THE NATIONAL ASSOCIATION
OF PHYSICIAN RECRUITERS

PHYSICIAN
PRACTICE
SEARCH GUIDE
ACKNOWLEDGEMENT

The National Association of Physician Recruiters (NAPR) gratefully acknowledges the time and talents of each of its volunteer-run committees. Without the commitment of NAPR’s Public Relations (PR) Committee specifically, this Physician Practice Search Guide would not have been possible. Encompassing a year-long process, members of the Public Relations Committee hope that this manual will serve as a vital resource to those new physicians entering the work force.

The PR Committee was charged with collaborating and formulating a manual that would be of benefit to graduating physicians in their quest to navigate the employment arena. It is the hope of each member of the NAPR Board of Directors that this manual provides the guidance and mentoring that residents and fellows will need as they enter the work force and choose an employment setting that will benefit not only themselves but also the community in which they choose to live and work.

Sincerely,

The NAPR Board of Directors

Public Relations Committee

A special thanks to those attorneys who greatly assisted us with drafting the legal chapters for this manual:

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Established in 1984, the National Association of Physician Recruiters (NAPR) was the product of a handful of physician recruiters who wanted to raise the bar on integrity, confidentiality, and professionalism. Today, the NAPR is a membership organization consisting of over 300 physician recruiting organizations, hospitals, medical groups and individuals.

The groundbreaking task first undertaken by the founders was to create and enforce industry standards for all physician recruiting and other healthcare specialists. Today, the NAPR services its membership through continuous and dynamic educational programs, by promoting a positive industry image and by requiring its members to adhere to a practical, but strict, Code of Ethics and Standards of Practice (http://napr.org/codeofethics.asp), with which all members are required to comply.

The NAPR recognizes recruitment professionals as all individuals who provide physician search, consultation and other healthcare services whether they recruit for clients or for their own organizations. The NAPR stresses honesty, objectivity, integrity, quality and competency. Members of the NAPR are obligated to conduct business in a manner that reflects positively on the profession and the Association.

By working with a member of the NAPR, a resident or fellow physician seeking a position can be assured that the NAPR recruiter and/or NAPR in-house recruiter will perform his or her duties throughout the job search, interview and placement process with the utmost professionalism and confidentiality.
INTRODUCTION

THE NATIONAL ASSOCIATION OF PHYSICIAN RECRUITERS

MISSION STATEMENT

It is the purpose of the National Association of Physician Recruiters (NAPR) to maintain industry leadership by promoting excellence, ethical standards, innovation and a spirit of cooperation in the delivery of services to the healthcare industry.

VISION STATEMENT

The National Association of Physician Recruiters (NAPR) is committed to providing continuous and dynamic educational forums to ensure the ability of our membership to respond to the changes in the healthcare industry.

The NAPR is dedicated to promoting a positive industry image through a practical but strict Code of Ethics based upon excellence, honesty, fairness, peer review and reasonable industry standards.

The NAPR is dedicated to the enhancement of all physician recruiting activities through a spirit of openness, cooperation in the exchange of ideas and the pooling of resources, as we maintain our position as leaders in the industry.
CHAPTER ONE

PRACTICE SEARCH

The Need vs. Want List

As a physician, practice opportunities abound nationally. Reality is that the number of practices seeking physicians overwhelmingly outweighs the number of physicians seeking new practices. Thus, competition is fierce and the market for job-seeking physicians is prime. Physicians across specialty lines are presented numerous practice options daily. To avoid paralysis and the numbing effects of being overwhelmed by too many options, some physicians find creating a realistic “Need vs. Want” list eases the process dramatically. A solid and accurate understanding of your specialty market can be gained by seeking insights from NAPR recruiters, mentors, colleagues, your specialty association’s publication articles and websites. Physicians who have a solid understanding of the market combined with an organized list of preferences on the front-end decrease their stress level, save time, and money in the search for a new position.

To begin, start by having a candid conversation with your “significant other” about priorities and preferences. Next, identify locations offering a favorable and solid patient base, low saturation of competing physicians and other necessary factors that will provide for a prosperous career. Include in your decision your interest in remaining close to mentors at your training program, proximity to friends and family (e.g., parents, in-laws, siblings, etc.), community offerings for your spouse and children (shopping, schools, religious institutions [churches, synagogues, etc.]), access to sporting/outdoor activities, access to youth organizations, clubs and hobbies for your children, etc. Be sure that the location is personally and professionally best for you and your family, long term. Whether you create a written or mental list, creating a plan will ease the stress of being overwhelmed with too many opportunities, keeping your priorities in line and appropriately focusing your attention toward viable practice options.

SAMPLE LIST

<table>
<thead>
<tr>
<th>NEED</th>
<th>WANT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Specialty Group</td>
<td>No less than three members</td>
</tr>
<tr>
<td>Salary in 70% plus productivity</td>
<td>Sign-on Bonus</td>
</tr>
<tr>
<td>ABS Center Equity</td>
<td>Partnership one year</td>
</tr>
<tr>
<td>1:4 call or better</td>
<td>No more than two hospital coverage</td>
</tr>
<tr>
<td>Four weeks vacation</td>
<td>Home in a suburban area</td>
</tr>
<tr>
<td>Art gallery position for spouse</td>
<td>Swim team at private high school</td>
</tr>
<tr>
<td>Within 30 minutes of Chicago</td>
<td>Parochial elementary school in neighborhood</td>
</tr>
</tbody>
</table>
While most physicians’ practice searches are driven by geographic location, recruitment data indicates that final practice selection by graduating physicians is often guided by the following factors:

1. **Ties that Bind:** Approximately 30% of physicians choose practices in proximity to family (e.g., parents, siblings, in-laws, etc.).
2. **Training/Mentor Locations:** Approximately 30% of physicians choose practices close to their training programs where they have established contacts and use their mentors to arrange for their first positions.
3. **New Frontier and Land of Opportunity Locations:** The remaining 40% seek locations offering practices that follow general demographic trends (which favor the South, Southwest, and Western parts of the United States) and/or provide a sense of adventure (e.g., Alaska, Mountain areas, etc.).

**RESOURCES**

After deciding on your preferred geographic location and prioritizing the importance of confounding factors of your selecting a practice, there are several resources that will assist you with finding a position:

**Medical and Professional Journals:** The broad medical journals carry the bulk of medical openings (e.g., *JAMA, Physician Practice* and *New England Journal of Medicine*). In addition to these publications, many physicians review jobs offered in the professional journals unique to their specialties (*AAFP, ACP, Annals of Emergency Medicine, Journal of Bone and Joint, Neurology*, etc.)

**Program Binders and Bulletin Boards:** Many residents and fellows review jobs filed in a binder located in the program coordinator’s office and/or on the Job Openings Bulletin Boards maintained by most residency programs, which are often piled high with prospective employers.

**Job Fairs:** Increasingly, there are job fairs sponsored by myriad organizations and hospital consortiums. More often than not, these are useful if you want to remain local or within the region. Nationally, many annual specialty conferences offer job fairs or opportunity posting boards, at which there are booths representing practices from all over the country.

**Mailings:** One strategy used regularly by recruiters to advertise opportunities is through the mail. Whether by postal service or e-mail, openings for practice opportunities throughout the country will be sent directly to you.

