Physician Employment Frequently Asked Questions
Residents and Fellows

Q. What is our objective with this merger and the physician employment model?

Our objective is to establish a single university medicine delivery system with a single faculty practice plan, with a single board governance and a shared mission across the two faculties. Our success relies on the interdependency of the entire academic division faculty. The employment model we designed establishes the link to both UA and Banner – University Medical Group, under one academic enterprise. This enterprise will be one unified clinical academic practice comprised of the two faculties – one from the COM-Tucson; one from COM-Phoenix.

At the heart of this merger is academic medicine – research, teaching and patient care. To support this endeavor, we will create a single faculty practice that spans both Phoenix and Tucson, singular in purpose, governance and mission, diverse in its membership, and committed to the idea that each provider has a unique skill to add. We are preparing to support this through the formation and operation of the Academic Management Council, along with significant investments to support aligned practices, upgraded facilities and research and funding for the Colleges of Medicine in Tucson and Phoenix for the next 30 years.

It is true that the merger will bring about changes. These changes – thoughtfully and amply supported by these investments – are intended to help achieve the merger’s envisioned success, which is largely defined by the principles of academic medicine. That is the perspective that we hope all will keep in mind with this merger.
Q. What is the Academic Management Council?

The Academic Management Council (AMC) will oversee the activities and operations of the Banner – University Medicine Division, which includes the teaching and research activities carried on at the current UAHN hospitals and Banner Good Samaritan (to become Banner – University Medical Center Tucson, Banner – University Medical Center South and Banner – University Medical Center Phoenix) and affiliated ambulatory care sites, along with all of the clinical and other activities of the current University Physicians Healthcare (to become Banner – University Medical Group). The AMC has been appointed by the UA’s president and Banner Health’s President & CEO.

The AMC Board Members are:

Charles Cairns, MD (co-chair): Vice Dean, University of Arizona College of Medicine – Tucson
Alex Chiu, MD: Professor & Chair, Otolaryngology, University of Arizona, COM – Tucson
Gregg Goldman: Senior Vice President for Business Affairs and CFO, University of Arizona
Kathy Bollinger (co-chair): President, Banner – University Medicine Division, Banner Health
Dennis Dahlen: Senior Vice President, Chief Financial Officer, Banner Health
John Hensing, MD: Executive Vice President, Chief Medical Officer, Banner Health
Jason Krupp, MD: President and CEO, Banner – University Medical Group (non-voting member)

The authority of the Academic Management Council (AMC) includes:

- Development of operating and capital budgets.
- Approval of strategic and business plans for the Banner academic enterprise.
- Approval of hiring, engagement and termination of Banner – University Medical Group clinicians. The University will retain the authority to provide faculty appointments and titles.
- Approval of the Banner – University Medical Group compensation plan and employment agreements.
- Approval of teaching programs within the Banner academic enterprise.
- Approval of a physician recruitment strategy and plan.
- Strategic coordination of the residency and fellowship programs at facilities within the Banner academic enterprise.
- Approval of all clinical affiliations that support Banner academics.
Residents & Fellows

Will residents and fellows be UA or Banner Health employees?

As of July 1, 2016, COM-Tucson and COM-Phoenix residents and fellows, both existing and new, will be employed by Banner --University Medical Group. Current residents and fellows at Banner Good Samaritan (soon to be COM-P) will be moving to Banner – University Medical Group on August 2, 2015.

Who will fellows and residents receive paychecks from?

After July 1, 2016, as with other Banner Health employees, they will receive paychecks from Banner.

Will residency programs remain UA programs?

Yes. In fact, as part of this affiliation agreement, Banner is transferring its current residencies to COM-P.

Will there be any change to UA benefits such as use of the UA rec center and library privileges?

UA recreation center and library privileges will remain in place.

Will Residents and Fellows have Qualified Tuition Reduction (QTR) through Banner?

COM-Tucson residents and fellows who commenced their residency or fellowship prior to July 1, 2015 and who are utilizing QTR Benefits as of Closing (essentially, 11:59:59 p.m., Friday, February 27th), will continue to be eligible for such benefits until the termination of the residency or fellowship.

COM-Tucson residents and fellows who commenced their residency or fellowship before July 1, 2015, who are not utilizing QTR Benefits as of Closing will be eligible for QTR Benefits until June 30, 2016.

COM-Tucson residents and fellows who commence their residency or fellowship on July 1, 2015, shall be eligible for QTR benefits until June 30, 2016.

COM-Tucson residents and fellows who commence their residency or fellowship on or after July 1, 2016, will not be eligible for QTR benefits; and

COM-Phoenix residents and fellows shall not be eligible for QTR.
Will residency and fellowship slots be changed? What will be the mechanism for proposing new or expanded fellowships and residencies? Will there be any change regarding international selectees?

There will be no changes to residency and fellowship programs through 2019. Any changes to residency and fellowship slots/programs (new, expanded, reductions) are under the purview of the AMC. This includes all current appointments. There is no plan to change or restrict international selectees at this time, but will be determined by the AMC.

How will this transition affect new fellows in both institutionally funded ACGME spots and department funded ACGME spots?

All fellows and residents will move to Banner – University Medical Group employment on July 1, 2016.

