A. PURPOSE

As stated in the Plan, all patient care professional fee income will be managed, accounted for and reported as revenue of the University. Therefore, department compensation plan procedures must include a policy regarding the disposition of patient care professional fee income accounts receivable at the time of separation of a faculty member. This only pertains to patient care professional fee income that would have been paid as "Z" compensation and must be consistent with the department/APU's plan for payment of such compensation, as described in the department compensation plan procedures. These guidelines pertain to income received for charges for services performed prior to termination from the University or termination from the Health Sciences Compensation Plan.

B. DISPOSITION

The department or APU must choose one of the following options:

1. Department/APU retains the accounts receivable with no distribution to the faculty member.

2. Department/APU may choose to pay the faculty member the accounts receivable, after all assessments, billing fees and department overhead are subtracted, using the following method:
   a) Pay out collections at the time of receipt, up to six months after termination. This would be paid as a Z payment using late time reporting and using the pay period of termination (reported as W2 earnings). Any collections received after six months from the termination date will be retained by the department.