

AIMS

The USF College of Medicine Asset Investment Management System

I. Purpose

The AIMS Guidebook is being developed to assist faculty and department chairs in understanding the goals and objectives of the College of Medicine Asset Investment Management (AIMS) initiative and the status of the various phases of its implementation. Upon completion, this Guidebook will provide an overview of the performance requirements, metrics and available data and models for determining expected pay for faculty.

The College is currently piloting the draft college-wide performance requirements and those developed by the pilot clinical departments in order to make appropriate modifications prior to full implementation beginning July 1, 2007. The models for linking performance to pay are under development and are targeted for implementation along with the college-wide and departmental performance requirements.

II. Introduction and History

In the mid 1990s, as a result of years of continuously shrinking resources, Colleges of Medicine throughout the United States were forced to reconsider the methodology for allocation of scarce resources. Thus, a trend began which was commonly known as Mission Based Budgeting. The primary purpose of Mission Based Budgeting is to ensure that resources are allocated in a manner that supports the core values and mission of the medical school. Because of increased demands on faculty time to expand biomedical research programs and to maintain clinical revenues, medical school leaders must protect and promote the teaching mission without jeopardizing the practice plan or research enterprise. Mission Based Budgeting provides the data and tools needed to manage the allocation of resources and to align funding with effort.

The University of South Florida College of Medicine, which had experienced significant reductions in State allocated resources and shrinking practice plan reserves because of managed care and other external forces, embarked upon the development of a Mission Based Budgeting process in 2000. Due to a change in leadership at the College of Medicine the project was tabled. However, in 2005, the newly appointed Dean of the College of Medicine, Dr. Stephen Klasko realized the critical need to manage our financial resources. During his first month as Dean, Dr. Klasko formed a Financial Strategic Workgroup (SWG) charged with recommending a plan to maximize the available resources to the College. The Financial Strategic Workgroup was made up of members of the faculty and chaired by a faculty member. The Financial SWG submitted several recommendations to Dean Klasko, one of which was to resurrect the previous Mission Based Budgeting initiative with a broader charge and more appropriate title: Asset Investment Management System (AIMS).

The Financial SWG also proposed the creation of an AIMS Council which was charged with developing a proposed financial management plan that maximizes our fiscal resources and aligns resource allocation with the three College of Medicine missions: teaching, research

and clinical service. Since approximately eighty percent (80%) of the total College of Medicine budget is allocated for faculty and staff compensation, he also charged the AIMS Council with developing a pay for performance plan that would improve productivity by rewarding performance.

In order to implement the charge, the AIMS Council was divided into two sub-committees, Financial and Compensation. The Financial Subcommittee was charged with developing a model for allocating revenue received by the College from all sources (state, patient care, grants, contracts, etc.). The Salary Plan Subcommittee was charged with developing a pay for performance model for faculty and staff that is designed to reward performance.

Members, AIMS Council:

Co-Chairs: Bruce Lindsey, Ph.D. Academic Co-Chair for Basic Sciences
Charles Paidas, M.D. MBA, Academic Co-Chair for Clinical Sciences
Joann Strobbe, M.Ed. Co-Chair for Finance, Administration & Technology

Members:

Michael Barber, President Faculty Council	Jeff Krischer, Ph.D. Physical Therapy
Robert Belsole, Vice-Dean Clinical Affairs	John Mallia, CPA
Eric Bennett, Ph.D. Molecular Pharmacology	Vicky Mastorides, Deans Office
Karen Burdash, Assist. Dean Clinical Finance	Jim McKenzie, BS, CIO/ISO Technology
James Brownlee, M.D. Family Medicine	Robert Nelson, M.D. Pediatrics
John Curran, M.D. Faculty Affairs	Jean Nixon, Business Office
Duane Eichler, Ph.D. Molecular Medicine	William Quillen, Assoc. Dean Physical
Jeff Fabri, M.D. Assoc. Dean Grad Med. Edu	Abdul Rao, M.D., M.A., D.Phil, Research
Frank Fernandez, M.D. Psychiatry	John Sinnott, Ph.D. / Doug Holt, MD
Harvey Greenberg, M.D. Internal Medicine	Internal Medicine
Joe Jackson, Exec.Dir.USFPG Practice Plan	Paul Wallach, M.D. Vice-Dean Education
Paula Knaus, MA, Dean's Office	Lynn Wecker, Ph.D. Research

III. Outcomes - Financial Sub-Committee

Chair: Bruce Lindsey, Ph.D.
Administrative Co-Chair: Joann Strobbe, M.Ed.

Members:

Michael Barber D.Phil.	Chuck Paidas, M.D.
John Curran, MD	Paul Wallach, M.D.
Jean Nixon	

In 2005, the Financial Sub-Committee was formed with seven members. The sub-committee conducted a thorough review of the literature and analyzed various medical schools current mission-bases management systems in place and presented this data to the full committee. The Mission-Based Management series in Academic Medicine, the Journal of the Association of American Medical Colleges was distributed to full membership to provide an analysis of the alternative approaches to all source budgeting and collection of metrics needed to sustain a process of this magnitude.

A. Charge

The Charge of the Financial Sub-Committee is to develop an all-source budget by college, department, and division. To further develop budget details regarding the three missions of the College of medicine; education, research, and clinical service and to develop a funding allocation model for all source budget related to the missions of the college...

