

# School of Medicine

# Faculty Salary Equity Review, 2024

Period covered: July 1, 2023 – June 30, 2024 for X+Y salary (FY24) and July 1, 2022-June 30, 2023 for clinical compensation (Z payments, FY23)

Christina Mangurian, MD, MAS, Vice Dean for Faculty & Academic Affairs

Since the last Faculty Salary Equity Review (FSER), the UCSF School of Medicine addressed many of the FY22 FSER recommendations. Specifically, we have done the following:

- Made compensation plans—which include how negotiated Y salaries and incentive payments are determined—easily available to all faculty on UCSF Box.
- Focused on recruitment of female and URM faculty members across all ranks.
- Some SOM Departments have developed compensation plan incentives for teaching and mentoring, which were shared with other Departments.
- Require all Departments to describe how they are sharing the information from their FSER reports with their faculty.

To prepare for the FY24 Faculty Salary Equity Review process, the SOM implemented process improvements to improve data accuracy. Before the analytic phase began, the SOM emailed all faculty with instructions on how to update their personal information. Subsequently, we distributed the faculty rosters to departments for review. Through this verification process, several errors in site designation were identified and corrected, and missing demographic data was flagged, so that departments could encourage their faculty to revise their reporting in UC PATH.

To explore equitable compensation for faculty with intersectional identities (specifically URM females) we assessed the presence and degree of intersectionality on two scales (additive and multiplicative) in our School-wide data. Due to small sample sizes, we were not able to conduct this analysis at the Department-level.

In November and December 2023, Vice Deans Maye Chrisman, Christina Mangurian, and Project Manager Joel Segovia hosted three workshops for department chairs and chief administrative officers. The workshops provided an overview of the purpose of the FSER, the study methodology, and interpretation of School-wide results. Departments were also provided AAMC benchmark salary data as a complement to UCSF payroll information in order to facilitate comparisons to a national benchmark. Chairs and administrative leaders were encouraged to share the results with their faculty and solicit input, particularly for departments for which sex-, URM-, and/or site-based differences in compensation or incentive payments were identified. Similar to previous years, several departments also opted to conduct supplemental analyses, approved by the Dean's Office, to further understand and explain their department results.

# Overview of SOM analyses, by sex, underrepresented minorities in medicine (URM) status, and site

## **Background**

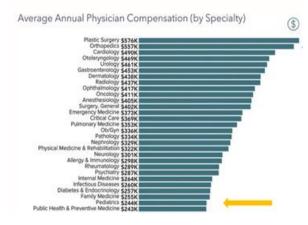
The UCSF School of Medicine had 2,850 faculty members who met the inclusion criteria for the analysis of FY24 salary (X+Y compensation): at least 75% paid appointment at UCSF at the assistant, associate and full rank, in any of the five academic series (Ladder Rank, Professor In Residence, Professor of Clinical X, Adjunct Professor, and Health Sciences Clinical Professor), who do not receive additional compensation from affiliate institutions (e.g., faculty paid partially or fully by the VA Medical Center, Howard Hughes Medical Institute, Gladstone Institute). Out of those individuals, demographic data for sex was available for 2,686 faculty members and demographic data for race/ethnicity was available for 2,781 faculty members. For the analysis of FY24 X+Y compensation, 50% of SOM faculty are female and 14% are classified as underrepresented in medicine (URM).

2,686 of SOM's current faculty also met the inclusion criteria for the analysis of FY23 incentive (Z) payments. In addition to the inclusion criteria described above, the analysis of Z payments also required that the faculty were in their paid faculty role and eligible for incentive for the full-year period. For the analysis of FY23 Z payments, 50% of SOM faculty are female and 14% are classified as underrepresented in medicine (URM).

To understand faculty salary equity issues within the School of Medicine, it is important to know that each department has a different compensation plan. Thus, faculty are paid on different scales and departments employ varying approaches to setting compensation. Some departments use clinical incentive payments as a significantly larger component of annual compensation than others, due to differences in the nature of their clinical work. Finally, market-competitive compensation varies widely for different specialties. For those reasons, department-specific analysis of compensation is critical to identify and address salary equity issues.

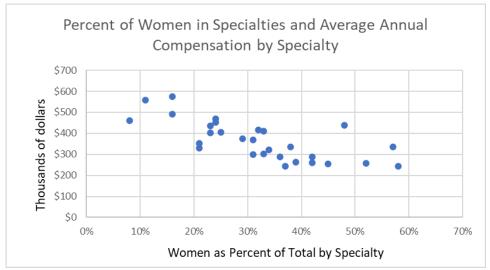
Within the School of Medicine, there are 28 compensation plans and salary scales range from 3 to 7. The departments vary in their approaches to setting salary; for example, some departments emphasize raising salaries for junior faculty members. Many departments adjust compensation based on the available sources of funding for the faculty member's salary.

The competitive salary rates for School of Medicine physician faculty members also vary by specialty. The figure below presents data published by Medscape showing average compensation for physicians by specialty, illustrating how compensation for different specialties vary widely:



Source: Dr. Amy Gottlieb; Originally from Medscape. 2022 Physician Compensation Report. April 2022

Nationally, females are overrepresented in the specialties that have lower salaries:



**Source**: Dr. Amy Gottlieb; Originally from Medscape. 2022 Physician Compensation Report. April 2022

This pattern is also observed at UCSF.

