

Negotiate Your Best Offer: Contract Strategies for Physicians at Any Career Stage

Physician Employment Contract Negotiation



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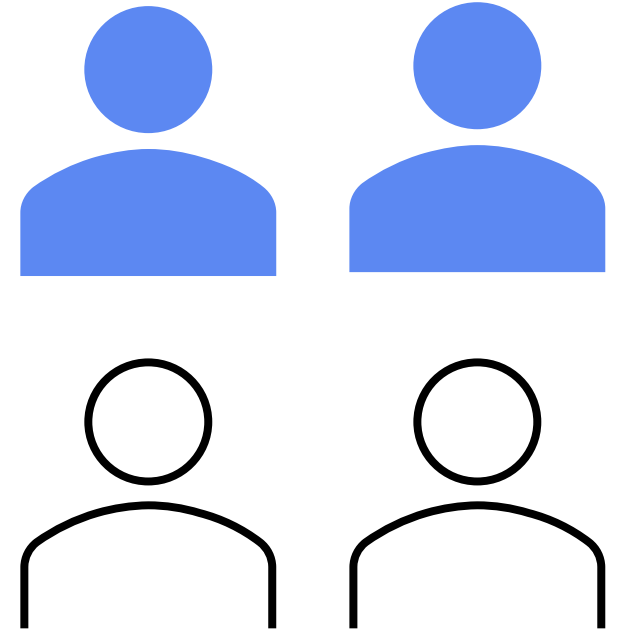
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**Nearly half of physicians
will leave their first job
within two years**



Source: American Medical Association, <https://www.ama-assn.org/medical-residents/transition-resident-attending/what-ive-learned-lawyer-reviewing-physician>

Topics in This Session

**Negotiation
Preparation**

**Evaluating Your
Contract**

**Negotiation
Strategies and
Tactics**

**Red Flags and
When to Walk
Away**

**When and Why
to Involve an
Attorney**



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Types of Employment Contracts

Employed

Traditional employer-employee relationship

Partnership

Ownership stake in the practice

Academic

University or teaching hospital positions

Locum Tenens

Temporary or contract positions

Negotiation Preparation

Assessing Your Market Value and Leverage



Review salary surveys and regional benchmarks



Build your negotiation team (attorney, mentor, physician recruiter)



Research specialty-specific data



Consider timing for optimal negotiation



Understand your personal priorities and non-negotiables

The Negotiation Process

Understanding the General Process and Timeline



Letter of Intent

How does a Letter of Intent factor into the negotiation process?

Outlines basic terms before the full contract is offered

Demonstrates serious interest from both parties

Sets framework for detailed negotiations

Generally, not legally binding, but establishes expectations

Evaluating Your Contract

The Three Critical Components

Compensation

*Salary, bonuses, and
benefits*

Contract Terms

*Practice conditions
and responsibilities*

Legal Protections

*Coverage and
restrictions*

Compensation

- Base salary vs. productivity-based models
- RVU calculations and benchmarks
- Bonus structures and quality metrics
- Benefits packages and their true value
- Partnership/ownership considerations

Contract Terms

- Scope of practice and clinical autonomy
- Call schedules and coverage requirements
- CME allowances and sabbatical opportunities
- Research and teaching responsibilities
- Practice location

Legal Protections

- Malpractice insurance coverage: occurrence vs. claims-made policies
- Tail coverage provisions: who pays if you leave?
- Indemnification clauses: protection from liability
- Non-compete and non-solicitation agreements: geographic and time restrictions

Negotiation Strategies and Tactics

Common Mistakes

Accepting the first offer without negotiation

Focusing on salary, ignoring other terms

Failing to get agreements in writing

Not understanding RVU calculations

Negotiation Strategies and Tactics

When to Push Back and When to Compromise

Prioritize your non-negotiables

Be flexible on lower-priority items

Maintain professional relationships throughout

Document all discussions and agreements

Follow up in writing after verbal agreements

Expert Insight

From a Physician Recruiter's perspective:

"It is always good for a physician to state and reiterate sincere interest in a role while negotiations are taking place."

- Caryl Bowers, Principal Consultant, St. John Associates

Red Flags and When to Walk Away

Causes for Concern



Unwillingness to negotiate reasonable terms



Vague or missing tail coverage provisions



Excessive or unreasonable non-compete clauses



Pressure to sign without attorney review



Inadequate malpractice coverage



Significant misrepresentation of work conditions

Red Flags and When to Walk Away

When Is It Appropriate to Exit Negotiations?



Contract terms pose significant career risk



Better opportunity emerges



Employer refuses reasonable protections



Trust has been fundamentally damaged



Values misalignment becomes apparent

Engaging a Contract Attorney

Strongly recommended for:

First employment contract

Partnership agreements

Restrictive covenants (non-competes)

Complex compensation structures

Any contract you don't fully understand

Working with an Attorney

When to engage:

*Before signing
the Letter of
Intent (ideal)*

*Upon receiving
the full contract
(minimum)*

*Early enough to
allow proper
review time*

Fee Structure for Services:

*Flat fee for
contract review*

*Hourly rate for
negotiation
assistance*

*Investment in
your career
protection*

Q&A Session



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