

Must Ask Questions When Considering Hospital Employment

Ask Yourself or Others

1. Why do you want to sell your practice?
2. Why do you want to be an employed physician?
3. What are your professional, personal and financial goals?
4. Where are you in your career?
5. Why does/would the hospital want to employ you?
6. What is the reputation of the hospital?
7. What is the culture of the hospital? (the CEO, staff, etc)
8. Where is the hospital located? How many locations?

Ask Hospital Administration

9. What strategic objective is the hospital trying to achieve? What is their motivation?
10. How much experience/history does the hospital have with buying practices and employing physicians?
11. How many practices has the hospital bought or are considering buying?
12. What other physician specialties are employed?
13. What are the local/regional economics?
14. How profitable is the hospital?
15. What is the growth pattern of the hospital?
16. How much physician and support staff turnover has there been?
17. Ask to meet with other employed physicians and ask:
 - a. How long they have been at the hospital?
 - b. What are the patients like?
 - c. How physician extenders are used?
 - d. How often the physicians are on call?
 - e. What is the typical volume of work?
18. What is the supervisory chain of command? Every organization should have a definitive outline of its supervisory chain of command. The physician, as an employee, must understand his or her subordinated management role to a supervisor and must adhere to specific policies and procedures.

CONTRACTS: FIRST EMPLOYMENT CONTRACT

Remember! The employment agreement is **not** a lifetime contract

Contract Terms

19. What is the term/duration of the employment contract (i.e., the number of years it will run)?
20. What are the conditions for contract renewal?

21. Who is the employer? The hospital, health system, subsidiary of the hospital or holding company parent, or stand alone practice entity such as a “friendly” or “captive” PC)?
22. How and whom makes the decisions regarding the terms of contract renewal?
23. How and when can the contract be terminated? What are the terminations clauses?
24. Under what circumstances can the physician be terminated, how is the decision made and by whom?

(Excerpt from a Todd Rodriguez article)

Hospitals and health systems employ physicians through a variety of methods including directly through the hospital itself, through a (usually nonprofit) subsidiary of the hospital or its holding company parent, or through a stand-alone practice entity owned and controlled nominally by a physician-insider of the health system (a so-called “friendly” or “captive” PC). These subsidiaries and affiliated entities may include employed physicians on their governing boards, but are not required to do so. Some health systems employ all their physicians through the same corporate entity while others set up or acquire separate entities for each specialty or even for individual physicians. The determination of exactly who is the “employer” and how that employer makes termination decisions is critical. It may be possible to negotiate terms under which a physician may not be terminated except with a majority or supermajority vote of the physician representatives on the governing board, or to develop other protections against arbitrary action by the administration. The success of such negotiations will be driven by traditional bargaining power considerations and the relative flexibility of the hospital. Smaller community hospitals are likely to be more willing to offer concessions to secure desired physician practices.

25. Who is my supervisor?
26. Are there limitations on outside activities (continuing education, volunteer work, research, testing, consulting, etc)
27. Does the contractual arrangement include any restrictive covenants, such as non-competes or non-solicitation clauses (of employees, patients or referral sources) that could affect the physician’s ability to practice in the event of future employment termination?
28. With what third-party payers is the employer credentialed? Beware that credentials with specific commercial plans, HMOs and PPOs and even with Medicare and Medicaid are not necessarily transferrable.
29. What is the employer’s policy regarding the hiring of family members?
30. Does the employer use an electronic health record system? How would I integrate my current system into the new system?
31. How would my paper charts and other records be stored? What would happen to my paper charts if the employer uses an electronic health record system?
32. Who owns the EMR data of the patients in my present practice if I leave employment or I am terminated?

33. Would outside employment be allowed as long as it doesn't conflict with normal work hours?
34. Would accommodations and resources be provided for the additional costs of being a credentialed patient-centered medical home?
35. How much would I be compensated for supplies, furniture and equipment?
36. What is the physician's responsibility for practice development?
37. What are the terms of the arbitration process?
38. What are the terms for "unwinding" the deal?

Responsibilities & Compensation

39. Ask for a copy of the Medical Staff Bylaws
40. What regular practice hours would I be expected to maintain?
41. What would the duties be, including non-patient care duties?
42. What are the practice control obligations?
43. When would the physician be expected to take call and what would that involve?
44. How are on-call duties determined and assigned?
45. Are there limitations or restrictions regarding privileges at the hospital or another hospitals?
46. How are patients assigned?
47. Would I see patients by appointment or on a walk-in basis? How would emergent cases be handled?
48. How many patients per day would be needed?
49. Would I be expected to manage hospitalized patients and, if so, how would I be compensated? Would I receive a payment above the base salary?
50. When I am away from the office, would adequate quality coverage be provided?
51. Would I be able to incorporate my special skills and certifications into the practice, and would I be compensated above my base salary for doing so?
52. What is the compensation structure?
53. How is it calculated and reported?
54. What is the review process if errors are present in hospital calculations?
55. What are the terms of payment?
56. What is the annual base salary, or would I be compensated on an hourly basis?
57. What are the provisions for salary increases?
58. If pay is based partly on productivity, how is it measured?
59. Would I receive a bonus and, if so, how would it be determined?
60. How will I be evaluated?
61. Who will evaluate me?
62. Is after-hours work compensated?
63. Would I be expected to put in weekend hours and, if so, would my time be compensated?
64. Who would be responsible for hiring and firing employees that support my patient care activities?
65. How would my current employees be handled?
66. Would they retain their seniority?

67. Who would be responsible for billing patient encounters? (Note: in-house billing allows for closer supervision)
68. If an outside billing service is used, does it have experience with submissions for special incentives and bonuses?

Employment Benefits

69. What health insurance options are available for me and my family?
70. Are dental and vision benefits be provided?
71. Are my medical liability insurance premiums paid for by the hospital/employer?
(Tail coverage is normally the physician's responsibility)
72. How much paid vacation time would I receive and would this increase over time?
73. Does the employer offer a profit-sharing plan and retirement benefits?
74. To what extent are my continuing medical education expenses be covered?
75. Beyond CME, would I be able to take time off to attend professional meetings, functions and advocacy events?
76. Would I be compensated during such absences and reimbursed for my travel expenses?
77. Would the employer pay my dues to national, state and county professional associations?
78. Would the employer pay my hospital staff dues? If the employer is a hospital, would it pay my staff dues for a second hospital?