. for the list of MCP /Adult Practice specialties and the benchmark values.

CSG / Children Specialty Survey Comparison

The surveys discussed above also provide productivity data on numerous pediatric specialties and the analysis discussed above is consistent with the pediatric benchmarks. The AAAP survey in particular has been used as a benchmark by MCW academic units and should be similarly tested. Table V.2 in Appendix C reviews the mean wRVUs for the two surveys (Vizient and AAAP) across the children's practice specialties. The results show that differences between the mean wRVU benchmarks, when adjusted for clinical workweek, are within ±5%. Details on the rationale and method of the adjustment factors are discussed below for each survey source.

Conclusion CSG / Children's Specialty.

The wRVU productivity differential between Vizient and the AAAP surveys is due to the emphasis on cFTE adjustment of the productivity data. Although there is limited information on the AAAP survey it does align with Vizient based on the assumptions made and will continue to be reviewed.

Considerations for Benchmark Application

The directional accuracy of the benchmark data provides guidance to the decision-making process. Even though there will be some inconsistencies or issues, in most cases they are immaterial and still provide value. Given the issues we know of, use caution and bear in mind the following:

- Many leading pediatric centers do not participate in the Vizient data collection.
- A limited number of pediatric specialty benchmarks exist. We have worked aggressively with Vizient to create "custom" benchmarks for additional specialties by drilling down and stratifying their existing data.
- For specialties where no Vizient benchmark exists, MCW has elected to use General Pediatrics or the adult benchmarks. Caution must be exhibited when analyzing the productivity measures for these specific sections.
- Advanced Practice Providers (APP's) contribute significantly to the clinical effort. But their
 activities may be rolled into the physician productivity. Equally, they may be engaged in clinical
 activities that are not billable but free up physician time. This is an area needing further
 refinement by Vizient and other survey publishers, i.e. whether the APP generated RVUs are
 consistently included or excluded from the submitted physician data.
- For Faculty that have dual specialties, we do not currently have a way to weight or pull multiple specialties. This can cause discrepancies in the data and what their actual benchmarks should be.

Customized benchmarks

During fiscal year 2015, a CSG Benchmark Workgroup collaborated with Vizient to generate six customized benchmarks for pediatric specialties that were previously comprised of blended adult and pediatric data. In some specialties there is little difference between an adult and pediatric practice and in others the difference is significant. In all cases where a new benchmark has been established, the Practice is the final approval for its inclusion into the FMV process. pediatric section leadership has signed off on the new metrics.

Institutional Participation

Time and effort has been spent on creating customized pediatric benchmarks. The CSG Benchmark Workgroup and Vizient plan to leverage these new benchmarks to attract additional pediatric institutions into the Vizient database. In conversations around the country, it is clear that academic medical centers are grappling with the same issues and lack of standards. In the meantime, we will continue to compare the Vizient benchmarks with other established metrics as well as our own internal data to continue to monitor for validity.

See Appendix C for the list of CSG/Pediatric Practice specialties and the benchmark values.

VII. Research Productivity

It is important to evaluate research productivity using criteria based upon the goals and ideals of the Institution. Measurements of research productivity continue to be a topic of discussion among academic medical centers at a national level as well as local to MCW. Certain metrics such as levels of grant funding, number and quality of publications, citation counts, national conference presentations, scholarly awards, recognition and prestige, as well as mission goals set by the Senior Associate Dean,

provide context to research productivity, as assessed by the academic unit leadership. Due to the uniqueness of each individual research program, benchmarks still require individual context. In considering these benchmarks it is important to realize that each individual should be compared against peers within the same field of biomedical research.

VII. Evolution of FMV Benchmark Resources

How academic medical centers measure success will continue to evolve, driving the creation of new measures which will be needed to assess performance. The rigorous examination of benchmark sources currently used needs to continue as we adopt new measures for our business. As we evolve, a healthy balance must be found between using standard and consistent benchmarks versus managing "one off" and special case scenarios.

Appendix A: Fair Market Value (FMV) Business Rules

FMV Data is built for Faculty and Staff Physicians only.