# X+Y compensation

The School of Medicine analyzed compensation controlling for department, academic series, rank and step, and degree type. The analysis did not control for clinical subspecialties, nor did it include metrics for productivity or performance. School-wide, the median X+Y compensation for female faculty was 4% lower than the median X+Y compensation for male faculty members. The median X+Y compensation for URM faculty was not statistically different when compared to the median X+Y compensation for non-URM faculty. There were no differences in sex or URM status findings based upon whether models adjusted for, or did not adjust for, site. The median X+Y compensation for faculty based at ZSFG was 3% lower than the median X+Y compensation for non-ZSFG faculty members.

Regarding faculty with intersectional identities, specifically URM female faculty, the compensation for female URM faculty was 4.6% lower than the median X+Y compensation for non-URM male faculty members. However, on either the additive or multiplicative scales this was actually less of a difference than would have been expected from independent contributions due to being a female and being URM.

When the data were analyzed for each department separately, 3 of 23 departments had statistically significant sex-based differences in X+Y compensation and the median X+Y compensation was 4-22% lower for females than males. Three departments had statistically significant URM-based differences in X+Y compensation; the median X+Y compensation for URM faculty ranged from 19% lower to 31% higher than non-URM faculty. Four departments had significant site-based differences in X+Y compensation; with the median X+Y compensation for faculty based at ZSFG ranging from 5% lower to 56% higher. Departments with statistically-significant differences by sex, URM status and/or site were asked to provide additional

information. Some departments undertook detailed analyses that included variables such as site, subspecialty designation, and K award status and/or corrected data errors; after the additional analyses, there were no statistically significant sex-based differences in compensation that required correction.

# Z payment (clinical incentive)

In analyses of the entire School, there were no sex- nor URM-based differences in the likelihood of receiving a Z payment. However, the odds of receiving a Z-payment were 74% lower for faculty working at ZSFG vs those working at non-ZSFG sites. Although not statistically significant, we found that URM females had 31% lower odds of receiving a Z-payment when compared to non-URM males. Since this is a large difference, and because it is a larger difference that would have been expected from the combined effect of being female and a URM (on either the additive or multiplicative scale), we believe this warrants attention and further analysis in future years.

When the data were analyzed for each department, there were no departments with statistically significant sex or URM status differences in the likelihood of receiving a Z payment. However, there were four departments that had significant site-based differences in the presence of Z-payments by site. In three departments, faculty based at ZSFG were less likely to receive a Z payment. In one department, faculty based at ZSFG had higher odds of receiving a Z payment, though model instability precluded precise estimates of the degree imbalance.

Among faculty who received Z payments, the median amount received by females was 25% lower than the median amount received by males. There was no URM-based difference in the median amount of Z payments. There was no statistically significant difference in the amount of Z payment based on site.

Regarding faculty with intersectional identities, specifically URM female faculty, the mean Z payment for female URM faculty was 30% lower than non-URM male faculty members. However, on either the additive or multiplicative scales, this was actually about the same as would have been expected from independent contributions due to being a female and being URM.

When the data were analyzed for each department, four departments had significant sex-based differences in the amount of Z payments received. For these departments, the median amount of Z payments for females was 32-80% less than the amount received by males. No departments had differences in the amount of Z payment based on URM status. Three departments had statistically significant differences in the amount of Z payment based on site. In two departments, faculty based at ZSFG had payments 46-77% lower than faculty based at non-ZSFG sites; in one department, faculty based at ZSFG had higher payments than faculty based at non-ZSFG sites.

The departments undertook detailed analyses that explained how Z payments are earned and disbursed. After review, there were no statistically significant sex-based differences that required correction.

# Findings/salary adjustments made

Based on the departmental analyses, one department increased the salary of a female non-URM faculty who was identified as a low outlier by 6,468, using information that was not available at the time of salary setting. Another department increased a newly-hired male URM faculty member's guaranteed Z payment by 17,280 bring his total compensation in line with peers. Both were retroactive to 7/1/23 No other corrections or adjustments were required.

# **High Salary Outliers**

120 faculty members were identified as high outliers. One third (33%) of high outliers work in clinical subspecialties associated with high market-based compensation. 17% of high outliers hold a leadership role which contributes to their compensation. Among the high outliers for whom a leadership role contributes to compensation, 82% were appointed through a search process.

# **Low Salary Outliers**

A total of 157 faculty members were identified as low outliers. Consistent with previous years' FSER, the main factors that contribute to low outlier salaries were: 1) limited funding sources to support salary (72% of low outliers) and 2) low market-based compensation for subspecialty, including non-physician subspecialties (21% of low outliers).

# **Comparison to Prior Years**

While there are still statistically significant findings in compensation, the SOM is pleased to see forward progression when looking at prior years. For example, since FY19, the number of departments with sex-based differences in X+Y compensation went down each year (FY19=9; FY22=6; FY24=3), and those three departments have many clinical subspecialties that are not controlled for in the UCSF campus main FSER analysis. Additionally, in FY22, there were four departments where URM faculty had lower X+Y compensation, whereas this year, only one department has lower compensation. Finally, since FY18, there were five departments with sex-based difference in the size of Z-payments; and in FY23, all but one of those departments have improved or eliminated the differences.

