Considerations for Negotiating with a Potential Employer

Compensation/Benefits

☐ What Insurance is provided?
  o Example: Health insurance for physician and family, life insurance, disability insurance, professional liability insurance

☐ Pension benefits, 401(k) plan (assumed eligible after one year)
  o What is the matching formula?
  o Are there profit-sharing contributions? If so, what is the history of profit-sharing contributions to employees each year?

☐ What are the time off benefits?
  o Example: Vacation, meeting time off, sick time or other

☐ What are the compensation expectations?
  o Is it based on production?
  o What is the target for production the first year? Subsequent years?
  o What is projected bonus compensation?

☐ If applicable, how are sign-on bonuses distributed?
  o When are they distributed?
  o What is the service obligation?
  o Is it truly a no-strings bonus or is it technically a “loan?” If a loan, what is the interest rate?

☐ How frequently are contracts renegotiated?

☐ Know the difference between restrictive covenants/non-compete clauses:
  o The general law regarding restrictive covenants is that they must be reasonable in their time (the duration of the restriction), in their scope (exactly what you are prohibited from doing), and in their place (the geographic area in which you are restricted).

Reimbursements

☐ Are you reimbursed for meeting expenses for registration, hotel, travel, etc.?

☐ Are you reimbursed for state medical licenses, dues, DEA license renewal?
  o Are those fees reimbursed up front after signing or do you have to wait until employment actually begins?

☐ Are moving/relocation expenses reimbursed?

☐ Is there student loan repayment?
  o Will the institution qualify for the public service loan forgiveness program should the physician desire to participate in that?
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▪ Note: some groups, even non-academic, will qualify at face value but the actual physician groups that contract with them (which technically employ the physician) will be for-profit and will therefore not qualify for loan forgiveness.

□ What is the amount of CME reimbursement? MOC reimbursement?
  o How much CME time will you get?
  o Is there a roll-over of unused time from year to year?
□ Understand the difference between advance vs guarantee:
  o Advance – similar to a loan that you will pay back over time
  o Guarantee – a specific amount you are guaranteed to be paid no matter what

Office – Staffing

□ What are the dedicated support staff you will be able to utilize?
  o Example: nurse or medical assistant to function as scribe and general support with history, documentation, surgical assisting etc.
□ Are there adequate billing and collection staff?
□ What is the requirement for oversight of extenders, NP or PAs?
□ What has been the turnover among front office staff, nurses, medical assistants, and professional providers?

Office – Equipment/Space

□ Is an Electronic Health Record used? If so, is it with PCs, iPads or both?
□ What is the number of dedicated exam rooms available when seeing patients?
  o Are those rooms suitable for excision surgery procedures with surgical lighting, power exam/procedure tables, electrosurgical equipment?
□ What other equipment is available for use?
  o Example: excimer laser, PDT light, UVB light, vascular lesion laser, dermatoscope, microscope?

Clinic/Scheduling

□ What is the anticipated time to having a full patient schedule?
□ Is there an on call schedule and/or a hospital consultation requirement?
□ Is there a call center available during non-office hours or do you need to be available to your patients 24/7?
□ Is there a Dermatopathology lab on site?
  o If not, where are dermatopathology specimens sent?
□ Is there a Mohs surgery department on site?
□ Is there an Advanced Skin Center (ASC) and if so, how can you invest in it?
□ If you want to do cosmetics or surgery, will you be expected to send your procedures to other more senior practice members?
□ Inquire about 'hidden work' beyond the clinical, patient face-to-face workload:
  o Example: secure message burdens, refill requests, prior authorizations, etc.
□ How much flexibility will there be to adjust your clinic schedule once you start?
  o Example: if you start at 5 days per week and sign your contract as such, how easy will it be to decrease your clinical workload to 4 days per week? Are there contingencies on this?
□ Are there requirements for Teledermatology?
  o If so, what are they? Can you work from home with this or is it required that you be physically in the office, even for teledermatology?

General/Business

□ Clarify your expected work schedule.
  o Example: days of the week, number hours per week, number of patients expected to be seen per day
□ Verify there is transparency of data on production and collections.
  o Are monthly reports and cumulative YTD reports including right-off percentage shared?
□ Verify there is transparency of data regarding expenses, overhead structure, etc.
□ What is the path to partnership or shareholder status (specific steps)?
  o Is there a buy-in requirement and if so, how is that calculated?
    ▪ What is the expected total buy-in price to be?
  o Timing to shareholder status?
    ▪ Do you have a minimum guarantee of salary?
    ▪ How many years will it take to reach parity with the senior owner physicians?
□ What is reimbursement rate of major private carriers as a percent of Medicare?
□ What is the marketing plan to build your new practice or is there a budget for one?
□ How much will you be billed for consumables?
□ Should you have any independent business pursuits on the side, does the practice/business have a claim to any of that? Verify it is solely yours.
  o Example: entertainment, investments/stocks, an invention, blogging, other proprietary developments, writing/a book.
□ Does the practice/organization restrict, or encourage, your involvement in outside efforts?
  o Example: volunteerism, organized medicine, or other professional organizations?
□ How can your business relationship be terminated?
  o Is it by either party?