



Dermatology

UNIVERSITY OF COLORADO

Department of Dermatology University of Colorado
Anschutz Medical Campus – Aurora, CO

Chairman – David A. Norris, MD

Director Finance & Admin – Kathy Ryan Morgan

Clinical Faculty = 24

Research Faculty = 11

Volunteer Clinical Faculty = 22

Residents = 18

Fellows = 2



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Dermatology Faculty	All employees of University of Colorado
Dermatology Clinicians	All affiliates of University Physicians, Inc.
Dermatology Clinicians	All employed exclusively by University of Colorado Hospital OR University Physicians Free Standing Clinics May also be contracted for professional services via University Physicians, Inc. (UPI)



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- Cosmetics (Staff of 5)
- Clinical Trials (Staff of 2)
- Dermatopathology (Staff of 7)
- General Dermatology Hospital Employees
- Mohs Surgery Hospital Employees
- Pediatric Dermatology Hospital Employees
- Gates Stem Cell Center (Staff of 30)
- Translational Research (Staff of 8)
- (Clean manufacturing facility) Managed by CFO
- Residency/Fellowship (Staff of 2)
- Administrative Staff (2 Senior Managers, 4 Managers, 3 Coordinators, 1 RN, 6 MAs, 3 Assistants)



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University of Colorado Hospital (UCH)

- 501C3
- Employees, clinic manager and all allied health – hired by UCH
- Provides clinic space in which providers see patients
- Provides all capital equipment necessary for clinic operations
- Provides stipends for residents
- Provides stipends for Clinic Medical Director and new initiatives (i.e. psoriasis trials, inpatient database, etc.)



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University Physicians, Inc. (UPI)

- 501C3
- Provides operating budget for the clinical enterprise on an annual basis
- All clinic providers must have a member practice agreement in place
- Bills/collects all patient revenue whether via EMR (Epic), contractual or invoicing
- Employs large staff of IT, billers, coders, managers, etc. as it relates to clinical billing and operations for the physician – physician is ‘exclusive’ to UPI
- Provides stipends for Clinic Medical Director and new initiatives (i.e. psoriasis trials, inpatient database, etc.) via annual requests



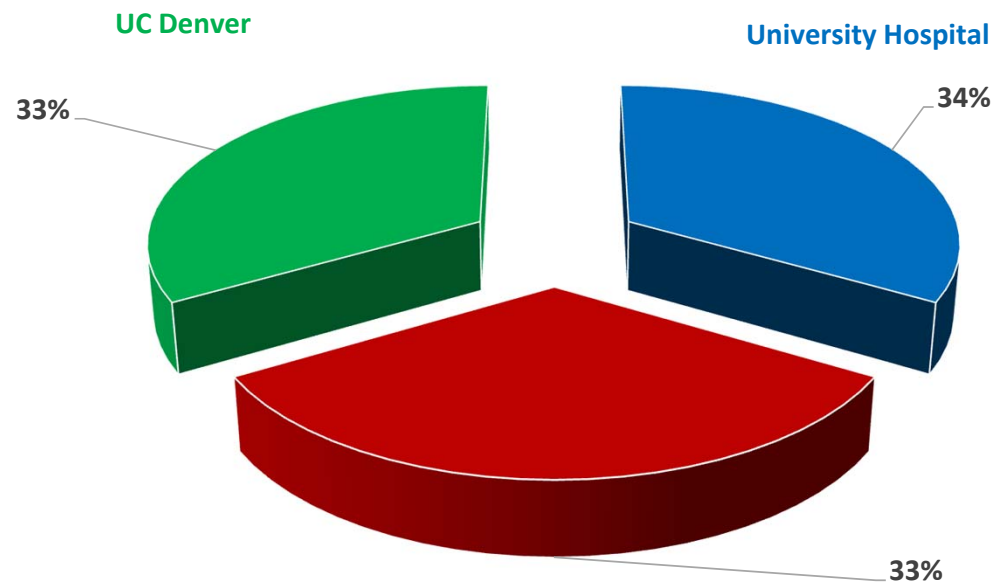
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University of Colorado School of Medicine (SOM)

- 501C3
- All faculty are hired by and are members of UCDSOM
- New faculty hires, promotions and periodic reviews all vetted by SOM
- SOM provides start-up funding for new recruitments
- Volunteer (community) faculty vetted through SOM
- SOM works in tandem with UPI, hospital and community to ensure our mission of patient care, teaching and service are performed by faculty from UCDSOM

Department of Dermatology Administrator's Role



University Physicians, Inc.



