

Yale SCHOOL OF MEDICINE

Yale School of Medicine Guidelines for Departmental Compensation Plans

YSM-DO-0002

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| Responsible Official | Deputy Dean, YSM Finance & Administration | Revision Date | 08/13/2021 |

Policy Sections

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Scope

This policy applies to all faculty at Yale School of Medicine.

Policy Statement

Pending

Reason for the Policy

With fairness and equity in mind, the compensation committee of YSM has established a set of guiding principles to which all departmental salary plans must adhere, presented below. These principles help faculty members feel confident that their compensation has been fairly and reasonably determined, provide flexibility to recognize individual achievement, enable departments to respond to market forces, and guarantee sound management of financial risks and resources of departments, YSM and the University.

Definitions

Pending

Policy Sections

1 Guiding principles

Salaries for faculty in the School of Medicine are set by Yale School of Medicine (YSM) according to an approved department-specific compensation plan. Faculty members' salary are governed by the department of their primary appointment. For faculty with true joint appointments, one department will be designated as administrative for the purposes of compensation and this designation will be documented in appointment, reappointment and salary letters.

With fairness and equity in mind, the compensation committee of YSM has established a set of guiding principles to which all departmental salary plans must adhere, presented below. These principles help faculty members feel confident that their compensation has been fairly and reasonably determined, provide flexibility to recognize individual achievement, enable departments to respond to market forces, and guarantee sound management of financial risks and resources of departments, YSM and the University.

All departmental faculty compensation plans must be reviewed by Yale School of Medicine and the Office of General Counsel prior to implementation or after changes have been made. For clinical departments, YSM review will include review by Yale Medicine leadership.

Each department should constitute a department compensation committee. The membership of that committee should be communicated to all members of the department annually and upon the appointment of new members. The committee should review the compensation plan at least annually. The effect of changes to the compensation plan should be modeled for impact on individual faculty as well as on equity within the department. The committee is expected to vet major changes with the faculty. Any revisions to the compensation plan should be forwarded to the Office of the Dean and the Office of General Counsel for review.

Departments are expected to provide faculty members with a copy of the approved compensation plan upon receipt of a signed offer letter and after any change has been made to the compensation plan. In addition, departments are expected to post a copy of departmental compensation plans in an accessible password-protected site.

Departments are expected to provide annual feedback to faculty on performance and compensation.

Faculty questions or concerns related to compensation should be addressed by the Departmental Lead administrator and Chair. If questions or concerns remain, the faculty member should be directed to Director of Faculty Support in the Office of Finance and Administration. If concerns remain, the faculty member may request formal dispute resolution by the Deputy Dean for Finance and Administration and the Dean.

2 Definition of Effort

Dissatisfaction can arise when there is mis-alignment between the expectations of the department and a faculty member with respect to career goals and the focus of efforts. The track of a faculty member should define departmental expectations regarding effort allocation. It is expected that all faculty engage in education and mentoring as part of their clinical and research work.

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| Traditional Track | Faculty appointed to the traditional track are expected to dedicate at least 75% of their time to research and may dedicate up to 25% of their time to educational, clinical, and/or administrative activities. At the associate professor with tenure and professor ranks, the percentage of effort dedicated to research may decrease based on the allocation of time to |
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| | <p>funded leadership positions. Faculty on this track are expected to obtain sustained extra-mural funding.</p> |
| <p>Investigator Track</p> | <p>Faculty on the Investigator track are expected to dedicate at least 90% of their time to research, and typically 95% to 97%. Investigator track faculty may also contribute to graduate education and/or may devote effort to research administration, for example, as the director of a core facility. Faculty on this track are expected to obtain sustained extra-mural funding.</p> |
| <p>Clinician-Scientist Track</p> | <p>Faculty on the clinician-scientist track at the rank of assistant professor are expected to dedicate 70% of their time to research (in procedural subspecialties, at least 50% effort). The remainder of the time will be dedicated to clinical (mandatory for the track), educational, or administrative pursuits. At the associate and professor ranks the percentage of effort dedicated to research may increase or decrease based on the allocation of time to funded leadership positions or funded grants. Faculty on this track are expected to obtain sustained extra-mural funding.</p> |
| <p>Clinician Educator-Scholar Track</p> | <p>Faculty appointed to the clinician educator-scholar track are expected to dedicate 80% effort to clinical responsibilities and 20% to scholar activities in research or education. Those who take on significant educational leadership roles or paid</p> |

research effort

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| | will dedicate less time to clinical work and more time to these activities. |
| Academic Clinician Track | Faculty appointed to the academic clinician track are expected to dedicate at least 90% of their time to clinical care. The education of residents, fellows and medical students in the clinical setting requires additional effort and comprises at least 5% of time. Faculty on the academic clinician track may reduce the time dedicated to clinical care in order to take on a clinical and/or educational administrative role with defined effort and salary support. |

3 Benchmarks

Faculty salaries will be benchmarked annually against Association of American Medical Colleges (AAMC) regional data for the department and/or clinical subspecialty.

