Lunch & Learn

Developing a Provider Incentive Program

September 19, 2018

safety net SOLUTIONS

DentaQuest INSTITUTE
Welcome!

Today’s Session Objectives

After this webinar, participants will be able to:

• Identify the core components of an effective dental provider incentive program
• Identify different ways to structure a program based on desired outcomes
• Identify pros and cons with selecting different incentive criteria
• Understand how to set up a spreadsheet for an incentive program
Today’s Presenters

• Nathan Suter, DDS, Dentist & Oral Health Program Specialist, COMTREA Comprehensive Health Center

  • Dr. Nathan Suter was the Oral Health Director and a practicing dentist at COMTREA Comprehensive Health Center, a federally-qualified health center (FQHC), in Festus, from 2013 to 2018. He was instrumental in starting the dental program at a fast-growing network of FQHC dental clinics in Jefferson County, MO. He is now the Oral Health Program Specialist at COMTREA overseeing the teledentistry program, grant writing, strategic planning and business analytics. In 2017, Dr. Suter purchased a rural private practice in House Springs, Missouri. He now splits his time between COMTREA and his private practice, Green Leaf Dental Care. A graduate of the University of Missouri-Kansas City (UMKC) School of Dentistry with a Doctorate of Dental Surgery degree, Dr. Suter also has a Bachelor of Science degree in Business Administration from Webster University in St. Louis. In November of 2016, Dr. Suter received both the National Network for Oral Health Access Outstanding Clinician award and the American Dental Association Dr. David Whiston Leadership Award. Dr. Suter joined the Missouri Coalition for Oral Health in 2014 and is currently serving as the Vice Chair on its board of directors.
Today’s Presenters

- **Amy Rhodes, MBA, Chief Financial Officer, COMTREA Comprehensive Health Center**
  - Amy Rhodes joined COMTREA in March 2007 as the Accounting Manager and was promoted to Chief Financial Officer in July 2008. Rhodes has over 25 years' of financial accounting experience. She graduated from Missouri State University with a Bachelor’s in Accounting and Missouri Baptist University with a Master's in Business Administration. Rhodes and her husband, Randall are lifetime residents of Jefferson County and have three children and two grandchildren. She is very involved with several online support groups for Nemaline Myopathy, grieving parents and military parents. Rhodes is a past member of the Jefferson County Developmental Disability Resource Board and a member of Rose of Sharon Full Gospel Temple.
Q&A Logistics

• After the presentation we’ll have time for Q&A

• Two options:
  • Use the raise hand feature and we will unmute you
  • Type your question in the chat box
Additional Housekeeping

• All lines will remain muted to avoid background noise.
• A copy of the slides and a link to the recording will be shared after the webinar concludes.
• In order to receive CE credit you must fill out the evaluation, which will be shared at the end of the presentation.

The DentaQuest Institute is an ADA CERP Recognized Provider. This presentation has been planned and implemented in accordance with the standards of the ADA CERP.

*Full disclosures available upon request
Audience Polls
Incentivizing

ENCOURAGING GROWTH AND MEETING OF GOALS THROUGH INCENTIVIZING.
COMTREA Comprehensive Health Center

Community Mental Health Center since 1974
Federally Qualified Health Center (FQHC) since 2012
First Dental Clinic opened in 2013

Multiple Delivery Sites
- Portable Dental Clinic
- Two School Based Clinic
- Two Fixed Dental Clinics
- Mobile Dental Clinic

Oral Health Programs
- Oral Health-Primary Care Integration
- School Sealant Program
- Emergency Room Diversion
- Teledentistry Program
- Dental Student Externships

Over 60 Team Members
- 13 dentists
- 8 dental hygienists
- 22 dental assistants
- 15 front office staff
- 2 social workers
Amy Rhodes, MBA

COMTREA CFO
What motivates people?

What motivates dentists?
- Quality Care
- Competitive Pay
- Doing their best

What motivates companies?
- Paying the bills
- Patient Satisfaction
- A happy Board of Directors

What motivates the government?
- Population Health
- Lower Costs
- Return on Investment
Incentive Outcomes

PATIENT OUTCOMES

Quality Metrics such as Phase 1 Complete
- Ensures that smaller dollar procedures are encouraged to get the patient healthy
- A focus away from the “high production” of crowns, bridges, and dentures

Visits – Ensures the provider is looking at the schedule so they can encourage a full schedule

BUSINESS OUTCOMES

An incentive plan that shows our board and HRSA that our business is not solely interested in production.

