

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

796



FROM: Human Resources Department

SUBMITTAL DATE:
August 6, 2015

SUBJECT: Classification and Compensation recommendations to grant parity adjustments for Resident Physician and Surgeon classifications; amend Ordinance No. 440 pursuant to Resolution No. 440-9006; and grant authority of the Assistant County Executive Officer/ Human Resources Director to adjust the salary rates for Resident Physicians [District- All] [Total Cost - \$151,284] [SOURCE OF FUNDS - Riverside University Medical Center Enterprise Fund and Medicare].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the recommendation to grant parity adjustments for Resident Physician and Surgeon classifications.
2. Amend Ordinance No. 440 pursuant to Resolution No. 440-9006 submitted herewith.
3. Grant authority of the Assistant County Executive Officer / Human Resources Director to adjust the salary rates for Resident Physicians according to future University of California, Riverside Resident Physician rates.

BACKGROUND:

Summary

At the request of the Riverside University Health System (RUHS), the Human Resources Department (HR) conducted a parity study for the Resident Physician and Surgeon classifications.

Michael T. Stock
Asst. County Executive Officer/
Human Resources Director

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|-----------------|----------------------|-------------------|-------------|---------------|---|
| COST | \$ 151,284 | \$ 0 | \$ 151,284 | \$ | |
| NET COUNTY COST | \$ 0 | \$ 0 | \$ | \$ 0 | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |

| | |
|---|---------------------------------|
| SOURCE OF FUNDS: Riverside University Medical Center Enterprise Fund and Medicare direct and indirect reimbursements to RUMC | Budget Adjustment: No |
| | For Fiscal Year: 2015/16 |

C.E.O. RECOMMENDATION:

APPROVE

BY:
Lani Sioson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

Departmental Concurrence

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: | District: All | Agenda Number:

3-35

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Classification and Compensation recommendations to grant parity adjustments for Resident Physician and Surgeon classifications; amend Ordinance No. 440 pursuant to Resolution No. 440-9006; and grant authority of the Assistant County Executive Officer/ Human Resources Director to adjust salary rates for Resident Physicians.

DATE: August 6, 2015

PAGE: 2 of 3

BACKGROUND:

Summary (continued)

The parity study was conducted due to changes in the sponsorship of the Riverside University Medical Center (RUMC) residency training programs which are giving rise to parity concerns among incumbent RUMC resident physicians; also residents' salaries have not remained competitive locally and nationwide for the past two academic years.

RUMC, a department under RUHS, is affiliated with several medical schools, including Loma Linda University, University of California (UC) System, UC Riverside (UCR), and Western University of Health Sciences. Historically, RUMC has been a long-term sponsoring institution for five medical residency training programs accredited either by the Accreditation Council for Graduate Medical Education (ACGME) or by the American Osteopathic Association (AOA). These residency programs consist of Anesthesia, Family Medicine, Internal Medicine, General Surgery, and Orthopedic Surgery. On July 1, 2013, sponsorship of the Internal Medicine residency program changed from RUMC to the UCR School of Medicine. Effective July 1, 2014, RUMC relinquished sponsorship of its Family Medicine and General Surgery residency programs to UCR. However, RUHS' hospital-based and community-based healthcare clinics became primary participating training sites for UCR Family Medicine, Internal Medicine, and General Surgery resident physicians. It is anticipated that by July 1, 2016, UCR will release sponsorship of the Family Medicine and General Surgery residency programs to RUMC. These sponsorship changes have resulted in parity concerns due to RUMC residents working alongside UCR residents who are compensated at a higher rate. Currently, the annual salary of a UCR First Year Resident is \$51,871, or approximately 10% more than the annual salary of a RUMC First Year Resident (Attachment A).

Although RUMC's Resident Physician and Surgeon classification series received parity adjustments in 2013, the current salaries have not remained competitive. Survey results show that the highest salary disparity is noted with RUMC's Resident Physician and Surgeon - First Year classification. The annual salary of this class is approximately 10.19% lower than the average annual salary for an equivalent class locally and nationwide (Attachment A). Further, the annual salary of RUMC Resident Physician and Surgeon - Second Year classification is approximately 7.45% below the average annual salary of a comparable class in UCR and nearby private teaching hospitals (Attachment B).

