

Understanding the Physician Job Search, Contracts and Compensation

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Plan for the day:

- Start to understand the recruitment process and timeline
- Learn how to prepare and be prepared for your job search
- Review contract provisions
- Take an in depth look at compensation and benefit plans
- Learn how to negotiate and ask difficult questions

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Recruitment Timeline

- Search preparation – 18 to 24 months before available (at least)
- Explore opportunities – 15 to 18 months before available (at least)
- Conduct site visits – 12 to 15 months before available (at least)
- Sign contract – 3 to 12 months before available (at least)
- Practice start up – 3 to 6 months before start up

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Search Preparation

- **Prepare CV**
 - Academic vs. Clinical
 - Length
 - Reverse chronological order – no gaps
 - Basic components: Residency/Fellowship, Education, Experience, Personal
 - DO NOT put References Available Upon Request
 - DO NOT get Recommendation Letters
 - Special Circumstances – husband/wife team, off-cycle, short term job need

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Search Preparation

- **Prepare Reference Page**
 - Same look as CV
 - List 4 or 5
 - Include: Director/preceptor, rotations of special interest, advanced practice providers, hospital staff

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Search Preparation

- **Prepare Cover Letter**
 - Always personalize
 - Content – format – use meaningful words
 - Why
 - Education and qualifications
 - Interest and availability
 - Personal
- **Conduct personal assessment**
 - Include spouse/significant other
 - Needs vs. wants
 - Setting your timeline

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Explore opportunities

- Resources
 - In-house physician recruiters
 - Out house physician recruiters
 - Hospital websites
 - Online job boards
 - ACEMAPP Careers – www.acemapp.org/c/careers
 - Practice Link – www.practicelink.com
 - National Rural Recruitment and Retention Network – www.3rnet.org
 - State specialty organizations
 - National specialty organizations

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Conduct Site Visits

- Expect to be wanted but understand this is a two way interview.
- Only do visits for opportunities you are seriously considering.
- Schedule site visits relatively close in time for comparison reasons.
- Think about a second visit for your top choice or two.
- What do you need to know about an opportunity to make an informed decision? A lot!
- Etiquette and Professionalism

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Recruitment Process

- Initial contact and screening
- Interest shared internally
- Invitation for site visit
- Feedback, references and follow up
- Introduction of contract
- Invitation for second visit
- Contract negotiations and finalization
- Getting ready to practice

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Types of arrangements

- Private Practice
- Employed by hospital, health system, academic center, large group practice, private practice
- Employed by private practice with recruitment assistance from hospital
- Employed by practice with potential for partnership

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Employment Contracts

- Offer Letter
- “Uniform language” usually means not negotiable
- Review and ask all questions at once
- Do not email to make requests....better to talk with someone.
- Ultimately need to make sure what they told you is in writing, what they are offering you is “fair”, that you understand the risks and find that it is acceptable to you.

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Employment Contracts

- Standard provisions:
 - Duties – Obligations of Doctor
 - Representation and Warranties
 - Applicable law and jurisdiction
 - Confidentiality
 - Severability
 - Assignment/Non-transferability
 - Waiver of Breach
 - Amendments
 - Notices

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Employment Contracts

- Risky provisions involve:
 - Termination
 - Non compete restrictions
 - Malpractice
 - Variable Income
 - Repayment provisions

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Employment Contracts

- Term
 - Termination
 - Mutual
 - With Cause
 - Without Cause
- Non-Compete/Covenant Not to Compete
 - Time and distance
 - From where
 - When does it apply
 - Liquidated damages

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Employment Contracts

- Malpractice (Professional Liability Insurance)
 - Occurrence based
 - Claims made (tail)
 - Modified claims made

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Employment Contracts

- Benefits – usually defers to standard plan or Exhibit – when do they go into effect (is there a gap), what is the cost to you? What is the coverage?
 - Health, dental, vision
 - Family/single, plan coverage, premium, effective date
 - Short term and long term disability
 - Maternity leave
 - Do you need supplemental?
 - Life Insurance
 - Do you need supplemental?

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Employment Contracts

- Paid Time Off
 - Use it or lose it
- CME
 - What does it cover? Conferences, licenses, ...
- Retirement
 - Defined pension plan
 - 403(b) – 401(k)
 - Match?
 - 457

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Recruitment Incentives

- Signing/commencement bonus – retention bonus
- Relocation
- Loan Repayment
- Educational stipend

Things to consider: When will you get the money?
When will it be taxed? What are the strings attached (time commitment), What are the repayment terms?

