

## 2014 Terms and Definitions

**Average Annual Base Rate:** The average rate for each organization is totaled and divided by the number of organizations. It gives each organization equal weight regardless of the number of incumbents. Note: Does not include variable pay (commission, bonus or other incentives).

**Average Annual Total Compensation:** The Average Total Compensation (or Total Cash Compensation) includes any bonus or incentive pay granted. If the organization did not report an Average Total Compensation for the position, then the Average Annual Base Salary was entered for the Average Total Compensation.

**Bonus:** Direct lump sum payment made in addition to base salary.

**Collections:** The total amount of revenue earned by a physician for their services to their patients. Include fee-for-service, capitation payments, and administration of chemotherapy drugs or immunizations. Do not include drug charges.

**Contracted Physicians:** A physician or group of physicians that are under formal contract to provide services at the hospital, including inpatient and outpatient facilities, clinics and offices.

**Draw/Production:** Physicians who are paid on "draw/production" are paid a flat rate based on an assumed commission that they will bring in. That rate may be paid in advance of the commission actually being made. For 100% draw positions, all salary would be reported in the total compensation field.

**Employed Physicians:** A physician that is directly employed by the hospital or employed by a hospital subsidiary.

**Full-Time Equivalent Units (FTEs):** The total number of hours worked by employees divided by the number of full-time hours in the employer's standard work year.

*Example: You are an organization with full-time and part-time employees. Records show that in the most recent quarter, all employees worked a total of 40,820 hours.*

- Annualize this figure: (40,820 hours per quarter) x (4 quarters) = 163,280 hours.
- Divide the annualized hours by the number of hours in your standard work year: (40 hours per wk = 2080 hours per yr.; 37.5 per wk = 1950 hours per yr.); (163,280 total hrs) / (2080 hrs in a work year) = 78.5
- Round your result to enter: (78.5 rounds to 79 FTE units)

**Independent Physicians:** This physician may also be referred to as visiting, consulting or fee based. They bill their patients directly and have no employment status with the hospital or its subsidiaries.

**Government/Public Entity:** Any entity owned or operated by a city, district, municipality, county, state, or federal government. This category includes public hospitals.

**Gross Annual Revenue:** All receipts from the sale of a product or service before anything is deducted.

**Gross Charges:** The full value of the physician's charges (without subtracting contractual discounts or allowances). They are the full retail price of the services before any of the following is deducted: Medicare or Medicaid restrictions, contractual adjustments, charitable or employee adjustments.

**Hours Worked Per Week:** Refers to weekly hours where the physician is involved in patient care where a fee-for-service was charged or patient bill generated.

**Job Number:** Please enter the *Compensation Data* Job Number which reasonably compares to the position for which you are reporting data.

**Medical Director:** A medical director is a physician who provides guidance, leadership, oversight and quality assurance over a department.

**Medical School Affiliation:** The organization is affiliated with a medical school if they have legal standing with a medical school, faculty practice plan, or clinical science department. If physicians attend appointments on a medical school faculty and/or if they are part of a health system that grants a MD degree.

**Number of Incumbents Reported:** The actual number of employees in the reported position.

**Number of Patient Visits:** Any documented face-to-face contact between the patient and the physician where the physician provides provision of services to the patient.

**On-Call Rate:** The additional amount paid to compensate employees for being on-call. This may be an hourly rate or a percent of base pay.

**Paid Time Off (PTO):** The average number of paid hours off when paid time off is combined into one program. Usually this includes vacation, sick, and personal time. It may also include holidays.

**Pay Increase Budgets:** The percent of total payroll budgeted for all employee pay increases.

**Perquisites:** Any number of privileges granted to employees in addition to basic wages, salaries, and ordinary benefits.

**Postal Code:** Select the postal code for the work location you are reporting. If you have a job occurring in more than one postal code, report the job once for each postal code.

**Provider Based Clinics (PBCs):** The term "provider-based" refers to a specific billing process for services provided at a clinic or hospital. Provider-based status is applied to hospitals that meet certain Medicare regulations. This clinic is either created by, or acquired by, a main provider for the purpose of furnishing health care services of a different type from those of the main provider.

**Rural Health Clinics (RHCs):** The Rural Health Clinics (RHCs) is a certified clinic to receive Medicaid and Medicare reimbursement in rural communities. RHCs can be public, private, or non-profit. The main advantage of RHC status is an enhanced reimbursement rate for providing Medicaid and Medicare services in rural areas. RHCs must be located in rural, underserved areas and must use one or more physician assistants or nurse practitioners.

**RVUs (Relative Value Unit):** A service measure to compare the amount of resources required to perform services within a single department or between departments. It assigns weight to such factors as personnel time, skill level and equipment.

**Salary Range Maximum:** The average reported range maximum in the formal salary range for the job. *If your organization has formal pay ranges, please report the maximum of the pay range here. Do not report the highest rate actually being paid for this job, unless it is the same as your formal range maximum. If your organization does not have formal pay ranges, please leave this item blank.*

**Salary Range Minimum:** The average reported range minimum in the formal salary range. *If your organization has formal pay ranges, please report the minimum of the pay range here. Do not report the lowest rate actually being paid for this job, unless it is the same as your formal range minimum. If your organization does not have formal pay ranges, please leave this item blank.*

**Single Specialty:** Focuses its clinical work in one specialty. Specialty is determined by the specific focus of the clinical work and not necessarily the specialties of the physicians.

**Standard Match:** The amount the company contributes to an employee retirement plan. The company may base the contribution on the amount of employee contribution, employee salary level, or a flat amount for each participant.

**Tiered Match:** The organization's contribution is based upon the first portion of employee earnings up to a limit, and then changes to a different amount up to a final limit. For example, the organization match is 50% up to 3% of the employee's salary, and then is 25% up to 8% of the employee's salary.

**Traveling Physicians:** Some organizations refer to traveling physicians as 'Locums tenens'. The traveling physician is there temporarily to take the place of another physician who is on vacation or otherwise absent. Traveling physicians work for

several weeks or several months in a location, and then they move to another location, where they work for several weeks or months, depending on the job.

**WRVUs (Work Relative Value Unit):** A service measure to compare the amount of resources required to perform services within a single department or between departments. It assigns weight to such factors as personnel time, skill level and equipment.