



APPD Listserv: Compensation Committee Structure Question

July 2015

The following comes from **Dayle Benson**, University of Utah School of Medicine

Question:

Do you have a compensation committee structure within the medical group? If so, what is the committee's scope of responsibility and membership composition?

Peter Christman, University of Wisconsin School of Medicine and Public Health	Yes, we have two compensation committees. One called the Compensation Development Committee reviews the individual departmental compensation plans and determines whether or not they follow the fundamental organizational principles of compensation. They also hear any complaints regarding the functioning of the individual departmental compensation plans. This group includes one representative from each department and a public board member. The second committee is the Compensation Review Committee made up of public board members who annually review the work of the Compensation Development Committee and review any requests for excess compensation.
Scott Hofferber, University of Missouri Health	We do not have such a committee at Mizzou currently. However, we've engaged a consulting firm (ECG) to help with faculty compensation going forward and I suspect there will be a suggestion to add something like this.
Amy Sebring, VCU School of Medicine	<p>We have a multi-layered committee structure. First, we have a Physicians Compensation Advisory Committee (PCAG), which is truly advisory in nature. They provide guidance on policy issues and proposed changes. They also serve to ensure consistency in the application of our compensation plan where it is appropriate to apply consistent metrics or approaches and to vet those items where specific departments or specialties advocate for unique treatment on particular items. PCAG meets monthly.</p> <p>We have a Senior Leadership Steering Committee, chaired by the President of the Practice Plan, that also includes me as Exec Dir and Sr. Assoc Dean of Finance and Administration, the Dean, the CEO of the hospital, the CFO of the clinical enterprise (Physician Practice and Hospital), and the Senior Associate Dean for Faculty Affairs. We meet weekly (60-90 minutes) and review comp structure (we're still building) as well as strategic requests, FMV/compliance issues, etc.</p>

	<p>Finally, we have a Committee of the Board which is chaired by the Dean and contains only our 3 public members. We intentionally structured the committee to include only those (non-physicians) who could not benefit from the comp plan structure. The Dean, by nature of his leadership position, likewise does not participate in the plan. The Comp Comm reviews all recommendations with respect to individual faculty salaries as well as all policy changes to the structure and administration of the compensation plan. That group meets monthly, although we typically cancel 2 of the summer meetings and often 1 or 2 meetings in the winter.</p> <p>Hope that helps. I'm happy to provide more information if interested.</p>
Carlos Rosende, University of Texas Health Science Center at San Antonio	We have a compensation committee that is composed of several clinical department chairs, some faculty members and department administrators. The committee started with a framework which Chartis helped create. After the overarching compensation plan was drafted and approved by the board of the practice plan, it was presented to the individual departments. Each department is permitted to modify only specific aspects of the plan, but the departmental plans must then be approved by the practice plan's compensation committee. Each plan is reviewed annually.
Beth Johnston, University of Pennsylvania	We handle oversight of the compensation plans through our Finance Committee, a subcommittee of the Board of Directors. It is chaired by our Chair of Neurosurgery, with 5-6 chairs from the clinical departments, and 3-4 Chief Operating Officers from the Departments. My CFO and I staff the committee.
Richard Sobieray, USF Health	Not yet
Jane Schumaker, University of Colorado	U of Colorado/University Physicians. We do not have a committee in the medical group. Compensation is determined by the departments and reviewed/approved by the Dean's Office.