B. Process and Outcomes

Financial burden has had a major influence in the education, research, and health care environment in our nations' medical schools. This has had a major impact on the three missions. How medical schools deal with rising costs, escalating salaries and competitive disciplines, coupled with declining clinical reimbursements and static state resources have presented substantial challenges to administrators and leaders in academic medicine.

The committee determined that it was essential for USF College of Medicine to provide a regular assessment of their financial resources, their human resources, and their physical resources. This assessment should include an analysis of faculty and staff effort, revenue and expense metrics, academic and clinical assessment of value units, and the necessary physical space to meet these missions.

The Association of American Medical Colleges (AAMC) has promoted a methodology for this assessment, known as mission-based management (MBM). This involves the quantification of the faculty effort and producing financial metrics regarding the activities surrounding the traditional missions of teaching, research, clinical care, and administration and service. MBM has also become known as "assessing" the productivity of this activity and the costs associated with each mission.

The Financial Sub-Committee has reviewed the various sources of support for the medical school and made a fund allocation proposal (See Attachment I – Funding Allocation Document) for testing and analysis during the trial period.

In addition, the AIMS Council, along with the support of the Financial Sub-Committee selected a vendor for a data warehouse (See Attachment II – HART) called Business Objects. Over 13 disparate systems that collect the financial, human, and space data for the College of Medicine will be collected into this warehouse called HART and dashboards have been developed that will compare the appropriate data fields for the various missions and productivity analysis that is planned at the faculty, division, and department and college level.

The data warehouse is under design and a full implementation plan has been approved by the Financial Sub-Committee and AIMS Council, and when metrics are certified for all sources, the funding allocation model that is proposed will be tested. Each department will also determine departmental level metrics and base salary and financial allocations on these productivity measures across the three missions.

IV. Outcomes - Salary Plan Sub-committee

Chair: Charles Paidas, M.D., MBA

Administrative Co-Chair: Paula Knaus, M.A.

Members:

Michael Barber, Ph.D.	Bruce Lindsey, Ph.D.
Robert Belsole, M.D.	Robert Nelson, M.D.
Eric Bennett, Ph.D.	Abdul Rao, M.D., M.A., D.Phil.
Karen Burdash, MBA	John Sinnott, M.D.
John Curran, M.D.	Joann Strobbe, M.Ed.
Duane Eichler, Ph.D.	Paul Wallach, M.D.
Frank Fernandez, M.D.	Lynn Wecker, Ph.D.

A. Charge

The Salary Plan Sub-committee of the AIMS Council was charged with developing a salary plan that links pay to performance. The Salary Plan was to be designed to create a culture that encourages and rewards excellence by linking performance to base, incentive and bonus pay.

B. Process and Outcomes

The Salary Plan Sub-committee was chaired by Dr. Chuck Paidas. The Sub-committee concluded that in order to create a sound pay for performance plan, two key elements must be addressed: clearly communicated performance expectations and expected compensation. To that end, the Subcommittee proposed the following:

- A data warehouse to provide timely and accurate data to measure performance (**See Attachment II**)
- Draft College-wide performance requirements for each assignment category (**See Attachment III**)
- College-wide required minimum percentages of effort in assignment categories of teaching, research/scholarly activity, service and professional development for each ranked faculty member (**See Attachment IV**).
- Draft Clinical Department performance requirements for clinician ranked faculty (**See Attachments V through IX** for draft performance requirements in Clinical Departments participating in the Pilot)
- Draft revised College of Medicine Clinical Faculty Compensation Plan Policy (**See Attachment X**)
- Draft Research/Scholarly Activity Pay Model (**See Attachment XI**)

C. Clinical Departmental Specific Performance Requirements, Clinician Ranked Faculty

Since the clinician ranked faculty assignments and expected productivity vary by discipline and specialty, the Salary Plan Subcommittee concluded that it was most appropriate for each Department and/or Division to develop performance requirements that would be expected of each member of the ranked faculty in that

respective Department or Division. Therefore, Department Chairs were asked to involve the faculty in developing performance requirements, over and above the College-wide minimum requirements, for base/incentive and bonus pay that were appropriate for their discipline and specialty. There are various approaches that may be utilized in finalizing Departmental or Divisional performance criteria; however, the following steps are offered as a guide to developing the criteria and ensuring that faculty are actively involved in doing so.

Step 1 - It is important that all of the clinician faculty participate in the development of the performance criteria. The College-wide AIMS initiative should be introduced at a faculty meeting or retreat with a member of the AIMS Council discussing the goals of the project and charge to each Clinical Department.

Step 2 - Form a Department or Division AIMS Salary Plan Committee charged with drafting performance criteria for review and discussion by the faculty.

Step 3 – Schedule several departmental meetings in the future to discuss the draft criteria. Meetings should focus only on this agenda.

Step 4 – Large Departments should create workgroups within the AIMS Salary Plan Committee to address the criteria for the specifically assigned mission areas of education, research/scholarly activity and clinical care.

Development of Performance Criteria

- List the current activities during a normal workweek by category (research, education, service, patient care).
- Incorporate activities into a master list and agree upon those that do not contribute to meeting the college-wide performance requirements or to the overall success of the Division/Department.
- Faculty should generally agree upon the performance criteria that should be met in order to receive Base/ASF Incentive and Bonus Pay.

Step 5 - Faculty should generally agree upon the salary targets in the Department for Base/ASF Incentive and Bonus Pay.

Step 6 - Chair meets with each faculty member and completes College of Medicine Annual Assignment Forms that outline expected performance and related pay for the fiscal year.