GUIDELINES FOR PART-TIME FACULTY APPOINTMENTS

This policy applies to part-time faculty appointments only (i.e. individuals who are paid based on academic rank and step). For additional information on part-time faculty, staff physician, affiliate-paid and recall appointments, see the attached Part Time Faculty and Staff Physician Appointments, Appointment Categories, Options and Guidelines for Use and the Part-Time Faculty and Staff Physician Appointments summary.

A. Purpose of part-time appointment:

1. To provide teaching, research and/or service until full time appointment is made, or
2. To provide teaching, research and/or service that cannot justify full time appointment (51% or greater).

B. Faculty appointment

The following terms apply:

1. Cannot be In-Residence series or Clinical X series
2. Cannot use a 19900 FTE
3. Job duties must be stated in writing and cannot include private practice. Duties may include the training of medical students and residents, etc.
4. Cannot exceed maximum part time % as allowed by the University.
5. Appointments are subject to annual review. All appointments expire on June 30. Continuation of an appointment must be recommended by the Chair and approved by the Dean, upon recommendation of the Compensation Plan Advisory Committee.

C. Patient care services

A part-time faculty member may see private patients at UCI controlled facilities beyond the scope of their appointment as a means of generating teaching material and referrals. The following terms will apply to all clinical services provided at UCI controlled facilities:

1. Billing and Collections

   Services performed at UCI controlled facilities must be billed under a UCI contract with an approved billing service. The income collected by the billing service will be directly deposited into a UCI account with the home department.

2. Assessments

   The Dean’s Tax, Practice Development Assessment (PDA), billing fee and other cost of practice expenses will be deducted from this income prior to payment to the faculty. The department assessment may be negotiated based on utilization of space, staff and other resources. Any exceptions to the payment of these assessments require consultation with the Compensation Plan Advisory Committee and approval by the Dean.
3. Payment to faculty

The net private practice collections will be paid by the department to the faculty as W-2 earnings.

D. Malpractice

Malpractice coverage will be provided by the University for the services performed within the course and scope of their University employment, which includes patient care activity relating to the training and supervision of residents or medical students. This coverage extends to UCI controlled facilities or approved affiliates.

Malpractice coverage will be provided for the remainder of their time while they are seeing patients in UCI controlled facilities and complying with the terms of their contract.

E. Process for appointment

The Part-Time Faculty Information Form* must be completed and submitted to the School of Medicine Dean’s Office, Academic Personnel, prior to approval or renewal of appointment.

The following must be included with the Part-Time Faculty Information Form:

1. Part-Time Faculty Checklist*
2. MOU incorporating a written description of job duties
3. Academic Appointment dossier, if applicable
4. Contract, if applicable, using the Patient Care Service Agreement*, describing responsibilities of both parties for the clinical services provided beyond the scope of the part-time faculty appointment as follows:
   a) Dean/Department’s assessment covering the use of space, administrative support, etc.
   b) Department assessment is negotiable if no space, staff, etc. is provided
   c) Terms of department assessment
   d) PDA and billing fee
   e) Payment of other cost of practice expenses
5. Signed Medicare/Professional Fee Billing Compliance Form, if applicable

This package requires review by the Compensation Plan Advisory Committee.

All appointments and renewals require Department Chair and Dean’s approval.

*These forms may be accessed via the UCIHS Intranet in E-Forms.

F. Renewal and termination

Part-time appointments are made for a term not to exceed one year, are renewable annually and will automatically expire on June 30 of each fiscal year. (For example, if a part-time appointment is approved as of September, it will automatically expire the following June 30.)

Review for renewal of part-time appointments will begin in March of each fiscal year to be approved no later than May 1 of each fiscal year. Non-renewal of a part-time appointment will require a sixty (60) day notice to the part-time faculty member dated no later than May 1 of each fiscal year. Termination prior to June 30 of each fiscal year shall be only for good cause and subject to the provisions of Academic Personnel Policy.
Category 1 – AFFILIATE PAID APPOINTMENTS

Description

Individual has an appointment at an affiliated institution (Long Beach VA, San Bernardino, Long Beach Memorial/Miller’s) and a part-time (<51%) faculty appointment at UCI is proposed for one of the following reasons:

A) UCI pays for patient care services provided at UCIMC.
B) UCI pays fixed amount/stipend for administrative service (e.g. program director, service chief, etc.) or supports a portion of the TNS.
C) UCI pays for participation in research.

Appointment Options:

Part-time faculty appointment and compensation plan membership by exception. Compensation may be structured as follows, after negotiation and approval by the Chair:

- X (REG) only Scale 0 (APU – COMVA)
- X (REG) plus Z (HSZ) Z component used to distribute patient care income.
- X (REG) plus Y (HSY) Y component used when total compensation from UCI cannot be paid within the limits of the “60 Hour Rule’ (Brady/Swartz formula). See Attachment A.

