My best contract ever!
Preparation

Bottom line

Must halves

Walk away points

Sword issues
PREPARATION

• It is far easier to negotiate up front when they want you, then later when they have you
• Always negotiate knowing your bottom line
• Know what your “walk away” point is
• Have a list of the “must have” or “sword issues”
PREPARATION

• Develop a checklist of all the “things” you need to have in order to sign a contract

• Have a list of the “nice to have” or things you are willing to negotiate away in favor of the must haves

• If a prospective employer won’t pay for your interview, consider what this might mean down in the future
  – DO NOT GO TO THIS INTERVIEW
PREPARATION

• Investigate the local job market for salary and other information prior to negotiating

• Request an AAPA Salary Report
  – No cost to AAPA members
  – $120 to non-members
  – Latest data 2011 (2012 due Fall 2013)

• Ask local PAs about salary ranges and standard benefits
PREPARATION

• If you are seeking a job where you are doing a student rotation, attend the local PA dinners
• Contact the state PA representatives for additional information
• Speak with current/past employees
  – PAs
  – Physicians
  – Other staff
Preparation

- Research the practice
- Local medical society
- Consultants
- Patients
- Press releases
- Google
- Social Media
- State medical board
Preparation

• Preparing your CV/Resume
  – Review your relevant health care experience
  – Prior health care experience
    • Include in CV
  – No prior health care
    • Highlight management successes
    • Discuss relevant experience
    • Review team experiences
    • List appropriate PA school experiences
Preparation

• **Interviews**
  – Dress in business clothes
  – Shoes polished
  – No scrubs, tattoos, cleavage
  – Arrive on time or early
  – Bring copy of CV/Resume

• **Post Interview**
  – **ALWAYS** send a *handwritten* thank-you note
Preparation

• Interview
  – Physician supervisor listening & communication skills
  – What drives them, money or real need to serve
  – Does the practice’s expectations fit in with yours
  – Will you be mentored and allowed to mentor
Elements of a Basic Contract

• ALWAYS get a written contract or letter of agreement, specify term of contract
Elements of a Basic Contract

- ALWAYS get a written contract or letter of agreement, specify term of contract
- Have an attorney and/or accountant review contract
Elements of a Basic Contract

- ALWAYS get a written contract or letter of agreement, specify term of contract
- Have an attorney and/or accountant review contract
- Specific base salary that is falls within the local acceptable range
Elements of a Basic Contract

- ALWAYS get a written contract or letter of agreement, specify term of contract
- Have an attorney and/or accountant review contract
- Specific base salary that is falls within the local acceptable range
- Specific time for review and increase of salary
Elements of a Basic Contract

- Malpractice Insurance
  - Occurrence preferred
  - Claims made
  - If claims made, ask employer to provide a “tail”
  - Paid by employer
  - Named provider
    - specifies that all defense costs for you are covered by the policy

- Consider a “EmployeeGuardPlus”
Elements of a Basic Contract

• Vacation 20 days mean¹
• Sick leave 10 days mean¹
• Holiday time off specified, or appropriate compensation for holidays worked
• Paid time off for CME (minimum 5 days), not included in vacation
• Compensation for CME; specific dollar figure desirable (minimum $2000)

¹.http://www.aapa.org/Your_PA_Career/Interviewing_and_Contracts/Resource_Pages/Frankencontract.pdf
Elements of a Basic Contract

• Income from other sources
  – Restrictions
  – Who collects the income
• All relevant fees paid by employer
  – Licensure and subsequent renewals
  – All NCCPA fees
  – Hospital privilege and credentialing fees
• What happens if you fail PANCE
Elements of a Basic Contract

• Fees, cont.
  – NPI number
  – Managed care contract fees
  – All state and national dues

• State License
  – there a specific time frame to be able to obtain license and privileges
Elements of a Basic Contract

• Profit Sharing: Should be minimum 10% of PA generated collections over salary
  – Many other options

• What services are included in calculation of bonus
  – Labs
  – X-rays
  – Ultrasound
Elements of a Basic Contract

• 401k plan,
  – Time to full vesting
  – ? eligible age
  – Matching?
  – If so how much
  – What can you take with you when you leave

• PA named as a provider in all managed care contracts
Elements of a Basic Contract

• Paid vacation
  – minimum 2 weeks after first year
Elements of a Basic Contract