Faculty Survey Ranks:

- Instructor rank in Oracle
- Assistant Professor rank in Oracle, unless can be classified as Chief or Chair based on the Position Title
- Associate Professor rank in Oracle, unless can be classified as Chief or Chair based on the Position Title
- Professor rank in Oracle, unless can be classified as Chief or Chair based on the Position Title
- Chief determined by position title: titles containing "Vice Chair", "Associate Chair", or "Chief"
- Chair determined by position title that contains word "Chair", unless can be classified as a Chief; excludes titles for Chief Officers

PhDs with the following MCW specialties are treated like MDs:

• Neurology-Neuropsychology, Psychologist, Psychologist-Child/Adolescent

Benchmark	Rules	Notes
AMGA	* Not used for Compensation Benchmark for Instructors, Chairs, Chiefs, and PhDs (except PhDs in listed	Note: For Staff Physicians, default to
	specialties)	1.00 Clinical FTE. If there is Admin FTE,
	Degree	Clinical FTE is 1.00 less Admin FTE.
	MD or equivalent	
	PhD or equivalent with MCW specialties listed above	
	Specialty / Specialty Group	
	 MDs are mapped to specialties in Medical, Surgical, and Radiology/ Anesthesiology/ Pathology 	
	groups	
	PhDs are mapped to Midlevel Provider group	
	Other conditions	
	Must have clinical FTE or external FTE	
	Include Staff Physicians	
	Exclude faculty in Visiting positions	
	Exclude faculty with grades F207 and between F215- F225	
MGMA	* Not used for Compensation Benchmark for Instructors, Chairs, Chiefs, and PhDs (except PhDs in listed	Note: For Staff Physicians, default to
(Physician Comp and Productivity)	specialties)	1.00 Clinical FTE. If there is Admin FTE,
	Degree	Clinical FTE is 1.00 less Admin FTE.
	MD or equivalent	
	PhD or equivalent with MCW specialties listed above	
	Specialty: Mapped according to specialty crosswalk by faculty member by year	
	Other conditions	
	Must have clinical FTE or external FTE	
	Include Staff Physicians	
	Exclude faculty in Visiting positions	
	Exclude faculty with grades F207 and between F215- F225	
MGMA (Acad)	Degree	Note: Chair percentiles are in Table
	MD or equivalent	2.18, the rest use Table 2.2
	PhD or equivalent with MGMA specialty of Psychologist	

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	Specialty: Mapped according to specialty crosswalk by faculty member by year	
	Rank	
	• Instructor	
	Assistant Professor	
	Associate Professor	
	• Professor	
	 Chief (mapped to "Division Chair/Chief" in the survey) 	
	Chair (mapped to "Department Chair" in the survey)	
	Other conditions	
	Faculty only; exclude faculty in Visiting positions	
	Exclude all Basic Science departments	
	Exclude faculty with grades F207 and between F215- F225	
AAMC	Degree	Note:
	MD or equivalent	*Clinical department is mapped to
	PhD or equivalent	"Private Schools"
	Specialty	Tivate sensois
		*Basic Science department is mapped
	Mapping from Oracle, plus historical specialty crosswalk by faculty by year Park	to "All Schools"
	Rank	to All Schools
	• Instructor	
	Assistant Professor	
	Associate Professor	
	Professor	
	Chief (Special case for Neurology Chief with PhD being mapped to Professor benchmark – Dr. Sara	
	Swanson)	
	Chair	
	Other conditions	
	Faculty only	
	Exclude faculty in Visiting positions	
	Exclude faculty with grades F207 and between F215- F225	
Cullium Cattor		Notes
Sullivan Cotter	* Not used for Compensation Benchmark for Instructors, Chairs, Chiefs, and PhDs (except PhDs in listed	Note:
	specialties)	*National data only
	Degree	*Use "Physicians" tab for MDs
	MD or equivalent	*Use "Total Cash Compensation" values
	PhD or equivalent with MCW specialties listed above	
	Specialty: Mapped according to specialty crosswalk by faculty member by year	
	Administrative Benchmark Position Level	
	 MDs only- Mapped to "Medical Dir./Div. Chief" if has Administrative FTE > 0.15 (Prior to FY 2017) or 	
	Administrative FTE > 0.10 (starting 7/1/2016).	
	Clinical Benchmark Position Level	
	MDs mapped to "Staff Physician"	
	PhDs with MCW specialties listed above mapped to "Clinician/Researcher"	
	Other conditions	
	Include Staff Physicians	
	Exclude faculty in Visiting positions	
	Exclude faculty with grades F207 and between F215- F225	
	Excitate juicaity with grades 1207 and between 1215-1225	

