The Evolving Role of the Department Chair

AAMC
Tomorrow's Doctors, Tomorrow's Cures

Learn
Serve
Lead

Moderator

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Speakers and Panelists

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Association of American Medical Colleges

Agenda

Part One
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A National Perspective

- Overview of the Changing Health Care Environment Impacting Academic Medical Centers and Faculty Practice Plans
- Expanding scope and accountability of Department Chairs
- Shared accountability and reward structure considerations

Part Two
University of Utah | Boston University

Institutional Perspectives

- Organizational overview of each respective institution
- Administrative Leadership perspective
- Department Chair perspective
- Panel Discussion | Q&A
- Closing Statements

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Part One

Academic Medicine
A Changing Environment

Academic medicine made more complex in an environment of reduced academic funding, increasing at-risk reimbursement and a focus on cost and value

Academic Mission
Research and Teaching

- Distribution of research funding concentrated among select AMCs
  - Stagnation in government/NIH funding driving competition and accountability in support of high impact research and value
- Diversification and expansion of academic revenue sources (e.g., private funding, clinical trials)
- Significant opportunities to be leaders in innovation and growth

Clinical Mission
Patient Care

- Changing care delivery models with strong focus on access and patient experience
- Changing reimbursement; Transition from volume-to-value in support of population health
  - Increasing at-risk amounts tied to quality and population health management
- Commercial payer narrow networks may exclude academic medical centers, which can be higher-cost providers

Sources:
Aagaard K, Kladakis A., & Nielsen MW. (2020) Concentration or dispersal of research funding? *Quantitative Science Studies*, 1 (1): 117-149.
Silva, PJ, & Ramos KS. (2018). Academic Medical Centers as Innovation Ecosystems: Evolution of Industry Partnership Models Beyond the Bayh-Dole Act. *Academic Medicine.* 93:8, 1135-1141.
Rudoy J. Baggot, D. & Yu, Z. (2021) The Future of Academic Medical Centers. OliverWyman. April 29, 2021. https://health.oliverwyman.com/2021/04/the-future-of-academic-medical-centers.html
Woolston C. (2021) Proposed NIH windfall raises hopes - and fears. *Nature.* 2021 Jul 27. doi: 10.1038/d41586-021-02064-x. Epub ahead of print. PMID: 34316037.
Also supplemented by SullivanCotter's extensive experience with academic medical centers.

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Department Chairs

Leaders Critical to the Success of Academic Medicine

"One of the most complex and challenging positions in academia with significant influence on the institution"[1]

"Opportunity to build on the tradition of mentorship and discovery while promoting a culture that aligns clinical and scholarly activities"[2]

"Act as a backstop to preserving academic medicine[3]; A linchpin bearing the most stress; Push, pulled and torn"[1]

"A microcosm of the challenges facing academic medicine; Opportunity to shape the strategic direction"[3]

"Yet, little attention given to codifying expectations, goals or reward structures"[3]

[1] AAMC Leading: Top Skills, Attributes and Behaviors Critical for Success
[2] The Department of Medicine in 2030: A Look Ahead
[3] Abstracted from interviews conducted by SullivanCotter

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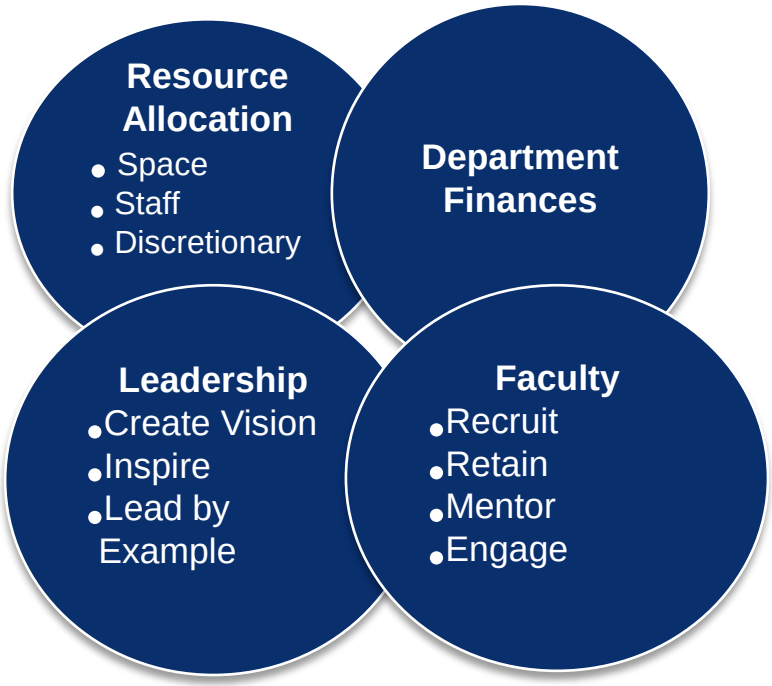
Expanding Scope of a Department Chair

