American College of Physicians
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Physician Employment Contract Guide
2017

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Introduction

Numerous publications, websites, recruiters, and other resources are available to help physicians find employment opportunities. This guide discusses the selection and employment contracting process that follows the identification of a suitable opportunity. It is intended to assist both individual physicians seeking employment and physician groups recruiting a physician.

Starting salary is a relevant but hardly the most important factor in the selection process. A physician's job performance, degree of professional and personal satisfaction, and future career will be heavily influenced by the practice type, location and clinical quality of the group the physician joins, as well as by the fit between the physician's own style of practice and that of the group. It is therefore critically important to both the practice and the physician candidate that they effectively communicate their desires and expectations regarding the position.

Because the employment contract defines the conditions of employment and can therefore greatly impact future professional satisfaction and personal happiness, a physician needs to read carefully and fully understand every aspect of the employment agreement.

A contract's legal terminology, such as 'restrictive covenant' and 'assignability,' can be confusing, and some important contract provisions, if not understood, can lead to problems in the future. Other provisions may need to be negotiated. Thus legal assistance from a qualified health attorney may be helpful.

Physician groups should strive to find a new associate who will work well within the group's existing culture and will get along with existing staff. Groups should look beyond the first clinically well qualified candidate willing to accept the group's salary offer and consider the intangibles that will make the potential candidate a good team player, productive, and a credit to the practice. And it is in the group's interest to be sure the physician candidate fully understands the group's expectations and the conditions of employment before signing any agreement.

Finding the Right Practice

Before a senior resident or fellow begins to think about signing an employment contract, there are a few things he or she should consider. Even a 'grizzled veteran' physician looking for a new employment opportunity should pause to consider the type of practice in which he or she wants to work and the preferred geographic location.

Resources

Professional publications or physician recruiters are two sources to check when looking for a position outside one's immediate geographical area. A physician's local hospital or personal network of colleagues, teachers or medical school and residency training alumni may also be excellent suppliers of information.

Today the Internet has become a major additional tool in the search for career opportunities. There are websites that permit physicians to tailor their searches by specialty, type of practice, and location. Other sites focus on physician management opportunities, and some list opportunities in the managed care, hospital, or pharmaceutical industries. There are a host of resources available; and a physician searching for the best opportunity should make full use of the advantages each source provides.

Group practices should consider the benefits of advertising position openings in several of these resources; however, the cost vs. benefits of advertising in different venues must be considered.

Practice Types

A physician should also consider what type of practice would best suit his or her needs and preferences. Types of practices include, but are not limited to: solo, small group, large group, hospital or health system owned; health maintenance organization -based (HMO); single or multi-specialty; outpatient, hospitalist, or a combination of the two; traditional, direct patient contract, hybrid, or government. Listing the characteristics, pros and cons of each type of practice can be advantageous when trying to make the decision. For example, a physician concerned with independence and primary decision-making may wish to start a solo practice; however, he or she must be aware of the associated financial risk, or even the possibility of failure. A physician who is more risk averse may prefer to join a staff model HMO or hospital owned group, but must be willing to accept reduced autonomy.

Practices hiring a physician should also consider the fit. Does the candidate have experience in your practice environment? Will the candidate's skills and personality fit well into your practice setting? Hiring even a highly qualified candidate who predictably will have difficulty adjusting to your practice or community can lead to unhappiness and disruptions that serve neither you nor the candidate's interests.

Location

When deciding on practice location, consider both the working and the living environments, such as the local school system, places of worship, availability of leisure activities and proximity to the hospital. The cost of living, crime rate, and transportation system may be personal priorities as well. Physician practices hiring a new physician should consider whether or not the candidate has previously worked in the geographic area, or a similar environment, may be an indicator of the physician's willingness to stay long term. Reference checking on a local candidate also tends to be much easier.

Practice Culture

There also are important subjective issues that both parties need to consider before agreeing on an employment contract. The practice's culture and value system should sufficiently correlate with those of the physician. A physician should learn everything possible about the practice make-up by observing practice operations, meeting owners, other employed physicians, staff and patients. Talking with colleagues unaffiliated with the group about its reputation and culture is highly recommended.

A physician may ask to follow one of the group's physicians around for a day. This experience will enable the physician to listen for patient comments that may reveal patient satisfaction, quality and continuity of care. The physician can discover first-hand what kind of system is in place to track patients' test results, how much paperwork the group's physicians have to do, and how the patient flow is managed. Also take advantage of this informal opportunity to ask the physician you are following about the practice's culture and problems as well as his/her own satisfaction and contentment within the practice.

Likewise, a practice hiring a new physician should consider whether or not the candidate fits the practice culture and what impact the candidate's presence will have on the organization. During the hiring process, the interviewer should ask open-ended questions designed to encourage the doctor to respond with in-depth answers that will reveal the physician's character, values, job expectations, and potential personal problems. The group should ask for and investigate references from previous employers and the physician's training program (if it is recent), contact hospitals where the physician previously held admitting privileges, confirm that licensure is current, and check the National Practitioner Data Bank (www.npdb-hipdb.hrsa.gov) for possible malpractice, licensure, or other adverse actions. Finally, a standard police check can provide added comfort in making the final selection.

Practice Economics and Growth

A physician should inquire about the financial condition of the practice as well. Practice stability is very important when deciding on long-term employment. Consider how long the practice has been in business, its expenses, revenue, debt, and financial future. If the financial health of a prospective employer is shaky, working conditions may be poor. Inquiring about the practice's accounts receivable, especially the gross or net collection ratio, will help provide a sense of the practice's collections success and solvency.

Along those same lines, practice potential and market potential are influential factors. Growth, income, status, and mobility are aspects of practice potential that must be carefully considered. Market potential both has to do with community factors (the ratio of physicians to population locally, population growth rates, local per capita income levels, and other demographic factors) and with the practice itself (reputation, size of patient base, number of new patients received annually, etc.)The physician and practice should also discuss the practice's referral network, ancillary providers, hospitals, and payers. To determine the payer mix one can ask the following questions.

- What percentage of revenue comes from Medicare, private insurance and self-pay? Also ask the percentages for capitation and deeply discounted fee for service plans?
- How reliant is the group on specific payers? (Excessive dependence on a few payers increases the practice's vulnerability to downward pressure on reimbursement rates.)Is the practice part of an IPA or PHO that negotiates provider agreements and fees for the practice?

The practice should be prepared to discuss these issues openly with physician candidates and to provide them the basic information they will need about the practice and community in order to make informed decisions.