Moreover, the study findings show that the annual salary of the Resident Physician and Surgeon - Third Year classification is 5% less than that of equivalent classifications at the UC System and hospitals within Southern California. Current salaries of the Resident Physician and Surgeon - Fourth and Fifth Year classifications show an inequity between 3.76% and 4.03% behind the average annual salaries of similar classifications at the UC System (Attachment B).

Based on the findings of the study, the HR Department hereby submits the following recommendations:

1. Grant parity adjustments to the RUMC Resident Physician and Surgeon classification series to align with UCR salary levels for the equivalent classification series (Attachment B). Aligning Resident Physician and Surgeon classification salaries with UCR pay rates would not only resolve parity concerns, but also make the department's residency training programs more competitive both locally and nationwide. In August 2015, sponsoring institutions of accredited residency programs will commence nationwide recruitment of Resident Physician candidates for the 2016 academic year. Thus, increasing the Resident Physician and Surgeon salaries now will enable RUMC to compete for the best candidates. The rate set for Resident Physicians accounts for increases that will take place in 2016.

2. Allow the Assistant County Executive Officer/Human Resources Director upon discretion to adjust the salaries of the Resident Physician and Surgeon classification series based on future UCR pay rates and/or

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DATE: August 6, 2015

PAGE: 3 of 3

external market data for comparable classifications in order to maintain market competitiveness for the Resident Physician and Surgeon classification series.

PARITY ADJUSTMENT RECOMMENDATIONS:

Resident Physician and Surgeon - First Year: It is recommended that the Resident Physician and Surgeon - First Year classification be granted an approximate 10.19% parity adjustment from salary plan/grade PHY 102/L1 (\$47,075) to PHY 102/L1 (\$51,871). There are currently 12 incumbents.

Resident Physician and Surgeon - Second Year: It is recommended that the Resident Physician and Surgeon - Second Year classification be granted an approximate 7.45% parity adjustment from salary plan/grade PHY 103/L1 (\$50,038) to PHY 103/L1 (\$53,766). There are currently 8 incumbents.

Resident Physician and Surgeon - Third Year: It is recommended that the Resident Physician and Surgeon - Third Year classification be granted an approximate 4.29% parity adjustment from salary plan/grade PHY 106/L1 (\$53,511) to PHY 106/L1 (\$55,807). There are currently 8 incumbents.

Resident Physician and Surgeon - Fourth Year: It is recommended that the Resident Physician and Surgeon - Fourth Year classification be granted an approximate 4.03% parity adjustment from salary plan/grade DTRP 109/L1 (\$55,958) to PHY 109/L1 (\$58,211). There are currently 9 incumbents.

Resident Physician and Surgeon - Fifth Year: It is recommended that the Resident Physician and Surgeon - Fifth Year classification be granted an approximate 3.76% parity adjustment from salary plan/grade PHY 112/L1 (\$58,342) to PHY 112/L1 (\$60,533). There are currently 7 incumbents.

Impact on Residents and Businesses

Approval of the proposed parity adjustments for the Resident Physician and Surgeon classification series will have a direct impact on the delivery of healthcare services to the residents of Riverside County. The Resident Physicians are being trained to become primary care and specialty care physicians. Having adequate physicians to provide medical services in a timely manner would enhance the capability of RUMC to promote patient satisfaction and ultimately, enhance the County Health System's ability to become the patients' provider of choice.

SUPPLEMENTAL:

Additional Fiscal Information

The proposed parity adjustments for the 44 RUMC incumbents will cost approximately \$151,284 in salaries and benefits for Fiscal Year 2015-16. RUMC Enterprise Fund will cover approximately 60% of the salaries and benefits costs. The department anticipates that the remaining 40% of the costs will be funded by Medicare's direct and indirect Graduate Medical Education (GME) payments to RUMC and by reimbursements from other teaching hospitals affiliated with RUMC for residency training.