Relationships Within and Partnership Beyond the Department

Managing Relationships and Setting Priorities Within a Department

Establishing Partnerships with Key Stakeholders Beyond the Department



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Broadening Accountability

Changing Expectations and Building Trust

Decreasing Scope Decentralized Framework	Expanding Scope Centralized Framework

“Silo” Decision-Making

Technical Problems[1,2]

Leadership Offers Solutions

Departmental Administration

Budgeting, Prioritizing Research, Compensation Plan Administration, Faculty Recruitment, Managing Departmental P&L

Aligning Department Activities with Institutional Goals

“Collaborative” Thinking

Adaptive Challenges[1,2]

Problem Is Not Well-Defined; Change Required; Challenge May or May Not be Agreed Upon

Requires a New Compact and Trust between Department and Institutional Leadership with Department Chairs Having a “Seat at the Table”

[1] AAMC Leading: Top Skills, Attributes and Behaviors Critical for Success

[2] RA Heifetz and M Linsky, Leadership on the Line: Staying Alive through the Dangers of Leading

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Shared Accountability

Enterprise-Wide to Department-Specific Goals

Enterprise-Wide → Departmental/Individual

Corporate Goals	Clinical Goals	Research Goals	Education Goals	Financial/ Growth Goals	Faculty Development
Financial Sustainability	Patient Access	Increase in Sponsored Awards	Quality of Residency Programs	Department Budget	People Development, Growth and Mentoring of Future Leaders
DE&I	Patient Experience	Clinical Trials	Instruction Quality/ Medical Student Satisfaction	FTE Allocations/ Managing Work Effort Allocation	Faculty Engagement; Identify Strengths, Ensuring Faculty are in the Right Roles
Growth (expansion of footprint, virtual medicine)	Patient Safety	Funded Research Dollars	Development Programs to Promote High Quality Teaching	Aligning Activities with Funds Flow; Align Budget and Overall Incentive Payouts	Performance Management
Population Health Management	Quality/Outcomes	Publications			
Workforce Optimization	Compliance with Established Clinical Protocol	Prioritizing High-Impact Research/ Outcomes			
Community Engagement	Volume/Clinical Production	$ per SF Research Space			

Develop a framework from which to build a reward structure based on areas of shared accountability; Trend to minimize unnecessary variation and improve linkage to institutional strategic plans and imperatives