**The Internet and the World Wide Web:** This revolution began in the 1980s and has now entered its mature period. This mode of communication and exposure has provided numerous advantages for physicians’ job searches. Given the fact that the average resident works long hours, he or she has precious little time to dedicate toward a practice search. A significant percentage of physicians find searching for positions on the Internet an effective
CHAPTER ONE

and productive solution to identify and communicate with recruiters and practices about their qualifications, discuss details about a practice, address questions and navigate through the application process. Through search engines such as Google and Yahoo, specialty-specific positions are at physicians’ fingertips within seconds. Interestingly, of the many positions found in publications, more than 90% are duplicated on the World Wide Web.

One of the many advantages of the Internet is the ability for quick access to information as well as direct correspondence with a potential employer. That said, e-mail provides an expeditious mode of communication to discuss a position and send curriculum vitae. Today, the majority of physicians submit their curriculum vitae via the Internet to recruiters and practices. The Internet offers an efficient, cost-effective (no postage or delivery cost) and aesthetically pleasing copy compared to the distorted, faded copy from faxing and delays in sending a curriculum vitae through the postal mail.

**Job Boards:** The biggest problem with many job boards is the obsolescence of their openings. Although employers are eager to post their openings, many are delinquent in removing those openings after they have been filled. Savvy, computer-literate physicians use job boards with a posting date showing when the opening was listed, leaving themselves the option to reply to positions that are no more than six to nine months old.

Most job boards are well organized and user-friendly, offering the physician the option to narrow his or her search by specialty, geographic area, practice structure, and other preferences.

**The World Job Bank • www.napr.org**

In the late 1980s, the NAPR was one of the first organizations to create a strictly physician-oriented job board. Today, it remains one of the most utilized job boards on the World Wide Web, with thousands of visits a month and over 15,000 job openings.

The National Association of Physician Recruiters (NAPR) is a consortium of search firms dedicated solely to physician recruitment, retention and consulting. It is comprised of more than 300 firms and in-house recruiters, each adhering to a rigorous set of Ethical Rules. Physicians registered on the World Job Bank are contacted about opportunities in their specialties matching their specific location preferences.

Physicians who register (no charge or fee) on NAPR’s World Job Bank and list their preferred practice locations receive e-mails about openings that fit the physician’s practice preferences, including geography and type of practice. NAPR encourages recruiters to contact physicians with job opportunities which meet the physicians’ practice parameters. In addition, the physician receives e-mail updates about new positions matching his or her criteria as soon as they are posted by recruiters. The unique features of the World Job Bank are the NAPR Code of Ethics governing the activities of the job board and easy access to positions and recruiters nationally. Visit the World Job Bank at www.napr.org.
CHAPTER ONE

Additional Recommended Job Boards to consider include:

AllHealthJobs.com  
http://www.allhealthjobs.com/

American Academy of Family Physicians  

American Academy of Pediatrics/ PedJobs  
http://www.pedjobs.org/

American College of Physicians-ASIM  
http://www.acponline.org/careers/

All Health Jobs  
http://www.allhealthjobs.com/

Endocrine Society Placement Services  
http://www.endo-society.org/placementservices/

MDJobSite.com  
http://www.mdjobsite.com/

MedWorking  
http://www.medworking.com

MDJob Site  
http://www.mdjobsite.com/

NTN SearchLine  
http://www.ntnjobs.com/

OnTargetjobs Healthcare  
http://www.ontargetjobs.com/

PhysicianWork  
http://www.physicianwork.com/

Practice Match, Inc.  
http://www.practicematch.com/

PracticeLink.com & PracticeChoice.com  
http://www.practicelink.com/  
http://www.practicechoice.com/
CHAPTER TWO

THE PHYSICIAN RECRUITER

The growing population of physicians is beginning to understand the benefits physician recruiters offer to streamline their practice search. In addition to recruiters’ knowledge about available positions, they also serve as a great resource to learn about market trends, competitive packages, regional/national compensation data and other vital information. In working with recruiters, do not underestimate their importance in the recruitment process. Until the first site visit, they serve as the eyes and ears for CEOs, Medical Directors and Directors of Recruitment. Often times, a candidate’s personality and communication skills are vital during the initial evaluation phase in selecting viable candidates. Hence, first impressions matter. In communicating with the recruiter or practice representatives, be sure to be polite, professional and respond to messages in a timely manner.

The key to streamlining the practice search process starts with a clear understanding of your practice and location preferences (see Chapter One: Need vs. Want List). Next, identify a professional and knowledgeable recruiter to assist you with your search. Organizations such as the National Association of Physician Recruiters (NAPR) and the Association of Staff Physician Recruiters (ASPR) pride themselves on their professional and experienced membership. With an increased number of job opportunities combined with fierce competition to secure new physicians, many medical groups and hospitals have hired both in-house and firm recruiters to augment the number of qualified physician candidates presented for their available positions.

The NAPR membership is a consortium of independent recruiters, small to large retained and contingency firms (firms with two to 100 recruiters) that are located across the country. The NAPR membership is not confined to firm recruiters but also includes many professional in-house recruiters representing practices in their communities from coast-to-coast. The membership of the ASPR is exclusively in-house recruiters who represent practices in their specific community. Physicians considering multiple state locations tend to use a national firm. National firms represent practices throughout the country offering the ease of working with one recruiter versus several in-house recruiters. Whether you decide to use a firm or in-house recruiter or both, make sure they are a member of a national organization to ensure an ethical and professional handling of your search.

Despite the belief by some physicians that a recruiter’s sole objective is just to fill positions (a.k.a., headhunters), there are many firm and in-house recruiters alike who align with reputable organizations who are determined to find a proper match for the best physician candidate for their clients/physician practices. While seemingly altruistic, many professional recruiters gain their deepest satisfaction by helping a community and the reward of a job well done. Firm recruiters’ reputations and options for additional assignments rely on long-term, solid physician/practice matches. In-house recruiters’ job security, reputations with the medical community and retention of incumbent physicians are based on their ability to secure high caliber physicians for their physician practices and organizations.
CHAPTER TWO

ROLE OF THE PROFESSIONAL RECRUITER

During your initial exploration of an opportunity, the recruiter serves as a resource for you to learn about the details of the practice structure (e.g., number of members in the group, clinic versus single specialty group, etc.), the financial structure of the position (e.g., employed, income guarantee, productivity arrangement, etc.), call arrangement, the reason for the opening, level of saturation and/or competition in the community and other specific information. The recruiter also can provide details about specialty market information regarding compensation, benefits, malpractice, visa opportunities and trends in your medical disciplines regionally and nationally.

Should you express continued interest to the recruiter after discussing the opportunity with your family, a copy of your curriculum vitae and your approval are required before it will be submitted to the practice. Many firms and healthcare organizations perform a preliminary license check prior to submitting your information. If you have any malpractice claims, be sure to be up front with the recruiter about this so it is represented accurately in lieu of misunderstandings and presumptions that could preclude you from becoming a candidate.

As the process moves forward, provided there is mutual interest, a representative of the practice will contact you and conduct a telephone interview. If this conversation goes well, the recruiter will coordinate your site visit, arrange your travel itinerary and obtain professional references. Remember, all expenses associated with recruitment (e.g., recruiter’s fees, physician candidate’s flights, hotel, transportation, meals, etc.) are covered by the practice/hospital. Sometimes, practices will have candidates arrange their own flights and reimburse them upon receiving a receipt following the site visit. In searching for a practice, the primary cost (with the exception of retaining an attorney), you should incur is your time. While not mandatory, and depending on the legal ease of the proposed arrangement, some physicians choose to retain an attorney to review/negotiate their contracts. A growing number of physicians who are not U.S. citizens are often required to retain an immigration attorney to assist them with visa issues. On occasion a hospital will retain an immigration attorney for the candidate to ease and expedite the process.