Compensation

A key issue on the mind of anyone seeking employment is compensation. Although a salary may be negotiated during the hiring process, the compensation methodology for a particular practice usually is not negotiable. Many compensation models exist, including those based on individual productivity alone, share of practice income, salary guarantees, individual productivity less expenses, and multi-variable incentive bonuses tied to practice reimbursement and other objectives.

The practice and physician candidate should each consider how well the practice's compensation scheme matches the candidate's personality, working style, and preferences. For example, a physician wishing to be compensated for team effort may opt for a practice that pays physicians an equal share of practice income–but must recognize that no financial incentives will be paid for extra individual productivity. By contrast, a physician seeking a high degree of autonomy might look for a practice offering an "eat what you kill" arrangement in which physicians are paid strictly on the basis of their individual productivity, less assessments for the practice's overhead and expenses.

In considering feasible levels of physician compensation, it helps if both parties start from a common understanding of basic practice economics. The funds a practice has available to compensate physicians depend on the payments received from patients and payers for patient services rendered by the physicians. Contractual agreements with insurance carriers reduce these payment amounts to levels well below the practice's listed "charges" for the services (e.g., actual collections run about 70% of gross charges for general internists). From its actual receipts the practice must pay staff and other operating expenses (roughly 65% of receipts for general internists). The remaining funds are those available to pay physician benefits and salaries, plus any retained earnings, ownership income, capital investments, etc. These residual funds may increase or decrease depending on the prosperity of the community, the lucrativeness of insurance contracts, the practice's billing success and collections ratio, and its ability to hold down overhead expenses. Regardless of its internal economics, however, a practice must at least match the "going rate" for physician compensation in its geographic area, if it is going to attract and retain good physicians.

Negotiations

Some residents believe they have little choice but to accept "in toto" the contract as it is originally presented to them. Others make the mistake of thinking everything is negotiable. The truth lies somewhere in the middle and will vary depending on individual practice circumstances. While practice economics and the need to be fair to previously hired physicians may limit a group's flexibility, common negotiating ground usually can be found on the issues that are most vital to a reasonable physician.

The Art of Negotiating

Physicians should enter negotiations with a clear idea of what they want and what is minimally acceptable. The goal of negotiation is to create a win-win solution, not to win at the expense of the other party. A physician must negotiate whatever terms he or she feels are truly essential to job satisfaction. A fear that hard feelings might develop even before employment begins sometimes inhibits physicians from saying what's really on their minds. Neither a physician nor an employer will be well served by the physician accepting a position only later to become miserable due to contract terms he or she failed to address during the negotiations. Being forthright without being abrasive or unrealistic is therefore essential to the process.

It is wise for both parties to be creative and flexible in negotiations. A physician can introduce his or her ideas but must be able to accept modification of demands or requirements, since no one realistically can expect to get everything desired. While each party to a negotiation pursues their own interests, each should regard the other, not as a contestant, but as a collaborator in the search for overlapping objectives. Try to generate options that accommodate both sides. Search for an arrangement that assures both parties a fair measure of satisfaction.

Experts believe that the time for a physician to negotiate the best deal possible is the honeymoon period right after the group has made an offer to the physician. A physician however should keep in mind that the posture he or she adopts during the negotiating process will be discussed and remembered for a long time thereafter. Likewise, a physician can gain insight into the likely future relationship with the group from the nature of the give and take in the contract discussions.

Prior to offering a contract, the employer group should decide how flexible they are prepared to be during contract negotiations. Are they willing to make changes to the offer? How many changes and to what extent? The group should have a clear understanding among themselves about the issues on which they are prepared to bend in order to attract a good candidate. They should give clear guidance to the physician (or other practice representative) who will negotiate with the candidate. These instructions should include the specific salary range within which the group's representative is empowered to negotiate. The instructions should also make clear when the negotiator must return to the group for further guidance on particular contract elements.

Involvement of a Third Party

Since an employment contract is one of the most important financial decisions a physician makes, any misunderstandings can cause painful consequences. The contract offered by the group should be carefully reviewed or crafted by the group's attorney to be sure it protects the group's interests. Similarly the candidate physician should seek legal counsel to at least review the contract. Because certain aspects of physician employment are unique, it is important to select an attorney with previous health care experience. A knowledgeable health law attorney may be recommended by colleagues or by the local/state medical society or bar association. Such lawyers can help identify potential conflicts

and suggest alternative contract language. While the cost of hiring an attorney usually is money well spent, physicians must guard against relying so heavily on legal counsel that they do not fully understand the contract provisions with which they alone must comply once it is signed.

Some advisors recommend that a physician employ a consultant to help conduct the actual negotiations. A skilled negotiator can evaluate terms, re-draft contract language, and bring additional negotiating expertise to the table. The right consultant may also help the negotiations build a win/win agreement without creating discord. However, involvement of a third party lawyer or contract negotiator to help the physician can also introduce some tension in the relationship with the group, especially if the practice itself prefers not to employ such outside professional assistance. Since few employment situations absolutely require the added expense of hiring a third party negotiator, most physicians tend to rely on the free negotiating advice available from their attorney, colleagues, or even a search firm that introduced them to the opportunity.

Negotiating Tips for Physicians Seeking Employment

1. **Gather information and be prepared.** Find out as much about the practice in advance as you can. What questions can you anticipate from them? What do you want to know? Determine what you want to accomplish. Similarly the practice should obtain a CV, cover letter, and list of references from each candidate prior to scheduling interviews to screen out those candidates who may not fit the practice's criteria.

2. **Treat people with respect.** From the receptionist to the partners, show courtesy and consideration. It creates a great first impression.

3. **Negotiate from the perspective of mutual benefit and fairness.** Whenever you are seeking a concession, explain why it is fair. If it could benefit patients or the practice, point that out. Always have logical reasons for what you want and why you are asking for it. If it involves financial consequences, be prepared to consider giving up something else in exchange.

4. **Set priorities.** Before you come to the table, review, rank, and list critical factors. What is negotiable? What is not?

5. **Develop a strategy.** Consider how you will obtain your most important points. Are they easy or difficult for this practice to offer? Which other points are easy for the practice to offer or concede? Start with an easy point to negotiate. Get a feel for the process and the people involved. Tackle your hardest issue midway, and conclude with light ones.

6. **Return to unresolved issues after most of the bargaining is done.** At that point, added pressure to find common ground creates a greater bargaining base for both parties, because the success of everything you've done so far hinges on resolving these few remaining issues.