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AAAP	* Not used for Compensation Benchmark for Chairs and Chiefs	Note: only Total Compensation
	Degree	benchmark is used.
	MD or equivalent	
	PhD or equivalent	
	Rank (AAAP Rank is based on academic ranks only)	
	 Instructor (mapped to "Instructor/Lecturer") 	
	Assistant Professor	
	Associate Professor	
	 Professor 	
	Sub-Specialty: Mapped according to specialty crosswalk by faculty member by year	
	Other conditions	
	CSG Faculty Only	
	 Exclude faculty in Visiting positions 	
	Exclude faculty with grades F207 and between F215- F225	
AAAP Leadership	* Used only for Chiefs	Note: only Total Compensation
	Degree	benchmark is used.
	MD or equivalent	
	Rank (AAAP Rank is based on academic ranks only)	Regional data only.
	 Instructor (mapped to "Instructor/Lecturer") 	
	Assistant Professor	
	Associate Professor	
	 Professor 	
	Sub-Specialty: Mapped according to specialty crosswalk by faculty member by year	
	Other conditions	
	CSG Faculty Only	
	 Exclude faculty in Visiting positions 	
	Exclude faculty with grades F207 and between F215- F225	
AAARAD	* Used for productivity only	
	Degree	
	MD or equivalent	
	Sub-Specialty: Mapped set of specific Radiology related specialties	
	Other conditions	
	Faculty Only	
	 Exclude faculty in Visiting positions 	
L	Exclude faculty with grades F207 and between F215- F225	

Compensation Benchmarks Value Comparisons

Benchmark	Calculations					
Clinical	alculated for anyone with Clinical FTE, excluding Instructors, Chiefs, Chairs, and PhDs (except PhDs in specific specialties)					
	ulty actual: (Clinical FTE x Base Compensation) + Incentives					
	Benchmark: Average(AMGA benchmark + MGMA-Physician benchmark + Sullivan Cotter clinical benchmark) x Clinical FTE					
	* Calculated for Chiefs and Chairs with Clinical FTE					
	Faculty actual: (Clinical FTE x Base Compensation) + Incentives					