Physician recruiters throughout the process serve as resources, advisers and conduits. Many physicians find high caliber recruiters beneficial, especially during contract negotiations and obtaining licensure. In evaluating a recruiter, the following is a list of attributes of a professional recruiter:

- Is a member of a reputable national organization
- Is knowledgeable about the physician market, trends and aspects of financial packages
- Has a basic understanding of the terms and components in a physician contract
- Upholds the confidentiality of a physician’s search
- Embraces the objective for the best physician/practice match
- Is knowledgeable about the community and the practice opportunity
- Possesses the ability to explain salary arrangements
- Is responsive to your questions and concerns in a timely manner
- Eases the coordination of site visits
- Provides evidence-based advice and insights during negotiation of a contract

To locate qualified and ethical recruiters, visit http://napr.org/browseMembers.asp
CHAPTER THREE

EVALUATING A PRACTICE SETTING

There are four main areas of consideration as you begin your search for the right opportunity:

- What are your personal preferences?
- What are your practice preferences?
- What are your geographic and social interests?
- What do you have to offer?

The first step is to know yourself: your personality, your strengths and weaknesses, the environment in which you thrive, and what is important to you personally and professionally. Are you looking for a hospital setting or private practice and, if so, what size? Would you enjoy a university setting with an academic affiliation? Are you at your best working with complex cases, high-risk patients, cutting-edge techniques, the latest in technology and equipment or when you are able to truly connect with your patients and their families for generations in a more relaxed and personal environment? Would you like to own your own practice, perhaps even purchase an existing one? What is your personality style?

Take some time to reflect. Do a self-assessment profile — perhaps an actual personality style assessment. Do not try to change yourself to meet the requirements or the needs of the opportunity, but rather determine who you are, your personal and professional strengths and goals and ask yourself where you want to be in 5, 10, 20 years.

What is the ideal practice situation and what would that position allow you to do? What situations would you rule out? Are you task- and/or people-oriented? What do you value most in life? What makes you happiest? From what do you derive the most satisfaction and fulfillment? Do you have business or entrepreneurial interests? What practice settings and situations should you rule out? There are several personality style and assessment sites on the Internet which are listed at the end of this chapter.

There are various practice settings and medical environments to consider, and more questions to ask yourself. What hospital size and type do you prefer? Are there any special services or equipment you would like available? Are you looking for a university setting with an opportunity to teach or work on further research projects? What advancement opportunities are available? What is the call coverage and the anticipated workload? What competition is there from other providers in the area? What is the size of the group along with their ages, special interests and degree of specialization? What are their social and political connections? Are the salary and compensation packages competitive for the area and how do they compare to the cost of living in the area? Is there a partnership available and, if so, what are the costs and terms?

What do you have to offer in terms of skills, training and personality that will enable you to enhance and promote the practice? Do your training and skills meet or surpass the needs of the practice? What will your references say about you? Would you want to take on a management
role and do you possess the skills to be a good manager? Would you make a good associate or partner?

There are many practice settings available to choose from: Single Specialty Group, Multi-Specialty Group, Solo Practice and Hospital or University employed. Choosing the right type of practice involves many factors, each having its own advantages, disadvantages, and trade-offs. The objective now is to find the position and opportunity for which your personality and skill set are best suited.

A small private practice or solo practice may be the ideal situation for you if you have a strong business or entrepreneurial interest, good management skills and are willing to sacrifice your personal time for your career. If you are not a risk taker, however, and lack management interest or ability, a larger private practice or hospital-employed position may be best for you.

A university or teaching hospital would offer an environment for the physician interested in further research and innovation, access to a well-equipped library and the availability of colleagues and students willing and able to help with the research. There is little, if any, administrative work, financial or profit concerns and an established salary and work schedule.

Questions to ask yourself when evaluating an opportunity:

- What is the history of the group, number of doctors, their physician turnover rate, education and training background, growth rate? Why is there an opportunity? What are their goals and objectives?
- Does the group have a business plan, a marketing plan, and a proforma? If so, are their goals and objectives clearly defined? How do you fit into their business plan?
- How will productivity be defined? Is it based on what you bill or what is collected? Are there clearly defined financial guidelines regarding income, overhead and outstanding debt?
- Is there an active marketing plan in place to attract new patients and retain the existing patient base? What are the referral sources? Is there a plan in place to attract and assign new patients? Will you be expected to implement a plan to attract your own patients? How is the patient load determined and how are new patients assigned?
- How are the call schedules, emergencies and patient care arranged? Will each doctor participate in the schedule? Is the call shared with additional practices in your coverage area?
- What are the specialties in the practice and does the facility have the most current equipment available for use in your specialty? How is new equipment decided on and added?
- Will you be expected to participate in the management of the practice? How are business meetings scheduled and how often? Will you be expected to attend? Will you be supervised or mentored by one specific person or the entire group? Does the group have a policy manual or bylaws?
- How are the administrative and support staff managed? Who is in charge of the hiring, training and firing? Is there a staff handbook and procedure manual? Who is in charge of conflict resolution? What are the history, turnover rate and tenure of the support staff?
CHAPTER THREE

• Take a tour of all facilities and look at the available equipment and supporting staff. Is everything clean and well organized? Are patients managed in an effective and respectful manner? Does the practice appear to be successful and well run?

• If you will be considering a university-based or hospital practice, what will the teaching and/or research opportunities be? How many years before tenure is granted? Is there opportunity for advancement and promotion?

It is best not to initiate specific financial arrangements during the initial interview process. Once you are satisfied with the first site visit and the various discussions and interviews, there are additional concerns which can be discussed during subsequent visits and conversations. Your academy, local medical organizations and national recruiting agencies may offer salary and partnership parameters for various geographic locations. You will also need the services of a good contract/employment attorney and possibly an accountant to assist you in reviewing contracts and providing pertinent questions to be satisfied prior to your signing your employment contract. If you wish to pursue an opportunity, a second round of questions may include:

• What is the starting salary? What benefits will be provided and who covers the cost of each? If partnership is offered, when will you be eligible and what are the cost and payment terms? What will you actually be purchasing: building, land, real estate, receivables, tangible assets, etc.? What will your budget be for society dues, professional journals, individual marketing, travel expenses and licensing fees? Does the offer include a sign-on bonus, relocation allowance, and loan repayment plans?

• If you terminate, how will your equity value be determined? Is there a restrictive covenant or non-compete clause? If so, what is the distance and what are the terms? In the event of your death, how will your equity be distributed?
CHAPTER THREE

EVALUATING A PRACTICE LOCATION

Prior to considering a practice opportunity, it is important to determine what geographic locations suit you best. Where is your family of origin located, is it important to be within close proximity or what will be a comfortable distance for occasional travel and visits? If travel will be by air, what airports and airlines service the two areas?

