Funding the Unfunded Academic Mission
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Profit And Loss
Sensitive to productivity, payer mix and expenses

wRVU Based Funds Flow
Formulaic compensation based on payer-agnostic wRVU generation

STRAIGHT SALARY METHOD OF REMUNERATION
- Meaning
- Advantages
- Suitability
- Disadvantages

Guaranteed salary +/- incentive for additional productivity
Source: Liaison Committee on Medical Education (LCME) annual financial questionnaire. LCME is jointly sponsored by the Association of American Medical Colleges and the American Medical Association.
UC Receives Funding From Many Sources
$44 Billion in 2021-22

- Core Funds
  - General Fund
  - Tuition and Fees
  - Other

- Noncore Funds
  - Medical Centers
  - Sales and Services
  - Federal
  - Private
  - Other

The pie chart shows the breakdown of funding sources for UC's operations in 2021-22.
The Academic RVU: Ten Years Developing a Metric for and Financially Incenting Academic Productivity at Oregon Health & Science University

O. John Ma, MD, Jerris R. Hedges, MD, MS, MMM, and Craig D. Newgard, MD, MPH

- EDUC: Chair a regional/national committee
- EDUC: Lecture to EM Residents
- EDUC: Lecture at regional/national meeting
- EDUC: Lecture to other OHSU residents/students
- EDUC: Medical student preceptorship
- SCHOL: Service on regional/national committee
- SCHOL: Abstract Presentation
- SCHOL: Editorial Board
- SCHOL: Publication of non-research manuscript
- SCHOL: Grant submissions/funding
- SCHOL: Publication research manuscript
- SCHOL: Submission of research manuscript
- SCHOL: Textbook chapter publication
- SCHOL: Textbook publication
**Scenario 1**

Need new otologist for access.

Chair wants surgeon: scientist to leverage collaborators in the neurosciences.

Physician Practice Plan director encourages the hire of a pure clinician to rapidly drive down access delays.

The next hire would likely be in 5-7 years.
Scenario 1

Need new otologist for access.

• Process for negotiating for academic mission
• Collaboration with Basic Science Dept
• Pay for non-clinical time (.8FTE)
• Formulaic funds flow designations
• Unique small department issues
Scenario 2

The Health System wants Otolaryngology in the exurbs. They want part time coverage

Challenges of hiring an academic surgeon to spend part of the week remote

Challenge of being away from research lab/academic collaborators/resident exposure

Challenges of T/Q work in community vs. Comprehensive Otolaryngology practice
Scenario 2

The Health System wants Otolaryngology in the exurbs. They want part-time coverage

Different management structures
Integrating academics into satellites
  Travel/ compensation/ labs/ residents
Payor mix advantages/ disadvantages
Compensation strategies to incentivize at expense of academic offsets
Scenario 3

• Dean has charged Chair with increasing Blue Ridge Ranking
• Chair approaches faculty to increase dedicated research time. Faculty protest that Comp Plan penalizes research
• Tries to hire surgeon: scientist who wants to be paid at surgeon rate, not NIH cap rate.
Scenario 3

- NIH payline ~205K  MGMA ~335K
- Strategies for startups
- Strategies for contracts
- Strategies for revenue sharing (shared goals/mission)