Will there be support for GME use of the Arizona Simulation Technology and Education Center (ASTEC) in Tucson and the Arizona Center for Simulation and Innovation in Phoenix and possible expansion of simulation activities?

The ASTEC simulation center is an exciting tool, and will be available to all residents and fellows employed by Banner – University Medical Group as determined by the AMC. The AMC is also responsible for any expansion of simulation activities. Banner Health also has a simulation hospital in Phoenix for training; possible use of this facility by residents and/or medical students will be determined by the AMC.

What will be the due process related to resident employment with Banner (compared to current UA due process guidelines)?

Residents will follow Banner – University Medical Group’s due process rules which are governed by the AMC.

Will there be any changes in program administrative support (program coordinators, administrative assistants, etc.)? Will these support staff be UA or Banner employees?

All programmatic changes as well as changes in program administrative support will be under the direction of the AMC.

Where will residency budgets come from for non-salary/benefit expenses such as recruitment, resident academic stipends, professional organization membership, residency supplies?

Current budget will remain in place, however, the AMC will determine the budget process going forward and most likely beginning July 1, 2015.

Will a standard methodology for determining residency budgets be developed so there is some standard across residency programs?
The budget will remain the same as today for 2015. The AMC will determine the budgeting process going forward.

Will the GME Committee have input into development of new facilities or education spaces such as resident call rooms, work space and administrative office space?

They will have input but the Division President for Banner -- University Medicine will represent the needs for physical space within the hospitals.

What benefits will be offered to residents and fellows (medical, dental, vision, life, disability, etc.)?

Residents and fellows will have the same benefits as other Banner Health employees. Contributions are dependent upon the individual coverage choices selected. Please refer to the side-by-side of current benefits listed on the chart below.

<table>
<thead>
<tr>
<th>Comparison chart</th>
<th>UA Benefits</th>
<th>Banner Benefits</th>
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<tbody>
<tr>
<td>Medical</td>
<td>Choice of 3 Plans (PPO/EPO/HSA)</td>
<td>Choice of 3 Plans (PPO/HSA)</td>
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<tr>
<td>Dental</td>
<td>Choice of 2 Plans (PPO/DHMO)</td>
<td>Choice of 2 Plans (PPO)</td>
</tr>
<tr>
<td>Vision</td>
<td>1 Plan Offered</td>
<td>2 Plans Offered</td>
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<tr>
<td>Life Insurance</td>
<td>$15,000 Basic Term Life. Supplemental Buy up to $1M, with options for spouse and dependents</td>
<td>1 Times Annual Salary up to $1M. Buy up options for employee, spouse and dependents</td>
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<tr>
<td>Short Term Disability</td>
<td>Employee-paid benefits to supplement income (up to a maximum of $10,000 per month) up to either 70% or 66 2/3% of salary depending upon plan selected for up to 26 weeks</td>
<td>Employer-paid benefit to supplement income at 60% of salary for up to 26 weeks</td>
</tr>
<tr>
<td>Long Term Disability</td>
<td>66 2/3% up to $10,000 Per Month</td>
<td>Employee-paid mandatory benefit to supplement income at 60% of salary up to $10,000 / month after six months of short term disability. 24 months specialty own occupation &amp; thereafter own occupation through the benefit period</td>
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<tr>
<td>Retirement</td>
<td>Choice of a Defined Benefit Plan or a Defined Contribution Plan with University match; 1) Defined Benefit ASRS-11.60% employee mandatory pre-tax contribution up to IRS Maximum Compensation Limits (rate includes premium LTD coverage.) Contribution is matched in full. 2) Defined Contribution</td>
<td>Immediate eligibility for 401(k) salary deferrals. May contribute up to 100% of compensation up to IRS Maximum Deferral and Contribution Limits. Company match of 100% or pre-tax deferrals up to 4% of compensation kicks in after 1 year of employment and is immediately and fully vested. UAHN service will be grandfathered for purposes of match eligibility. Post-tax (Roth) deferrals available after contributing at least 4% pre-tax. Several</td>
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**ORP** - 7% employee mandatory pretax contribution, up to IRS Maximum Compensation Limits. Contribution is matched in full. Voluntary, non-matched contributions may be made to both 403(b) and 457(b) plans. Each plan allows pre-tax deferrals up to the IRS limit ($18,000 per year; $24,000 for those over 50).

The 457(b) allows pre-tax deferrals up to the IRS limit ($18,000 in 2015). This is in addition to the 401(k) contributions. Lump sum or installment distribution options after termination. Always fully vested. Immediate eligibility.

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<tr>
<th>Tuition</th>
<th>Investment options.</th>
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<td>Qualified Tuition Reduction -- <strong>Faculty and their Spouse</strong> pay $25 for 1-9 credits (plus lab and course fees). -- <strong>Dependents</strong> Pay 25% of Arizona Resident Rate.</td>
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<th>PTO/Sick Time</th>
<th>Tuition Assistance Program.</th>
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<td>--22 Days Per Year Vacation for fiscal year faculty (264 hour/60 day maximum) --8 hours of sick time are accrued each month</td>
<td>--28 Days/224 Hours (0&lt;7 Years) -31 Days/248 Hours (7&lt;10 Years) -35 Days/280 Hours (10+ Years)</td>
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