7. **Get it in writing.** When you negotiate a change in the contract, make sure that change is in writing, not simply a verbal agreement.

Understanding the importance of point number 7 is critical. Every material aspect of the contract on which the parties agree should be recorded in writing. Verbal pledges can be made in good faith, but over time memories grow short, details blur, and/or circumstances change. The person making the pledge may leave the group. Oral pledges are hard to prove after the fact. Most employment contracts indicate that only the commitments specified in the contract are considered binding.

Understanding the Contract

The contract defines the employment relationship between the physician and practice. Even if an attorney or professional consultant helped negotiate or review the contract, ultimately the decision to accept the offer rests with the physician. There are specific terms and benefits the contract should address before either party signs on the dotted line.

Compensation and Benefits Salary and Incentive Pay

Salaries vary widely depending on geographic location, specialty, and years of experience. It is up to the physician to convince an employer that he or she will be sufficiently productive and cost-efficient to justify the desired level of compensation. It is very important for a physician to fully understand the compensation formula the group will use to calculate salary and incentive pay.

Pure salary is unusual beyond the first year of employment. Therefore the methodology and variables for calculating incentive payments usually determine the attractiveness of the offer. Most of the incentives that will be tied to productivity are variously defined in terms of RVUs, charges, net or gross collections. Sometimes other performance variables added to reflect patient satisfaction, utilization, quality improvement measures (especially for hospitalists), "citizenship," etc. Too many incentive criteria makes for confusion and frustration on the part of physicians. It is important to analyze which of the incentive variables may, in part, be beyond the physician's control. For example, "net collections" are influenced by the contracts as well as the effectiveness of the group's billing and collections staff-- so how good are they?

While compensation formulas vary considerably, each practice ultimately must agree to provide an overall compensation package that is sufficient to attract and retain its doctors. It is wise for a physician to compare compensation offers to industry norms in order to determine whether pursuit of a higher salary or better bonus structure is worth further negotiation. If a practice is located in a low cost of living community, it should point out and document this factor to perspective candidates, especially when the group's salary structure is on the low side compared to other parts of the country.

Benefits

Benefits play a key role in determining the value of an offer and may include, but are not limited to: health, dental, vision, and malpractice insurance; professional membership dues; CME reimbursement; vacation/sick leave; plus retirement and disability plans. Also sometimes included are enticements such as student loan repayment, signing bonuses, and relocation expenses.

A group should consider offering a signing bonus if the practice is located in a remote area or is facing stiff recruiting competition from other groups in town. Groups usually also pay a percentage of the new hire's relocation expenses or provide a fixed moving allowance.

A candidate may wish to consult a tax advisor to determine the tax consequences of alternative compensation packages involving significantly different elements.

Maternity and family leave are examples of other valuable benefits. Male and female physicians can benefit from the Family and Medical Leave Act of 1993, which allows up to 12 weeks of unpaid leave per year for specified family and medical reasons, such as the birth of a child. However, the act applies only to companies that employ 50 or more people within a 75-mile radius. (See ACP's separate guide "Part-Time Employment for Physicians" for more information on maternity leave options.)

Ownership/Partnership

A physician will want to determine whether the employment contract addresses or allows for future ownership opportunities. These provisions are sometimes stated, sometimes implied, as ownership is often mentioned verbally or covered in vague terms. The actual terms of the ownership buy-in will be stipulated in separate "buy-sell" and/or "partnership" agreements, usually not signed until ownership takes place in subsequent years. Thus a physician planning to stay in a practice more than a few years should make sure that any implied ownership options or assurances discussed during the original employment negotiations are clearly spelled out in the written employment contract. Such provisions may include stipulations regarding the circumstances under which the physician may be considered for or automatically offered partnership, the timing and method by which the physician may acquire ownership in the practice, how the proposed purchase price will be determined, and the period over which the purchase price will be paid. Since large front-loaded buy-ins tend to scare off potential candidates, the trend today is toward smaller front loaded buy-ins, e.g., $5,000-10,000, followed by compensation off-sets for a specified number of subsequent years. The stipulated purchase price often is based on a percentage of the practice's hard assets, accounts receivable, and occasionally goodwill.

If a practice is unwilling to include an ownership commitment and detailed provisions in the initial employment contract, it may be willing to define the conditions under which ownership will be considered later. If a group requires an associate to work for a specific length of time before discussing a buy-in contract, a new hire should ask when to expect such partnership consideration to take place, the criteria for selection, and what the ownership terms might be, generally speaking. The candidate should also ask whether there have been associates who opted not to join or who were not invited to join. The practice should also explain the compensation arrangements for owners, including whether there is any income differential between junior and senior partners. Some groups divide net income equally once a physician becomes a partner. Other groups employ a standard salary formula, such as a base salary plus a productivity incentive that divides the net income remaining after paying practice expenses and physician compensation. As a full practice owner, a physician conceptually shares equally in the practice's net income and governance. However, a new partner's actual impact on decision making may be more limited, both because senior owners can out-vote any individual physician, and one physician often is responsible for the daily management of the practice.

In considering the value of ownership, it is important to recognize that holding equity in a physician practice is unlike owning stock in a commercially traded company. It is an "illiquid" asset with limited market value; yet it imposes an obligation on the owner to help absorb any income shortfalls the practice may experience and to perform certain additional owner duties on behalf of the practice. Thus a physician considering partnership should weigh the potential income gains and personal satisfaction of exercising governance against the added risk and ownership obligations entailed.

Outside Activities

An employment contract should specify whether and under what circumstances the physician is allowed to work outside the practice, including such non-patient care activities as research, publishing articles, teaching, consulting, and directorships. Work outside the group that benefits the group's image or reputation may be compensated through bonuses and honoraria. The employment contract, however, needs to specify explicitly whether money earned from outside sources is to be considered private compensation paid directly to the individual physician or more typically as part of the group's overall income. If treated as practice income, the employment contract should indicate whether and how the physician will be credited for these outside services within his/her compensation formula. If the physician will be allowed to retain income derived from any outside activities, the contract either should

identify the specific activities in question or state how they will be identified in the future. Groups usually preclude physicians from performing outside services that will interfere with their ability to fully satisfy their practice obligations.

Contract provisions sometimes also require a physician to give up any royalties or ownership claims on computer programs or medical devices he or she may have invented while employed by the practice.

