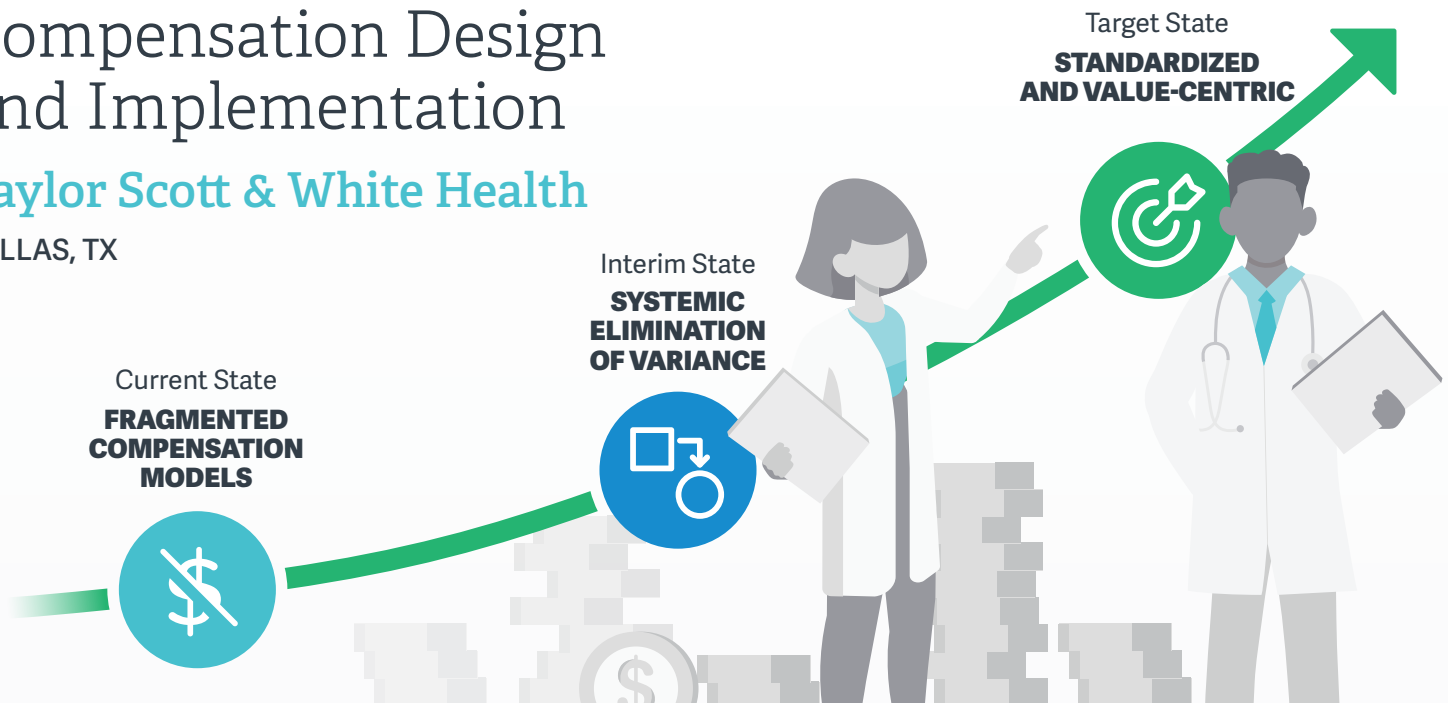


CASE STUDY

Enterprise-Wide Physician Compensation Design and Implementation

Baylor Scott & White Health

DALLAS, TX



AS THE LARGEST NOT-FOR-PROFIT HEALTHCARE SYSTEM IN TEXAS AND ONE OF THE LARGEST IN THE US,

Baylor Scott & White Health (BSWHealth) was formed in 2013 through the combination of Baylor Health Care System and Scott & White Healthcare. The combined health system had total assets of \$7.7 billion at the time of integration.

BSWHealth was seeking assistance with the design and implementation of a cohesive compensation model that could adapt over time with changing payer incentives. The process involved moving from a collection of unrelated compensation methodologies to a framework that created greater consistency across the organization and incorporated meaningful value-based components.

THE CHALLENGE

As the result of a recent merger and numerous acquisitions, BSWHealth was struggling with basic inefficiencies related to having multiple compensation plans across like specialties. The cultures of the various groups coming together, as well as the competing compensation levels, created widespread internal inequities.

