

Update for GME Clinical Fellows (posted 11.1.23)

We are happy to announce that Wash U, Barnes-Jewish Hospital and St. Louis Children's Hospital (Barnes-Jewish Hospital and St. Louis Children's Hospital collectively referred to as "BJC") have developed a new single employment model! Wash U and BJC have a long history of dedication to supporting the advanced training of physicians and we are one of the county's best at developing leaders in medicine. This has included clinicians, educators, scientists, and innovators. We believe this is a huge step forward in supporting you throughout your training. This was made possible through the collaboration of our organizations and is in support of creating an improved and unified experience for all our fellows in the consortium. We are pleased to announce the following changes for the WashU and BJC fellows:

All new fellows starting in 2024-25 will begin their fellowship as Wash U employees

Current WashU stipend-paid fellows: Beginning with your first paycheck in January 2024, WashU clinical fellows (**except those who are supported by NRSA training grants- see below**) will convert from stipend-paid to W-2 wage-paid. We expect this to bring many positive changes to the experience that you have while working at WashU during your fellowship, such as a decrease in communication errors and a reduction in unexpected consequences from the current stipend system. Other notable changes include the following:

- As a wage-paid clinical fellow, you will no longer need to make quarterly tax payments. Federal and state income taxes will be automatically deducted from your paycheck.
- You will no longer receive a stipend tax letter. Instead, you will receive a Form W-2.
- You will no longer have to pay taxes on the university-paid portion of your health benefits. Your premiums for health and insurance benefits will be deducted pre-tax.
- Your gross wages will be subject to FICA tax withholding of 7.65%, which includes Social Security tax (6.2%) and Medicare tax (1.45%).
- While these changes are overall positive and consistent with what already occurs for those fellows and residents employed by BJC, WashU fellows who are converted to W-2 wage-paid fellows will generally see a reduction in monthly take home pay due to the impact of Social Security taxes, which are required for all W-2 wage-paid employees.

Current WashU fellows who are currently W-2 wage-paid will remain wage-paid.

We are also pleased to announce an enhancement to the benefits all wage-paid fellows receive from the university:

- Beginning in January, all wage-paid fellows will receive a 2% of base pay university retirement contribution deposited directly to their 403(b) Retirement Savings Plan account at TIAA. The contribution is immediately vested.
- Wage-paid fellows can also contribute their own pay to the 403(b) Retirement Savings Plan but are not required to in order to receive the 2% university retirement contribution

WashU NRSA grant supported fellows will remain stipend paid due to the requirements of the grant.

However, we are pleased to announce that beginning with your first paycheck in January 2024, you will receive a 2% Stipend for Retirement Allowance that you may contribute to an individual IRA or retain as additional take home pay.

Current BJC fellows have no change at this time.

- Beginning with the new academic year, BJC fellows will have a choice of converting employment to Wash U or maintaining their BJC employment (*Note: unless there is an employer-sponsored visa arrangement that precludes this conversion; please feel free to contact the GME office if you have questions about a visa)

We believe these changes provide the fellows across departments and programs with more consistent pay and benefits that are less complex to navigate during fellowship training.

We are excited to implement these changes in a few short months. Please reach out to your program director or coordinator, or us with any questions.

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