

Explaining the new strategic partnership

Compensation and performance incentives

What's remaining the same

Fairview pays market rates for physician services, whether the physician is employed by Fairview or M Physicians. For those employed by M Physicians, Fairview pays M Physicians a lump sum. M Physicians, in partnership with Medical School departments — not Fairview — decides how those funds are used to compensate physicians.

Under the new partnership, M Physicians will continue to facilitate salaries, benefits, and compensation structures for its doctors and advanced practice providers. Compensation for academic physicians will continue to be set according to their department's model.

M Physicians will ensure that departments receive the funding they need to competitively compensate their physicians. The goal is to ensure market-competitive pay while supporting long-term stability, physician retention, and a strong academic practice.

What's improving

The new agreement brings greater alignment and transparency. It provides clarity on how services are defined, valued, and paid for.

- Fairview and M Physicians will work together to define services using standard industry benchmarks, with physician input included in the process.
- Services and rates are reviewed annually, allowing updates as care delivery and market conditions change.
- M Physicians distributes salary funds to each department for their respective compensation plans.
- Performance-based funding tied to shared goals is distributed by M Physicians to support academic and clinical priorities.

What this means for physicians

The new agreement is designed to:

- Support salary, benefits, and compensation structures — M Physicians continues to facilitate these directly.
- Maintain academic compensation models set by each department.
- Include physician input in the process of defining services and setting benchmarks.
- Ensure market-competitive pay while supporting long-term stability and physician retention.
- Protect academic work so physicians can focus on care, research, and education.



Watch the brief video.

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