# **Action items for coming year**

The SOM is committed to ensuring faculty salary equity. We are pleased to report that few disparities based on sex, URM status and site have been found, which we attribute to our biennial review of salary equity issues and ongoing efforts to refine and enhance our analytical methods. We are also dedicated to addressing issues that arise to ensure fair salary practices across the SOM.

# Addressing Sex-based differences:

- o **Inequities in Additional Compensation (Z-Payment)** -- We have noted consistent and significant differences in presence of a Z-payment by sex across different departments across the SOM. To address this, we plan to share best practices from Departments that have resolved previous differences through refinement of incentive plans, including incentives for activities that women more commonly do that are critical to our mission, but are unpaid (e.g., mentoring, committee work), as one way of mitigating statistically significant sex-based inequities in Z payments.
- Occupational Gender Segregation in Academic Medicine -- National data demonstrates occupational gender segregation in academic medicine as described in the Background above. While differences in X+Y compensation due to sex at UCSF appear to be due to decisions to enter higher-paid clinical specialties/subspecialties, it is inadequate to accept this as a fact, rather than an opportunity. Since UCSF often recruits from our outstanding GME programs, the Vice Dean for Faculty & Academic Affairs will work with the Vice Dean for Education and departments with persistent differences to understand what they have been doing to enhance equitable gender representation in the higher-paid specialty fellowship programs.

- <u>Intersectionality:</u> Our analysis has revealed indications of compensation disparities between URM female faculty compared to non-URM males. We plan to perform additional intersectional analysis for the upcoming FY26 review.
- <u>Site:</u> Given the differences in compensation by site, the Vice Deans for Faculty & Academic Affairs and ZSFG and Department Chairs will work together to promote compensation equity for ZSFG-based faculty.
- Campus analysis revisions: We found several individuals who were mistakenly included in the FSER analysis (e.g., individuals with joint appointments with the SFVA whose total compensation was not included in the analysis; individuals who joined the faculty mid-year and were not eligible for a full year of Z payments). In the next iteration we will remove these data before school review. We also propose focusing the Z payment analysis to individuals working 100% only (excluding part-time and unpaid leave). We also suggest considering a more detailed breakdown of URM groups, such as separating Black and Latinx faculty, to better understand nuanced disparities.
- Explorations of other potential compensation inequities: For several years, the SOM has periodically monitored endowed chair assignment by sex and URM status. During the non-FSER review year, the Vice Deans for Faculty & Academic Affairs and Administration & Finance will conduct a thorough examination of how endowed chair positions are allocated across departments, including the decision-making process. In addition, since the Dean's Office requires approval for >10% salary increases, we plan to scrutinize such increases for any biases related to sex-, URM-, and site to ensure equitable compensation practices.

# **School of Medicine Detailed Analysis**

In October 2023, Vice Provost Brian Alldredge initiated the UCSF Faculty Salary Equity Review. The School of Medicine's Analytic Team (Vice Dean Christina Mangurian, Vice Dean Maye Chrisman, and Project Manager Joel Segovia) collaborated with Professor Chuck McCulloch and Ms. Chengshi Jin to analyze the data.

The information in this report is a summary of the School of Medicine's school-wide analysis, a summary of results from a similar set of analyses undertaken for each department and more detailed analysis conducted by departments when a difference by sex and/or URM status was identified. In addition, using a predictive-salary model provided by the Vice Provost's Office, this report includes a narrative summary of individual faculty whose compensation was higher than predicted ("high outliers") and matched-pair analyses to understand compensation of individual faculty that was lower than predicted ("low outliers").

For the School of Medicine, the annual Faculty Salary Equity Review continues to be an effective means of analyzing compensation issues and identifying areas of concern. Departmental leaders were actively engaged in the analytic and review processed and committed to the goal of identifying and addressing imbalances. The Dean's Office encouraged all departments to be transparent about compensation practices and will continue to support departmental leaders in our collective efforts to promote equity across gender and URM groups.

#### **DEPARTMENT-BASED COMPENSATION PLANS**

To analyze faculty salary equity issues within the School of Medicine, it is important to understand that each department has a defined compensation plan. Consequently, department-specific analysis of compensation is critical to identify and address salary equity issues.

#### **Key issues include:**

- Faculty are paid on different salary scales (structured pay ranges), depending on their department. These scales are designed to ensure equitable and consistent compensation across the University of California system and are based on factors such as job function, level of responsibility, academic and professional qualifications, and years of experience. The UC health sciences compensation plan salary scales include different levels and steps within those levels, allowing for progression and pay increases based on merit, promotions, and tenure achievements. The scales are periodically reviewed and adjusted to reflect changes in the cost of living, market competitiveness, and internal equity among employees.
- There are 10 salary scales in the UC health sciences compensation plan (Scales 0-9). Within the UCSF School of Medicine, the salary scales range from scale 3 to scale 7. Each department has a specific salary scale for all faculty members in that department. The scale determines the base salary only (X component).
- Departments employ varying approaches to setting total compensation (X + Y).
- With respect to incentive payments ("Z"), departments vary in their strategy. Some departments use clinical incentive payments as a larger component of annual compensation than others, due to differences in their clinical work.
- Market- competitive compensation varies widely for different specialties.
- Most departments adjust compensation based on the availability of sources of funding. The pay structure at each of the major clinical sites (UCSF Health, ZSFGH, and VAMC) vary considerably and thus play a significant role in cross site differences in salary across a given department.