Duties and Requirements

The contract agreement should clearly state whether a physician is considered a full or part-time employee, whether the physician will be required to perform administrative or teaching duties, and share in after-hours call schedules. A physician should inquire about the length of the workweek (hours) and how many patients are expected to be seen per hour, per day, or per week. It is also important to define working relationships, such as to whom the physician reports, who reports to the physician, and the physician's role, if any, in hiring support staff.

In certain procedure-intensive specialties, it is extremely important to find out the approximate number and type of procedures expected to be performed. Similarly, a hospitalist will want to learn as much as possible about the group's contract to provide hospitalist services, since this agreement will largely determine the physician's duties and objectives.

A practice should inform the potential hire of any performance evaluation process that will be followed and the potential positive or negative effects such evaluations can have on the physician.

Part-time physician employment has become quite common in recent years. (For additional detail see ACP's "Part Time Employment for Physicians" guide.) The employment contract for a part-time physician should address at least the following special circumstances associated with such employment:

- Work days and hours per week.
- Method of calculating compensation for less than full-time work.
- Compliance with office policies and procedures.
- Shared call responsibilities.
- Work space and support staff to be provided.
- Possible provision to terminate the employee if the part-time arrangement proves unsatisfactory.
- Any negotiated or required adjustments to the standard physician benefit package. (Check to determine what benefits a part-time employee is entitled to under relevant federal and state laws.)

Restrictive Covenants & Non-Solicitation Clauses

Restrictive covenants, often called non-compete clauses or non-competition agreements, can be one of the most important yet least understood and potentially most contentious aspects of an employment agreement. Following termination of employment, these clauses seek to prohibit the physician from practicing medicine for a specified period of time in a specific geographical area. The objective of the covenant is to prevent departing physicians from damaging the practice by taking with them a significant number of patients on which the group's economic well-being depends. Often the group itself originally had acquired or helped the physician to attract these patients. Usually a companion "non-solicitation" clause prohibits the departing physician from actively seeking to attract patients, employees, and health plan contracts away from the former practice.

Consultants advising physicians on contract negotiations often recommend that they try to limit the covenant's geographic restriction to a few mile radius from the office site where the physician actually will be working and to keep the time restriction to no more than 1-2 years; otherwise, the physician could someday be forced to choose between relocating to an entirely different geographic area or going without employment for an extended period of time. The two parties should strive to negotiate a restrictive covenant that is reasonable from both points of view, non-punitive, and seeks only to legitimately protect the practice against damage to its patient base.

The employment agreement should also address the specific "remedies" for violating a restrictive covenant or non-solicitation clause. One enforcement option is for the group to obtain a court injunction: a ruling by the court prohibiting, or "enjoining," the departed doctor from practicing within the restricted area, or violating the non-solicitation clause. A more common remedy is for the employment contract to require the physician to pay specified monetary damages if these contract provisions are violated. Such compensation sometimes is designated as an acceptable means by which the physician may obtain legal release from the restrictive covenant.

The degree of enforcement by authorities of restrictive covenants varies considerably from state to state, with some states going so far as to outlaw them as anti-competitive and illegal restraints of trade, while courts in other states will enforce them as contractual business obligations but only if the restrictive provisions meet certain tests of "reasonableness" with regard to the geographic and time limits. But physicians should not make the mistake of ignoring the covenant as a pro forma matter, since it can ensnare both parties in expensive and disruptive litigation later on. Both parties should investigate enforceability in the state where the practice is located and negotiate reasonable limits in the contract language.

Contract Term

Employment contracts should specify both a starting date and an ending date. Some contracts are written for one year and are automatically renewable while others last longer and have a specific renewal process.

Termination

Termination clauses in a contract may include both termination without cause and termination for cause. In some cases the right to terminate the contract without cause is granted only to the employer, thus giving the group unilateral power. Advisors usually recommend that physicians negotiate to make such rights reciprocal, or at least limit the practice's unilateral termination rights to the first year of the contract. More commonly, contracts state that termination without cause may be invoked by either party following a specified period of advance written notification, such as 90 or 180 days.

Clauses authorizing termination for cause typically are unilateral but the causes should be reasonably and narrowly defined. Loss of medical license or federal DEA registration, termination or suspension of medical staff privileges, violation of a material provision of the agreement, a felony conviction, use of illegal drugs or abuse of controlled substances are normal examples of cause. For some types of cause, a physician may negotiate a provision requiring that the employer provide advance written notice of the complaint that, if uncorrected, will lead to termination, thus allowing the physician adequate time either to change the objectionable behavior or to find new employment.

The practice may include a provision for severance pay under some circumstances. If the physician is terminated without cause during the first year of employment, the practice may agree to waive required repayment of relocation funds—due to the undue hardship on such a physician.

Gap/Tail Insurance

A clause regarding professional liability insurance coverage after the employee has left the practice should be included in the contract. Most employers provide "claims-made" medical malpractice coverage for employee physicians during the time the physician is on the practice's payroll. However, once the physician leaves the practice, the employer will delete the employee from the policy. Thus this kind of policy generally will cover a claim against the physician employee made during the term of employment, but it will not cover claims arising thereafter.

To insure against this gap in coverage, "tail" insurance can be purchased by the physician employee. Appended to the original claims-made policy, the "tail" provides coverage after the physician's termination for any events that may have occurred during his/her period of employment. Sometimes a provision is negotiated in the employment contract for the employer to pay "tail" coverage premiums if the employer terminates the physician without cause, since this coverage could be costly. If, however, the physician is terminated for cause, the contract often stipulates that the physician employee must pay all or a portion of the tail premiums.

Assignability

An assignability clause should be written into the contract to address what will happen in the event of a potential group acquisition, consolidation, or merger. If ownership of the practice changes significantly and the employment contract is assignable, the physician's contractual obligations continue as before. However, if the contract is "non-assignable," the physician is freed from his or her obligation to continue working for the new group – the trade-off being that a physician who prefers to stay with the group must then negotiate and sign a new contract, the terms of which might turn out to be less favorable than the previous contract. If an employment contract provides no assurance of continued employment following an ownership change, the physician may wish to negotiate for a cash settlement or release from the restrictive covenant in the event he or she gets 'bumped' from the practice as a result of the change.

Conclusion

It has been said that signing an employment contract is one of the most important financial decisions a physician makes during a career. Contract language is critically important but can be perplexing to someone without legal training, thus causing the negotiations to be both exciting and intimidating. Consequently, both the physician and the practice may consider engaging attorneys to help them fully understand the contract terms and provisions. Ultimately, however, the process and decisions must be controlled by the principal parties themselves. To assist practices and physicians in successfully navigating this employment process five documents are attached to this guide.