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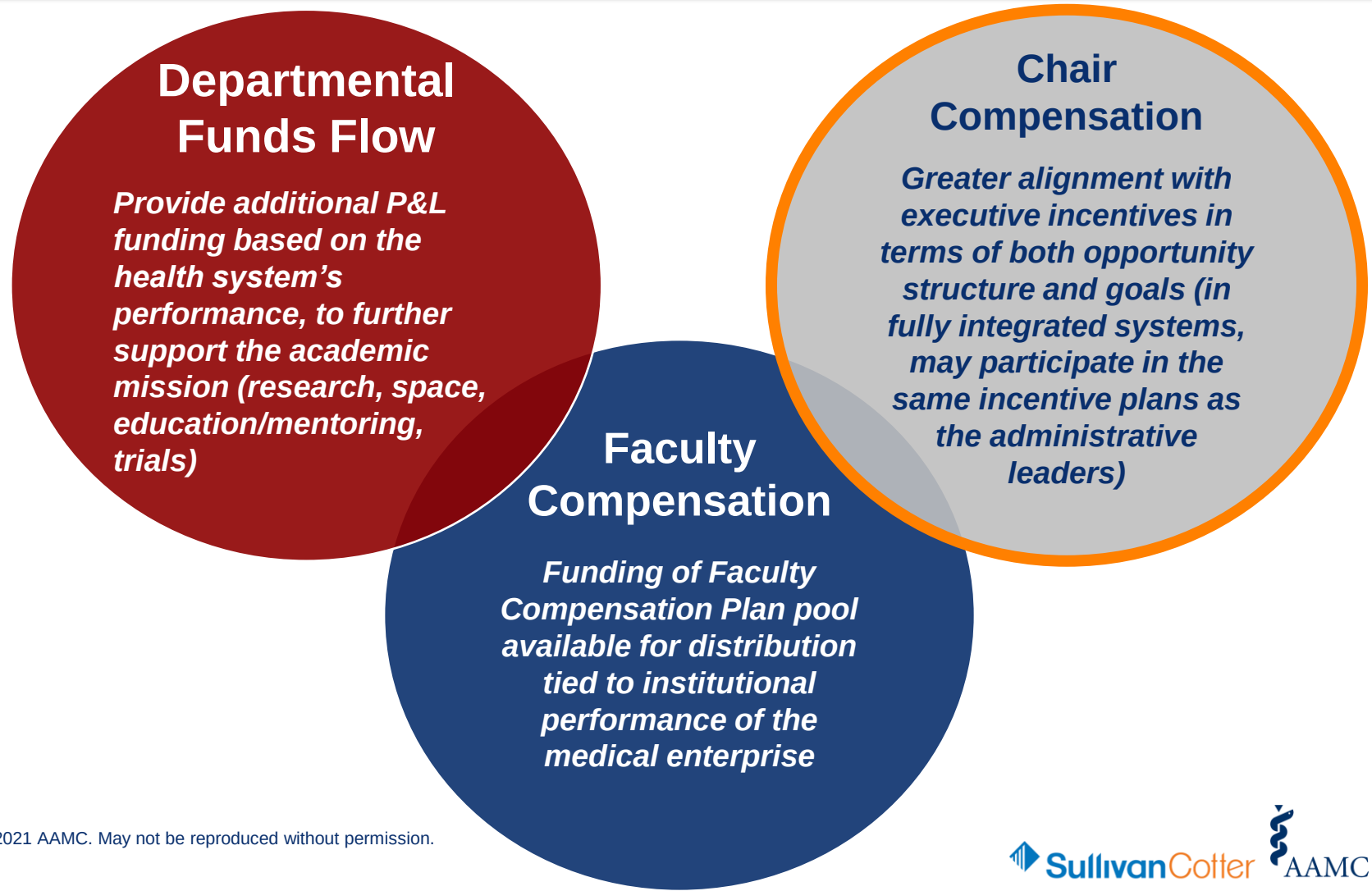
Reward Structure Considerations

Linking Performance to Funding and Compensation

Approaches to provide more direct linkages between institutional performance and rewards, which can be at the department, faculty and/or individual Chair level



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Key Takeaways

1. Being a Department Chair can be incredibly rewarding and impactful; however, it is important to recognize that today's operational and strategic responsibilities go beyond traditional departmental boundaries.

2. Successful Department Chairs of the future will foster relationships to lead faculty towards organizational objectives via teamwork and collaboration. This may mean making the best decision for the team rather than the sole benefit of one's department.

3. New compensation and reward systems may be necessary to acknowledge changing roles of Department Chairs and corporate objectives. This may ultimately include a change from a departmental faculty rewards and recognition system toward one that rewards shared accountabilities across organizational lines/silos.