#### SCHOOL OF MEDICINE SUMMARY

The School of Medicine analyzed the X+Y compensation data for all faculty who met the inclusion criteria (appointed at 75-100% effort in FY24, n=2,850). The analyses of Z compensation were restricted to faculty members who had been hired on or before July 1, 2023, remained employed at UCSF when the data were extracted for the current study, and received a Z payment during FY23 (n=1,944).

<u>X+Y compensation (FY24)</u> -- The results for the School of Medicine demonstrated that female faculty members received median X+Y compensation that was 4% lower than their male counterparts. Faculty who are underrepresented in medicine (URM) received median X+Y compensation that was not statistically different compared to their non-URM counterparts. Faculty based at ZSFG received a median X+Y compensation that was 3% lower than faculty not based at ZSFG.

**Z payment (FY23)** -- There were no sex- or URM-based differences in the likelihood of receiving a Z payment (clinical incentive payment). ZSFG faculty had 74% lower odds than non-ZSFG faculty to receive a clinical incentive. We determined that the incentives that were paid to all faculty with at least 20% clinical effort at UCSF Health (otherwise known at Tier 3 payments) likely contributed to site differences.

**Amount of Z payment (FY21):** Among faculty who received a Z payment during FY23, the median amount received by female faculty members was 25% less than the median amount received by male faculty members. The Tier 3 payments described above did not account for this sex-based difference in amount of Z payments. There were no URM- or site-based differences in the size of the Z payment.

# **Departmental Detailed Analysis**

The School of Medicine conducted a set of analyses for each department that followed the same analytic approach used for the school-wide analyses. During November and December 2023, Vice Deans Chrisman and Mangurian and Project Manager Joel Segovia hosted three workshops for chairs and chief administrative officers to review the analyses and answer questions; nearly all departments participated in the workshops. Department chairs and chief administrative officers were asked to review the findings, invited to conduct additional analyses, and asked to propose solutions in case of a sex- or URM-based difference that remained unexplained.

# **Department-level findings**

#### • X+Y compensation

- <u>Sex</u>: Overall, we identified statistically significant sex-based differences in FY24 X+Y compensation within **three** departments.
- <u>URM</u>: We identified significant URM-based differences in X+Y compensation within <u>three</u> departments.
- <u>Site</u>: We identified statistically significant site-based differences in FY X+Y compensation within **four** departments
- <u>Comparison to prior years:</u> During FY22, we identified sex-based differences in X+Y compensation among <u>six</u> departments and URM-based differences among <u>four</u> departments. Thus, with the exception of the new site variable, the findings in FY24 were slightly improved, relative to FY22. In addition, two of the three URM-based

differences in X+Y compensation favor URM faculty which is a new finding.

# • Z payments (present vs not)

- <u>Sex/URM</u>: We did not identify statistically significant sex- or URM-based differences in the likelihood of receiving a Z payment during FY23.
- <u>Site</u>: We identified statistically significant site-based differences in the likelihood of receiving a Z payment during FY23 within **four** departments.
- <u>Comparison to prior years</u>: With the exception of the new site variable, the findings in FY23 are similar to those in FY21 (no sex- or URM-based differences in likelihood of receiving a Z payment)

# • Amount of Z payments

- <u>Sex</u>: Among faculty who received a Z payment, we identified a statistically significant sex-based difference in the amount of Z payment within <u>four</u> departments.
- <u>URM-status</u>: Among faculty who received a Z payment, we did not identify any significant URM-based differences in the amount of Z payments.
- <u>Site</u>: Among faculty who received a Z payment, we identified a statistically significant site-based difference in the amount of Z payment within <u>three</u> departments.
- <u>Comparison to prior years</u>: While two departments resolved statistically significant, sex-based differences in the amount of Z payments in FY22, there are still <u>four</u> departments with sex-based differences in the amount of Z-payments.

Each department provided a thoughtful analysis of their FSER results and emphasized their commitment to ongoing review in order to minimize the risk of sex or URM-based differences in compensation.

According to the chairs and chief administrative officers, each department has or will share their results with faculty members, usually in the form of a presentation during a faculty gathering (faculty meeting or retreat).

Please note: For the purpose of this analysis, the five laboratory-based basic science departments (Anatomy, Biochemistry and Biophysics, Cellular and Molecular Pharmacology, Microbiology and Immunology, Physiology) were analyzed as a single group, consistent with our prior reports. Bioengineering and Therapeutic Sciences, a joint department of the Schools of Medicine and Pharmacy, is included in the School of Pharmacy's report.

This summary report details the responses from the twelve departments that demonstrated a significant difference in fixed compensation or incentive payments.

## Anesthesia

#### **FINDING**

In the Department of Anesthesia, the median X+Y compensation for ZSFG faculty was 5% lower than for non-ZSFG faculty.

# ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

The site differential in X+Y compensation is due to the high percentage of non-clinical/PhD faculty at ZSFG. Non-clinical/PhD faculty are on Scale 3; clinical faculty are on Scale 7. The percentage of

non-clinical Scale 3 faculty at ZSFG is 17% vs 1.4% at non-ZSFG locations, which substantially skews the analysis.

## **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation, that the site-based differences in median X+Y compensation is related to the high proportion of non-clinical Scale 3 faculty at ZSFG, rather than a systematic site-based bias in compensation.

No further action is required.

# **Dermatology**

#### FINDING

In the Department of Dermatology, the median X+Y compensation for ZSFG faculty was 56% higher than for non-ZSFG faculty.

#### ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

While the analysis showed statistically significant higher median X+Y salaries at ZSFG, these data were affected by the fact that 2 of 4 faculty based primarily at ZSFG were miscoded as "Not-ZSFG." In addition, while the department has worked to achieve overall similarities in net compensation between sites for similar work, the pay structure at ZSFG is purposefully designed with higher X+Y salaries to counterbalance the reduced opportunity for large clinical incentives there. This has been accomplished with an increase in the City/County budget, seeking total faculty compensation at the 75th percentile of MGMA.

#### **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation, that the site-based differences in median X+Y compensation is related to miscoding and purposefully higher X+Y salaries at this site to counterbalance the reduced opportunity for large clinical incentives at ZSFG. There does not appear to be a systematic site-based bias in compensation.

No further action is required.

# **Family and Community Medicine**

#### **FINDING**

In the Department of Family and Community Medicine, for faculty who received Z payments, the median amount of Z payment was 77% lower for ZSFG faculty.

#### ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

The department's agreement with UCSF Health provides clinical faculty with opportunities to earn annual Z payments. Due to the Department of Public Health budget restrictions, ZSFG faculty are ineligible for a similar regular incentive, though FCM has been able to pay incentives in years with a positive margin.

#### **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation, that the site-based differences in presence of a Z-payment is related to budgetary restrictions from the health system, rather than a Departmental decision.

#### Medicine

#### **FINDING**

In the Department of Medicine, the median X+Y compensation for female faculty was 6% lower than their male counterparts. The median X+Y compensation for ZSFG faculty was 3% lower than for non-ZSFG faculty. ZSFG faculty were 76% less likely to receive a Z payment when compared to non-ZSFG faculty. For faculty who received Z payments, the amount of Z payments for females was 32% less than male faculty, while the median Z payment for ZSFG faculty was 46% less than non-ZSFG faculty.

# ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

The finding of a statistically significant sex imbalance in X+Y compensation was unexpected given the many initiatives DOM has taken since the FY22FSER – most importantly, the movement of faculty onto formulaic salary scales – to improve X+Y equity both within divisions and across sites. These changes impacted 39% of all DOM MD faculty.

In previous years, the department controlled for additional variables such as K awardees, leadership roles to better understand salary equity. In FY24, they refined their analysis by replacing eight binary sub-specialty group variables with a categorical variable for every subspecialty to better reflect the fact that all DOM subspecialty divisions except for Cardiology now use scales specific to their subspecialty. Under this revised methodology, there was no statistically significant difference in X+Y compensation by sex.

Regarding sex-differences in Z-payment, while the likelihood of receiving Z payments is similar (86% of female faculty compared to 87% of male faculty), both the average and median Z payment for female MD faculty (\$27,777 and \$18,034, respectively) are substantially smaller than that for male faculty (\$42,532 and \$25,000, respectively). Since clinical incentives in DOM are either based primarily on wRVU targets, these incentives are calculated objectively on a gender-neutral basis. Thus, the above differences likely reflect different choices being made by DOM faculty.

The department determined that while there is a statistically significant negative imbalance of 5.4% for MD XYZ compensation for ZSFG-based faculty, there is no statistically significant negative imbalance for X+Y compensation after adjustments (e.g., specialty and K-awards described above). Regarding the site-based difference in presence and amount of Z payment, the department determined that the imbalance mostly relates to lack of opportunities for additional clinical compensation in the ZSFG SFDPH affiliation agreement.

The DOM planned several action steps to address these findings, including review MD incentive plans and moonlighting opportunities to be more gender-neutral and closely reviewing above-scale and below-scale amounts by division to explore the possibility of gender imbalance and will require further detailed analysis. Because the DOM has major market-driven variances across specialties (for example, interventional cardiologists are paid about twice the salaries of geriatricians), DOM will also explore if their statistical model can fully account for the fact that faculty in their highly paid subspecialties are disproportionately male (which reflects national trends). They intend to continue to explore ways to recruit female faculty into these more highly paid divisions, and to be certain that their training programs do what they can to diminish these national workforce imbalances.

#### **DEAN'S OFFICE DECISION**

We accept the department's analysis and interpretation that after refined analysis with sub-specialty group variables, there is no evidence of inequity in median X+Y compensation based on sex. We also accept the department's analysis and interpretation that the statistically significant sex-differences in the amount of Z-payments likely reflect choices made by faculty rather than departmental decision.

We accept the department's analyses and interpretation that after further analysis, there is no evidence of inequity in median X+Y compensation based on site. This is likely due to Department prior innovations, specifically that 7/9 divisions share subspecialty-specific scales for both UCSF Health and ZSFG. We also accept the department's analysis and interpretation that the statistically significant site differences in receipt of Z payments, and amount of those payments, are related to budgetary restrictions from the health system (DPH), rather than a Departmental decision.