	Benchmark: Average(AAMC benchmark + MGMA-Acad benchmark) x Clinical FTE
	* Calculated for Chairs with Clinical FTE (effective FY15)
	Faculty actual: (Clinical FTE x Base Compensation) + Incentives
	Benchmark: Aged 3-Yr moving average(AAMC benchmark + MGMA-Acad benchmark) x Clinical FTE
	* Calculated for Instructors with Clinical FTE
	Faculty actual: (Clinical FTE x Base Compensation) + Incentives
	Benchmark: Average(AAMC benchmark + MGMA-Acad benchmark + AAAP benchmark) x Clinical FTE
Academic	* Calculated for Chairs and Chiefs with Academic FTE
	Faculty actual: (Community + Academic + Teaching + Research + Clinical** FTE) x Base Compensation + Incentives**
	Benchmark: Average(AAMC benchmark + MGMA-Acad benchmark) x (Academic + Teaching + Research FTEs)
	* Calculated for Chairs with Academic FTE (effective FY15)
	Faculty actual: (Community + Academic + Teaching + Research + Clinical** FTE) x Base Compensation + Incentives**
	Benchmark: Aged 3-yr moving average(AAMC benchmark + MGMA-Acad benchmark) x (Academic + Teaching + Research FTEs)
	* Calculated for everyone with Academic FTE (excluding Chairs and Chiefs)
	Faculty actual: (Community + Academic + Teaching + Research + Clinical** FTE) x Base Compensation + Incentives**
	Benchmark: Average(AAMC benchmark + MGMA-Acad benchmark + AAAP benchmark) x (Academic + Teaching + Research FTEs)
	** Clinical FTE and Incentives are added only for PhDs outside of specified specialties
Administrative	* Calculated for all MDs with Admin FTE > 0.15, excluding Instructors, Chiefs, Chairs
	Faculty actual: Administrative FTE x Base Compensation
	Benchmark: Sullivan Cotter administrative benchmark x Administrative FTE
	* Calculated for all MDs with Admin FTE <= 0.15 and all PhDs with any Admin FTE, excluding Chiefs and Chairs
	Faculty actual: Administrative FTE x Base Compensation
	Benchmark: Average(AAMC benchmark + MGMA-Acad benchmark + AAAP benchmark) x Administrative FTE
	* Calculated for Chiefs and Chairs with Admin FTE
	Faculty actual: Administrative FTE x Base Compensation
	Benchmark: Average(AAMC benchmark + MGMA-Acad benchmark) x Administrative FTE
	* Calculated for Chairs with Admin FTE (effective FY15)
	Faculty actual: Administrative FTE x Base Compensation
	Benchmark: Aged 3-yr moving average(AAMC benchmark + MGMA-Acad benchmark) x Administrative FTE
External	* Calculated for anyone with External FTE, excluding Instructors, Chiefs, Chairs, and PhDs (except PhDs in specific specialties)
	Faculty actual: External Pay
	Benchmark: Average(AMGA benchmark + MGMA-Physician benchmark + Sullivan Cotter clinical benchmark) x External FTE
	* Calculated for Instructors and PhDs with External FTE
	Faculty actual: External Pay
	Benchmark: Average(AAMC benchmark + MGMA-Acad benchmark + AAAP benchmark) x External FTE
	* Calculated for Chiefs, Chairs with External FTE
	Faculty actual: External Pay
	Benchmark: Average(AAMC benchmark + MGMA-Acad benchmark) x External FTE
	* Calculated for Chairs with External FTE (effective FY15)
	Faculty actual: External Pay
	Benchmark: Aged 3-yr moving average(AAMC benchmark + MGMA-Acad benchmark) x External FTE

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Total Compensation	Faculty actual:	Base Compensation + Incentives + External Pay	
	Benchmark:	Clinical + Academic + Administrative + External benchmarks	

Productivity Benchmarks

Benchmark	Calculations
UHC Productivity	Sub-Specialty: Mapped based on entries in Oracle
	Other conditions
	 Several custom sub-specialties have been developed over the years and are governed by MCP or CSG.
AAAP Productivity	Sub-Specialty: Mapped according to specialty crosswalk by faculty member by year based on their practice and MCW/AAMC specialties.
(CURRENTLY NOT USED FOR METRICS)	Other conditions
(CONNEWIET NOT OSED FOR WIETNICS)	CSG Faculty Only
	Exclude faculty in Visiting positions
	Benchmarks supplied by the Department of Pediatrics
AAARAD Productivity	Sub-Specialty: Mapped according to MCW specialty related to radiology.
AAAIAD I TOUGETIVITY	Degree: M.D. only
	Other conditions
	Benchmarks supplied by the Department of Radiology
Other mapped productivity benchmarks	AMGA, MGMA Physician, Sullivan Cotter (clinical) – see mapping rules in the compensation section of this document.
Productivity Units	Faculty actual (Anesthesiology, excluding Anesthesiology-Pain Management): AVUs
	Faculty actual (non-Anesthesiology, except Anesthesiology-Pain Management): wRVUs
	Typical productivity benchmark calculation: Clinical Work Week x UHC benchmark by specialty Exceptions:
	Benchmark (MDs in Anesthesiology and PhDs in Psychology specialties):
	Clinical Work Week x Average Units (AMGA + MGMA-Physician + Sullivan Cotter clinical)
	Benchmark for department of Radiology (000330):
	Clinical Work Week x AAARAD benchmark by sub-specialty
Payments	Faculty actual: Payments
	Benchmark: Average Payments (AMGA + MGMA-Physician + Sullivan Cotter clinical) x Clinical Work Week
Clinical Cash Comp (CC) to Unit Ratio	Faculty actual: Clinical CC / wRVUs (non-Anesthesiology) or Clinical CC / AVUs (Anesthesiology)
	Benchmark: Average Clinical CC per Unit ratio (AMGA + MGMA-Physician + Sullivan Cotter clinical)
Clinical Cash Comp (CC) to Payments Ratio	Faculty actual: Clinical CC / Collections
	Benchmark: Average Clinical CC to Payments ratio (AMGA + MGMA-Physician + Sullivan Cotter clinical)