- Do you wish to be in a major metro area, within an hour of a major metro area or is a suburban setting most desirable or perhaps a more relaxed rural or country setting?
- What are your personal priorities and who else will be affected by your decisions? If you have a spouse and/or family, what are their priorities and goals?
- Regional choices include New England, Mid-Atlantic, Southeast, Southwest, West, Northwest, North Central and Mountain. What climate is most appealing and are there any restrictions?
- What are you looking for in an ideal community in terms of size, religion, public or private schools, cultural centers, professional or collegiate sports, highway access, and proximity to lakes, mountains and recreation centers?
- Other economic factors influencing your decision may include taxes, crime rates, cost or standard of living, history, government, major employers, planned developments, density trends, unemployment and per capita income.
CHAPTER THREE

DEMOGRAPHIC & INFORMATION SOURCES

FindYourSpot
2950 Colorful Avenue, Suite 400
Longmont, CO 80504
303-485-8730
www.findyourspot.com

Sperlings Best Places
PO Box 82937
Portland, OR 97292
503-777-1636
http://www.bestplaces.net/
http://www.bestplaces.net/city/
(To compare two Cities)

US Chamber of Commerce
1615 H Street, NW
Washington, DC 20062-2000
www.chamberofcommerce.com

US Department of Commerce
14th Street
Washington, DC 20230
www.doc.gov

US Bureau of Labor Statistics
2 Massachusetts Avenue, NW
Washington, DC 20212
www.bls.gov/data

US Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210
www.dol.gov

National Climatic Data Center
http://www.ncdc.noaa.gov/oa/ncdc.html
http://lwf.ncdc.noaa.gov/oa/climate/
research/cag3/cag3.html

Personality Style & Assessment
http://www.personalitystyle.com/
http://www.advisorteam.com/default.html
http://personalitydesk.com/index.html
OPPORTUNITY ASSESSMENT & EVALUATION TOOL

The following form is a tool to assist you and your family evaluate an opportunity. Rate each opportunity under the Likert scale of 1 as less favorable and 5 as ideal.

<table>
<thead>
<tr>
<th>PRACTICE PROFILE</th>
<th>FINANCIAL CONSIDERATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group philosophy</td>
<td>Salary</td>
</tr>
<tr>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>Patient volume/patient payer mix</td>
<td>Incentives/Productivity bonus</td>
</tr>
<tr>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>Administrative and management expectations</td>
<td>Income guarantee</td>
</tr>
<tr>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>Practice hours</td>
<td>Education loan payoff provision</td>
</tr>
<tr>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>Practice support staff</td>
<td>Income potential</td>
</tr>
<tr>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>Practice facilities</td>
<td>Partnership possibility</td>
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<tr>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
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<tr>
<td>Practice equipment</td>
<td>Partnership cost (buy-in $)</td>
</tr>
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<td>1 2 3 4 5</td>
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<tr>
<td>Continuing education</td>
<td>Relocation Assistance</td>
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</tr>
<tr>
<td>Compatibility with staff</td>
<td>Sign-On Bonus</td>
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<tr>
<td>1 2 3 4 5</td>
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<tr>
<td>Financial viability of group</td>
<td>Benefits (List)</td>
</tr>
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<tr>
<td>Cross coverage for time off</td>
<td>Health Insurance; self &amp; family</td>
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</tr>
<tr>
<td>Practice overhead is within reasonable limits</td>
<td>Life Insurance</td>
</tr>
<tr>
<td>1 2 3 4 5</td>
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</tr>
<tr>
<td>Office space is available that will suit my needs</td>
<td>Disability Insurance</td>
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<tr>
<td>1 2 3 4 5</td>
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<table>
<thead>
<tr>
<th>MEDICAL COMMUNITY</th>
<th>COMMUNITY</th>
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</tr>
<tr>
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</tr>
<tr>
<td>Hospital service</td>
<td>Cultural activities</td>
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<td>1 2 3 4 5</td>
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<tr>
<td>Hospital privileges</td>
<td>Schools; private/public</td>
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<td>1 2 3 4 5</td>
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<tr>
<td>Competitive climate</td>
<td>Recreational activities</td>
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<td>1 2 3 4 5</td>
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<tr>
<td>Referral sources</td>
<td>Career opportunities for spouse</td>
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<td>1 2 3 4 5</td>
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<tr>
<td>Contact with colleagues</td>
<td>Housing quality</td>
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<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
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<tr>
<td>Medical director and hospital administrator are supportive</td>
<td>Housing cost (the price of desired housing is within reach)</td>
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<td>1 2 3 4 5</td>
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<tr>
<td>The hospital’s support and diagnostic services are adequate</td>
<td>Economic climate (growth, employment, diversification)</td>
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<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
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<tr>
<td>I can obtain a state license and hospital privileges</td>
<td>Proximity to family and friends</td>
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<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
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<tr>
<td>The area population is increasing and can support my specialty</td>
<td>Shopping facilities</td>
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<td>1 2 3 4 5</td>
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CHAPTER FOUR

THE INTERVIEW PROCESS
THE CURRICULUM VITAE (CV)

Curriculum Vitae (CV) Preparation

General Guidelines:
• This is your last chance to make a first impression!
• Use a professional e-mail address.
• Have several people proofread your CV – it is hard to see your own typos.
• Be thorough – provide a clear and concise picture of your background. (List your most current activities first.)
• Do not have any unexplained gaps of time.
• Gear your CV to the type of position for which you are applying.
• Be sure your contact information is current and accurate.
• Be sure your work history is current.
• Font size should be legible via fax.
• Use a traditional font on plain white paper: keep it neat and clean.
• Do NOT include: Social Security number, licensure number, examination scores, expected salary.
• Do NOT make your CV a story. If you want to do a brief synopsis of yourself and your career, create it in letter form and attach it to your CV.
• Send your references once they are requested. Include the facilities where your references work, along with their addresses, phone numbers, e-mails and fax numbers.
• Your program director is a great reference.
• Many facilities require a photo in addition to a picture ID. A passport-size photo is helpful to have on hand.

Helpful Tips: It will be very beneficial for you to keep a running spreadsheet with the dates (mm/dd/yyyy) of all the training and professional work that you do. In the future, if you switch employers or if you are doing locum tenens, it will save you the time and effort of having to search for this information. Keep your CV updated as you gain new experiences, licenses, certifications, etc.

Cover Letters:
• Be sure your contact information is easily visible.
• Address your letter to the point of contact in the group.
• Begin by introducing yourself and what you can add to the practice.
• In the next paragraph, highlight your strengths and accomplishments. Avoid arrogance.
• Refer to what draws you to the area: a connection that makes you more invested and more likely to stay in the area.
• Enclose your methods of contact.
Writing Your CV

Break it into sections with clear title headings:

Personal Information: full name, address, phone numbers (home, work, cell, pager), e-mail address (be sure to use a professional address)

Professional Work:
• list in reverse chronological order
• include organization’s name, city, state, and dates (mm/dd/yyyy)
• include Supervisor/Department Chief
• for work at facilities, include your staff category: active, courtesy, or consulting

Military Service: include title, branch served, discharge rank and status, and places stationed

Academic History: include organization’s name, city, state and dates of attendance (mm/dd/yyyy)

Graduate Training:
• for each program, include the program director’s name, the dates you attended the program (mm/dd/yyyy) and your graduation date (mm/dd/yyyy)
• fellowship
• residency
• internship
• medical school
• undergraduate training

Licensure:
• States where you are currently licensed
• A list of any training licenses is helpful as well
• List any and all inactive/expired licenses

Certifications: include dates (mm/dd/yyyy)

Professional Associations
Honors
Volunteer work, community service, additional accomplishments
Publications, presentations, research
CHAPTER FOUR

Interviewing

Rules of Etiquette for Interviewing:
• Dress appropriately/professionally.
• Confirm your appointment and be sure you have accurate directions and contact numbers.
• Be on time.
• Be polite and forthcoming to all, including, and especially, the office and nursing staff.
• Delay any discussions of money.
• Be yourself.
• Be positive. Be enthusiastic about the work and the practice.
• Be confident but not arrogant.
• Be prepared to discuss your potential contributions to the practice.
• Answer questions in complete sentences. Be sure to stress your accomplishments and give examples.
• Do your homework before the interview and learn about the institution and the person with whom you will be interviewing.
• Bring a copy of your CV and references.
• Write a thank-you note after your interview and mail it promptly, preferably the same day as your interview.