Part Two

HEALTH
UNIVERSITY OF UTAH

2.0 MILLION
PATIENT VISITS

30% GROWTH IN 5 YEARS

$172 MILLION IN UNCOMPENSATED CARE IN FY20

$4.3 BILLION EXPENSE BUDGET FY20

ACCESS

- 5 HOSPITALS
- 12 COMMUNITY HEALTH CENTERS
- 23 REGIONAL PARTNERS
- >10% OF THE CONTINENTAL US

236,000+ MEMBER HEALTH PLAN

1,600+ PHYSICIANS

DISCOVERY

$428 Million GRANTS IN FY21

50+ DISEASE-CAUSING GENES IDENTIFIED

13 ALL-TIME MEMBERS OF NATIONAL ACADEMY OF SCIENCE OR MEDICINE

1 NCI COMPREHENSIVE CANCER CENTER

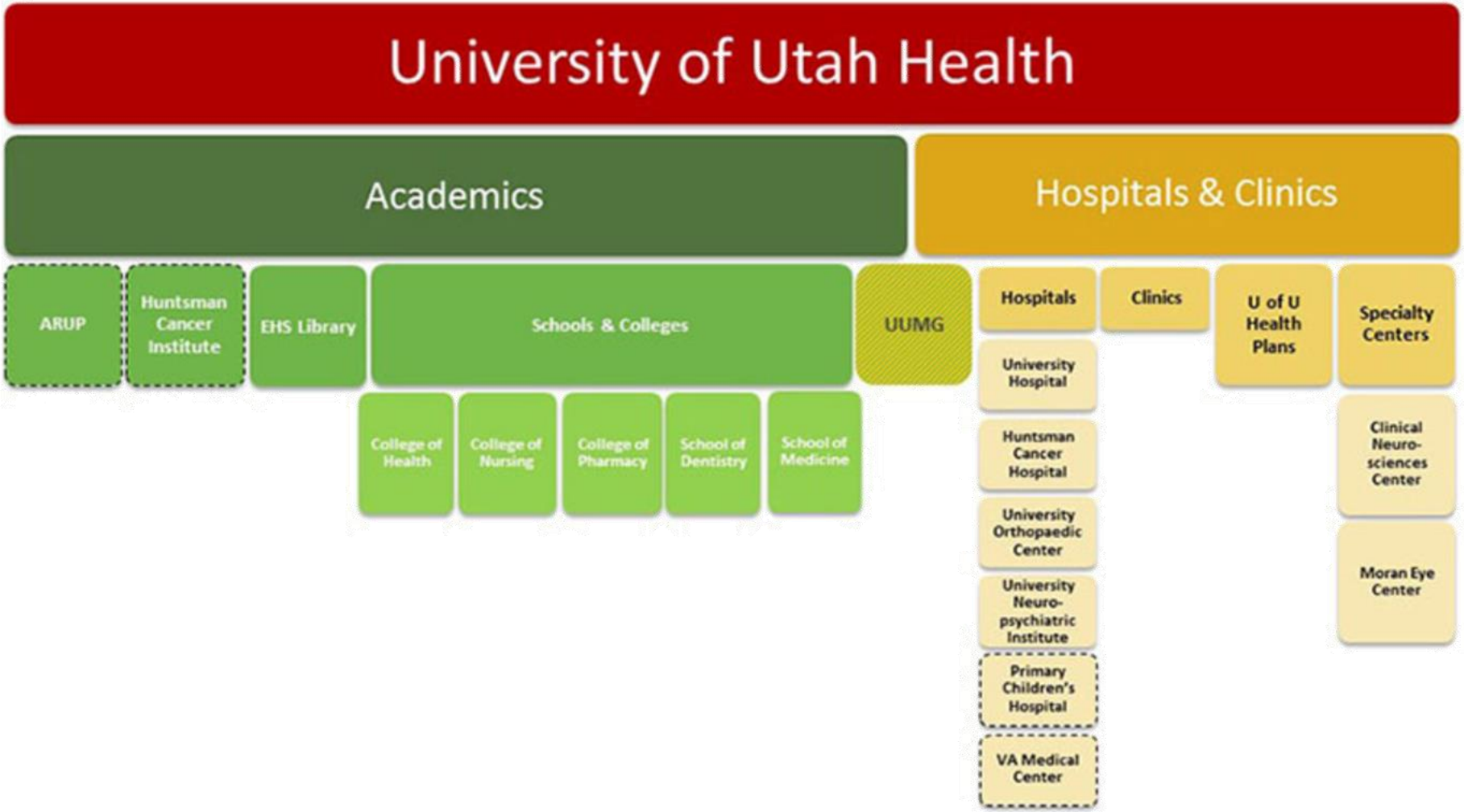
1 NOBEL LAUREATE

EDUCATION

1,425
HEALTH CARE PROVIDERS TRAINED IN 2020:

- COLLEGE OF HEALTH
- COLLEGE OF NURSING
- COLLEGE OF PHARMACY
- ECCLES HEALTH SCIENCES LIBRARY
- SCHOOL OF DENTISTRY
- SCHOOL OF MEDICINE

WHERE DO WE FIT WITHIN THE INSTITUTION?