Guidelines

1) Compensation plan membership by exception is available only for joint UC/affiliate faculty appointments.
2) “60 Hour Rule” for joint UC/VA appointments apply. See Attachment A.
3) Appointment percentage should equate to effort.
4) Appointment percentage must be no less than 5%, but no greater than 50%.
5) Faculty is bound by the terms of the compensation plan including, but not limited to, patient care activity, occasional outside professional activity and annual reporting requirements.
6) A memorandum of understanding (MOU) is required describing UCI job duties and how faculty will be compensated (including assessments and reimbursement for capitated patients, if applicable).
7) Negotiated (Y) compensation is fixed for the fiscal year and cannot be changed prior to July 1 of the following fiscal year.
8) Z payment is variable, not fixed, and is based on net patient care income.
9) Faculty member must provide verification of appointment status at the affiliate and a statement certifying that the faculty’s primary professional commitment is to the affiliate and UCI. Appointment will not be approved in the absence of verification.

Review and approval process

1) Academic Personnel Policy applies to the review of part-time faculty appointments.
2) Appointments are subject to annual SOM review for renewal. Appointments expire on June 30. Continuation of an appointment must be recommended by the Chair and approved by the Dean.
3) Non-renewal of a paid part-time appointment requires a sixty (60) day notice to the part-time faculty member dated no later than May 1 of each fiscal year.
Category 2 – PART-TIME FACULTY

Description

Part-time (<47%) appointment is proposed to provide teaching, research and/or service until full-time appointment is made, or to provide teaching, research and/or service that cannot justify a full-time appointment.

Appointment Options

Part-time faculty appointment. A part-time faculty member may see private patients at UCI controlled facilities beyond the scope of their appointment as a means of generating teaching material and referrals. A Patient Care Service Agreement must be completed and approved by the Dean. Compensation may be structured as follows:

- X (REG) only
- X (REG) plus PPC

PPC (Private Practice Compensation) mechanism is used to distribute patient care income generated under the terms of a Patient Care Service Agreement. Any other use of the PPC is by exception only, and must be approved by the Dean.

Guidelines

1) Appointment cannot be in the in-residence series or Clinical X series.
2) Appointment cannot use a 19900 FTE.
3) Appointment percentage should be consistent with effort.
4) Appointment percentage shall not exceed 46%.
5) UC policy on Limited Appointments applies (i.e. faculty who are paid the equivalent of 1000 hours in a rolling 12-month period will be eligible for UCRP membership and may be eligible for full benefits).

Appointment percentage should not be manipulated to either avoid the potential cost of benefits or to provide benefits when not appropriate.

6) Job duties must be stated in writing. Duties may include the training of medical students and residents, etc.
7) The PPC mechanism is to be used solely for the distribution of patient care professional income and requires an approved Patient Care Service Agreement. Any other use is by exception only and requires approval from the Dean.
8) When only clinical services will be provided, the staff physician series should be used. A part-time faculty appointment is not appropriate.

Review and approval process

1) Academic Personnel Policy applies to the review of part-time faculty appointments.
2) Appointments are subject to annual SOM review for renewal. Appointments expire on June 30. Continuation of an appointment must be recommended by the Chair and approved by the Dean, upon recommendation of the Compensation Plan Advisory Committee.
3) Non-renewal of a part-time appointment requires a sixty (60) day notice to the part-time faculty member dated no later than May 1 of each fiscal year.

Category 3 - RECALL

Description

Faculty, retired from UCI, who are recalled by a department to provide teaching, research and/or clinical services.
Appointment Options

Recall appointment. The appointment will be at the academic rank and step (X) at the time of retirement. Payment or percentage is calculated using the APU base salary (X+X’) at the time of retirement, including any applicable range adjustments that may have occurred since retirement.

The Dean may approve the use of the PPC mechanism if faculty will provide patient care services and will be paid professional fee income in addition to the recall appointment.

Guidelines

1) A recall appointment CANNOT exceed 43%.
2) A recall appointment cannot begin until after the retiree receives his/her first retirement check.
3) A description of responsibilities is required and must accompany the request for recall appointment.
4) A Patient Care Service Agreement is required if professional fee income will be paid in addition to the recall appointment.

Review and approval process

1) Recall appointments are subject to annual review for renewal. Continuation of a recall appointment must be requested by the Chair and approved by the Dean.
2) Requests for new or renewal of recall appointments are due in the Dean’s Office by May 1 to be effective July 1.
3) 60-day notice of non-renewal is required. Recall faculty who will not be renewed must receive notice by May 1.