Aligning incentives that encourage the workflows and systems that the health center puts in place.
Dentist Salaries

Missouri PCA Survey
- Dentist
  - Minimum – $93,000
  - Average – $113,350
  - Maximum – $143,300

National Surveys
- Minimum – $87,880
- Average – $115,220
- Maximum – $141,079

National Hourly Survey
- Dentist
  - Minimum – $40.85
  - Average – $54.50
  - Maximum – $67.83

National Bonus Survey
- Minimum – $650
- Average – $5,450
- Maximum – $24,547
How do you incentivize providers?

- Production (Gross Charges or Collections)
- Visits
- Relative Value Units (RVUs)
- Quality Metrics
- Meaningful Use
- Patient Satisfaction
- Community Involvement
- Social Media
- Others??
How do you incentivize your staff?

Office goals
- Free lunch for the office
- A team goal bonus

Training goals
- Increase in hourly wage as “competencies” are met and signed off on
- Chart audit results can be goals

New workflow goals
- Including a new workflow as a goal can increase awareness

Division goals
- Team building opportunity
- Encourages teamwork and a helping hand
<table>
<thead>
<tr>
<th>Methodology</th>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat Bonus</td>
<td>Easy to implement</td>
<td>Limits the outcomes</td>
</tr>
<tr>
<td></td>
<td>Clear objective</td>
<td>Same reward for everyone</td>
</tr>
<tr>
<td>Weighted Goal Bonus</td>
<td>Can increase multiple outcomes</td>
<td>More reporting needed</td>
</tr>
<tr>
<td>Tiered Bonus with Weighted Goals</td>
<td>Helps the top performers stand out</td>
<td>Complicated calculations</td>
</tr>
<tr>
<td></td>
<td>Increases multiple outcomes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sets the bar higher</td>
<td></td>
</tr>
<tr>
<td></td>
<td>More reporting needed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Is difficult to explain</td>
<td></td>
</tr>
</tbody>
</table>
Goal for Bonus
i.e. Visits, Production, Collections, RVUs, Quality Metric

Fixed Bonus Amount
$1,000
Weighted Goal Bonus

Fixed Bonus Amount: $1,000

Weighted Goals:
- Goal 1: Met, $100
- Goal 2: Not Met, $250
- Goal 3: Met, $250
- Goal 4: Met, $400

Take Home Bonus: $750
Audience Poll
Nathan Suter, DDS
COMTREA ORAL HEALTH PROGRAM SPECIALIST
PRIVATE PRACTICE OWNER, GREEN LEAF DENTAL CARE
Incentivizing staff

Comtrean

Has started the process by incentivizing providers with hopes to incentivize front line staff in the future.

<table>
<thead>
<tr>
<th>Goal Desc.</th>
<th>Qtr Goal</th>
<th>Weight</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Panoramic Films</td>
<td>25</td>
<td>20%</td>
<td>$60.00</td>
</tr>
<tr>
<td>Facebook/Google/Social Med</td>
<td>20</td>
<td>20%</td>
<td>$60.00</td>
</tr>
<tr>
<td>Gross Charges</td>
<td>$100,000.00</td>
<td>20%</td>
<td>$60.00</td>
</tr>
<tr>
<td>Collections</td>
<td>$120,000.00</td>
<td>20%</td>
<td>$60.00</td>
</tr>
<tr>
<td>Continuing Care w/in 12 mo</td>
<td>70%</td>
<td>20%</td>
<td>$60.00</td>
</tr>
</tbody>
</table>

Quarterly bonus for meeting multiple objectives.

Each area is a team goal and it helps to motivate all of the staff.

The goal is to use a “carrot” in order to encourage new workflows.

As a manager, the hardest thing is to spend lots of time encouraging new behaviors especially for staff that is not new.
COMTREA’s Methodology

A mixture of production with other weighted goals

Tiered bonus based on production

Based on a percentage of the provider’s salary (A max of 20% annually)

Earned amount based on meeting weighted goals

Goals based on national health center benchmarks and historical trends
  ◦ Visits
  ◦ Quality Metric (Phase 1 Completion Rate of Division)
  ◦ Community Engagement
    ◦ Community and Organizational involvement outside of the clinical job requirements.