Key Questions You Should Ask

About the personnel in the group:
• How many physicians are currently in the group?
• Are any of the current physicians planning to retire?
• What qualities are you looking for in a new partner?
• When was the last time you added a physician and why?
• Have any of the partners left in the past three to five years and, if so, why?
• Is there an official practice manager?
• Who does the billing for the practice?
• Are there clinical/nurse specialists? Physician assistants?
• Are all of the physicians in the group board certified?
• Is there a physician mentor available to show me the ropes?
• Are the other members of the group active in the community?

About the structure/routine of a typical week:
• What is the call schedule?
• Do new members of the group take more call? Or is it equal?
• About how many patients do the physicians see per day? Per month?
• What are the daily responsibilities of the position? What are the typical hours?
• Are there any additional responsibilities of which I need to be aware? (i.e., community work, meetings, clinical obligations, teaching responsibilities, etc.)
• What is the location of the office where I will be working? How far is it from the hospital?
CHAPTER FOUR

- How many locations does the group cover? Will I be working at any satellite clinics?
- What procedures are done in the office?
- Are there specialists in the area to take referrals?

About the patients:
- What is the average waiting time for new patient appointments?
- What is the payor mix (HMO/PPO, Medicare, Medicaid, or indigent)?
- How are patients generated?
- Will all of my patients be new referrals or will I take on established patients from the group?
- Will my patient-base be new referrals or a blend of new referrals and established patients?

About the practice:
- What are the long-term goals of the group? Are there plans to expand services? Are there any mergers with other groups planned?
- Why is the group hiring?
- Who is in charge at the group and how are decisions made?
- What can you tell me about the practice’s values and culture?
- Is it for-profit or non-profit?
- What types of insurance do they accept?
- Does the group have any academic affiliations?
- What is the managed care environment or penetration?
- What is the relationship of the group in the community, with other groups, and with the local hospitals?
- How many referring physicians are in the area and who are they?
- Is the group involved in other joint ventures or ancillary services?
- Does the group have an adequate amount of support staff: nurses, physician assistants, lab and x-ray techs, an office manager, etc.?
- What is the overhead rate of the practice? What is included in the overhead?

About the group’s relationship with the hospital:
- How long ago was the group formed? Have there been any mergers?
- Does the group have an exclusive contract with the hospital? How long?
- Is the hospital part of a larger hospital system?
- How many specialists within the hospital?
- Does the hospital have a rule about how close you must live to the hospital?
- What is the quality of the medical, nursing and administration staff at the local hospitals?
- What is the size of the hospital and the number of referring physicians?
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About your relationship with the group:
(Note: Wait for the prospective employer to bring up the topics of money, benefits, partnership, etc., or wait until you are well into the interview process.)

- How many years to partnership? What does partnership look like in terms of your ability to effect change and assist in the decision making process?
- How is the buy-in structured? If you leave, do you get your investment back? What are you buying with the buy-in? What are the hard assets?
- What is the vacation policy?
- Does the group encourage attendance at conferences?
- Does the group support CME, teaching, and medical society activities?
- What is the CME policy in terms of reimbursement and allowances?
- Is there a 401K or profit sharing plan? When do you qualify to participate?
- What benefits are provided: Does the group provide disability and life insurance? Dental or health insurance? Individual or family coverage?
- How much malpractice insurance is provided? Who bears the responsibility of the tail coverage?
- Is there a relocation allowance? Student loan reimbursement program?

About the group’s financial situation:
(Note: Wait for the prospective employer to bring up the topics of money, benefits, partnership, etc., or wait until you are well into the interview process. The group should be open to your request for information and you should be concerned about vague answers.)

- What is the group’s overhead to revenue ratio? (This is a key indicator of how the practice is managed.)
- What is the current income distribution plan? (Are salaries divided evenly or based on productivity?)
- Is the production rate reasonable? Can it be achieved by a new candidate at the end of the first year?
- Do they anticipate any major capital projects and costs in the next 3 - 5 years?
- What was their payor mix for the last 3 - 5 years?
- What is the retirement policy?
- What is the group’s receivables history (history of delinquent payments, non payments, poor collection history, etc.)?
- What is the group’s malpractice history?
- What are their operating and capital budgets?
- What is the overall practice debt? Why was the debt incurred? What is the interest rate on the debt? What is their repayment program?
- Ask to view the group’s physician productivity summary. Are all physicians equally productive?

About the community as a whole:
- What are the rates as far as taxes: state, local, property, income, etc.?
- What cultural and recreational opportunities are available in the area?
- What is the average cost of housing?
- What is the quality of the local school districts?
- Information on the local churches and temples.
CHAPTER FIVE

PRACTICE STRUCTURES DEFINED

Academics – a position affiliated with a teaching hospital or medical school.

Clinic – a practice that can be either in-patient and outpatient or strictly outpatient.

Government – practices that are federally funded.

Health Maintenance Organization (HMO) - an organization that provides comprehensive health care to voluntarily enrolled individuals and families in a particular geographic area by member physicians with limited referral to outside specialists and is financed by fixed periodic payments determined in advance.

Hospitalists – physicians whose practice is inpatient focused. These physicians handle the inpatient admissions and care for patients while they are in the hospital. Upon the patients’ discharge, they are released back to the care of their primary care physicians in a clinic, private practice or single specialty group.

Hospital Trauma Centers:
Level 1 Trauma Center – provides the highest level of care to trauma patients.
Level 2 Trauma Center - provides care almost similar to trauma center level 1, but not able to provide as intricate treatment as level 1.
Level 3 Trauma Center - typically in an area with no level 1 or 2 trauma centers. A level 3 trauma center can accept patients via ground transportation.

Locum Tenens – a physician who temporarily works in a designated location for a specific time. Usually contracts with a staffing company.

Medical Director - plans and directs all aspects of an organization’s medical policies and programs.

M.O.B. – Medical Office Building

Multi-Specialty Group – a group practice made up of two or more specialties within the group.

Single Specialty Group – a group practice consisting of two or more physicians in the same specialty.

Solo Practice – a practice that consists of one provider in any given specialty.

Tertiary Care - highly specialized medical care usually over an extended period of time that involves advanced and complex procedures and treatments performed by medical specialists in state-of-the-art facilities.

Urgent Care – provides treatments that require prompt attention. Typically, patients are unscheduled or walk in.
CHAPTER SIX

PRACTICE FINANCIAL STRUCTURES

For most existing practices, compensation structures have been long established and rarely vary from physician to physician in the group. The benchmark utilized by the majority of group compensation plans are based on two primary surveys: the American Medical Group Association (AMGA) and the Medical Group Management Association (MGMA), both of which are updated annually.

