

# Physician Contracts

## What it is. What it's not.

- A contract is a legally binding agreement that defines the working relationship between parties with mutually agreed upon duties, rights and responsibilities.
- A contract is not a handshake, a letter of intent, a promise, an understanding, or what someone says or thought.
- Contracts are difficult to understand; obtain the services of an attorney who specializes in health care.
- The contract is drawn up by the institution or practice.
- Statements like "may," "to the extent possible," and "under certain circumstances" are not guarantees.
- **If it's not written in the contract, it doesn't exist.**

## First things first.

- Read it. The whole thing. Yourself.
- Understand it. Ask for clarification if you need it.
- Get another opinion from a health care attorney.
- Considering more than one opportunity gives you options.

## Basic contracts. Contract basics.

- Guarantee: "financial support" for a specific time in exchange for a promise to stay in the community with full-time practice of medicine for an additional period of time.
- Employment: salary or production agreement that typically includes benefits, set work hours and bonus compensation.
- Contracts generally include or address:
  - Compensation
  - Termination provisions
  - Buy-in
  - Vacation/holidays
  - CME
  - Restrictive covenant
  - Term of the contract
  - Bonus structure
  - Benefits
  - Call schedule
  - Health insurance
  - Malpractice

## More about malpractice.

Occurrence: Incidents arising in the coverage period, regardless of when those claims are reported

Claims made: Incidents arising on or after the policy's retroactive (start) date and which are reported during the term of the policy

Tail coverage: Incidents that have not been reported during the term of the claims made policy

Documentation and communication in all of your processes are critical in avoiding malpractice.

## Compensation – consider the total package.

- Commencement bonus
- Student loan repayment
- Relocation
- Salary
- Location
- Sign-on bonus
- Training stipend
- Marketing assistance
- Benefits
- Personal expectations

## Helpful Sites

[www.mgma.com](http://www.mgma.com) (Medical Group Management Association also can be reached at 877.275.6462 ext. 1895.)

[www.city-data.com](http://www.city-data.com)

[www.bestplaces.com](http://www.bestplaces.com)

[www.hpsfind.hrsa.gov](http://www.hpsfind.hrsa.gov)

[www.visalaw.com/IMG/resources.html](http://www.visalaw.com/IMG/resources.html)

## Negotiation is part of the process.

- Do your homework.
- Develop your own yardstick; be realistic.
- Don't be afraid to ask questions.
- Listen to what is spoken and what is unspoken.
- Strong, established practices can be less flexible.

## Communication is key.

After you receive the final offer, take no more than 7 to 10 days to respond to the organization.

## Find opportunities.

Contact the hospital directly or visit these sites:  
Community Health Systems: [www.chsmedcareers.com](http://www.chsmedcareers.com)  
Practice Link: [www.practicelink.com](http://www.practicelink.com)  
Practice Match: [www.practicematch.com](http://www.practicematch.com)  
Adventures in Medicine: [www.adventuresinmedicine.net](http://www.adventuresinmedicine.net)  
Practice Alert: [www.practicealert.com](http://www.practicealert.com)  
CareerMD: [www.careermd.com](http://www.careermd.com)

 **CHS** Community Health Systems

[www.chsmedcareers.com](http://www.chsmedcareers.com)