ATTACHMENTS:

- A. Resident Physician UC System Salary Comparison
- B. Resident Physician Southern California and Nationwide Market Data
- C. Resolution No. 440-9006

Resident Physician Salary Comparison - County of Riverside and University of California System

| COR Classification | Current COR Annual Salary | Current UC System Annual Salary | Current Hrly Rate x # of EEs @ 2080 hrs | Proposed Salary and Benefits Cost Current FY | Proposed Hrly Rate x # of EEs @ 2080 hrs | Proposed Hrly Rate x # of EEs @ 1760 hrs |
|--|----------------------------------|--|--|---|---|---|
| Resident Physician & Surgeon - First Year (12 incumbents) | \$47,075 | \$51,871 | \$714,486 | \$65,606 | \$787,277 | \$666,158 |
| Resident Physician & Surgeon - Second Year (8 incumbents) | \$50,038 | \$53,766 | \$506,304 | \$68,003 | \$544,026 | \$460,330 |
| Resident Physician & Surgeon - Third Year (8 incumbents) | \$53,511 | \$55,807 | \$541,446 | \$70,585 | \$564,678 | \$477,804 |
| Resident Physician & Surgeon - Fourth Year (9 incumbents) | \$55,958 | \$58,211 | \$636,981 | \$73,625 | \$662,627 | \$560,685 |
| Resident Physician & Surgeon - Fifth Year (7 incumbents) | \$58,342 | \$60,533 | \$516,537 | \$76,562 | \$535,935 | \$453,483 |

| | |
|-------------------------|--------------------|
| FY 2014/15 | \$2,915,754 |
| Proposed Costs | \$3,094,543 |
| Current FY Costs | \$151,284 |
| Next FY Costs | \$178,790 |

County of Riverside vs. Southern California & Nationwide Market Data

Resident Salary Comparison

| Position Title | County of Riverside | Southern CA Private Hospitals Average Salaries <i>(includes UCR, LLUMC, KP, Cedars Sinai, Scripps)</i> | Southern CA Counties Average Salaries | Nationwide Median Salaries |
|----------------------------------|----------------------------|--|--|-----------------------------------|
| Resident Physician - First Year | \$47,075 | \$51,381 | \$48,106 | \$51,850 |
| Resident Physician - Second Year | \$50,038 | \$53,271 | \$52,600 | \$53,759 |
| Resident Physician - Third Year | \$53,511 | \$55,338 | \$56,952 | \$55,582 |
| Resident Physician - Fourth Year | \$55,958 | \$58,809 | \$57,212 | \$58,241 |
| Resident Physician - Fifth Year | \$58,342 | \$59,525 | \$60,379 | \$60,533 |

RESOLUTION NO. 440-9006

BE IT RESOLVED by the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on August 18, 2015, that pursuant to Section 8(c) of Ordinance No. 440, the Assistant County Executive Officer/Human Resources Director is authorized to amend the Class and Salary Listing of Ordinance No. 440, operative the beginning of the pay period following approval, as follows:

| <u>Job Code</u> | <u>Class Title</u> | <u>From Salary Plan/Grade</u> | <u>To Salary Plan/Grade</u> |
|-----------------|--|-------------------------------|-----------------------------|
| 73841 | Resident Physician & Surgeon - First Year | PHY 102/L1 (\$47,075) | PHY 102/L1 (\$51,871) |
| 73855 | Resident Physician & Surgeon - Second Year | PHY 103/L1 (\$50,038) | PHY 103/L1 (\$53,766) |
| 73856 | Resident Physician & Surgeon - Third Year | PHY 106/L1 (\$53,511) | PHY 106/L1 (\$55,807) |
| 73857 | Resident Physician & Surgeon - Fourth Year | DTRP 109/L1 (\$55,958) | PHY 109/L1 (\$58,211) |
| 73858 | Resident Physician & Surgeon - Fifth Year | PHY 112/L1 (\$58,342) | PHY 112/L1 (\$60,533) |