We appreciate the laudable efforts that have been done so far, and are also glad to hear that the Department will be exploring other avenues to achieve equity in incentives. While no further action is required, we would be interested in being informed of novel approaches that can be shared with other departments.

## **Neurosurgery**

#### **FINDING**

In the Department of Neurological Surgery, ZSFG faculty were much more likely to receive a Z payment compared to non-ZSFG faculty.

## ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

The unexpected finding that ZSFG-based faculty were more likely to receive a Z payment was explained primarily by the low percentage of non-clinical/PhD faculty at ZSFG. The data showed that 67% of ZSFG faculty (4 of 6) received a Z payment, compared to 48% of non-ZSFG faculty (21 of 44). Only one of the six ZSFG faculty is a basic scientist, ineligible for clinical incentives, whereas 45% (20 of 44) non-ZSFG faculty are basic scientists. This difference substantially skews the analysis. In addition, the School of Medicine's analytic team attributed the finding to an unstable model due to a small sample size.

#### **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation, that the site-based differences in receipt of Z payment was due other factors (e.g., basic scientist skewing analysis and small sample size), rather than a systematic site-based bias in compensation.

*No further action is required.* 

# **Neurology**

# **FINDING**

In the Department of Neurology, the median X+Y compensation for URM represented faculty was 8% higher than non-URM faculty.

#### ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

The department has tasked their compensation committee to better understand the finding that their URM faculty's X+Y compensation was higher than non-URM faculty and to help us decide if

there are issues of inequity to be addressed. The rapid expansion over the last 5-6 years of the department's URM faculty (which has quadrupled) may be playing a role as in the past the numbers were too small to demonstrate such an imbalance. In addition, it may be the case that recruitment of URM faculty, who often are highly sought after nationally, requires a higher starting salary in some instances. Some of these faculty play leadership roles on important committees in the department or hold specific awards (e.g., Watson Scholars) that may lead to a higher X+Y salary.

#### **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation that perhaps the combination of the quadrupling of URM faculty and the heavy recruitment of "highly sought after" URM faculty may be part of the reason for these new differences. We also appreciate the Department's decision to have the compensation committee look into this imbalance more closely.

While no further action is required, we would be interested in seeing the compensation committee's report which might have ideas that could be shared with other Departments.

# **Ophthalmology**

#### **FINDING**

In the Department of Ophthalmology, the amount of Z payment for female faculty was 80% less than their male counterparts.

#### ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

The department conducted a detailed review of Z payments. When examining ZSFG faculty with cFTE>0, all faculty received the Z incentive (8/12 were female) and the average FY23 Z was virtual identical (\$4,162 for female, \$4,174 for male). Among 35 eligible faculty at UCSF (20 female, 15 male), 18 received bonus in FY23 (11 female, 7 male), and the average FY23 Z was  $\sim$ \$30,000 for females,  $\sim$ \$65,000 for males. Notably, this difference in amount of Z payment is smaller than the one reported by the SOM to our Department, and would be even smaller if controlled for certain Z payments made to cover additional clinical coverage and leadership roles. They will closely monitor the Z payments in FY24.

#### **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation that the amount of Z payment for female faculty was likely less dramatically lower than that of their male counterparts, likely due to the fact that the nuances regarding Z-payments were not adequately controlled for in the SOM analysis. We appreciate the close monitoring of Z payments in FY24.

No further action is needed.

# **Orthopaedic Surgery**

## **FINDING**

In the Department of Orthopaedic Surgery, the median X+Y compensation for female faculty was 22% lower than male faculty.

# ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

While in the aggregate there appeared to be an imbalance of X+Y salaries by sex, the analysis did

not consider the 16 subspecialities, whose MGMA median benchmark salaries range from \$130,000 to \$850,000. The department comprises of close to 100 faculty, of which a little over half of our faculty are Orthopaedic surgeons. The department analyzed the faculty composition of each subspecialty by sex and found that there is a significantly higher percentage of females in the lower-paying subspecialities, with no female faculty in the two highest-compensated subspecialities. Notably, the department has a significantly higher percentage of female orthopaedic surgeons in the department (27%) versus the national labor force (5%). Department faculty with specialty training in Physical Medicine & Rehabilitation, Basic Science, Sports Medicine, and other medical specialties have significantly percentage of female faculty (46%) than faculty with orthopaedic surgery specialty training (27%). Within each subspecialty, the compensation is equitable by sex. The choice of subspeciality is considered self-selecting and may warrant more conscious mentoring for career tracks of trainees.

#### **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation that the lower median X+Y compensation for female faculty was likely due to the choice of subspecialty. There does not appear to be a systematic sex-based bias in compensation.

*No further action is required.* 

## **Pediatrics**

# **FINDING**

In the Department of Pediatrics, the median X+Y compensation for female faculty was 4% lower than male faculty. Of those who received a Z, the median amount of the Z payment for females was 32% less than male faculty. ZSFG faculty had much lower odds of receiving a Z payment when compared to non-ZSFG faculty.

# ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

The FY24 analysis found a statistically significant difference between salaries (X +Y) paid to female and male faculty members, after controlling for faculty series, rank, step, and URM status. As noted in prior years, statistically significant differences are not present when subspecialty compensation are accounted for. Despite the differences in compensation among pediatrics specialties, the department has made significant progress in reducing statistical differences in compensation (pay ratios of FY19 0.90, FY22 0.94, FY24 0.96). This may be due to the changes made over the last three years, including prioritizing paying faculty at least at the median for their rank and specialty and not increasing compensation for faculty above the 80th percentile.

The FSER statistical analysis found a difference in the median amount of Z payments between males and females. The lower median amount of Z payment appears to be due to faculty choice to take additional night and weekend call service. Despite the differences in compensation, the department has made progress in reducing the statistical differences in Z payments (odds ratios: FY22 0.52, FY24 0.68)

The differences in Z payments identified by site can be explained by the differences in clinical services available at the different hospitals. As a result of the differences in services and level of services, we do not have the same coverage needs at ZSFG. These differences mean the ZSFG providers have less opportunity for additional compensation associated with the nights, weekends and additional service weeks at Mission Bay and Oakland. Additionally, there is no

Pediatric Intensive Care unit at ZSFG.

#### **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation that the lower median X+Y compensation for female faculty is due to specialty. We also accept the department's analyses and interpretation that the lower median amount of Z payment appears to be due to choosing to take additional night and weekend call service. Finally, we accept the department's analyses and interpretation that the lower likelihood to receive a Z payment appears to be due to the differences in services across sites, and the limited coverage needs at ZSFG.

No further action is required at this time.

# **Psychiatry**

#### **FINDING**

In the Department of Psychiatry, ZSFG faculty were 89% less likely to receive a Z payment when compared to non-ZSFG faculty. Out of the faculty who received Z payments, while the median amount of Z payments for ZSFG faculty was 3.6 times higher than non-ZSFG faculty, the median amount of Z payments for females was 50% less than male faculty.

#### ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

ZSFG faculty had less than expected number of Z payments, due to the structure of funding. Most faculty at ZSFG are funded on the Affiliation Agreement and do not participate in the incentive compensation plan for direct patient care at UCSF Health.

Higher than expected Z-payments amounts by site appear to be due to the highly paid, and volunteer, weekend and overnight moonlighting opportunities in the Psychiatric Emergency Services (PES) at ZSFG, where most of the faculty taking these volunteer shifts were male.

## **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation that the lower likelihood for ZSFG faculty to receive Z payments has to do with the SFDPH Affiliation Agreement that does not participate in incentive compensation for direct patient care. We also accept the department's analyses and interpretation that the higher median Z payment amount at ZSFG appears to be due to the highly compensated overnight/weekend ZSFG PES call shifts. Finally, we accept the department's analyses and interpretation that lower median Z payment for females, compared to males, is due to males volunteering to do this voluntary highly paid overnight/weekend PES call.

*No further action is required.* 

# **Radiation Oncology**

# **FINDING**

In the Department of Radiation Oncology, the median X+Y compensation for URM faculty is 19% lower than non-URM faculty.

#### ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT:

Out of the 45 Radiation Oncology faculty in the analysis, five individuals were identified as URM. The department did a matched pair analysis to evaluate their X+Y compensation.

Individuals were grouped by role (e.g., clinical physicians, physicists, research faculty) and rank. Differences in compensation were explained primarily by differences in clinical productivity and research funding. In one case, an individual had a lower X+Y but a guaranteed Z payment, such that total compensation (X+Y and Z combined) was in line with peers. The department adjusted a newly-hired faculty member's Z payment to bring total compensation in line with peers.

#### **DEAN'S OFFICE DECISION:**

We accept the department's analyses and interpretation that the lower median X+Y compensation for URM faculty were explained, after careful matched-pair analysis, by differences in clinical productivity and research funding. We also appreciate the adjustment of a newly-hired faculty member's Z-payment to bring their total compensation in line with peers.

No further action is required.

# Urology

#### **FINDING**

In the Department of Urology, the median X+Y compensation for URM represented faculty was 31% higher than non-URM faculty. The median X+Y compensation for ZSFG faculty was 40% higher than non-ZSFG faculty.

#### ADDITIONAL ANALYSES PROVIDED BY DEPARTMENT

The analysis shows a favorable variance in guaranteed compensation for URM faculty. Most URM faculty are in the junior ranks and recently recruited. In order to maintain competitive salaries at the Department's targeted market benchmark, the Department had to increase starting salaries substantially in recent years. Faculty salaries at the associate and full professor ranks have also increased but to a lesser degree than the assistant rank.

The Department typically avoids inequities with guaranteed salary (X+Y) by benchmarking all clinical and basic science faculty salaries to AAMC market data. The target benchmark is normalized for rank and step. So, faculty at the same rank and step are essentially paid the same guaranteed salary with the exception of clinical faculty who are mainly engaged in medical/non-surgical urology.

The salary setting authority for the sole high outlier is outside of the Department and seems appropriate with similar positions. This high outlier is attributed to ZSFG, hence the favorable variance finding for ZSFG as compared to UCSF based faculty.