Basic science faculty will also be benchmarked against all basic science faculty of the same rank and time in rank at Yale School of Medicine. The Dean’s office sets a standard salary for new basic research (PhD) assistant professors in the Traditional track each year and for newly appointed associate professors with term on the Traditional track. Assistant professor salaries increase with time in rank. Salaries for assistant professors on the Investigator Track are expected to fall within 90% to 110% of those with the same time-in-rank on the Traditional Track. Salaries for associate professors on the Investigator Track are expected to fall within 90% to 100% of newly promoted associate with term, Traditional Track.

For clinical faculty, clinical productivity will be defined based on the national benchmark of Vizient (formerly University Healthcare Consortium) work relative value units (wRVUs), calculated over a three-year trailing average. Physicians are expected to achieve productivity at least at the 50th percentile for their level of effort. For example,

for a physician with 80% clinical effort will be expected to generate 80% of the Vizient 50th percentile benchmark for their specialty. For hospital-based practices, such as anesthesia, pathology and radiology expectations may be based on time of service. Failure to meet clinical productivity expectations may result in adjustments to compensation and effort. Any midyear adjustments must be approved by YSM.

Benchmarks will be updated annually, using a three-year trailing average.

In clinical departments, for those subspecialties where meaningful salary or productivity benchmarks do not exist, the department may choose a subspecialty-specific benchmark after recommendation by the YM finance committee and approval by the Director of Academic Analytics in consultation with the Dean and YM.

4 Components of Compensation

Total compensation should consist of base + supplement + incentive. The incentive portion may not exceed 20% of total compensation.

The base salary represents YSM's annual commitment to those faculty who meet the basic expectations of their department and the School of Medicine. The base amounts are set annually by the Office of the Dean and are consistent for all faculty members who hold a given rank at the School of Medicine.

The core supplement represents the variable portion of the salary related to the faculty members duties. Departments may set the core supplement based on:

- Specific market factors such as the sub-specialty, reputation, unique skills, outside market forces or geographic practice location
- Time in rank
- Individual clinical performance as measured by wRVUs, shifts, etc.
- Significant teaching responsibility that is prospectively reimbursed by the department or the School of Medicine for a defined percent effort
- Significant administrative effort that is reimbursed by YNHHS, YM or the School of Medicine. Examples include medical directorships, associate deanships.

- “Citizenship” activities, such as service at an outreach site

For each criterion, the supplement must be set *a priori* and must be consistent for all faculty members within the department who meet the criterion. When departments offer opportunities to increase compensation through assuming additional clinical shift work, taking on additional administrative and educational responsibilities, etc. such opportunities must be offered on an equal basis to all eligible faculty. Departments should use objective mechanisms to solicit nominations or self-nominations for such work.

An administrative stipend may be provided for some administrative roles that carry significant responsibility beyond the scope of activities encompassed in the regular work of a faculty member. Such stipends are delimited by the time during which those duties are to be performed. If a faculty member ceases to perform those duties, the administrative stipend will be discontinued.

Faculty compensation plans may provide incentives for performance such as:

- Clinical productivity or extra coverage
- Quality metrics
- Metrics of research productivity such as grant submissions
- Participation in citizenship activities such as initiation of delivery network services

Criteria for incentives must be determined *a priori* and clearly stated in the department compensation plan. Individual metrics should be aligned with departmental metrics. Incentives may be tied to individual performance or to group performance. Incentives payments may be made quarterly, semi-annually, or annually.

Faculty may receive a one-time bonus for extraordinary performance rendered in connection with completion of a special project or other non-recurring activity.

An individual faculty member may not choose to waive incentive pay in order to apply the money to their academic program. A department may, however, develop a plan for all faculty in a certain track to receive incentives in the form of programmatic support.

Compliance with regulations, policies or procedures relating to the conduct of patient care or research is a performance expectation that may affect salary.

Compensation (salary and/or incentive) may not be based in whole or in part on the value of referrals.

If a faculty member is alleged to have behaved in a way that violates the Faculty Standards of Conduct or the bylaws of the medical staff of one of the hospitals of the Yale New Haven Health System and if such concerns regarding professionalism have been substantiated by a formal review process, the faculty member may have their compensation reduced.