Category 4 – STAFF PHYSICIAN
(e.g. Associate Physician, Associate Physician Diplomate, etc.)

Description

Staff physician and dentist titles included in the MSP (Staff) Physician Classification and Compensation Plan – intent is to pay by the hour

Appointment Options

Establish market based rates by specialty, and pay based on actual effort. Compensation may be structured as follows:

- Base (covered compensation) Established at minimum of MSP Salary Grade Range (determined by title code).
- Non-base building component Difference between base and approved market-based rate (within assigned SP salary range).
- Incentive/Bonus component Limited to a maximum of 20% of Base. Use of this component must have prior approval by the Dean’s Office, and criteria must be incorporated in the employment contract.

Guidelines

1) MSP Physician and staff physician titles will be used when the primary purpose of the appointment is clinical service.
2) MSP Physician and staff physician titles cannot be used for affiliate paid appointments.
3) Departments must establish market based rates based on AAMC, MGMA or similar data. Rates are subject to annual review and approval by Dean.
4) Appointments must meet Federal Anti-Kickback Statute requirements as summarized in Attachment B.
5) Incentive/bonus payments are permitted in this series up to a maximum of 20% of base pay.
6) Teaching that is incidental to providing clinical services is permitted. A WOS (volunteer) academic appointment is required.
7) Time reporting is required.

Review and approval process

Review by the Compensation Plan Advisory Committee and approval of the Dean is required.
ATTACHMENT A

“BRADY/SWARTZ FORMULA”
JOINT UC/VA APPOINTMENTS

QUICK REFERENCE FOR DETERMINING MAXIMUM APPOINTMENTS UNDER THE “60 HOUR RULE”

<table>
<thead>
<tr>
<th>Total Effort</th>
<th>VA Component</th>
<th>UC Component</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Professional Effort</td>
<td>Estimated Maximum Hours</td>
</tr>
<tr>
<td>100%</td>
<td>60</td>
<td>8/8</td>
</tr>
<tr>
<td>100%</td>
<td>60</td>
<td>7/8</td>
</tr>
<tr>
<td>100%</td>
<td>60</td>
<td>6/8</td>
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<tr>
<td>100%</td>
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</tr>
<tr>
<td>100%</td>
<td>60</td>
<td>1/8</td>
</tr>
</tbody>
</table>

1 A work week of 60 hours per week is maximum which University management believes it can defend to external regulatory and funding agencies and the general public.

2 Calculated assuming that 40 hours per week is a reasonable “full time” work week even though individuals may work more or less to fulfill a set of standard responsibilities. Faculty are not guaranteed the maximum appointment percentage; depending on the level of responsibilities assigned, a lower appointment percentage may be appropriate.
ATTACHMENT B

"According to the Federal Anti-Kickback Statute, contracts for the performance of personal services or management services pose kickback concerns if the:

- party performing the service for the provider is in a position to refer business reimbursable by a federal health care program, or is in a position to receive such referrals; and payments made are in any way meant to induce referrals even if those payments also are meant to compensate the party fairly for services rendered.

The best way to avoid kickback concerns is to comply fully with the requirements set forth in the personal services and management contracts safe harbor.

One as an "agent" can perform services under an agreement with another without payments under the agreement being regarded as improper remuneration if seven requirements are satisfied:

1. The agreement must be in writing and signed by the parties.
2. The agreement must cover all of the services the agent provides to the principal for the term of the agreement and must specify what services the agent will provide.
3. If the agreement is for sporadic or part-time work, the agreement must specify exactly the schedule of intervals in which services will be performed, the length of such intervals, and the applicable charge.
4. The agreement must be for at least one year.
5. The aggregate compensation must be set in advance, be consistent with fair market value, and not take into account the volume or value of any referrals or business otherwise generated between the parties for which payment might be made under a federal health care program.
6. The service must not involve the counseling or promotion of a business arrangement or other activity that violates any state or federal law.
7. The aggregate services contracted for must not exceed those that are reasonably necessary to accomplish the commercially reasonable business purpose of those services."

Source: The Bureau of National Affairs, Inc., Copyright 2001

To comply with the above regulation as we contract with physicians on a part-time basis, we will need to do the following:

Develop and execute a written agreement that is signed by the parties. This agreement must specify the schedule of intervals in which services will be performed and the length of those intervals. The compensation paid to the physician for these services must be set in advance and represent a fair market value for the services rendered. Time sheets should be prepared, signed and submitted to the Department Chair on a monthly basis to document services rendered.

The agreement should be supplemented by a job description specifying the services the physician is providing to the department, signed by the department chair and the physician.