A percentage of the bonus is withheld until the end of the year as a retention incentive.
The Incentive Spreadsheet

The provider incentive spreadsheet consists of 8 portions
1. FTE (Full Time Equivalent) amount for that provider *(based on contracted rate less FMLA, LOA, etc.)*
2. Bonus Tier
   - This is a ranking system determined by the provider’s gross charges for the quarter
3. Provider’s Quarterly Outcomes
4. Quarterly Measures (A-C)
   - Meeting of the Quarterly Measures (Dictated by “1” or “0” for met or not met)
5. Maximum Possible Bonus - based on individual salary and the tier the provider reached
6. Bonus based on measures met is the amount of the maximum bonus that is awarded after applying the weighted measures
7. Annual retention - This is the amount that will be held until the end of the fiscal year
8. Total Bonus for QTR - Take home bonus for that quarter

Each of these parts make up the incentive table and will help determine the bonus amount
### Provider Goal Matrix

<table>
<thead>
<tr>
<th>Position</th>
<th>Clinical FTE</th>
<th>Quarterly Production Goal</th>
<th>Visit Goal</th>
<th>Community Engagement Goal</th>
<th>Quality Metric Phase 1 Complete for Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dentist</td>
<td>1.00</td>
<td>$120,000</td>
<td>500</td>
<td>5</td>
<td>55%</td>
</tr>
<tr>
<td>Dentist</td>
<td>0.75</td>
<td>$90,000</td>
<td>350</td>
<td>4</td>
<td>55%</td>
</tr>
<tr>
<td>Dentist</td>
<td>0.50</td>
<td>$72,000</td>
<td>300</td>
<td>3</td>
<td>55%</td>
</tr>
<tr>
<td>Dentist</td>
<td>0.25</td>
<td>$36,000</td>
<td>125</td>
<td>1</td>
<td>55%</td>
</tr>
<tr>
<td>Dentist</td>
<td>0.10</td>
<td>$12,000</td>
<td>50</td>
<td>1</td>
<td>55%</td>
</tr>
</tbody>
</table>

### Bonus Tier Matrix

<table>
<thead>
<tr>
<th>Clinical FTE</th>
<th>Tier</th>
<th>% of Goal</th>
<th>Quarterly Production Threshold</th>
<th>Quarterly Bonus Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>20%</td>
<td>$295,000</td>
<td>20%</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>15%</td>
<td>$215,000</td>
<td>15%</td>
</tr>
<tr>
<td>1</td>
<td>3</td>
<td>10%</td>
<td>$180,000</td>
<td>10%</td>
</tr>
<tr>
<td>1</td>
<td>4</td>
<td>5%</td>
<td>$150,000</td>
<td>5%</td>
</tr>
<tr>
<td>1</td>
<td>5</td>
<td>10%</td>
<td>$120,000</td>
<td>10%</td>
</tr>
</tbody>
</table>

### Measure Weight Matrix

<table>
<thead>
<tr>
<th>Visit Goal</th>
<th>Community Engagement Goal</th>
<th>Quality Metric Phase 1 Complete for Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>50%</td>
<td>30%</td>
<td>40%</td>
</tr>
</tbody>
</table>

### Additional Calculations Table

This is the amount quarterly that is retained until the end of each fiscal year.