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Pluses & Minuses

Academics

Some of the best clinicians in the country
University of Colorado Hospital
UPI, Inc.

Cutting edge research
Basic Science Research
Clinical/Translational Research
Clinical Trials
Clinic capacity

Employees
Salary
DFA Role

Academics

Physicians not in clinic 5 days/week - research
Hospital bills a facility fee
UPI bills physician fee

Salary offers under private industry tough to recruit
Funding tough, especially federal grants/award cuts
Funding tough, especially federal grants/award cuts
Finding someone who is interested
Always running out of space

Not all hired by one entity – hard to manage at times
20% < than private Industry
Reports to Chair, Dean and wears many hats



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Clinic Payor Mix

CHARGES	201508	201509	201510	201511	201512	201601	201602	201603	201604	201605	201606	201607	201608	13 Months
CAPITATED	6.00%	5.43%	4.86%	4.78%	5.91%	5.45%	6.14%	5.85%	4.84%	5.58%	5.31%	4.19%	5.99%	5.41%
DFFS MGD CARE	36.32%	38.31%	36.09%	36.32%	38.14%	37.76%	33.67%	34.53%	36.60%	36.68%	36.24%	40.41%	38.24%	36.87%
DISCOUNTED FFS	0.57%	0.78%	1.15%	1.19%	0.92%	0.65%	1.12%	0.81%	0.38%	0.93%	0.66%	0.40%	0.23%	0.75%
GOVT MGD CARE	9.90%	9.50%	13.38%	13.30%	11.32%	13.92%	14.30%	14.05%	16.82%	15.85%	11.88%	11.61%	11.19%	12.85%
INDEMNITY	0.03%	0.02%	0.06%	0.07%	0.08%	0.01%	0.06%	0.07%	0.02%	0.04%	0.05%	0.06%	0.14%	0.05%
MEDICAID	15.39%	14.37%	12.62%	11.58%	13.42%	13.15%	12.71%	15.90%	12.53%	12.19%	14.52%	12.25%	11.68%	13.26%
MEDICALLY INDIGENT	0.04%	0.02%	0.15%	0.04%	0.07%	0.05%	0.02%	0.56%	0.11%	0.01%	0.05%	0.03%	0.04%	0.09%
MEDICARE	28.36%	27.90%	28.53%	29.57%	26.88%	25.77%	28.92%	26.26%	25.39%	25.44%	27.13%	26.59%	27.96%	27.28%
SELF PAY	3.39%	3.66%	3.16%	3.14%	3.27%	3.24%	3.05%	1.96%	3.29%	3.28%	4.16%	4.47%	4.54%	3.43%



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Measures of Productivity

**cFTE = Salary/Fringe – hospital support – research support-
contract support – unfunded protected time**

**Productivity based on “if you cover your salary/fringe and
expenses you get into the bonus incentive”**

**DFA uses wRVUs at 50th% of 2014 FPSC and 95% are covered
under incentive plan (6,784 wRVUs)**

**Other 5% covered by the Department which decreases overall
incentive distribution**

**As the salary increases so must the productivity and
over \$300,000 requires at minimum 8 ½ day clinics**

Mid-levels productive, both cover salary/fringe

Mohs Surgery = 16,645 wRVUs

Dermpath = 11,252 wRVUs



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What Does the Future Hold?

- Colorado currently looking at a single payor system (Amendment 69 on ballot)
- Decrease in medical reimbursement year over year
- More bundled payments
- Higher deductibles for patients = more out of pocket expenses
- Decreased or difficulty to obtain NIH Funding
- Alternative funding, i.e. foundations
- Money solicited from philanthropy
- More industry sponsored research
- Fewer research and MD recruits due to inability to pay and support them
- Purchasing private practices (CU Dermatology | Boulder). Integrating private practice into academics. New revenue stream and payor mix
- TeleDerm becomes a bigger player, particular for Medicaid patients



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Questions?