Aging of Survey Data

Historical fiscal years- apply survey data towards the fiscal year it was published in.

Current fiscal year- if there is no survey data available then aged survey data out towards the middle of the fiscal year (Jan 1).

Ex: FY12 Effective survey date: 10/1/11 will be aged out to 1/1/12

3 months * (current fiscal year aging factor/12)

AAMC Survey Table Mapping

Department Type	Degree	Specialty	AAMC School Subset	AAMC Table
Clinical	MD or equivalent	Clinical	Private Schools	Table 13- MD CS Private
Clinical	MD or equivalent	Basic Science	Private Schools	Table 6- MD BS Private
Clinical	PhD or equivalent	Clinical	Private Schools	Table 27- PhD CS Private
Clinical	PhD or equivalent	Basic Science	Private Schools	Table 20-PhD BS Private
Basic Science	MD or equivalent	Clinical	All Schools	Table 11- MD CS All
Basic Science	MD or equivalent	Basic Science	All Schools	Table 4- MD BS All
Basic Science	PhD or equivalent	Clinical	All Schools	Table 26- PhD CS All
Basic Science	PhD or equivalent	Basic Science	All Schools	Table 18- PhD BS All

Staff Physician Compensation - Faculty Market Value (FMV)

Benchmark	Rules	Notes
AMGA	Degree	<u>Note:</u> For Staff
	MD or equivalent	Physicians, default to
	Specialty / Specialty Group	1.00 Clinical FTE. If
	MDs are mapped to specialties in Medical, Surgical, and Radiology/ Anesthesiology/ Pathology groups	there is Admin FTE,
	Other conditions	Clinical FTE is 1.00 less
	Must have clinical FTE	Admin FTE.
Sullivan Cotter	Degree	Note:
	MD or equivalent	*National data only
	Specialty: Mapped according to specialty crosswalk by faculty member by year (to be reviewed by departments)	*Use "Physicians" tab
		for MDs
	Administrative Benchmark Position Level	*Use "Total Cash
	MDs only- Mapped to "Medical Dir./Div. Chief"	Compensation" values
	Clinical Benchmark Position Level	
	MDs mapped to "Staff Physician"	
MGMA	Degree	<u>Note:</u> For Staff
(Physician Comp and Productivity)	MD or equivalent	Physicians, default to
	Specialty: Mapped according to specialty crosswalk by faculty member by year (to be reviewed by departments)	1.00 Clinical FTE. If
	Other conditions	there is Admin FTE,
	Must have clinical FTE	Clinical FTE is 1.00 less
		Admin FTE.