### Provider Quarterly Statistics and Bonus Matrix

<table>
<thead>
<tr>
<th>Provider</th>
<th>Clinical FTE</th>
<th>Tier</th>
<th>Percentage of Goal</th>
<th>QTR Production</th>
<th>Provider's Total Community Engagement for the Quarter</th>
<th>Division Phase 1 Complete Percentage for the Quarter</th>
<th>A. Visits</th>
<th>B. Community Engagement Goal</th>
<th>C. Group Phase 1 Complete for Division</th>
<th>Maximum Possible Bonus</th>
<th>Bonus Based on Measures Met</th>
<th>Annual Retention</th>
<th>Total Bonus for QTR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. One</td>
<td>1.00</td>
<td>1</td>
<td>4%</td>
<td>$235,000</td>
<td>450</td>
<td>5</td>
<td>60%</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>5,062.00</td>
<td>$1,253</td>
<td>$2,378</td>
</tr>
<tr>
<td>Dr. Two</td>
<td>0.75</td>
<td>2</td>
<td>3%</td>
<td>$133,700</td>
<td>377</td>
<td>1</td>
<td>60%</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>4,008.36</td>
<td>$1,311</td>
<td>$3,319</td>
</tr>
<tr>
<td>Dr. Three</td>
<td>0.50</td>
<td>3</td>
<td>2%</td>
<td>$84,684</td>
<td>543</td>
<td>1</td>
<td>60%</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>3,335.50</td>
<td>$1,235</td>
<td>$2,070</td>
</tr>
<tr>
<td>Dr. Four</td>
<td>0.25</td>
<td>4</td>
<td>1%</td>
<td>$62,000</td>
<td>466</td>
<td>1</td>
<td>60%</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1,725.00</td>
<td>$700.00</td>
<td>$50</td>
</tr>
<tr>
<td>Dr. Five</td>
<td>0.10</td>
<td>5</td>
<td>0%</td>
<td>$37,812</td>
<td>358</td>
<td>-</td>
<td>60%</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1,190.63</td>
<td>$1,071.56</td>
<td>$75</td>
</tr>
<tr>
<td>Dr. Six</td>
<td>0.10</td>
<td>6</td>
<td>0%</td>
<td>$44,220</td>
<td>350</td>
<td>1</td>
<td>60%</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1,190.63</td>
<td>$1,071.56</td>
<td>$75</td>
</tr>
</tbody>
</table>

**Designate the Tier level for each provider based on their quarterly productivity. Tier determines what percentage of a bonus they qualify for.**

**This is where you put the quarterly stats for each provider.**

**If you change the fields above to either "1" or "0" it will change to not met or met.**

**The total bonus for QTR is the take home amount that is awarded to the provider after factoring in their salary, FTE, production tier, weighted measures, and the retention amount.**

**A percentage is retained until the end of the fiscal year as part of our retention efforts. If the provider leaves before the end of the fiscal year they forfeit the retained amount of their bonus.**

**The maximum possible bonus is based on the salary of the individual on the salary worksheet and the tier that was reached by their productivity.**

**The bonus based on measures met is the amount of the maximum bonus that is awarded after applying the weighted measures.**

- **Total Bonus for QTR = $12,518**
- **Annual Retention = $2,146**
- **Total Bonus for QTR = $10,370**
Full Time Equivalent (FTE)

Contracted Rate - Everyone that is contracted 40 hours a week would be equal to 1 FTE

Exceptions are made and FTE is pro-rated for FMLA qualified leave

<table>
<thead>
<tr>
<th>Provider</th>
<th>Clinical FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. One</td>
<td>1.00</td>
</tr>
<tr>
<td>Dr. Two</td>
<td>0.50</td>
</tr>
<tr>
<td>Dr. Three</td>
<td>1.00</td>
</tr>
<tr>
<td>Dr. Four</td>
<td>1.00</td>
</tr>
<tr>
<td>Dr. Five</td>
<td>0.50</td>
</tr>
<tr>
<td>Dr. Six</td>
<td>1.00</td>
</tr>
<tr>
<td>Dr. Seven</td>
<td>0.25</td>
</tr>
<tr>
<td>Dr. Eight</td>
<td>0.50</td>
</tr>
<tr>
<td>Dr. Nine</td>
<td>0.50</td>
</tr>
</tbody>
</table>

adjusting the FTE pro-rates the bonus amount and also pro rates the production bonus tier threshold
Bonus Tier and % of Goal

Based on your quarter production, determine the appropriate tier level

- Example: Provider who has worked 1.0 FTE and has between $150,000 and $179,999 in production for that quarter would fall under Tier level 2

Once the Tier goal is determined, the percentage of the goal will be automatically displayed.

*Tier 1 is meeting contractual expectations and does not result in a bonus. You have to produce 125% more than what is expected to even qualify for a bonus.
Quarterly Outcomes

Step 1: Enter the total amount of **Production** for the quarter for each provider

Step 2: Enter the total amount of **Visits** for the quarter for each provider

Step 3: Enter the total amount of **Community Engagement Events** attended for the quarter
   - Each provider fills out a form quarterly signed off on by the OH Director

Step 4: Enter the total percentage for the **Phase 1 Completion Rate** for a year ending with the quarter
Weighted Measures