Sample Employment Contract. For background purposes, this hypothetical document illustrates language typically contained in a basic employment contract. Because requirements vary from practice to practice and legal provisions from state to state, the document cannot serve as a model contract; nor should it be relied upon for valid legal language. If a practice wishes to borrow language from the document, any such language should be reviewed by a qualified attorney in that state before being

incorporated into an actual contract.

Self-Assessment Tool. While primarily intended to assist physicians in examining their own preferences and help identify the kinds of practice opportunities they should seek, practices may also find this a helpful list of factors to consider in determining whether a good "fit" exists between the candidate and the practice.

Position Assessment Comparison. This check list of topics will help the physician gather information and make notes on subjective and objective factors so he/she may later assess and compare alternative practice opportunities, both against each other and against the physician's own priorities.

Physician Compensation and Benefits Worksheet. The Worksheet may be used by physician candidates to compare the objective factors of competing employment offers, and used by practices as a checklist of possible benefits to offer candidates.

Time-Table Prior to Practice Entry. This time-table provides a several month schedule of activities that physicians leaving residency and others normally require to find, select, negotiate, and start a new position. An employing practice should assist the physician with activities in the latter stages of this schedule, both to assure a good match and a good start for its new physician.

Sample Physician Employment Agreement

THIS AGREEMENT, made and entered into as of this _____ day of , 20___, by and between, _____ _____("Employer"), and _____ ("Employee").

STATEMENT OF BACKGROUND INFORMATION

1. Employer is a professional corporation with medical offices located in the District of Columbia.

2. Employee is a physician licensed to practice medicine in the District of Columbia and the State of Maryland.

3. Employer desires to employ Employee as a practicing internal medicine physician, and Employee desires to be employed in such capacity, in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and conditions hereinafter set forth, the parties hereto agree as follows:

STATEMENT OF AGREEMENTS

1. Employment. Employer hereby employs Employee as a practicing physician, and Employee hereby accepts such employment subject to the supervision of Employer and otherwise in accordance with the terms of this Agreement.

2. Responsibilities of Employer:

2.1 **Annual Compensation.** Employee shall be paid an annual salary of

Ninety-Five Thousand Dollars ($95,000.00), plus fringe benefits as set forth in Paragraphs 2.3, 2.4, 2.5, and 2.6 below ("Fringe Benefits"). Employee shall be paid annual salary on a monthly basis.

2.2. **Incentive Compensation.** In addition to the annual salary and Fringe Benefits provided for in Paragraph 2.1 herein,' Employee shall receive annual Incentive Compensation in cash beginning August 15, 2xxx, equal to forty-five percent (45%) of annual collections from patients and third party payors generated from Employee's professional fees for any collections exceeding Two Hundred Eighty Thousand Dollars ($280,000.00).

All monies, including monthly capitation received by the Employer for health maintenance organization (HMO) enrollees who have been assigned to the Employee or whose care has been exclusively managed by Employee in any given month, shall be included in annual collections from third party payors generated by the Employee.

Any annual Incentive Compensation payable to Employee pursuant to Section 2.2 herein, shall be paid no later than November 15 of each year benefits:

2.3. **Benefits.** Employer shall provide Employee with the following benefits.

(a) Group term life insurance in the face amount of $l32, 000

(b) 80% of group health insurance coverage selected by Employer and approved by Employer; and

(c) Individual disability insurance. Employer shall pay premiums for an individual disability

insurance policy selected by Employer for an aggregate disability coverage of not more than 60% of current annual salary as described in Section 2.1 herein to be reduced by any amount of enforced coverage by the Employer.

(d) Right of Employee to participate in a 401 K or other pension plan set up by the Employer.

Employee's rights with respect to such benefits shall be subject to: (1) the provisions of the relevant contracts, policies or plans providing such benefits, and (2) the right of Employer to amend, modify, or terminate any such plan with respect to all classes of employees covered by a given benefit.

2.4 **Vacation and Personal Leave.** Employee shall be entitled to the following paid leave each year during which the Employee's compensation shall continue to be paid in full:

(a) Employee shall receive three (3) weeks per year of vacation. Employer and Employee shall agree upon the period(s) of vacation to be taken each year. Vacation leave may not be accrued if not taken.

(b) Up to fourteen (14) days of sick leave each year with accrual to a maximum of twenty-one (21) days if carried over to subsequent years.

(c) One week of CME leave

(d) Administrative leave as approved by Employer for extraordinary events including, but not limited to, studying for, or taking of medical board or certification examinations, family emergencies and funerals.

2.5 **Reimbursable Expenses**. Employer shall reimburse Employee for the following approved expenses incurred during the course of Employee's employment:

(a) Fees for admitting staff privileges at Hospital, Hospital Center, Hospital for Women, University Hospital and other hospitals designated by Employer ("Designated Hospitals"). Membership fees in any independent practice association or other care delivery system in which Employer elects to participate as a provider.

(b) Membership fees for the following medical societies: Medical Society of the District of Columbia, and the American College of Physicians, and the District of Columbia Chapter of ACP.

(c) Fees for the following medical journals, The New England Journal of Medicine, and the Annals of Internal Medicine.

(d) Five (5) days of CME expenses, including travel, room and board and registration, not to exceed Two Thousand Dollars ($2,000.00).

(e) Professional licensing fees for the State of Maryland and the District of Columbia.

(f) Other necessary expenses as approved by Employer.

Payments shall be made to Employee for reimbursable expenses upon submission of applicable bills, receipts or other documentation required by Employer and submitted in proper expense report format as set forth by Employer.

2.6 **Professional Liability Insurance Agreement.** During the term of this Agreement, Employer shall obtain and maintain the liability insurance for the practice of medicine by Employee on behalf of Employer. Such insurance shall be for the same amount as provided for all physician employees for Employer who are within the same specialty as Employee.

2.7 **Support Services.** Employer shall furnish to Employee all of the necessary support services, including but not limited to, equipment, facilities, supplies, medical support employees, secretaries and other personne1 reasonably needed by Employee to perform Employee's obligations created by this Agreement. The cost of providing these support services shall be borne solely by Employer.