You should consider the above as guidelines. Each potential business arrangement needs to be reviewed and evaluated independently.

(Prepared by Jim Herron, September 2001)
### PART-TIME FACULTY AND STAFF PHYSICIAN APPOINTMENTS

<table>
<thead>
<tr>
<th><strong>AFFILIATE</strong></th>
<th><strong>PART-TIME</strong></th>
<th><strong>RECALL</strong></th>
<th><strong>STAFF PHYSICIAN</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACADEMIC SERIES</strong></td>
<td>In-Residence</td>
<td>Clinical (research not required)</td>
<td>Line</td>
</tr>
<tr>
<td></td>
<td>Clinical X</td>
<td>Adjunct (research required)</td>
<td>Adjunct</td>
</tr>
<tr>
<td></td>
<td>Adjunct</td>
<td>Clinical</td>
<td>Clinical</td>
</tr>
<tr>
<td></td>
<td>Clinical</td>
<td>In-Residence</td>
<td>Clinical X</td>
</tr>
<tr>
<td><strong>STAFF SERIES:</strong></td>
<td>Not available</td>
<td>Not applicable</td>
<td>Not available</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Senior Physician, Sr. Phys Diplomate, Assoc Physician, Assoc Phys Diplomate, Assistant Physician</td>
</tr>
<tr>
<td><strong>APPOINTMENT CRITERIA:</strong></td>
<td>Teaching, Research, University Service, Professional Competence</td>
<td>Teaching, Research, University Service, Professional Competence</td>
<td>Clinical Competence</td>
</tr>
<tr>
<td><strong>FUNDING:</strong></td>
<td>Usually Soft Funds (e.g. fees, contracts, grants)</td>
<td>Soft Funds (e.g. fees, contracts, grants, etc.)</td>
<td>Soft Funds (e.g. fees, usually not contracts and grants)</td>
</tr>
<tr>
<td><strong>COMPENSATION PLAN:</strong></td>
<td>CompPlan (50% or less)</td>
<td>Not CompPlan</td>
<td>Not CompPlan</td>
</tr>
<tr>
<td><strong>CONTINUATION OF APPOINTMENT STATUS:</strong></td>
<td>Year-to-year contract, expires 6/30, 8-year rule does not apply to Clinical</td>
<td>Year-to-year contract, expires 6/30, 8-year rule does not apply to Clinical</td>
<td>Year-to-year contract, expires June 30.</td>
</tr>
<tr>
<td><strong>PERCENT OF TIME:</strong></td>
<td>Minimum 5% - Maximum 50% (OP – “Brady/Swartz” formula)</td>
<td>Minimum 5% - Maximum 47%* (*new appointments)</td>
<td>Maximum 46%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Equate with effort. Greater than 50% expected rarely if at all.</td>
</tr>
<tr>
<td><strong>DOSSIER/APPOINTMENT REQUEST:</strong></td>
<td>In-Residence, Clinical X, Adjunct reviewed by CAP; Clinical CFRC</td>
<td>Adjunct review by CAP; Clinical by CFRC and OAA; both CPAC</td>
<td>Dean</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reviewed by CPPC and CPAC (as needed per guidelines and procedures)</td>
</tr>
<tr>
<td><strong>ADDITIONAL COMPENSATION:</strong></td>
<td>Eligible for negotiated (Y) and bonus/incentive (Z)</td>
<td>PPC possible if private practice at UCI site beyond scope of UCI employment</td>
<td>PPC possible if practice beyond scope of UCI recall appointment</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Non-base building component (Y) and bonus/incentive (Z) component</td>
</tr>
<tr>
<td><strong>BENEFITS:</strong></td>
<td>Full benefits if appointed at 50%, or after 1000 hrs or equivalent in rolling 12-month period. APM 270, 275, 280, and Clinical Faculty Criteria</td>
<td>Full benefits after 1000 hrs or equivalent in rolling 12-month period. APM 280, Clinical Faculty Criteria</td>
<td>No benefits</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Full benefits if appointed at 50% or more for one year, or after 1000 hrs or equivalent in rolling 12-month period.</td>
</tr>
</tbody>
</table>

**REFERENCE:**
APM 270, 275, 280, and Clinical Faculty Criteria

May 3, 2002
revised Sept 27, 2002
updated Dec 16, 2003
PART-TIME FACULTY AND STAFF PHYSICIAN APPOINTMENTS

LEGEND:

CAP     Committee on Academic Personnel
CFRC    Clinical Faculty Review Committee
CPPC    Compensation Plan Policy Committee
CPAC    Compensation Plan Advisory Committee
OAA     Office of Academic Affairs
PPC     Private Practice Compensation