Compensation Benchmarks Value Comparisons - Staff Physician

Benchmark	Calculations		
Clinical	Physician actual: (Clinical FTE x Base Compensation) + Incentives Benchmark: Average(AMGA benchmark + MGMA-Physician benchmark + Sullivan Cotter clinical benchmark) x Clinical FTE		
	Benchmark. Average(Alvida benchmark + ividivia-Friysician benchmark + sumvan cotter clinical benchmark) x clinical FTE		
Administrative	Physician actual: Administrative FTE x Base Compensation		
	Benchmark: Sullivan Cotter administrative benchmark x Administrative FTE		
Total Compensation	Physician actual: Base Compensation + Incentives		
	Benchmark: Clinical + Administrative benchmarks		

Productivity Benchmarks - Staff Physician

Benchmark	Calculations		
Productivity Units	Physician actual (Anesthesiology, excluding Anesthesiology-Pain Management): AVUs		
	Physician actual (non-Anesthesiology, except Anesthesiology-Pain Management): wRVUs		
	Benchmark (MDs in Anesthesiology, Reproductive Endocrinology):		
	Clinical Work Week x Average Units (AMGA + MGMA-Physician + Sullivan Cotter clinical)		
	Benchmark (the rest): Clinical Work Week x Vizient benchmark by specialty		
Payments	Physician actual: Payments		
	Benchmark: Average Payments (AMGA + MGMA-Physician + Sullivan Cotter clinical) x Clinical Work Week		
Clinical Cash Comp (CC) to Unit Ratio	Physician actual: Clinical CC / wRVUs (non-Anesthesiology) or Clinical CC / AVUs (Anesthesiology)		
	Benchmark: Average Clinical CC per Unit ratio (AMGA + MGMA-Physician + Sullivan Cotter clinical)		
Clinical Cash Comp (CC) to Payments Ratio	Physician actual: Clinical CC / Collections		
	Benchmark: Average Clinical CC to Payments ratio (AMGA + MGMA-Physician + Sullivan Cotter clinical)		

Medical College of Wisconsin 19 Revision Date: 9/10/18

Appendix B: MCP / Adult Practice Productivity Comparison

MCW_Specialty*	Vizient	MGMA_Phy	AMGA	SullivanCotter
Anesthesiology-Pain Management	4,412.00	5,958.00	6,637.00	8,715.00
Dermatology	6,864.00	6,949.00	7,522.00	8,417.61
Dermatology-Mohs Surgery	14,841.00	15,047.00	14,828.00	16,056.00
Emergency Medicine	8,902.00	6,756.00	7,527.00	9,114.63
Family Medicine	5,503.00	4,763.00	5,053.00	4,873.18
Family Medicine	5,011.00	4,850.00	5,003.00	4,873.18
Family Medicine	4,923.00	4,844.00	4,994.00	6,503.30
Medicine-Cardiology	10,483.00	10,609.00	10,308.00	12,103.10
Medicine-Cardiology	6,934.00	7,325.00	7,517.00	9,100.54
Medicine-Cardiology	8,403.00	8,529.00	7,517.00	11,149.00
Medicine-Cardiology	9,346.00	9,968.00	9,380.00	11,755.72
Medicine-Critical/Intensive Care	6,516.00	4,540.00	4,856.00	6,400.80
Medicine-Endocrinology	4,635.00	4,629.00	4,769.00	5,361.07
Medicine-Gastroenterology	7,256.00	8,251.00	8,169.00	9,523.03
Medicine-General Internal Medicine	4,638.00	4,781.00	4,887.00	5,724.00
Medicine-Geriatrics	3,640.00	3,344.00	3,515.00	4,145.25
Medicine-Hematology/Oncology	5,358.00	4,611.00	5,021.00	5,405.67
Medicine-Hospice and Palliative Medicine	2,875.00	1,879.00	2,369.00	3,007.21
Medicine-Hospitalist	4,017.00	4,159.00	4,286.00	5,271.81
Medicine-Infectious Disease	3,862.00	5,040.00	5,032.00	5,717.50
Medicine-Nephrology	7,165.00	6,517.00	7,043.00	8,236.00
Medicine-Pulmonary	6,108.00	6,689.00	5,739.00	8,184.25
Medicine-Rheumatology	4,638.00	4,668.00	4,784.00	5,256.52
Neurology	4,475.00	4,767.00	4,757.00	5,618.32
OB/GYN-General	6,851.00	6,821.00	6,891.00	8,361.00
OB/GYN-Gynecologic Oncology	7,044.00	5,717.00	6,895.00	8,263.92
OB/GYN-Maternal and Fetal	7,109.00	6,701.00	7,234.00	9,170.90
OB/GYN-Reproductive Endocrinology	5,353.00	4,187.00	4,661.00	5,401.81
Ophthalmology	8,441.00	8,306.00	8,914.00	10,061.58
Otolaryngology	7,812.00	6,799.00	7,095.00	8,582.95
Pathology-Anatomic	6,446.00	5,267.00	5,735.00	6,832.00
Pathology-Clinical	5,969.00	3,383.00	5,373.00	5,343.00
Physical Medicine and Rehabilitation	8,491.00	4,815.00	4,594.00	5,786.92
Psychiatry	4,079.00	4,234.00	4,171.00	5,171.74
Radiation Oncology	10,845.00	8,212.00	9,106.00	10,626.40
Radiology-Diagnostic-Abdominal	9,096.00	9,009.00	9,212.00	10,830.00
Radiology-Diagnostic-Breast	9,096.00	9,009.00	9,146.00	10,830.00
Radiology-Diagnostic-Cardio/Thoracic	9,096.00	9,009.00	9,212.00	10,830.00
Radiology-Diagnostic-Musculoskeletal	9,096.00	9,009.00	9,212.00	10,830.00
Radiology-Diagnostic-Non-interventional	9,096.00	9,009.00	9,212.00	10,830.00
Radiology-Neuroradiology	9,096.00	11,843.00	9,212.00	10,830.00
Radiology-Nuclear Medicine	5,341.00	4,816.00	6,850.00	7,931.00

