



VERALON[®]

TRANSFORMATIVE HEALTHCARE CONSULTING

How Will You Respond to COVID-Related Disruption of Physician Compensation?

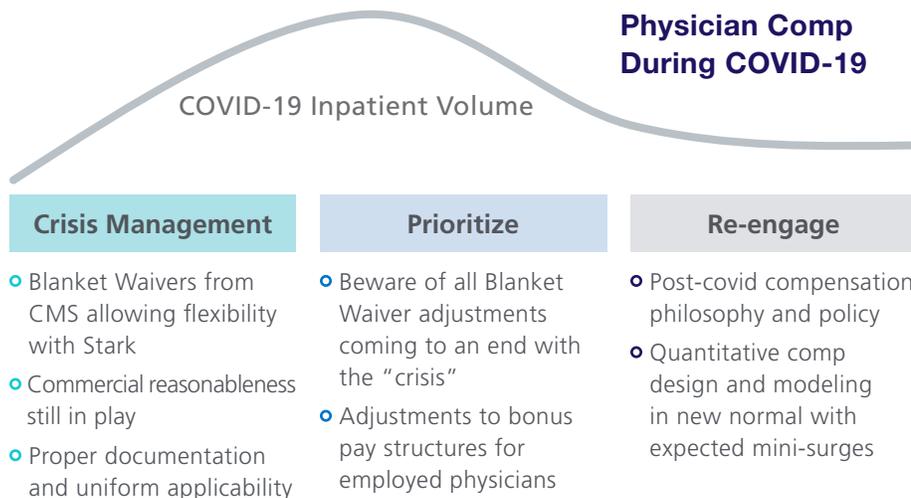
Existing physician compensation models were not designed for these times. No model anticipated the extreme demands, disruptions to non-emergency care, and safety issues caused by COVID-19.

The virus is throwing a serious wrench into how compensation plans operate. Physicians in some specialties have experienced a dramatic drop in productivity that is beyond their control, while others, who may not be paid on a productivity basis, have seen a massive jump in activity.

Veralon can help you to return some order to your compensation plans. We can:

- Develop internal principles that will guide temporary adjustments to your current compensation plan.
- Work with you using our "Get on Track" tool to ensure that physician compensation is properly adjusted in a thoughtful and consistent manner for each physician.

And as always, we can offer creative solutions to redesign your compensation plans, based on our collective learnings from the pandemic.



WHY VERALON?

Veralon is a trusted advisor with extensive experience in physician-hospital relationships. We have:

- **Deep knowledge in compensation design**, having designed more than 300 physician compensation plans incorporating volume- and value-based incentives, for physician groups and academic medical centers; and performed contract auditing and review for a wide range of clinical departments.
- **The knowledge to keep you in compliance**, having completed more than a thousand FMV compensation reviews.
- **Broad financial expertise**, having performed meticulous financial analyses that hold up to regulatory scrutiny on thousands of engagements.

Veralon can support you in making temporary compensation adjustments based on internally consistent guiding principles, and in redesigning compensation plans where appropriate. We will:

Develop Compensation Policies for Front Line Physicians

- Develop a framework for compensating front-line physicians

Assess Current Compensation Arrangements

Veralon will:

- Work with management to identify characteristics of current compensation plans
- Identify specialties whose compensation is impacted by COVID
 - Low productivity
 - High productivity
 - Furloughed
 - Changes in job responsibilities

Develop High-Level Approaches to Each Situation

We will assist you in setting policies for specific compensation situations

- Base salary adjustments
- Paid time off adjustments
- Back pay for furloughed physicians
- Handling triggers for base compensation, thresholds, and termination

Get on Track

We will work with you using Veralon's Excel-based "Get on Track" tool to track compensation impact on physicians during pandemic and assure that compensation for individual physicians is adjusted in a consistent manner.

Compensation Restructuring

Where desired, Veralon will:

- Determine whether and where changes could be made to common compensation structures to minimize disruption during future unpredictable events
- Develop guidelines for implementing desired changes