Provider Compensation Compliance Life Cycle Checklist

The purpose of this checklist is to ensure the completeness of the activities healthcare organizations should regularly undertake with respect to their provider compensation arrangements. Adherence to this checklist should assist in complying with applicable government regulations, but also maintaining strong internal controls and aligning compensation structures with the mission/vision/values of the organization.

Overall Compensation Governance (Revisited Every 2-4 Years)	Responsible Party	Last Completed/ Updated
Compensation Committee Member Rotation Chartered group of organization leaders comprised of physicians and administrators to review compensation matters. Physician selection can be by appointment, vote, or role responsibility.		
Compensation Philosophy Document Formal document that creates alignment between provider compensation and organizational strategic goals, aligning with its mission, vision, and core values.		
Compensation Policy Document Formalized policy that outlines provider baseline expectations within the enterprise, eligibility requirements for differing compensation components, survey data criteria, and outlines how FMV/CR will be reviewed and treated.		
Compensation Plan Document Document that outlines compensation components inclusive of their mechanics and provides process details of how compensation will be administered.		
Physician Needs Assessment A plan that identifies clinical services needed within the community and details the medical staff strategies necessary to meet those needs.		
Recurring Activity (Typically Annually)	**Responsible Party**	**Last Completed/ Updated**
Provider/Leadership Education Provide an annual "state of the union" brief to compensation/financial leadership within the organization, that speaks to market movements, key trends, CMS and OIG policy changes, survey data insights, and other relevant compensation related information.		
Benchmark Selection Confirmation Assess whether benchmarks are reflective of policy changes and are properly aligned with each provider's specialty/services.		
Establish/Update Model Variables Annual review of internal performance data to determine if the variables that drive compensation (i.e., wRVU rates, wRVU thresholds, base compensation, etc.) should be updated relative to market dynamics.		
Test Model Variables for FMV/CR Compliance and Monitor Ongoing Need Financial modeling of contemplated changes are within compliance parameters (FMV/CR), and a commercial purpose is assessed for the ongoing need of the service/specialty.		
Establish Outbound Offer Template/Playbook and Test for FMV/CR Compliance Coordinate with recruiting to ensure offers, terms, and compensation models remain consistent with the compensation policy and plan documents. Document the business purpose of the offer, financial impact to the organization, to ensure compensation is compliant across a range of compensation drivers.		
Regular Check on wRVU Calculation Accuracy Periodic audits to determine the correct Medicare Physician Fee Schedule is loaded and personally performed wRVUs are modifier adjusted.		
Probe Testing to Ensure Compensation Calculation Accuracy Over/under payments are identified with sixty (60) days, and an annual compensation audit is performed to benchmark compensation and productivity for FMV/CR compliance review.		
Ongoing Coding Monitoring Ensure providers are aware of the most recent coding guidelines; may include E/M bell curve analysis and ongoing education to providers and stakeholders.		

For further information about this or other Acuvance Coker services, please contact us:

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