• Paid vacation
  – minimum 2 weeks after first year

• Specify when vacation will increase
Elements of a Basic Contract

• Paid vacation
  – minimum 2 weeks after first year
• Specify when vacation will increase
• Call responsibilities: spell out in detail
  – include pay for time on call and actual call-outs
  – How often
  – Phone vs. in person (practice pays for phone)
  – Solo or with physician
  – Night and weekend call
Elements of a Basic Contract
Elements of a Basic Contract

- Health Insurance
  - Beginning with employment?
  - Starting no later than 3 months after employment has begun
  - Provisions for family coverage
- Life and dental Insurance
- Disability
- Dental
Elements of a Basic Contract

- Support for PA professional activities i.e. state and national involvement
- Probationary Period
- Provisions for military reserve service if applicable
Elements of a Basic Contract

• ? right to work state
• Provisions for termination by either party; include
  – For cause
    • Spell it out
  – Without cause
    • Severance package
    • Unused vacation CME, notice period etc
• No compete clauses
• State laws regarding contracts
Elements of a Basic Contract

• Provisions for unexpected illness or disability of you or a family member
• Unpaid leave policy; i.e. FMLA
• Maternity policy
  – ? paid,
  – Bonus
  – Benefits
  – Job security
  – # days
Elements of a Basic Contract

• Specific job responsibilities
  – Office location(s)
  – Hours of work
  – # of Hospitals
  – Specific duties
  – Nursing homes
  – Assisted living facilities
Elements of a Basic Contract

• Moonlighting acceptable?
• Supervising physician knowledge of PA role
• Alternate supervisors, availability, knowledge of role, availability
• Prescribing Privileges
• Do you need PA coverage for vacation
Elements of a Basic Contract

- Availability of Physician
- How will your schedule be managed and by whom
- How many patients per hour
- What types of patients will you see
  - New
  - Medicare
  - Capitated
Elements of a Basic Contract

• Next review?
• When eligible for review
  – Salary increase
  – Additional time off
  – Name on sign, letterhead
  – Building
  – Introduction to community
    • Patients
    • Physicians and other providers
Elements of a basic contract

- Compensation formula
- Salary
- Salary plus bonus
  - Calculation method
  - When does bonus start
  - What are you benchmarks
  - Access to billing and collections
Elements of a basic contract

• Average Salary by Specialty
  – Family Adult Medicine $90,000
  – Emergency Medicine $112,000
  – Orthopaedics $105,000
  – Urgent Care $99,000
  – Dermatology $113,000

Elements of a basic contract

• Average Salary by Geographic Region
  – West $103,000
  – Mid West $95,000
  – Northeast $96,000
  – Southeast $99,000

Elements of a basic contract

- Who is responsible for coding
- Charting methods
  - Paper
  - Checklists
  - EHR
- Dedicated administrative and back office support staff
- Exam rooms
- Equipment supplied
INDEPENDENT CONTRACTOR?

• Independent Contractor Vs. Employee status
  – Difficult to qualify because of supervision

• Investigate IRS rules very carefully

• Work with an accountant

• Remember you will be responsible for ALL taxes

• Estimate about 1/3 of your salary for expenses, taxes etc.
Contract Options

• Reimbursement for ancillary certifications
  – BLS
  – ACLS
  – PALS

• Reimbursement for other licenses
  – Paramedic
  – RN
  – PT
Contract Options

- Disability Insurance
- Health Insurance for Family
- Opportunity for equity position or partnership in the future
- Car allowance or mileage paid by practice
- Compensation in tax free items i.e. CME, books Audiodigest, software
Art of Negotiation

- Do not take the first offer they give you
- Remember they are not hiring you because you are a nice person
- Value proposition
  - Generate income for the practice
  - Improve quality of life for the supervising physician(s)
  - Improve patient access
  - Patient satisfaction
Art of Negotiation

• Do not accept job offer the day it is made
• Make sure you take some time to be sure this is what you want
• If it seems to good to be true, it probably is!
• Include clause that you will have access to medical records if legal action brought against you after you leave
Follow Up

• Thank-you notes
  – Reinforce your strengths
  – Correct your errors
  – Add additional information why you are perfect for the job you omitted during interview
“If your résumé seems promising, you’ll get to talk to him.”
Resources

• Publications from AAPA web site
  • www.aapa.org
  • “Contacts and Contracts: An Employment Guide for Physician Assistants, AAPA
  • AAPA Issue briefs
EVERYTHING IS NEGOTIABLE

NEVER BE AFRAID TO SAY WHAT YOU FEEL
Take Away Message

- Know your bottom line before you begin your negotiations
- Everything is negotiable
- Always get contract or letter of agreement in writing
THANK-YOU

QUESTIONS ?