For Yale School of Medicine faculty who are paid entirely by an affiliate institution such as Howard Hughes Medical Institute (HHMI), the Pierce Foundation, the Veterans Administration (VA) hospital, the salary will be governed by the guidelines of that organization. For those faculty who have less than full-time effort at the affiliate (e.g. the VA hospital), total compensation is set by the Department based on the departmental compensation plan. The department will cover that portion of the total compensation not paid by the affiliate.

From time to time a ladder faculty member on a research-intensive (traditional/tenure, clinician-scientist, or investigator) track has difficulty renewing research funding.

Departments should adopt a standardized approach to bridge funding, program downsizing and salary reduction. **(An example policy appears in the appendix.)**

Faculty may be asked to take on new teaching, administrative or, if appropriate, clinical responsibilities to maintain their salary at its current level. If additional responsibilities are not available or if a faculty member chooses not to take on additional responsibility, the salary may be reduced no more than 10% per every six

months until the base salary is reached or until the faculty member has garnered additional funding or taken on additional responsibilities.

5 Compensation Plan Performance Analysis

As a check of the functioning of the departmental compensation plans, the Director of Academic Analytics completes an annual regression analysis of faculty compensation each year. The purpose of this equity review is to identify individuals or groups for whom salaries vary significantly from that predicted based on rank, clinical productivity, subspecialty, years since degree, etc. If this analysis identifies a pattern that disproportionately affects one group of faculty within a specific section or department, the Dean's Office will ask the department to revise its compensation plan appropriately.

Special Situations & Exceptions

Pending

Roles & Responsibilities

Pending

Contact Information

- **Subject Matter Expert:** YSM, Director of Faculty Support: 203-785-5200

Related Information

Yale School of Medicine Guidelines for Minimum Commitments, YSM-DO-0003

Revision History

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The official version of this information will only be maintained in an on-line web format. Any and all printed copies of this material are dated as of the print date. Please make certain to review the material on-line prior to placing reliance on a dated printed version.

APPENDIX

Example Funding Gap Plan

From time to time a tenured faculty member within a department has difficulty renewing research funding. This memo outlines an example of an approach and process that might be applied by a department in such situations. Departments should consider developing a policy proactively and having that policy reviewed by the Office of General Counsel and the Deputy Deans for Scientific Affairs.

For a faculty member whose competitive renewal of an R01 or P01 (or similar federally funded grant) is not scored in the fundable range:

The Chair or Section Chief and faculty member review bridge funding opportunities within the department as well as Yale internal funding opportunities that might provide bridge funding. YSM does not currently offer centralized bridge funding.

The Chair or Section Chief and faculty member review plans for resubmission.

Whether or not a faculty member is eligible for bridge funding, he/she and his or her Chair or Section Chief work to maximize effort on any other grants, develop a plan to cover the salaries of staff or trainees in the research program, and/or notify the Lead Administrator of any need to reduce personnel.

The Chair or Section Chief sends an e-mail to the relevant Deputy Dean for Scientific Affairs documenting the conversation, the plan, and the application for bridge funding and copy the faculty member and Lead Administrator.

For a faculty member whose resubmission (competitive renewal) or new R01 or P01 does not receive a fundable score within the next nine months:

The faculty member and Chair/section chief meet to:

- Determine whether the faculty member intends to submit a grant within the next three months.
- Develop a plan for the faculty member to cover his or her salary through other grants, clinical work, directorships or teaching responsibilities.
- Develop a plan to cover the salaries of staff or trainees in the research program, and/or notify the Lead Administrator of any need to reduce personnel.
- Reevaluate and potentially redistribute space commensurate with the space utilization (mean funding/square foot) in the department.

The Chair/Section Chief communicate this plan in writing to the relevant Deputy Dean for Scientific Affairs and copy the faculty member and Lead Administrator. The faculty member may also choose to meet with the Deputy Dean.

For a faculty member who has not covered his or her salary through other grants, clinical work, directorships or teaching responsibilities after an additional six months:

The faculty member meet with the Section Chief (if relevant) and the Chair to consider any other mechanisms of salary support, including increased clinical, teaching or administrative work. In the absence of said support, the Chair, Section Chief and faculty member reduce the faculty member's salary by 10% from the current salary during the next fiscal year, and by

subsequent equal amounts at six-month intervals thereafter until the faculty member can cover his or her salary or until the faculty member's salary is reduced to the base salary set by the school of medicine. Faculty remain eligible for departmental incentives such as for patient satisfaction.

The Chair/Section Chief send the faculty member a letter documenting the plan and copying the relevant Deputy Dean for Scientific Affairs, Deputy Dean for Academic Affairs and, Director of Academic Analytics.