MCW_Specialty*	Vizient	MGMA_Phy	AMGA	SullivanCotter
Radiology-Vascular-Interventional	7,309.00	6,898.00	7,930.00	9,535.09
Surgery-Breast Surgery	6,355.00	5,055.00	6,222.00	6,709.00
Surgery-Cardiac Surgery	10,462.00	9,490.00	9,519.00	12,509.11
Surgery-Colorectal Surgery	11,406.00	7,660.00	8,251.00	9,644.32
Surgery-Critical Care	7,395.00	6,491.00	7,297.00	8,918.93
Surgery-General Surgery	7,875.00	6,570.00	6,756.00	8,448.36
Surgery-Neurosurgery	10,836.00	9,755.00	9,565.00	13,065.04
Surgery-Orthopaedic Surgery	7,587.00	8,838.00	7,945.00	8,756.02
Surgery-Orthopaedic Surgery	8,863.00	7,969.00	8,229.00	10,239.11
Surgery-Orthopaedic Surgery	8,509.00	9,154.00	8,178.00	10,961.18
Surgery-Orthopaedic Surgery	11,224.00	11,006.00	9,832.00	11,752.07
Surgery-Orthopaedic Surgery	7,974.00	8,585.00	8,229.00	8,944.76
Surgery-Orthopaedic Surgery	7,200.00	6,577.00	7,346.00	8,051.48
Surgery-Orthopaedic Surgery	10,202.00	11,455.00	12,506.00	14,969.00
Surgery-Orthopaedic Surgery	8,827.00	9,369.00	8,924.00	11,174.23
Surgery-Orthopaedic Surgery	9,471.00	8,240.00	8,548.00	11,391.00
Surgery-Orthopaedic Surgery	6,374.00	4,815.00	4,594.00	5,786.92
Surgery-Plastic Surgery	6,938.00	6,567.00	7,540.00	9,155.00
Surgery-Thoracic and Cardiovascular Surgery	10,462.00	9,490.00	9,519.00	12,509.11
Surgery-Thoracic and Cardiovascular Surgery	8,021.00	7,245.00	9,511.00	9,908.66
Surgery-Transplant Surgery	6,625.00	6,980.00	6,427.00	8,770.71
Surgery-Trauma Surgery	7,395.00	6,491.00	7,297.00	8,918.93
Surgery-Urologic Surgery	6,077.00	8,060.00	7,783.00	9,259.60
Surgery-Vascular Surgery	7,266.17	8,821.00	8,839.00	10,546.00
Surgical Oncology	8,312.00	7,766.00	7,362.00	8,668.34

