# University of North Dakota School of Medicine and Health Sciences

# **Medical Service Plan-Physician**

Amends and supersedes document dated October 2014.

# Section 1: Name and Description of Plan

The University of North Dakota (UND) School of Medicine and Health Sciences (School) Medical Service Plan ("Plan") is responsible for the School's clinical practice activities. The Plan is governed by State Board of Higher Education (SBHE) Section 611.1. This Plan is the vehicle for physician providers to charge contracting hospitals or other organizations or patients for clinical or other services related to their professional skills rendered and by which the distribution of revenues generated is administered to the faculty member, respective department, and School.

Consulting activities that do not constitute clinical practice activities may be governed by consulting practices in Section 5.2 of the UND Faculty Handbook and the School's Conflict of Interest and Conflict of Commitment Policy.

#### **Section 2: Purpose of Plan**

The purpose of the Plan is to:

Enable physician providers to maintain clinical competence, fulfill certification requirements, share expertise with other health care providers, and serve as clinical teachers;

Further the education, service, and research missions of the School of Medicine and Health Sciences;

Aid the School financially with income generated by participants;

Assure adequate allotment of time for academic pursuits by decreasing the incentive to earn excessive amounts of clinical practice income at the expense of academic time;

Provide participating physician providers with financial rewards proportional and appropriate to their clinical endeavors; and

Establish and maintain procedures for the management of professional clinical income that is sufficiently flexible to respond to the needs of participating physician providers, departments, and the School.

#### Section 3: Functions of the Plan

The Plan has two primary functions, to provide compensation for the physician provider and to provide revenue to support the administration of the plan and SMHS.

Compensation - Revenue generated under this Plan may be used to compensate the physician provider who has generated said clinical income as determined by the appropriate Departmental Chair and approved by the Dean.

A portion of the revenue generated by the clinical activities covered by this Plan may be used for the good and welfare of the School. These revenues may be shared between the Dean's office and the faculty members' home department within the School.

### **Section 4: Participants**

Participants of the Plan are governed under SBHE Policy 611.1 employed at the SMHS. Consulting and clinical practice, whether compensated or not, by part-time employees outside the scope and hours of the employee's UND employment are exempt from this policy. However, part-time employees contemplating consulting or clinical practice within the scope and hours of their UND employment shall follow the policies and procedures outlined below for full-time employees. Physician faculty providing patient care for up to 24 days per academic year may be exempt from the Plan if the clinical practice includes 12 or more of the 24 days on UND holidays, weekends, or outside of typical UND SMHS business hours. The clinical practice must not interfere with an employee's UND position, must be disclosed, approved, and the employee assumes all risks of an independent, private clinician.

# **Section 5: Compensation**

Each physician provider who receives compensation from the Plan that is distributed through UND will sign a disbursement agreement.

Each physician provider understands and accepts the concept that a portion of the clinical revenue individually generated may be transferred to the Dean to use for the good and welfare of the School. The Dean may elect to share a portion of the revenue with the faculty member's department.

In those cases, where the Dean elects to share revenue with the faculty member's department, expenditures of those funds are at the discretion of the departmental chairperson.

# **Section 6: Plan Income**

No physician provider shall engage in activities that compete with the interests of the School or are otherwise contrary to the best interests of UND and the School. Practice activities require prior approval by the Departmental Chair and Dean. Practice activities for Departmental Chairs require prior approval by the Associate Dean/Senior Associate Dean and Dean.

# Practice activities include:

- Direct clinical contact care of a patient, laboratory, pathology or other services associated with a specific patient's care, or providing individual medical consultation or advice to a patient;
- Directing other health care professionals in their treatment of an individual patient; and
- Medical Director services to a clinic, facility, or site in which health care services are provided.

Income that is covered by this Plan is defined as all compensation, income and payments for professional services including, but not limited to, those relating to testing, diagnosis, treatment or evaluation of patients/clients and consultation regardless of location rendered.

The following are specifically excluded from provisions of the Plan:

- Professional fees for deposition and courtroom testimony;
- Honoraria and non-professional retainers;

<sup>&</sup>lt;sup>1</sup> Note that SBHE Section 611.1 improperly refers to the School as "The University of North Dakota School of Medicine and Health Services (sic)".

- Stipends from grant review boards, editorial reviews, accreditation boards, or stipends for service on affiliated professional societies; and
- Royalties or revenue for publications or publications review, except as stipulated by UND regulations.

### **Section 7: Feedback**

The Dean shall receive feedback on the Plan, in conjunction with the School's Annual State of the School Address, and at other times throughout the year as necessary through School department chairs.

Approved:	
Josh Ulyune	June 1, 2024
Joshua Wynne, M.D., M.B.A., M.P.H.	Date
Vice President for Health Affairs	
Dean	

<sup>&</sup>lt;sup>1</sup> Note that SBHE Section 611.1 improperly refers to the School as "The University of North Dakota School of Medicine and Health Services (sic)".

### Reference:

NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION

**POLICY MANUAL** 

SUBJECT: PERSONNEL EFFECTIVE: October 29, 2020

Section: 611.1 Employee Responsibility and Activities: Medical Service Plan-UND School of Medicine and Health Sciences

- 1. The UND SMHS shall establish and maintain a medical service plan governing distribution of revenues generated by UND SMHS faculty physicians. UND SMHS officials shall establish a mechanism for input by faculty physicians in development and administration of the plan. The plan shall:
  - a. Aid the UND SMHS financially with income generated by faculty physicians;
  - b. Promote the growth of each department by income generated by faculty physicians within that department;
  - c. Assure adequate allotment of time for academic pursuits by decreasing the incentive to earn excessive amounts of practice income at the expense of academic time; and
  - d. Provide participating physicians with financial rewards proportional and appropriate to their clinical endeavors.

<sup>&</sup>lt;sup>1</sup> Note that SBHE Section 611.1 improperly refers to the School as "The University of North Dakota School of Medicine and Health Services (sic)".