ECG was engaged to help evaluate the current state and determine a unified compensation plan that combined the strengths of existing plans with market best practices. Additionally, BSWHealth wanted to ensure that the new compensation plan would be able to adapt over time relative to payer preferences for value-based incentives. Ultimately, the future-state compensation plan also needed to address the recruitment and retention nuances of various geographic regions with differing supply-and-demand considerations.



THE PROCESS

With the assistance of executives, physician leadership, and a steering committee made up of key stakeholders, ECG was able to conduct iterative modeling sessions that helped create a guide path toward integration. Ultimately, the steering committee developed both health system and specialty-specific implementation recommendations that were presented to the BSWHealth Board of Directors for final approval and execution. Additional implementation support was phased based on the prioritization of clinical service areas and focused on creating consistent yet regionally flexible approaches to clinician structure and compensation.

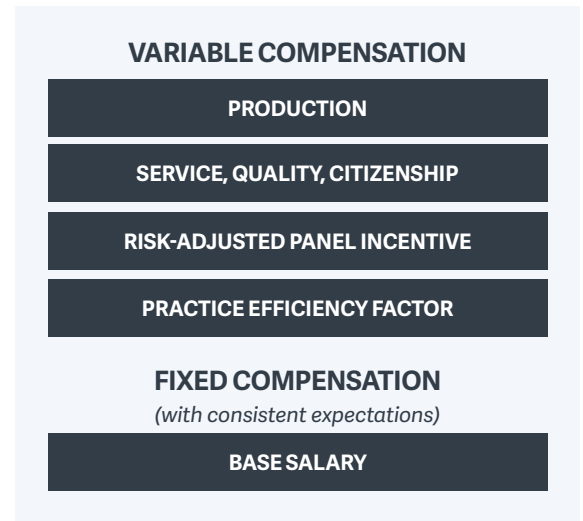
ECG worked with leadership to ensure a clear roadmap to integration specific to cultural and geographic differences across the newly formed enterprise. This engagement included assistance in the implementation of a consistent, value-based-care-driven compensation strategy for key specialties, including primary care, inpatient services, and surgical specialty. ECG's recommendations and implementation support guided BSWHealth to a simplistic phased approach to creating a consistent physician enterprise structure with a common structure and philosophy.

THE RESULTS

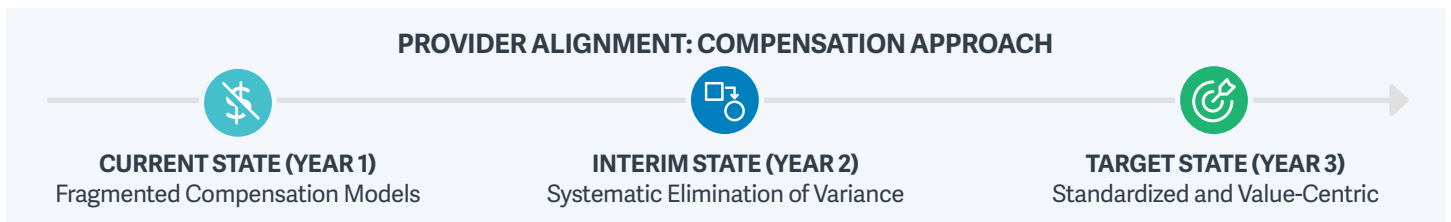
As a result of the engagement, BSWHealth developed a new physician compensation framework that accommodated a variety of activities (both academic and nonacademic value-based clinical care delivery) and other mission-related work. ECG also led the definition of a new governance structure to oversee physician compensation functions, with specific roles and responsibilities between local governing entities and the system-wide board.

BSWHealth selected ECG as its exclusive compensation strategy consulting firm, and we were subsequently engaged to develop value-based metrics, design specialty care compensation models, and make future APP compensation recommendations.

SAMPLE PRIMARY CARE COMPONENTS



SAMPLE PHASED APPROACH



CONTACT US

To learn more about ECG's Compensation services, contact:



JOSH HALVERSON
Partner
jhalverson@ecgmc.com



JAMAAL CAMPBELL
Partner
jcampbell@ecgmc.com



BRIDGET PERKINS
Associate Principal
bepkins@ecgmc.com



A Siemens Healthineers Company

➤ For more ECG case studies, visit us at ecgmc.com/clients/case-studies