- **Visit Goals**
  - Based on Safety Net Solutions practice benchmarking

- **Community Engagement Goals**
  - A non-clinical measure that encourages providers to further our mission in the community.
    - Health Fairs, Parades, Career Fairs, Professional Study Clubs, Internal Work Groups, Internal Committees, State or Local advocacy groups

- **Quality Metric – Phase 1 Completion Rate**
  - Number of Phase 1 codes completed at the end of the quarter divided by the number of exams for the same period.
    - This is for a 12 month period ending with the last date of the quarter.
  - A group measure for the whole division that encourages teamwork.
Position Goal Matrix

The next section is based on comparing the provider’s quarterly numbers with the benchmarks in the Provider Goal Matrix

- A “1.00” indicates the measure is met
- A “0” indicates the measure is not met
- Example: a 1.00 FTE Dentist should have at minimum 500 visits per quarter, $120,000 in production, attended 5 community engagement events, and everyone met 55% Phase 1 completion Rate. If any of these measures were not met, a zero (0) will be entered for that field.
Retention Program

- This plan allows us to also layer in a piece for retention.
- An incentive plan for higher income can drive retention.
- Withholding until July-August is best for our organization.
- Aligns with the end of our fiscal year.
- Is the time of year that we can bring on new graduates.
- In this scenario a high performer could be waiting to receive $2-3k at the end of the year in retention bonus.
# Bonus Calculation and Payout

<table>
<thead>
<tr>
<th>Maximum Possible Bonus</th>
<th>Bonus Based on Measures Met</th>
<th>Annual Retention</th>
<th>Total Bonus for QTR</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,062.50</td>
<td>$2,531.25</td>
<td>$253</td>
<td>$2,278</td>
</tr>
<tr>
<td>$4,598.36</td>
<td>$4,598.36</td>
<td>$920</td>
<td>$3,679</td>
</tr>
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<td>$</td>
<td>$</td>
<td>$</td>
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</tr>
<tr>
<td>$1,725.00</td>
<td>$690.00</td>
<td>$55</td>
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<td>$3,625.00</td>
<td>$3,625.00</td>
<td>$725</td>
<td>$2,900</td>
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<tr>
<td>$1,190.63</td>
<td>$1,071.56</td>
<td>$193</td>
<td>$879</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$12,516</td>
<td>$2,146</td>
<td></td>
<td>$10,370</td>
</tr>
</tbody>
</table>

The **Total Bonus for QTR** is the take home amount that is awarded to the provider after factoring in their salary, FTE, production tier, weighted measures, and the retention amount.

A percentage is retained until the end of the fiscal year as part of our retention efforts. If the provider leaves before the end of the fiscal year they forfeit the retained amount of their bonus.

The **Bonus based on measures met** is the amount of the maximum bonus that is awarded after applying the weighted measures.

The **maximum possible bonus** is based on the salary of the individual on the salary worksheet and the Tier that was reached by their productivity.
A closer look...

- Four providers didn’t qualify even when some of their measures were met.
- Three high producers received sizable bonuses.
- One provider only made the group quality goal.
- Two high producers could potentially be waiting for $2-4k in retention funds.
- In a year this could cost $45k for the health center.
  - Health center could lose that in one month of collections for being short one full time dentist.
Lessons Learned

- There are infinite ways to set up an incentive program
- Staff will have a lot of questions
- Our CEO wanted our top performers to shine
  - Based on salary
  - Production tied it to sustainability
  - More than one measure can help raise more than one bar
- Excel is complicated and has limitations
  - It does not cost a lot of money
- Make it so staff can see progress
- Run previous quarters or months to help evaluate goals
- Involve staff in selecting some goals from a list
- We are drawing to the end of our first live quarter for the first potential incentive
  - We expect to learn more as we go along
  - We will keep an open mind and make changes where necessary
Questions?

NATHAN SUTER, DDS
AMY RHODES, MBA
Post-Webinar Evaluation

https://www.surveymonkey.com/r/DLP3KDQ

*required for CE credit; only available to those who participated in the live webinar
Next Lunch & Learn Webinar

Strategic Scheduling

Wednesday, October 31\textsuperscript{st} | 12-1 p.m. ET

Presenters:

• Dr. Greg LaChance, Dental Director, El Rio Community Health Center, Tucson, AZ
• Dr. Tamara-Kay Tibby, Dental Director, C.L. Brumback Primary Care Clinics, West Palm Beach, FL

*1 CDE credit available

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