STAR² CENTER TALKS COMPENSATION PLANNING

MAY 22, 2019

1PM EASTERN

www.chcworkforce.org

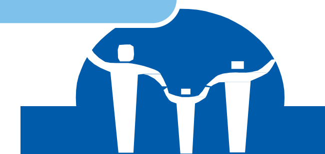
Curt Degenfelder Consulting, Inc.

ASSOCIATION OF CLINICIANS FOR THE UNDERSERVED

Access to Care & Clinician Support

Recruitment & Retention

- National Health Service Corps
- Resources
- Training
- Networking



WHO WE ARE

Association of Clinicians for the Underserved

Funded by HRSA's Bureau of Primary Health Care

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WEBINAR HOUSEKEEPING

We are Recording

Ask Questions

Have Fun

HEALTH CENTER PROVIDER COMPENSATION & RETENTION PHILOSOPHY

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THE STATE OF PROVIDER RECRUITMENT

- Physician recruitment is difficult. One state reported that in the past 2 years CHCs have brought on 110 new primary care providers – 100 nurse practitioners and 10 physicians
- Available nurse practitioners and physician assistants (although NPs are increasingly inexperienced, and not yet ready to be independent or productive)
- States are evaluating required midlevel to physician ratios (but does the model work when we go too high?). More broadly, given provider shortages around the country, there are growing battles over licensure/billable providers
- Both dentist and hygienists are difficult to recruit
- Behavioral health may be the most difficult to recruit
- Harder to recruit in rural areas

THE STATE OF PROVIDER RECRUITMENT

- Hospitals are now the most active recruiters of providers (private practice used to be most active).
- One physician recruiting company reported that 73% of searches including incentive compensation based on production (mostly RVUs) and 39% had a quality component.
- Many health centers have concluded that attempting to pay providers below market does not work.
- CHC hours and call (or lack thereof) may be a competitive advantage. Many providers also looking for less than full time (need to balance against operational issues).
- Provider recruitment agencies seem to be more active than in the past. These organizations attract provider clients by promising large increases in salary and benefits (if using, best to define your parameters ahead of time).

THE STATE OF PROVIDER RECRUITMENT

- $216k base pegged to MGMA annual increases;
- $15k signing bonus;
- $38k annual corporate retirement plan first 2 yrs with $22k additional to a 401k thereafter;
- Full family medical, life and disability. insurance paid;
- Guaranteed defined benefit retirement at 75% of salary.

- Note from CFO – "We are paying new graduating FM residents $180k right out of school. Base. Does not include sign on bonuses or benefits. Hospitals offering $200k plus $25k-$50k sign on bonuses. Brutal competition."

- Some health systems are now giving signing bonus to residents in their PGY3 year, up to $50,000, to sign up for 2 years

THE STATE OF PROVIDER RECRUITMENT

- Some providers may be mission oriented, but generally compete against market.
- Provider perception of average compensation may not be accurate, so the more data the better.
- CHCs tend to have lower fringe benefit rates than health systems or County providers. Health centers generally compete on salary, not fringe
- Need to weigh the cost of vacancies.

THE STATE OF PROVIDER RECRUITMENT

- In a CHC, need to consider administrative roles as well (CMO, Associate Medical Director)
- Determinations in differentials in provider compensation – experience? Performance (note that CMOs are notoriously poor at doing performance reviews)? Potential metrics for increase:
  - Productivity
  - Direct patient feedback
  - Speak targeted patient population language
  - Peer review
- When primary care provider compensation is increasing at a high rate, keeping providers at market may necessitate giving proactive extra-normal raises.

THE STATE OF PROVIDER RECRUITMENT

Salary	Basic form of compensation, may be compared to peers
Sign-on bonus	
Fringe benefits	Generally the same as for other employees
Retention bonus	Increasingly common, can be phased over time period
Administrative pay	Can be for duties or other outside costs
Incentive compensation	Provides differential compensation to high performers; may change behavior

PROVIDER RETENTION

INVESTING IN OPERATIONS

PROVIDER RETENTION

- Cost/benefit analysis of *lowering the chances of losing a provider.* This analysis becomes more applicable the more providers there are (as a percentage of turnover can be developed).
- Losing star providers may have an annuity effect – i.e. they will never be replaced by someone as good
- Also have to consider a similar equation for MA turnover, both in terms of productivity as well as provider retention. Think of it as setting back the team six months.
- In smaller communities, may be even greater impact of losing provider, especially if they move to another organization in town.

BRANDING IN RECRUITMENT/RETENTION

- Enunciate your health center's brand – serving a specific population, faith-based, training site, delivering higher quality of care in a specific area, chronic disease management experts – to attract like-minded missional providers
- CHC as a good place to work:
  - Mission driven with high quality care
  - Provider is not on their own
  - Comprehensive care that is not siloed
  - No hospital call
  - No human resources role
  - Less paperwork (hopefully)
  - Willing to accommodate part-time provider schedules. Alternate schedules (4 10 hour days)
- May also include a residency program strategy – as a way of keeping providers who are interested in education, as well as identifying new providers who are interested in community-based medicine. How early in the pipeline should we grab providers? Can we incentivize residents?

MAKING PROVIDERS HAPPIER

- Assisting with "non-clinical" activities, building PCMH team:
  - Pre-visit planning processes and tools
  - Refills
  - Forms
  - Finding info for chart
  - Tracking referrals
- Variety
  - Phone visit
  - Scheduled time for email
  - Team meeting
  - QI time
- Making EHR more usable – this requires investment in individuals to optimize the EHR, re-train and re-educate staff and providers, full onboarding.

CHC ADVANTAGES OVER HEALTH SYSTEM/CORPORATE HEALTH

- CHC providers can do full scope family medicine
- CHC providers have more flexibility in schedule, including partial FTE
- More input on decision-making in CHC*
- While visit productivity may be challenging for health center providers, many health systems pay based on RVUs, which is even more challenging

* May vary by health center

IMPROVING PROVIDER RETENTION

- Onboarding process – It is easy to think that such a process is unnecessary, since providers will be seeing patients, as in their previous job. However, a good onboarding process should include:
  - Comprehensive EHR training
  - Shadowing of front desk, billing, phone staff
  - Seeing patients with established providers
  - A period of time with a reduced schedule
  - Putting providers straight out of residency at sites with experienced providers, good site managers, and effective support staff
- Mentoring – There are many things that providers are not taught in medical school and residency, chief among them how to be productive. An experienced health center provider can help train a younger provider on what it means to be a community health center provider.
- Recognizing physician effort in nurse practitioner supervisory time

IMPROVING PROVIDER RETENTION

- Giving the CMO enough time to be CMO – this position has an administrative portion. But more importantly, it has a leadership portion, and being a good leader takes time (outside of scheduled clinic hours). Avoid the temptation to take a few additional visits over leadership.
- Other Provider Leadership positions – EHR guru, Associate Medical Director, Dental Director, Mental Health Director
- Clearly defining total hours and clinical hours expectations
- Retention Bonus (as opposed to a signing bonus)
- Retaining key support staff (Site Manager, Back Office)

IMPROVING PROVIDER RETENTION

1 year contract: $5,000 per year (low incentive)
2 year contract: $15,000 per year ($30,000 total)
3 year contract: $20,000 per year ($60,000 total)

Paid 90 days after the end of the period. Must be at least half time to earn the incentive

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THANK YOU!