2.8 **Employer's Authority.** Employer shall exercise direction over and give support to Employee in regard to standards, policies, record keeping, treatment procedures, and fees to be charged; such direction and support shall not interfere with the normal physician-patient relationship nor be in violation of acceptable medical ethics. Employer shall have the right to determine which staff person(s) will render support to Employee and which physician employee will render services to a patient of the Employer.

Employer shall have final authority over acceptance or refusal of any patient. It is understood and agreed, however, that Employer shall discuss the refusal of patients with Employee.

2.9 **Stock Purchase.** Employer shall provide employee with the right to purchase shares of stock in Employer subject to the terms of an applicable stock subscription agreement and a shareholders agreement, upon satisfaction of the following conditions:

(a) Employee has completed a minimum of two and one half years of continuous employment by Employer:

(b) Employee has generated collections from his professional fees which exceed Two Hundred Ninety Thousand Dollars ($290,000.00) for the first year of employment and which exceed Three Hundred Thirty-three Thousand Dollars ($333,000.00) for the second year of employment.

(c) Employee is certified by the American Board of Internal Medicine (ABIM)

(d) Employee is found by Employer to be compatible with Employer's Practice philosophy

2.10 **Employment Outside the Practice**: Employee has the right to all funds generated by the Employee in the performance of non-patient care activities. All employment outside the Employer's physician practice must be approved by the Employer, which approval shall not be unreasonably withheld.

3. Responsibilities of Employee

3.1 **Professional Services.** During the term of this Agreement, Employee shall devote full-time, all his or her professional time and efforts to and for the benefit of Employer and shall not, directly or indirectly, render professional, medical, managerial or directive services to any person, whether or not for compensation, except as an Employee of Employer, unless Employee shall first have obtained the written consent of Employer. Passive and persona1 investments and the conduct of private business affairs by Employee which are not inconsistent with the restrictions of this Paragraph shall not be prohibited hereunder. Employee shall be committed to enhancement of Employer's practice and shall use his or her best efforts to further the goals of and to promote the medical practice of the Employer. The expenditure of reasonable amounts of time for teaching, personal, and charitable and professional activities shall not be deemed a breach of this

Agreement provided such activities do not materially interfere with the services required to be rendered to Employer hereunder.

3.2 **Standards of Practice** Full-time practice is defined as a minimum of (30) scheduled hours per week at the Employers offices. Employee shall have on-call responsibilities one week per month. Holiday assignments are to be rotated equally between Employee and other physicians of the Employer. Employee shall devote his or her utmost knowledge and best skill to the care of Employer's patients, which are entrusted to him or her and shall perform such other duties as may be assigned to him or her by Employer. Employee understands that all patients are accepted by Employer regardless of their race, color, national origin, handicap or age. Dismissal of an established patient from continued care must be justified by a cause for dismissal due to patient noncompliance with physician directives or office procedures, and must be discharged in accordance with established legal protocols.

3.3 **Ethical Conduct.** Employee shall engage in the practice of medicine in accordance with the Principles of Medical Ethics of the American Medical Association, and the customs and rules of ethical conduct prescribed by any Designated Hospital.

3.4 **License.** Employee shall maintain an un-restricted license to practice medicine in the District of Columbia and the state of Maryland. Originals must be presented to Employer and photocopies of all required licenses shall be provided to Employer.

3.5 **Hospital Privileges.** Employee agrees that Employee shall use best efforts to obtain and continue to maintain' admitting staff privileges at the Designated Hospitals. Employee's duties and responsibilities include, but are not limited to hospital rounds and other duties required of physicians attending hospitalized patients.

3.6 **Professional Membership.** Employee shall be required to be a member of the District of Columbia Medical Society.

3.7 **Medical Staff Policies and Procedures.** Employee shall abide by all policies and procedures for the medical staff as may be established from time to time by Employer.

3.8 **Billing.** Employee agrees and acknowledges that Employer alone has the right to bill and receive payment from patients and third-party payors, including all government-sponsored programs, for physician services rendered by Employee hereunder, and Employee shall not bill any patient or third-party payor for such services. All income or fees for physician services rendered by Employee shall belong to, and be the property of, the Employer. Employer will use best efforts to bill for services no later than five (5) working days after Employee has provided information necessary to complete such billing and in the case of rebilling, five (5) working days after negotiation of rejection of original billing information. Paragraph 3.8 herein shall survive termination of this Agreement.

3.9 **Surrender of Books and Records.** Employee acknowledges that all lists, books, records, and any other materials owned by Employer or used by it in connection with the conduct of its business, shall at all times remain the property of the Employer, and that upon termination of employment hereunder, irrespective of the time, manner or cause of said termination, Employee will surrender to Employer all such lists, books, records, and other materials. Paragraph 3.9 herein shall survive termination of this Agreement.

3.10 **Use of Employee's Name.** Employer shall have the right to use Employee's name in connection with Employer's marketing and contracting activities, and in any oral or written communication with patients or third-party payors.

3.11 **Medical Records.** Employee shall prepare and maintain for the benefit of Employer medical records for patients in accordance with accepted standards of practice in the community, applicable laws regarding confidentiality of medical reports, the policies and procedures established by Employer and the terms of any third-party payor agreements. Employee acknowledges and agrees that all such medical records are the property of Employer. To the extent permitted by law, Employee shall cooperate and communicate freely with other health care providers who provide professional services to patients of Employer.

3.12 **Reimbursement Contracts.** In the event that Employer elects to participate as a provider in an HMO, PPO, IPA or other care delivery system, then Employee shall also be required to join.

3.13 **Relationship with Patients.** Employee shall not during the term of this Agreement:

(a) Directly or indirectly induce or advise any patient of Employer to withdraw, curtail, withhold, or cancel the patient's relationship with Employer; and

(b) Directly or indirectly disclose to any person, firm, corporation or any other entity the names or addresses of any patients of Employer.

3.14 **Non-Competition Terms.** Employee agrees and understands that Employer would suffer great loss and damage if for a period of two (2) years immediately following the termination of employment hereunder, for any reason whatsoever, Employee should perform professional services for patients seen by Employee while employed under this Agreement or perform or solicit to perform professional services for any patients within five (5) miles of the Employer's office.

By reason of the foregoing, Employee expressly covenants and agrees that he or she shall not for a period of two (2) years immediately following the termination of employment under this agreement, for any reason whatsoever, perform professional services for any patients within five (5) miles of the Employer's office.

Nor during the same two (2) year period following employment termination shall the Employee solicit to perform professional services for patients formerly seen by Employee while employed under this Agreement, regardless of where said patients may reside.