In conversations with the group about financials, some newly trained physicians confuse a financial package for a salary offer. Signing bonuses, retention bonus, relocation, insurance, CME allocation, and other approved incentives vary from practice to practice but are usually in addition to the compensation. A financial package includes all components with monetary value (e.g., bonuses, incentives, benefits, etc). In considering an offer, a physician should be cognizant of the compensation (W-2 income) versus the financial package (compensation plus the other financial components).

Common financial structures offered by groups include: Employed/Straight Salary, Income Guarantee, Salary Plus Productivity, Production-Based Compensation, and Equality. Each of these structures holds advantages and disadvantages depending on your financial needs. In reviewing opportunities, consider both your practice style and the financial structure of the group.

**Employed/Straight Salary**

Over the last several years, employed arrangements have become increasingly popular. For physicians, this model offers the security of a stable salary, the ability to practice without the stress of productivity requirements, distance from administrative/staffing concerns and alleviation of worrying about reimbursement and collection issues. While this structure is attractive in some regards, one notable disadvantage is that it lacks the ability for a physician to build equity in a practice. While Primary Care physicians represent the largest population of physicians under this arrangement, there exists a steady trend toward hospitals employing various subspecialists as well. The Employed/Straight Salary structure offers hospitals the ability to recruit physicians of varied specialties to their communities to provide continuity of in-patient care, improve the availability of physicians in the outpatient practices, assure reasonable call schedules and provide steady revenue for the hospital. In some cases, depending on the specialty and specialty need, hospitals will provide a one-year employed arrangement and then transition the physician’s compensation to a productivity structure. In this way, the hospital can assist the incoming physician in building a practice that generates enough revenue for him/her to practice on his/her own.

**Income Guarantee**

An Income Guarantee is supported by a hospital in which the hospital provides an allocated agreed sum each month to the physician. As the physician starts to generate collections from his/her practice, the amount is deducted from the monthly hospital payment. Under this financial structure, the income guarantee is structured as a loan and is often forgiven over time for service in the community. This structure is particularly attractive to physicians seeking
assistance to start a practice. Under an Income Guarantee, physicians have the opportunity to build a solid, long-term practice offering them equity along with the opportunity to increase their annual income.

Salary Plus Productivity
Under this structure, the incoming physician is provided a base salary. In addition to the salary, a newly recruited physician has the option to increase his/her income under the practice’s productivity formula. Under the practice’s productivity formula, physicians receive a percentage of the monies based on a collection threshold, after overhead expenses, on a fixed or sliding scale formula. This structure is ideal for physicians who anticipate high volumes of patients and/or procedures.

Production-Based Compensation
This structure can be highly complex in its calculation. Physicians under this structure are compensated on a percentage of their collections or billings and/or paid on a relative value unit scale (RVUS) with an allocated monetary amount per unit for every patient visit and procedure. Under this calculation, fixed and variable allocated expenses are shared among the physicians in the practice. While this structure rewards production, it also can create interoffice competition among colleagues. One key factor for physicians considering this structure is a solid understanding of the practice’s provider contract obligations and payor mix.

Equality
For some practices, this structure is the simplest. After calculating expenses, the remaining revenues are shared equally among the physicians in the group. This structure works best in situations where the physicians are equally skilled, motivated and productive. This structure proves less beneficial to an incoming physician if there is a high buy-in cost, a lengthy time to partnership, a significant percentage of the group is preparing to retire and/or there are numerous low producing physicians.
How to Understand an Employment Contract and Choose the Right Attorney

The following has been contributed by Christopher Marston, Esq., and Nicole Mann at Exemplar Law Partners, LLC:

Congratulations on achieving your goal of becoming a physician! Now that you are ready to pursue a career, it is important that you educate yourself on one of the most important aspects of your future job, your employment contract. In addition to the research, the interviews, and finally making the decision of where you want to practice, you will also have to negotiate the terms by which you will be employed. This idea of negotiation can seem daunting in part because most negotiation undertaken on a day-to-day basis is done through the “take it or leave it” method. This means that if you disagree with the terms, the other party will simply take their business elsewhere. Your recruitment contract, however, will be an entirely different matter.

The Contractual Relationship: Employee or Independent Contractor? In general, there are two capacities under which you can be hired: as an “Employee” or as an “Independent Contractor.” The type of contract you negotiate will substantially change the duties and details of the work owed between the two parties, so it is important to understand that these two capacities differ from one another. (For reference, all employers are referred to as a “Clinic” for the purpose of explanation.) Negotiating for a contract as an “Employee” means that you agree to render medical services as determined by the board of directors for that Clinic. One substantial benefit of this relationship is that any administrative concerns of being a physician will be taken care of by the Clinic. In exchange, you agree to abide by the direction of the Clinic regarding your practice, and they will control the details of how and when the work is performed. Being hired on as an Employee has many consequences, but one, which you should be aware of, is that in the event of malpractice allegations, the Clinic can be held financially responsible for your actions. Therefore, in seeking to protect themselves, the Clinic will likely require you to agree with many policies and standards as condition to your employment. Negotiating for a contract as an “Independent Contractor” means that you are specifically not an employee of the Clinic. Your relationship will be focused on results instead of the particulars of the where and how of your practice. For legal purposes, you will be considered self-employed; leasing space in a Clinic in much the same way that a corporate entity might lease space in an office building. This type of relationship provides much greater freedom than the Employee relationship, in that it provides the opportunity to perform services at several different Clinics instead of just one. This relationship, however, comes with a cost. For example, under this type of arrangement you personally take responsibility to address general administrative concerns and maintain your physician licenses and self-employment taxes on your own. In addition, you must indemnify the Clinic and hold it harmless in the case of claims against you as a physician. This is especially true if the courts find you to be an employee of the Clinic, and the Clinic may be legally included in the suit. Because of the
open nature of an Independent Contractor, the duties negotiated in the contract will tend to be much more involved. Generally, the terms will include policies and expectations similar to those that the Clinic has for its own employees. The terms become more complicated as clinics wish to ensure the loyalty of the Contractor to the Clinic and preemptively prevent a Contractor from participating in situations that could become a conflict of interest. Also, it is not uncommon for Clinics to attempt to control the details of the performance of duties. If a Clinic attempts to do this in a contract, it is important for you to remember that as an Independent Contractor, while the Clinic cannot control the manner in which the work is performed, it is reasonable for them to request to control certain details, such as schedule and planning, in order to ensure that the results of the Contractor are accomplished.

Other Types of Recruitment Contracts: In additional to the Employer and Independent Contractor contexts, there are other forms of contractual relationships that you will be exposed to as a physician. These contracts are most often situations that provide incentives for employment, but they can also include contractual relationships that help to ensure the smooth operation of business arrangements among physicians. The following are a few examples of these other contracts: Loans, lines of credit, loan guarantees, loan forgiveness to new recruit or group; Recruitment incentives to new recruit or group; Income guaranty to new recruit or through group; Practice support arrangements: lease of space, purchase of management services from group for hospital-employed recruit; Mentoring arrangements: training of hospital-employed recruit.