FOCUS ON STRATEGIC AND OPERATIONAL ALIGNMENT

ONE U STRATEGIC ALIGNMENT

UNIVERSITY OF UTAH HEALTH STRATEGY

Organizing theme	2021 Directed Steps and Leaders					
	Deeper Ties		**New Solutions**		**Organizational Excellence**	
ONE U	1. Develop a population health collaboration within the U Health delivery system involving health sciences college and schools	Sam Finlayson	1. Construct a new strategy pillar focused on Equity, Diversity, & Inclusion	José Rodríguez	1. Launch a One U committee structure to direct and support health sciences strategy in 2021 and beyond	Michael Good
	2. Establish one or more new collaborations focused on innovation between the U of U and U Health research institutes and centers	Will Dere	2. Evolve our well-being workgroup into a chartered committee to steer wellness	Amy Locke	2. Help all staff see their vital role and connections to others within Health through improved organizational communication models	Robyn Reynolds
	3. Launch an inclusive workforce training program to address one or more state and region healthcare workforce needs (e.g., CNA or respiratory therapist shortages)	Rory Hume	3. Finalize planning for a shared U of U and U Health center located in and tailored to the needs of an underserved Utah community	Grant Lasson	3. Develop a sustainable funding model for U Health's South Main Clinic programs	Sam Finlayson
					4. Elevate reported employee physical & psychological safety through new managerial trainings and response infrastructure	Sarah Sherer Rick Smith
SERVE COMMUNITIES & THE REGION	1. Create engagement strategy for Tooele market as a potential model for partnering with and serving rural communities	Tad Morley	1. Begin the construction process for the new mental health receiving center for Salt Lake County	Mark Rapaport	1. Publish a registry of all U of U and U Health community engagements	Brian Shiozawa
	2. Work with provider partners in Wyoming, Montana, Colorado, Nevada and Southeast Idaho to formalize service and referral plans	Tad Morley	2. Expand SafeUT Frontline services to all healthcare, law enforcement and fire/EMS first responders in Utah	Mark Rapaport	2. Partner with Community and University stakeholders to address public health issues beginning with air quality, disparities in health care access and treatment.	Brian Shiozawa
	3. Improve completion rates for referrals to U Health from the South Jordan VA through strengthened protocols	Dayle Benson	3. Initiate a community mental health needs assessment and healthcare professional survey for rural communities of Utah	Mark Rapaport	3. Support University of Utah research to address needs of community, rural and Regional partners including ECHO programs, community health workers and other resources.	
	4. Create process to measure and tailor fit of Project ECHO rural educational offerings to community needs, including training on equity, diversity and inclusion	Terry Box	4. Extend Project Core consult service to a referring, external primary care group	Dayle Benson		
	5. For a first subset of core health needs, offer culturally competent and inclusive education materials in 1+ additional languages	Rylee Curtis				
EDUCATION	1. Elucidate what constitutes an exceptional education experience by engaging and learning from students	G Latendresse V. Valentin	Enroll a first cohort of students in the Masters of Education in Health Professions program	Rebecca Wilson	1. Partner with advancement, marketing and communications to develop a collaborative plan for U Health's education mission	Wendy Hobson-Rohrer
	2. Define a set of shared metrics for value and distinction in education	K Paisley	Develop and adopt expectations for representations of diversity in all educational presentations	C. Jarvis G. Case J Rodriguez	2. Launch the Center for Health Ethics, Arts and Humanities	Gretchen Case
	3. Advance exceptional faculty experience by making promotion pathways clearer and more informed by data	R Fujinami W Hobson-Rohrer	Launch a curriculum for a mental health common competency program across health sciences	T Farrell W Hobson-Rohrer	3. Expand and advance the scope and structure of the Center for Interprofessional Experiential Learning	M Lassche K Johnson W Hobson-Rohrer
	4. Innovate a process to improve the efficiency of clinical placement scheduling	A Moloney-Jones				