#### **DEAN'S OFFICE DECISION**

We accept the department's analyses and interpretation that the higher median X+Y compensation for URM faculty was likely due to a combination of a higher proportion of new URM recruits and simultaneous increase in salary for junior faculty given market demands. We also accept the department's analyses and interpretation that the higher median X+Y compensation for ZSFG was due to the one outlier paid outside of the Department.

No further action is required.

# **Outlier Analysis**

The Vice Provost's Office prepared an analysis to calculate "predicted salary" (X+Y) based on department, academic series, rank, step and doctorate type. In this analysis, "high salary outliers" were defined as individuals whose salaries were in the top 5%, defined as 140% or more than the predicted salary (1.6 standard deviations) and "low salary outliers" were in the lowest 5%, defined as 75% or less than the predicted salary (1.4 standard deviations). In the School of Medicine, 120 faculty members were identified as high salary outliers and 157 faculty members were identified as low salary outliers.

Male faculty represent a <u>disproportionately</u>, large proportion of both high and low outliers in the SOM:

Sex	Low outliers	High outliers	All of SOM
Male	54%	65%	44%
Female	40%	28%	50%
Unknown	6%	7%	6%

URM and non-URM faculty are proportionately represented in both low and high outliers in the SOM:

URM status	Low outliers	High outliers	All of SOM
URM	13%	13%	14%
Non-URM	87%	84%	84%
Unknown	0%	3%	2%

Importantly, the statistical model prepared by the VPAA did not control for key factors that affect compensation, including market compensation rates for different subspecialties nor productivity / funding generated by individual faculty. Therefore, to better evaluate salary equity, department chairs and chief administrative officers were asked to provide additional information to explain the factors they considered when setting salary for the individuals who were identified as high and low outliers. The information was reviewed by Vice Dean Maye Chrisman and presented as a school-wide synopsis.

#### High salary outliers:

For the 120 SOM faculty members who were identified as having high outlier salaries, the major drivers of their higher-than-predicted salaries were:

- **Leadership positions.** 51 (43%) of all high outlier faculty hold leadership roles and the leadership role contributed to a higher salary rate.
- **Highly compensated clinical specialties.** 50 (42%) of all high outlier faculty are in clinical subspecialties that have a high market compensation rate relative to other subspecialties in their departments, as identified by salary benchmarks from the AAMC and other professional associations.
- **Equity with affiliates.** 7 (7%) received higher compensation to maintain equity with affiliate organizations (e.g., San Francisco Department of Public Health).
- **High productivity / funding.** 6 (6%) receive higher compensation due to higher clinical productivity or extramural funding.

- **Other factors.** The remaining 6 (7%) high outlier individuals were clinical faculty whose compensation was structured to have a higher fixed salary (X+Y) and lower incentive potential (Z) or individuals subject to data errors, in which salary rates were reported as higher than actual or a clinical doctorate was not correctly identified in the source dataset.

For the 51 individuals whose high outlier salaries were driven in part by leadership roles:

- **Decision makers.** 20 (39%) had salaries set by the Dean's Office (e.g., a department chair's salary is set by the Dean); 29 (57%) were set by departments (by department chairs or division chiefs), and 2 (4%) were set by decision makers outside of the School of Medicine.
- **Selection process.** More than three-quarters (n=42, 82%) were hired into their leadership roles through a competitive search process.
- **By sex:** 36 (71%) were male, 12 (24%) were female, and 3 (5%) were unknown sex. These results were similar to 2022.
- **By URM status:** 6 (12%) were URM and 45 (88%) were non-URM. These results were similar to 2022.

# Low salary outliers:

For the 157 SOM faculty members who were identified as having low outlier salaries, the major drivers of their lower-than-predicted salaries were:

- **Salaries limited by funding sources.** 113 (72%) this included faculty members with clinical doctorates who have limited or no clinical duties and included faculty whose salary was limited by available grant support.
- **Lower market-based compensation rates.** 34 (22%) this included faculty who were in specialties where the market pay is lower than the department norm (e.g., non-procedural clinicians in surgical departments, non-MD clinicians).
- **Other factors.** The remaining 10 individuals (6%) were identified as faculty who opted for higher clinical incentives (Z) in lieu of higher salary (X+Y), their full compensation was not captured in this analysis (e.g., VA clinical compensation) or there was a data error.

For the 113 individuals whose salaries were limited by funding sources:

- **By sex:** 68 (60%) were male, 40 (35%) were female, and 5 (4%) were unknown sex.
- **By URM status:** 11 (10%) were URM and 102 (90%) were non-URM.

For the 34 individuals with lower market-based compensation rates:

- **By sex:** 11 (32%) were male, 20 (59%) were female, and 3 9%) were unknown.
- **By URM status:** 8 (24%) were URM, 25 (74%) were non-URM, and 1 (3%) was unknown URM status.

One department increased the salary of an individual identified as a low outlier, using information that was not available at the time of salary setting.

As described in the departmental analysis above, another department adjusted a newly-hired faculty member's guaranteed Z payment to bring total compensation in line with peers. No other corrections or adjustments were required across the SOM.

#### **DEAN'S OFFICE DECISION**

The high and low outlier analyses demonstrated differences that are explained by factors such as market-based compensation, productivity, limited funding sources, and data errors.

*No further action is required.*