Joint Effort: A Collaborative Solution for Orthopedic Surgeon Compensation

Goals of Engagement

- **Align compensation** with the **purpose and economic reality** of the practice
- Foster a culture of **trust and open communication**
- Instill **transparency** around compensation, administration, and the financial state of the practice

Client Overview

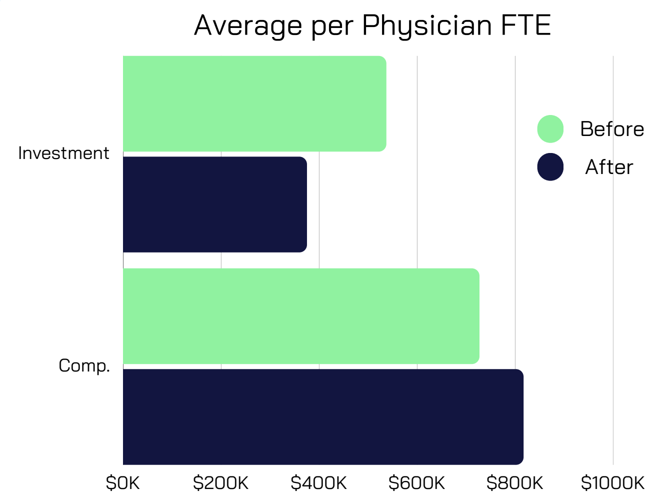
- Surgical Orthopedic practice that was recently acquired by PE
- 5 Orthopedic Surgeons
- $8M+ in Net Patient Revenue
- Practice includes ancillary services such as Imaging, Durable Medical Equipment, and Physical Therapy

What We Found

1. Culture of financial disengagement and mistrust
2. Loss per provider was ballooning year over year
3. Survey-based wRVU model shielded physicians from practice economics
4. Few governors for physician autonomy

How We Got There

- Facilitated **critical conversations about financial performance** with both physicians and administrative leaders
- Developed citizenship requirements for both physicians and administrators that solidified the **'Rules of Engagement'** and **clearly stated baseline expectations of employment**
- Generated a **renewed commitment to open communication** between physicians and administration
- Increased the physician compensation pool by identifying 5 main categories for operational improvement that total more than **$900K in potential savings**



Attributes of the Reimagined Compensation Plan

Strategic Investment

A set amount will be strategically invested into the practice as recognition of the practice's contribution to the market.

Group Profit and Loss Statement

An adjusted version of the practice's P&L will be the basis of the new model.

Productivity-Based Distribution of Pool

The compensation pool will be distributed based on productivity percentages of each physician.

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