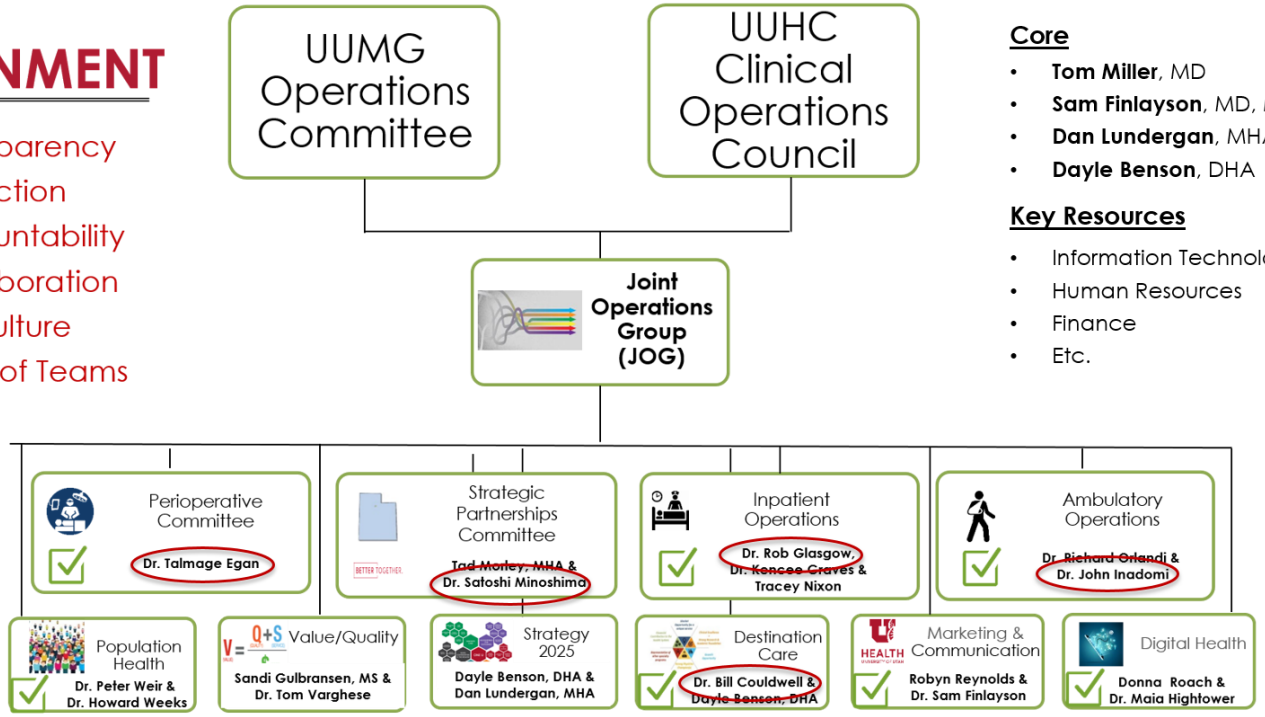
UNIVERSITY OF UTAH HEALTH STRATEGY

Organizing theme	2021 Directed Steps and Leaders					
	Deeper Ties		**New Solutions**		**Organizational Excellence**	
DISCOVERY	1. Develop and share best-practices related to faculty support and mentoring (including grant submission plans) and celebration of successes	B Silver R Hess C Hill	1. Design survey for new wet-lab research building, and define a plan to bridge the gap for wet-lab space until the new building is completed	J Phillips C Hill W Dere S Panish	1. Work with Advancement, Marketing and Communications to develop a collaborative Research mission plan in these areas	W Dere A Tanner M.Jones R.Reynolds
	2. Inventory resources for engaging with community partners and promote best practices for community engagement	J Fritz R Hess CCTS R. Curtis	2. Develop and implement programs to increase recruitment and success of underrepresented faculty, graduate students, and postdocs	C Hill S Flynn J Ducut-Sigala	2. Conduct analysis of health sciences research mission investment	C. Hill A Tanner W Dere
	3. Create and communicate mentoring resources for postdoctoral fellows and graduate students	C Hill A Barrios S Flynn	3. Inventory available training resources for entrepreneurs at all levels and define success metrics for HS commercialization	S Minoshima K. Marmer	3. Finalize the scope and structure of a clinical research support office within the CSTI	R Hess M Dean CCTS
	4. Work with IHC to increase researcher access and links between the Utah Population Database and the *HerediGene* Population Study	W Dere				
INNOVATE CARE	1. Finalize the master plan and phasing for a new health center tailored to an underserved Utah community	Grant Lasson	1. Develop models for care team configuration and sustainable funding in primary care, disease management and surgical specialties to effectively serve patients of all backgrounds	Sam Finlayson	1. Formalize a partnership between health system and the research enterprise to diagnose barriers and propose collaborative theory for ongoing innovations	Sam Finlayson
	2. Expand use of CNS capabilities (e.g., hospital at home and timely discharge) to optimize hospital capacity and bed utilization	Sam Finlayson	2. Identify and prep two specialties to pilot 0-to-2-day reserved access for patients with an urgent Project Core referral	Sam Finlayson	2. Learn to better coordinate internal referrals by expanding primary care coordination program to 2 new, high-demand specialties	Sam Finlayson
	3. Begin remote digital monitoring of high-risk UUHP enrolleesWayne Imbrescia	Sam Finlayson	3. Improve availability and coordination of mental health services in primary care clinics	Sam Finlayson	3. Charter a team to craft a forward-looking, One U digital health strategy that resolves questions of equitable access, financing, and IT coordination	Sam Finlayson
	4. Finalize relationship with digital front door partner, begin MyChart integrations, and launch version 1.0	Sam Finlayson	4. Rollout cardiovascular triage team at Farmington Health Center as a learning pilot for streamlining urgent access and ED avoidance	Sam Finlayson		