If any court shall determine that the duration or geographical limits of any restriction contained in this paragraph are unenforceable, it is the intention of the parties that the restrictive covenant set forth herein shall not thereby be terminated, but shall be deemed amended to the extent required to render it valid and enforceable, such amendment to apply only with respect to the operation of this paragraph in the jurisdiction of the court which has made such adjudication.

Employee acknowledges that the restrictions contained in paragraph 3.15 of this Agreement are reasonable and necessary protection of the legitimate interests of Employer, and any violation of them would cause substantial injury to Employer, and that Employer would not have entered into this agreement with Employee without receiving the additional consideration of Employee's binding him/herself to said restrictions. In the event of any violation of the said restrictions, Employer shall be entitled in addition to any other remedy, to preliminary and permanent injunctive relief without the necessity of proving actual damages.

The above Non-Competition terms will not be enforced if Employee is terminated by the Employer without cause.

4. Term and Termination

4.1 **Term.** This Agreement shall commence as of the date hereof, and shall continue for' a period of one (1) year unless sooner terminated pursuant to this Agreement. Thereafter, this Agreement shall be automatically renewed for succeeding terms of one (1) year unless either party shall, at least sixty (60) days prior to the expiration of any term, gives written notice of their intention not to renew this Agreement.

4.2 **Termination.** This Agreement shall be terminated upon the happening of any of the following:

(a) Whenever Employee shall not be duly licensed or otherwise legally authorized to practice medicine in the District of Columbia and/or the State of Maryland;

(b) Death of the Employee or the determination by either the Board of Directors of Employer or the Courts, of the incompetence of Employee;

(c) Termination of Employer's medical group practice;

(d) At any time when there is not medical malpractice insurance in full force and effect with respect to Employee.

(e) At Employer's option, if Employee shall be disabled for one hundred and eighty (180) days or more, provided that such option shall be exercised in writing, delivered to the Employee, and shall be effective on delivery;

(f) The suspension, expulsion or any other disciplinary action finally taken by the District of Columbia, and/or Maryland Board of Medical Examiners or equivalent regulatory body.

(g) At the Employer's option, if Employee failed to obtain or continue to maintain privileges on at least two of the medical staffs of the designated Hospitals;

(h) Employee bills third party payors or accepts funds from either patients or third party payors for Employee's own use. Employee's failure to rectify a breach of any material term which is not specifically enumerated in paragraph 4.2 hereof, within thirty (30) days after written notice thereof from Employer.

(i) Conviction of a felony crime.

(j) Other actions determined by a neutral arbitrator to endanger the professional standing of the practice.

(k) Notwithstanding any of the provisions of this Agreement, upon ninety (90) days prior written notice by either Employee or Employer to the other.

4.3 **Reimbursement of Monies Following Termination**. Employee will not be responsible to reimburse the Employer for any monies previously given or spent on Employee's fringe benefits, after termination has occurred.

5. General Provisions

5.1 **Notice.** Any notice required to be given pursuant to this Agreement shall be in writing and shall be sent by registered or certified mail, return receipt requested, postage prepaid, to the addresses set forth herein. Either party may, by notice given as aforesaid, change their address for all subsequent notices, except that neither party may require notices be sent to more than two addresses. Notices shall be deemed given when mailed in the manner provided in Section 5.1 hereof.

5.2 **Severability.** Should one or more of the provisions contained in this Agreement for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement. Such invalid, illegal or unenforceable provision shall, to the extent permitted by law, be deemed amended and given such interpretation as to achieve the intent of this Agreement.

5.3 **Waiver**. Any party hereto may waive any right under this waiver Agreement without invalidating the Agreement or waiving any other rights hereunder.

5.4 **Captions**. The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

5.5 **Non-Assignability**. This Agreement for personal services shall not be assignable, except to the parties hereto.

5.6 **Arbitration of Claims**. The parties agree that any claim arising from an alleged violation of this Agreement that is not resolved by the parties within ten (10) days of notice of violation shall be submitted to binding arbitration. If alleged violation is not resolved, each party shall designate an arbitrator and notify the other of that designation within twenty (20) calendar days after the notice of violation. At one time of such designation, each party shall deposit one hundred dollars ($150) in a special account at a mutually agreed upon bank, to be applied to the expenses of arbitration and to the fees of the neutral arbitrator who shall be someone selected by the two (2) arbitrators appointed by the Employer and Employee Expenses of arbitration shall be those approved by the neutral arbitrator. Fees and expenses of arbitration beyond this initial two hundred dollar ($300) deposit shall be paid or provided for by the parties on demand of the neutral arbitrator, one-half (l/2) by Employer and the-half (l/2) by Employee, except that if the arbitrators award one party damages in excess of the highest written settlement offer submitted by the other party prior to the hearing, then the awarded party shall recover, in addition to the damage award, all arbitration fees and expenses he/she has paid.

5.7 **Governing Law**. This Agreement shall be interpreted in the laws of the District of Columbia.

5.8 **Entire Agreement**. This Agreement, and any attachments incorporated herein, constitute the entire Agreement between Employer and Employee with respect to the subject matter hereof and supersede all prior offers and negotiations, oral and written. This Agreement may not be amended or modified in any respect whatsoever, except by an instrument in writing signed by Employer and Employee.

INTENDING TO BE BOUND, the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

By: _____
Address: _____

By: _____
Address: _____

Self-Assessment Tool

How would you like to practice? (Designate first choice, second choice, etc.)

Single Specialty Group
Multi-Specialty Group
Hospitalist Group
Hospital Employee
Partnership
HMO
Solo Practice
Association
Government Agency
Academic Institution
Locum tenens
Other (urgent care, outpatient, student health center, etc.)

Ideal practice size:_____ Acceptable practice size:_____

Working Hours: _____ Less than 40 hrs/wk
_____ 40-48 hrs/wk
_____ 48-56 hrs/wk
_____ More than 56 hrs/wk

Professional/Practice Components (What percent of time would you like to assign to each of the following activities in position?)

_____ % Patient Care
_____ % Administration / Management
_____ % Research
_____ % Teaching
_____ % Publications
_____ % Speaking
_____ % Other
100 % Total

Compensation (What general level do you expect in your first practice?)
_____ $50,000 - $75,000
_____ $75,000 - $100,000
_____ $100,000 - $125,000
_____ $125,000 - $150,000
_____ $150,000 - $175,000
_____ $175,000 - $200,000
_____ $200,000 - $225,000
_____ Over $225,000

Strengths, Skills, Opportunities, and Threats to Career Growth

Strengths (List top three strengths that you possess.)
1. _____
2. _____
3. _____

Skills (List top three skills that you enjoy using and that produce high performance.)