Remember: These are part of total compensation!

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Compensation basics

- **Guaranteed Base Salary**
 - How much – how long?
- **Are there incentives while on guarantee?**
 - Productivity
 - Non-productivity
- **What happens after guarantee?**
 - It gets complicated!
 - What is the model? What is at risk?
 - Is it likely that you can maintain guarantee?
 - What is your earning potential?

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MGMA - 2018 Report 2017 Data

Specialty	TC 25th	TC Median	wRVU 25th	wRVU Median
Cardiology	377,500	479,882	5821	7683
FM – amb	200,025	233,512	3778	4707
FM – Hosp	221,000	293,383	3489	4560
Gen. Surg.	336,896	415,146	4820	6569
IM – Hosp.	251,646	289,138	3077	4147
IM – amb	207,588	250,964	3587	4600
ENT	358,786	452,450	5308	6917
Ob/GYN	262,952	322,900	4956	6493
Ortho	477,646	597,646	5960	8184
Psych	218,547	264,603	2454	3735

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Compensation

- **A time of transition with a foot in two camps**
 - **Fee For Service**
 - The more we do, the more we get paid
 - Low accountability for outcomes
 - **Pay for Performance – Value Based Reimbursement**
 - At risk for managing cost, managing chronic conditions and health outcomes
 - Coordinated model of care
 - Information driven

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Total Compensation

- **Historically**
 - Based solely on production
- **Current**
 - Production – 85-90%
 - Quality/Other – 10-15%
- **Future (maybe 8-10 years from now)**
 - Production – 50%
 - Quality/Other – 50%

*will vary based on primary care vs. specialty care vs. coverage-based care

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Productivity Compensation

- Usually drives 80-90% of total compensation and earning ability
- Models based on:
 - Net Income (private practice model)
 - wRVU*

* burden on employer to maximize reimbursement because these do not equal reimbursement

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Sample of CPT wRVU

99201	.48	99215	2.11	99391	1.37
99202	.93	99381	1.50	99392	1.50
99203	1.42	99382	1.60	99393	1.50
99204	2.43	99383	1.70	99394	1.70
99205	3.17	99384	2.00	99395	1.75
99212	.48	99385	1.92	99396	1.90
99213	.97	99386	2.33	99397	2.00
99214	1.50	99387	2.50		

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Non-productivity compensation

- Quality
- Patient satisfaction
- Citizenship – lead and participate at meetings
- Panel size
- Timely chart closure, coding compliance
- Provider or organizational profitability
- Meaningful use, PCMH
- Length of stay, readmission rates
- HECIS, HCAPS, PQRS

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Non-productivity compensation

- What percentage of your total comp is it?
 - Enough to incentivize you to care to achieve!
- Is it individual or group based?
- How does your payor mix impact your ability to earn?
- How can you impact your ability to earn?

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Compensation

- What do you need to find out to determine your ability to maintain your salary and reach your desired salary?
 - Understand the importance, act interested, plead ignorance - ask for an example
 - Find out if the other physicians are making incentives. If so, when did they start earning.
 - Find out details – average charge per patient, coding index, when are the fee schedules and conversion factors updated, how is quality measured and tracked
 - Look at (study) monthly reports, meet with administrators, ask for help

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Compensation

- Find out what your employer is doing to support providers
 - Implementing infrastructure to collect and report data
 - Adding human resources
 - Quality incentive managers
 - Population Health and Safety

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Advance Practice Providers

- Nurse Practitioners, Physician Assistants, Certified Nurse Midwives
- What is their role in the practice?
- How are they paid?
- Are you paid to supervise/collaborate? What is your responsibility?

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Negotiation Tips:

- What to do/say:
 - Flatter them first
 - Tell them what you understand
 - Ask open ended questions
 - Plead ignorance
 - Share what you are struggling with

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Negotiation Tips:

- **What not to do/say:**
 - Don't wear them out
 - Don't risk losing an offer for a job you really want or getting off on the wrong foot
 - Don't tell them exactly what your other offers are
 - Don't use the word deal breaker unless you mean it

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Thank You!
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