ACCOUNTABLE FOR OUTCOMES	1. Propose diabetes management program to U of U HRs that has robust health outcomes and cost-management components	Sam Finlayson Dayle Benson	1. Create plan for growing AdvantageU Medicare membership that leverages and synergizes with our care delivery system	Chad Westover	1. Define system health-outcome measures for 3+ important health conditions(e.g., diabetes, heart disease, chronic kidney disease, colon cancer, and depression)	Sam Finlayson
	2. Flag and fix out-of-pocket price differences for common elective services across U Health sites	Charlton Park	2. Target 2+ known health disparities in patient cohorts and begin tailoring clinical and non-clinical, community-based interventions to close gaps	Sam Finlayson	2. Learn from our patient advisory panel how to improve collection and use of health outcomes data	Mari Ransco
	3. As a complete health system, work with Silicon Slopes employers to develop an insurance product tailored to the unique needs of local tech companies	Chad Westover	3. Embed PROs into Epic to inform clinical decisions for 2+ clinical groups (e.g., depression, dermatology, heart failure patients and orthopaedics)	Sandi Gulbransen	3. Develop Resiliency Center model that matches clinical providers and staff to appropriate resiliency resources	Amy Locke

OPERATIONAL ALIGNMENT – JOG

ALIGNMENT

Transparency
Action
Accountability
Collaboration
Culture
Team of Teams



Core

- **Tom Miller**, MD
- **Sam Finlayson**, MD, MPH, MBA
- **Dan Lundergan**, MHA
- **Dayle Benson**, DHA

Key Resources

- Information Technology
- Human Resources
- Finance
- Etc.

INTRINSIC VS. EXTRINSIC MOTIVATORS

- Common Mission
- Compensation
- Leadership Accountability
- Health System Knowledge
- System Thinking/Culture Shifting

EVOLVING ROLE OF THE CHAIR

When it works best:

- Focus on Leadership Development
- Delegation of Departmental Responsibilities
- Commitment to Missions, Values, and Each Other

Challenges:

- Separation of Department Hat from System Hat
- Funds Flow Model Distractions

CHAIR FEEDBACK

- How do you see the role of the chair evolving in relation to the rapidly changing environment of healthcare?
  - **"In the ivory tower days of old, the chair was typically an impactful person in the field but didn't necessarily have a clue about business and operations. Nowadays, the chair must tool up to have at least a modest degree of familiarity with finances and operations." –Talmage Egan, MD**
- How are you balancing the needs across missions and aligning with health system priorities? What are the obstacles that you face?
  - **"While the institution may emphasize different things, all core missions are critical and so if you push excellence in all, you are usually ahead of the curve." –Randy Olson, MD**
- Do you think there should be aligned compensation incentives across the health system?
  - **"I would actually prefer incentives for successful outcomes to come back to the department, instead of compensation, so that the department can invest it for the future growth." –Satoshi Minoshima, MD**

Thank you!