Typical Clauses Within Recruitment Contracts: It is also critical to understand the specific terms under which a physician is hired. The follow is a list of typical terms and a brief discussion of their importance and impact on the contract:

Physician Representations and Warranties: This clause establishes that you are, in fact, a licensed and registered physician under the state in which you wish to practice. This clause can also require you to provide your employer with proof of any of the following: liability or malpractice insurance, a narcotics number (as issued by the United States Bureau of Narcotics and dangerous Drugs), evidence that you are a member in good standing with the county medical association, to name a few.

Duties and Obligations of the Physician: This clause extrapolates in detail exactly what your responsibilities will be under the contract. As an Employee, the terms will establish that you agree to practice under the direction of the Clinic. As an Independent Contractor, these terms will be more involved as the nature of your contract grants more freedom to you as a physician. It is essential that you understand exactly what is expected from you under these terms and whether you agree with being required to perform them, as they will form the basis of your relationship with the Clinic.

Clinic Obligations: Like the Physician's Duties and Obligations, this clause will provide an explicit outline of the responsibilities and duties that the Clinic will owe to you.

Term: This clause specifies the amount of time for which the contract will be valid. It is not
uncommon for this clause to include the details of automatic renewal or how a contract may be prematurely terminated.

**Termination Events:** This type of clause provides a host of conditions under which a contract may be prematurely terminated. For an Employee, these will be extrapolated in the course of employment documentation and include issues such as misconduct on the part of the physician and the inability of the physician to be insured. For an Independent Contractor, in addition to misconduct, termination can also be triggered by events such as a lapse in renewing your license or other administrative concerns.

**Agreement Not to Compete:** This clause outlines restrictions upon the physician after termination of the contract. It is geared towards protecting the Clinic’s business and patient retention. The language of this clause will set up a geographic location in which the physician agrees not to set up a new practice (typically a radius around the Clinic) and a specific duration for the restriction to be in effect (typically a year). When such clauses are written to the effect that they restrict the practice of a profession they are most often considered void by courts. An example of this would be a geographical radius, which requires a physician in a small town not to set up practice within twenty miles of the Clinic. Such a restriction could, in reality, force a physician to move completely out of the city in order to practice his or her profession. In larger cities, however, requiring a physician not to practice within a twenty-mile radius may be acceptable, as availability of places to practice remains viable.

It is essential, then, to assess exactly where such an Agreement could force you to relocate your practice while still in negotiation. Having to go through the courts to invalidate the Agreement or to defend against an accusation of violating the Non-Compete is a hassle no physician wants to endure in order to continue his or her practice.

**Confidentiality Agreement, Non-Disclosure:** This clause is an effort to protect any and all information that the Clinic might regard as private, confidential, or proprietary. This category of information includes patient lists and information, business and management plans of the Clinic, training material, operating manuals, as well as other internal documents. In the event of termination, this clause ensures that you agree to return all such material in your possession to the Clinic upon termination.

**Negotiating Your Recruitment Contract**

Once you are ready to consider signing a recruitment contract, it is important to note that instead of negotiating individual contracts, many large hospitals and medical systems utilize a standard physician employment contract. Unfortunately, these contracts are non-negotiable. While this policy is logical and efficient for them, such a contract may have conditions that are unfavorable or undesirable to the physician.

When looking at one of these contracts, it is essential not to dismiss them out of hand. Take the time to read and understand the terms, and if you are willing to agree to them, then do so. If you believe that you could negotiate a better contract with another employer, however,
feel free to do so. This is your career, and as a physician, you have a lot to offer. There is no reason to sell yourself short, agreeing to terms which make you uncomfortable, if you have other options.

When you have the opportunity to negotiate contract terms for yourself, it is essential that you feel confident in getting the best deal for yourself, the first time. Once the contract has been signed, you will be bound by the terms and conditions for at least the initial period of the agreement, and potentially longer as the contract automatically renews.

This introduction to some of the terms and types of contracts you will encounter is just that, an introduction. It is meant to open your eyes to the complexity of the negotiation process and stress upon you the great importance of negotiating a fair and beneficial contract for yourself and your future career. If you have any doubts as to your ability to seriously negotiate this contract personally, it is in your best interest to seek legal representation.

How to Approach a Lawyer About Representation: If you decide to seek legal representation to assist you in negotiating your contracts, be sure to consider the following two questions before choosing a specific lawyer: First and foremost, do you feel comfortable talking with him or her? When talking to a lawyer, you should be able to speak frankly and let him or her know how you feel about issues without worry. The last think you want is to have a personality conflict with a person who is negotiating the terms of your new career. If you do not feel comfortable with him or her on a personal level, take the time to find someone with whom you feel more comfortable. Second, how much experience does the lawyer have with this specific type of Physician Employment Contract? As you are now aware, there are multiple types of contracts involving very different things. Especially if you intend to become an Independent Contractor, your lawyer should be able to inform you of the legal realities of practicing on your own in conjunction with a Clinic.

More Information: Consider this information the first step in investing in the protection of yourself and your future career. It cannot be stressed enough. It is absolutely critical to educate yourself about some of the requirements in your employment contracts prior to entering into the negotiation stages. In addition to this brief overview, there are many resources, online and in print, dedicated to helping you to understand the potential benefits and pitfalls that you can encounter in any situation. Getting answers to your questions now will help you make better decisions about what kind of contractual relationship in which you want to engage and what will be required of you after that relationship has been established. As the saying goes: “An ounce of prevention is worth a pound of cure.” Good luck!
CHAPTER SEVEN

Contracts

Terms and Definition Overview

The following has been contributed by Gary Walker and Allen Dell, PA

Pre-Contract Discussions — Often the prospective physician employee and the employer will have a number of informal discussions before a contract is circulated. Terms and conditions from those discussions will not be binding on anyone unless such terms and conditions are in the actual contract that is signed.

Contract — Read and understand the document that your prospective employer has offered to you. It is a legal document and will be binding on you after it is signed.

Before You Sign — It is important to do your homework regarding the business, culture and reputation of the prospective employer. This due diligence will help reassure you that there is a reasonable personal and financial basis to accept the offer.

Top Ten Typical Contract Provisions

1.) Compensation — Non-owner physicians are compensated in a variety of ways. The most typical arrangement for the first year or two of employment is a base salary plus a performance bonus. Alternatively, compensation may be based solely on a percentage of actual collections for services rendered. Depending on the circumstances, there may be a shift from one form of compensation to the other or a hybrid of both. The agreement should set forth the specific formula or methodology for determining the physician's compensation (which may include how expenses are allocated among the different physician employees).

Salary: Is it guaranteed, or is it productivity-based?

Periodic Increases: Bonuses: What is the threshold (typically two times the salary)? Compute two months after end of year to allow full collections. Bonus should not be discretionary.

2.) Restrictive Covenants — Restrictive covenants include promises: (i) not to compete; (ii) not to solicit patients or employees or referral sources; and (iii) to keep practice and patient information confidential. While this may vary from state to state, the physician (whether in an employment or independent contractor relationship) should assume that restrictive covenants are enforceable. For the group, these covenants are a way to protect its investment in the training and development of the physician. For the individual physician, the covenants can be an onerous burden that may require the physician to leave the community in which he or she has been living and working. The typical remedy for violating the covenants is an injunction which, if granted, will prohibit the departing
CHAPTER SEVEN

physician from further violations. Unless you are the first new physician hired by a practice, the terms of the restrictive covenants often are non-negotiable; however, the provisions should be carefully read and understood and negotiated to the extent possible, especially the provisions relating to the time period for the restrictions (usually six months to two years, and sometimes longer) and the geographic area of the restriction (sometimes the specific hospitals at which the employee physician has been working or a general geographic area which includes all the hospitals in that area). Sometimes the group will accept the alternative of a cash payment from the departing physician to “buy out” the restrictive covenants, thereby freeing the departing party to solicit patients, compete, etc. These payments, though, can be very high - in the five to six-figure range.