1. _____
2. _____
3. _____

(List three skills you have and can perform well, but do not particularly enjoy. Next to each, list the aspect that makes them less desirable. For example, good attention to administrative details – not particularly challenging or creative.)

1. _____
2. _____
3. _____

Opportunities (List top three activities / skills you enjoy doing, but where you could improve your performance.)

1. _____
2. _____
3. _____

(List three activities that you do not do well, but are interested in improving, e.g., management responsibilities or learning about different types of managed care systems and plans.)

1. _____
2. _____
3. _____

Threats to Career Growth (List three activities that you do not do well and do not value their importance, although others have indicated they are important. Next to each list why others consider them to be important, e.g., computer programs – managing the business side of a practice and technology importance in the coming years.)

1. _____
2. _____
3. _____

Opportunity Assessment Tool

Professional Considerations (For each opportunity rank the following as good, fair, or poor)

Opportunities for your specialty
Hospital privileges (opportunities for first choice hospital)
Ancillary services available
Office space and location
Practice colleagues' reputation
Local and state medical associations
Community size (patients, employers in the area)
Referral sources
Types of insurers
Career advancement opportunities

Personal Considerations

Climate
Geographic location
Size of community or its economy base
Family / relatives proximity
Housing / cost of living
Crime rate
Recreational opportunities
Culture
Transportation systems
Children's education
Other family considerations

Market Conditions

Who are the major players?
How is the market affecting practices?
What is the market capacity for your credentials?
Who is the competition?

How will I feel about practicing medicine here?

Physician Compensation And Benefits Worksheet

What is base pay?	$	Does it meet your range?	☐ Yes	☐ No
If not at the high end of your range, what are compensating factors?				
If it is at the high end of your range, are there expenses you will assume, e.g., healthcare coverage, parking, and professional dues?				

Is there a signing bonus?	☐ Yes	☐ No	Is there an annual bonus?	☐ Yes	☐ No

How is annual bonus determined?

When is it paid?

What is the partnership potential?

May you accept other income from speaking engagements, authorships, etc.? Yes ☐ No ☐

Which Sources?

Is there a restrictive covenant? Yes ☐ No ☐

Length of time?
Geographic area?

What benefits are included?	Yes	No
Health Insurance		
Policy/Company _____		
Coverage (single/family) _____		
Cost per month $_____		
Out-of-pocket max. $_____		
Life Insurance		
Policy/Company _____		
Face Value _____		
Optional for dependents?		
Dental Insurance		
Policy/Company _____		
Coverage (single/family) _____		
Cost per month $_____		
Short term Disability		
Benefit begin _____		
% Of Pay _____		
Continues for (# days or weeks)		
Long-term Disability		
Benefit begins _____		
% of Pay _____		
Continues for (# days or weeks)		

	YES	NO
% Of Pay		
Continues for (# days or weeks)		
Pension Plan		
Defined benefit Company match _____		
Defined Contribution Company match _____		
Vesting schedule # of years to 100%		
What benefits are included?		
401 (k) or other Retirement Savings		
Vesting schedule: # of years to 100% _____		
Company match: Percentage?		
Profit Sharing		
Payment of Student Loans		
Percentage or Dollar Amount		
Professional Dues and Licensing		
List Organizations and Dues: _____		
_____		
CME Allowance		
Auto Allowance		
Cell Phone Expenses		
Malpractice Insurance		
Policy		
Occurrence/Claims Made _____		
Coverage Limitations _____	Yes	No
$ _____ Individual		
$ _____ Aggregate Annual Premium $_____		
Tail Coverage		
Previous Carrier		

Non-financial benefits:		
Vacation Pay in Days _____# of days		
Sick Pay in Days _____# of days		
CME/Prof. Dev. Days _____# of days		
Family Leave _____# of days		
Office Physical Environment		
Attractive		
Adequate for Service		
More than Adequate		
Practice Culture		
Share your values: Quality? _____ Integrity? _____ Cooperation? _____		
Relations with Other Physicians - _____Easy _____ Challenging _____ Difficult		
Relations with Staff - _____Easy _____ Challenging _____Difficult		
Relationship with Admitting Hospitals		
Which Ones? _____		

Timetable Prior to Practice Entry

12 – 16 months prior to practice

1. Evaluate your professional and economic needs and desires (location, climate, practice type, desired salary, etc.)
2. Begin contacting personal sources (mentors at you residency, physicians in the community, etc.) for information about upcoming practice opportunities
3. Obtain demographic information on population, economic, employment, and health plan trends in areas where you might wish to locate.
4. Utilize leads and assistance provided by recruitment websites, hospitals, state medical associations, specialty societies, and recruiting firms to begin sending resumes and applying for specific employment opportunities – concentrating on your preferred geographic areas.

6 – 10 months prior to practice

1. Select one or more preferred areas where you would like to practice and begin the interviewing process, if you have not already done so.
2. When interviewing, make sure all you questions are answered, especially issues such as salary, productivity or profit sharing, partnership duties, fringe benefits, and work procedures.
3. Obtain information about the area's average income for your specialty, partnership arrangement trends, and opportunities available. State medical societies can help you obtain this information.
4. Evaluate area real estate and quality of life factors, especially if you would be moving to a new community.
5. When an offer is made, carefully review and negotiate the employment contract provisions, with the assistance of a knowledgeable health care attorney.
6. After accepting a position, inform the State Licensing Board of any proposed address change.
7. Obtain narcotics license from the Department of Justice Drug Enforcement Agency.
8. Apply for hospital staff privileges. Attend a grand rounds at the local hospital.
9. Make sure that the practice has taken the formal stems needed to add you to their provider agreements with local health plans.
10. If moving to a new community, begin the search for a home and the community support arrangements your family will need for a smooth transition (schools, professional services, religious, and other relationships.)

3 months prior to practice

1. As appropriate, purchase or rent a home and complete all moving arrangements.
2. Resolve any last minute questions or ambiguities regarding your employment and role in the practice you will join
3. Confirm that the practice has secured professional liability insurance for you, or obtain it yourself if not offered by the practice you are joining.
4. Confirm that you have been added to all of the practice's provider agreements with health plans.
5. Meet physicians who are potential referral partners. Meet with social agencies and determine if local medical society and / or hospitals will announce your availability.