

MGMA physician employment contracting best practices

- Consult with an experienced healthcare attorney before executing a physician contract.
- Verify your contract contains the required or optional contract language and terms.
- Beware of vague contract terms and understand the significance of defined contract terms.
- Utilize data/surveys, benchmarks and experts to analyze the specifics of your geographic area as it relates to contracting with and hiring a physician.
- Consider Stark Law, Anti-Kickback Statute, False Claims Act, fair market value (FMV) and any other applicable state or federal laws when hiring a physician and determining his or her compensation.
- Consider making your best offer upfront to a physician to ensure you keep up with your competition and to prevent/reduce turnover.
- Utilize a pro forma to analyze the financial impact a new physician will have on your practice for the next one to three years.
- Utilize a physician onboarding startup checklist to ensure all necessary preparations have been made as it relates to hospital/payer credentialing, licensure, etc.
- Consider whether a base guarantee should be offered and for what period of time.
- Consider all quality or value-based care incentives in addition to productivity-based incentives.
- Verify your contracting strategy complies with your overall strategic goals.
- Ensure physicians aren't working without a contract and monitor contract renewals.
- Make the contracting process as smooth and timely as possible with clear timelines.
- Make sure candidates are familiar with your organization's culture prior to them executing their contract and joining the team.
- Consider any and all outside (additional income) activities.