3.) **Term and Terminate/With Cause vs. Without Cause** — If the agreement can be terminated without cause at any time, it is important to realize that the actual term of the agreement is really only the length of the notice period for termination. For example, a two-year employment agreement that can be terminated without cause by either party with 60 days prior written notice, is really only a 60-day contract. If the agreement can be terminated with cause, the specific types of causes that are sufficient for termination should be listed, and you should be given a time period in which to correct certain of the with cause violations.

4.) **Becoming an Owner in the Group** — If applicable, the time period and possible terms for a physician employee to become an owner of his employer/group practice should be described in the agreement. It generally is impossible to predict the precise amount of the buy-in since the buy-in typically is two or more years down the road; however, you need to know the general formula up front, because you are bound by the restrictive covenants at the time of the decision regarding the buy-in. Are you required to pay for “Good Will” or just your portion of the value of the tangible assets plus collectible accounts receivable? Once you become an owner, is control shared equally by all owners?

5.) **Day/Night and Weekend Call Coverage** — The call schedule can sometimes be a point of major contention. The method by which call is shared needs to be specified in the agreement.

6.) **Vacation; Time Off; Disability** — The time off provisions should be clearly stated in the agreement. The time off allowance may include vacation time, time for CME, sick leave, and the like. The employer typically pays your base salary for a period of 30 to 60 days of temporary disability.

7.) **Fringe Benefits and Expenses** — Fringe benefits typically are standard and generally non-negotiable. The list of fringe benefits often is not in the agreement, but is available from the practice administrator. Typical benefits may include health insurance (family?), short-term and/or long-term disability insurance, life insurance, pension/profit-sharing/401K, and CME allowance. Typical paid expenses include books and journals, car allowance, malpractice insurance, cell phone and beeper, business development, and moving expenses.
8. **Duties and Extent of Service** — The agreement should specify whether it is full time, part time, or temporary. If the practice has multiple locations, where will you be assigned? What is the typical work week?

9. **Professional Liability (Malpractice) Insurance and “Tail” Coverage** — The employer typically pays the premium for the malpractice insurance of its employed physicians. If the malpractice coverage is a “claims made” policy, however, the agreement likely will require that if you leave the practice, you will pay the premium for prior acts, or “tail” coverage. You may be able to negotiate a provision requiring the employer to pay for tail coverage if the employer terminates your employment without cause.

10. **Attorneys’ Fees Provision** — The agreement should provide that in the event of litigation or arbitration to enforce the agreement, the losing party will pay the attorneys’ fees and costs of the winning party. This makes both parties take legal obligations more seriously.
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LICENSING

A Helpful Website: The Federation of State Medical Boards (FSMB), www.fsmb.org, is a national non-profit organization which represents 70 United States and territories’ medical boards. It is a recognized authority on issues related to medical licensure and discipline in the United States. This website provides a list of all the state boards as well as their phone numbers and web addresses.

Federation Credentials Verification Service (FCVS). This is a service that creates a profile for you. The profile includes: medical training, licensing exams, identity, and ECFMG for foreign-trained physicians. The initial cost ranges from approximately $400-$600. Each profile thereafter is approximately $145.

- Several states require the use of the FCVS: KY, ME, NH, MN, RI, OH, UT, NV-D.O., NY, and VI (Virgin Islands).
- All other states will accept the FCVS with the following exceptions: AR, NE.
- Website: www.fsmb.org/fcvs.html

It usually takes at least 2-3 months (with some exceptions) to get a State Medical License, once the state board has received your application and all the supporting documentation.

- Some physicians may have a longer processing time:
  - a physician who has malpractice or any negative information in his or her records.
  - a foreign-trained doctor (due to having to get documents from a particular country).
- States that are more difficult and time consuming in which to get licensed: NJ, CA, FL, TX, MD.
- Fingerprinting is becoming a common requirement of the state licensure process. Be aware this will result in a longer processing time.
- APPLY NOW! It is quickest and easiest to obtain a license while you are a resident or fellow right out of training. After you have passed your USMLE (United States Medical Licensing Examination), you can apply in most states while you are still in a residency/fellowship program. Check with the state board of the states in which you would like to be licensed.
- The basic verifications for any state license are: medical school, post-graduate training, examination scores, and state licensure verification.
- The cost of a license can range anywhere from $25 - $2,000 depending on the state, application fees, verification fees, etc.
- Once you obtain a license, be sure to KEEP IT RENEWED! It is a very costly and time consuming process to reactivate a license.
- Exceptions to the rule: Most government facilities will accept a physician with any state license.
- D.O. – check with the specific state because they may require a separate board certification.
• Be aware of all of the types of licenses you need to be able to practice medicine in the state/states in which you are interested in working (i.e., DEA).
  - You must have a current state license before you can obtain a DEA.
  - While in residency, you are able to use the residency program’s number; once you graduate from your residency, you will need your own DEA number!
  - To apply for the DEA number online, go to: http://www.deadiversion.usdoj.gov
  - In addition to the DEA license, some states will require an additional state controlled substance license. The state license application will have this information on it.

Why is Board Certification Important?
Many hospitals and practices will not consider hiring physicians who are not board certified in their specialties. Some state licensing boards are hesitant to issue licenses to non-board certified physicians.

Loan Repayment Programs:
• National Health Services Corp - http://nhsc.bhpr.hrsa.gov/index.asp

If you are not working with a physician staffing agency, it is an option to pay a Licensing Company to assist you in applying for your licenses. NAPR does not have first-hand knowledge of these companies, but wanted to make you aware that they, or similar ones, exist.

• www.physicianlicensing.com
• www.medlicense.com
• www.healthcarelicensing.com

J-1 Visas
Helpful websites:
• www.j1visa.com or www.mdgreencard.com
• www.3rnet.org/docs/j1.asp

NPI (National Provider Identifier) Number: What Does That Mean to You?
The Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandated the adoption of standard unique identifiers for health care providers, as well as the adoption of standard unique identifiers for health plans. The purpose of these provisions is to improve the efficiency and effectiveness of the electronic transmission of health information. The Centers for Medicare & Medicaid Services (CMS) has developed the National Plan and Provider Enumeration System (NPPES) to assign these unique identifiers. (This is copied directly from the NPPES website: https://nppes.cms.hhs.gov/NPPES/Welcome.do)

What Does This Mean to You?
This Act is intended to replace individual health plan identification numbers. This new number will be used for all plans and you will only have to apply once for this number. It will be used in place of your UPIN (Unique Physician Identification Number), Medicare/Medicaid numbers and any other health plan numbers you already have.
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The required compliance date to fully integrate the use of the NPI (National Provider Identifier) Number was May 23, 2007.

It is very easy to get this number and can be done online. The website to obtain the number is: https://nppes.cms.hhs.gov. You may also call 800-465-3203 to see if you already have a NPI Number. According to the information found online, if the form is completed accurately, the provider could be issued the NPI Number in as little as 10 days and it only takes approximately 20 minutes to complete the application online.
BIBLIOGRAPHY


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