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HEALTH
UNIVERSITY OF UTAH

The Evolving Role of the Department Chair and Incentive Compensation Design

GFP Webinar

Association of American Medical Colleges

October 20, 2021

David Coleman, M.D.
John Wade, Professor and Chair
Department of Medicine
Boston University School of Medicine
Boston Medical Center

Outline

- Organizational Structure at BUSM and Boston Medical Center
- Current State of Chair Compensation Plans at BUSM and BMC
- Challenges in Implementing a Clinical Chair Incentive Compensation Plan
- Propose Why, What, and How of Incentive Compensation for Clinical Chairs

Boston University Medical Campus Organizational Structure

- Boston Medical Center Health System
  - BMC Hospital and Clinics
  - BMC Healthnet Plan
  - Boston University Medical Group
  - BMC Insurance Captive
- Boston University School of Medicine
- Boston University School of Public Health
- Boston University School of Dental Medicine

Organizational Structure (con't)

- BMC and BUSM have separate boards and financial systems
- BMC and BUSM are separate sponsors of extramural grants for BU Faculty
- Graduate Medical Education is overseen by BMC; UME by BUSM
- Clinical Chairs report to the Dean BUSM and BMCHS President/CEO
- Each department's financial statements are included in the BMCHS profit/loss statement and balance sheet as part of the Medical Group's finances
- Most departments invest their fund balances and some have endowments

Current State of Clinical Chair Compensation at BMC/BUSM

- Chair compensation level **jointly** determined by BMC CEO, BUSM Dean, and BUMG CEO, benchmarked to the AAMC specialty median or higher

- **Two annual goals in each of the following areas (**subject to approval)
  - Clinical Operations
  - Financial Performance
  - Quality (?Value?)
  - Faculty Development and Diversity
  - Vitality
  - Research
  - Education (UME/GME)

ATTAINMENT OF GOALS DOES NOT INFLUENCE CHAIR COMPENSATION

What are the Challenges in implementing a Clinical Chair Incentive Compensation plan?

- Cultures, values and financial pressures on Academic Departments and Health systems have some important differences as well as areas of overlap
- Medical School and Health System prioritize different goals - can be challenging to harmonize into an *integrated and funded* incentive compensation plan
- Misalignment of AY and FY so that goals are frequently set a few months after the start of the academic year
- Timelines for evaluating successful strategies may be > one year

What are the Challenges in implementing a Clinical Chair Incentive Compensation plan? (con't)

- Results may not be under control of the department or the chair
- Goals may be too narrow and too few to fully capture departmental performance
- Linkage of goals to compensation can influence goal-setting
- Faculty perception of their chair's compensation being determined by their efforts
- Data acquisition and integrity

Summary

Why, What and How of Incentive Compensation for Clinical Chairs

Why, What and How of Incentive Compensation for Clinical Chairs

WHY are you going to Reward/Incent chairs?

- Complex societal needs and dynamic revenue sources require creative efforts to optimize the success of departments, health systems and medical schools (e.g., “take some chances!” “perfect is the enemy of good”)
- Exciting opportunities to enhance value of clinical care, facilitate high impact research, and assure that learners achieve the necessary competencies
- Goal setting is integral to optimizing organizational performance

Why, *What* and How of Incentive Compensation for Clinical Chairs

WHAT performance measures for chairs are you going to Reward/Incent?

- Mindful that society needs us to focus on health outcomes > health care and higher quality at less cost (e.g., value)
- Incorporate values and culture in the measures
- Helpful to include clinical chairs to co-create and harmonize priorities
- Accountability of chairs to their faculty as well as the medical school and health system should be included in the measures
- A broad range of outcomes are needed to incorporate the breadth of chair responsibilities and to promote excellence
- Performance measures should particularly include areas where research and education can bring value to health system and society (e.g., value, health system research, implementation science, trials of new treatments or diagnostic technology, nationally recognized centers, intellectual property)

Why, What, and *How* of Incentive Compensation for Clinical Chairs

HOW are you going to Reward/Incent chairs*?*

- Consider multi-year timeline
- Chair's extrinsic and intrinsic motivators may differ from those of health system executives
- Be deliberate and cautious incenting compensation of chairs
- Performance-based investments in the departments may be very motivating to chairs and the departments
- Transparency in rewards/incentives is desirable

Panel Discussion

AAMC

Tomorrow's Doctors, Tomorrow's Cures

Learn

Serve

Lead

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