^{*}Data effective FY2018

Table V.1 - Statistical Analysis of wRVU Benchmarks*

	Vizient	MGMA Physician	AMGA	SullivanCotter
Mean	7,434.73	7,089.04	7,289.36	8,740.56
Adjusted Mean	8,113.99	7,878.84	7,935.81	9,548.36
Standard Error	274.54	289.08	265.20	324.63
Median	7,266.17	6,821.00	7,362.00	8,918.93
Mode	9,096.00	9,009.00	9,212.00	10,830.00
Standard Deviation	2,247.23	2,366.20	2,170.76	2,657.18
Sample Variance	5,050,053.50	5,598,882.56	4,712,198.54	7,060,624.49
Range	11,966.00	13,168.00	12,459.00	13,048.79
Minimum	2,875.00	1,879.00	2,369.00	3,007.21
Maximum	14,841.00	15,047.00	14,828.00	16,056.00
Sum	498,127.17	474,966.00	488,387.00	585,617.84
Count	67.00	67.00	67.00	67.00
Confidence Level (95.0%)	548.14	577.16	529.49	648.14

^{*}Data effective FY2018

Appendix C: CSG / Children's Practice Productivity Comparison

MCW_Specialty*	Vizient	AAAP
Pediatrics-Allergy/Immunology	3,739.00	3,652.00
Pediatrics-Cardiology	4,378.00	4,285.00
Pediatrics-Child Development	2,656.00	2,603.00
Pediatrics-Critical/Intensive Care	5,870.00	6,331.00
Pediatrics-Dermatology	5,813.00	5,062.00
Pediatrics-Dermatology	5,813.00	5,062.00
Pediatrics-Emergency Medicine	6,638.00	5,740.00
Pediatrics-Endocrinology	3,690.00	3,837.00
Pediatrics-Gastroenterology	4,653.00	4,510.00
Pediatrics-General	4,946.00	4,752.00
Pediatrics-Hematology/Oncology	3,643.00	3,727.00
Pediatrics-Hospitalists	3,408.00	2,602.00
Pediatrics-Infectious Disease	2,495.00	2,974.00
Pediatrics-Neonatology	12,714.00	11,355.00
Pediatrics-Nephrology	3,428.00	4,100.00
Pediatrics-Neurology	4,494.00	4,277.00
Pediatrics-Pulmonary	2,566.00	4,014.00
Pediatrics-Rheumatology	4,020.00	3,192.00

^{*}Data effective FY2018

Table V.2 - Statistical Analysis of wRVU Benchmarks*

	Vizient	AAAP		
Mean	4,720.22	4,559.72		
Adjusted Mean	5,872.12	5,411.18		
Standard Error	549.61	464.42		
Median	4,199.00	4,188.50		
Mode	5,813.00	5,062.00		
Standard Deviation	2,331.78	1,970.39		
Sample Variance	5,437,199.83	3,882,422.45		
Range	10,219.00	8,753.00		
Minimum	2,495.00	2,602.00		
Maximum	12,714.00	11,355.00		
Sum	84,964.00	82,075.00		
Count	18.00	18.00		
Confidence Level (95.0%)	1,159.57	979.85		

^{*}Data effective FY2018

Appendix D: Revision History

Date	Author	Change Reason
10/1/13	Kevin Eide, Jeff Morrow	Original Draft
11/15/13	Kevin Eide, Jeff Morrow	Added benchmark statistics
12/21/13	Kevin Eide	Minor editorial revisions from Executives
1/6/14	Kevin Eide, Jeff Morrow	Additional benchmark statistical edits and formatting
4/2/14	Kevin Eide	Edits from Drs. Raymond and Kerschner
11/25/14	Kevin Eide	Incorporate significant edits from CSG, Research, and ICC
02/16/15	Lorie Howard	Edits to FMV comp benchmark calculation for Chairs
09/27/18	Compensation Team	Annual Review; updated language throughout document.