Strategies to Find and Negotiate Your First or Next Academic Position

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Outline

- Job negotiation
- Interviews
- Contract
- Compensation
- Restrictive covenants
- Termination clause
- Malpractice coverage
- Resources/Benefits
By the numbers…

• 51% started interviews before Dec, 41% signed contracts by March
• 67% selection dependent on family, 24% another physician involved
• 94% prefer suburban, 84% metropolitan
• 46% group practice, 20% single specialty, 29% hospital practice
• 72% proximity to family, 52% lifestyle, 38% proximity to training
• 75% expect sign-on bonus, 68% production incentive

Cejka 2012 Resident Job Search Survey
Contracting for Your Future

- General observations
- Compensation models
- Common pitfalls
- Keys to success
Preparing for Your Future

Finding a job

• Discuss your future with mentor/chairman
• Determine a timetable to initiate the process (take into account license, house closure, kids schools)
• Letters of inquiry 8-12 months in advance (maybe earlier)
• Scour websites for jobs/headhunters
• Develop contacts through mentors/advisors
Prepping your Documents

Cover Letter Inquiry

- What you are looking for
- Why you should be considered for position
- What are your skills and experience
- Thanks, how and when to be contacted
Prepping your Documents

- Contact details
- Professional objective
- Qualifications
- Educational/professional honors & awards
- Work experience
- Leadership experience
- Teaching experience

- Research/lab experience
- Publications
- Academic presentations
- Courses/meetings attended
- Special skills
- Languages
- Interests
- References
The Interview

"Hi, I'm here about the Arena Events job listing?"
The Interview Process

- Do your homework ahead – review web
- Make a good initial impression
- Let your key supporters know that you are interviewing
- *Watch, Learn, Listen!*
- Be inquisitive, but polite and modest during first interview
- Summarize thoughts and impressions near the end of interview
Key Questions: *The Position*

- Hierarchy/stability in the department
- How are new patients distributed?
- Support staff/office space
- Research: support, start up funding, protected time, mentors
- Benefit package
- % clinical time
- OR time – block or free-for-all
- Support for travel, membership, coats
- Teaching/coverage responsibilities
- Promotion process
Key Questions: The Area

- Economic stability
- Type of patients/insurability/payor mix
- How are patients referred or publicity done
- Schools
- Positions for spouse/partner/SO
Other Questions

- Why is this position available?
- What is the approximate number of years out of residency for each physician in the group?
- To what extent are the other physicians involved in non-clinical medical activities such as research or associations?
- How many patients does a physician usually see in a clinic day?
- What procedures are performed in the clinic and who performs them?
- What is the patient mix (e.g. geriatric, adults, payor mix)?
Other Questions

- What are the referral patterns? What is the availability of specialists?
- How are the emergency rooms covered?
- How is coverage managed for weekdays, weekends, holidays, vacation, and CME?
- What is the staff-to-physician ratio? What is the rate of turnover among the employees?
- Who makes the decisions about employee hiring/firing?
- How are chart notes recorded: handwritten, dictated, or electronic medical records?
- Is there a computer system for scheduling, billing and accounting?
The Interview Process

Do’s and Don’ts

• Do not ask about compensation early in the process – it sends a negative signal

• Focus on your capabilities and skills

• Why should the employer hire you over competitors? How are you different or better?

• Do WRITE (or email) thank you letters
The 2nd Interview

• Definitive decision – they have called around (including nursing, anesthesia, floors, ICU, etc.)
• Bring spouse/partner/kids
• Look for places to live
• Meet more of the people you will work with (colleagues, nurses, OR)
• Request to see certain people
Contracts

I have advised my client not to fetch any baseball without a contract securing one million ounces of gourmet dog food with bonus belly-scratchings and the option to renegotiate after fourteen years... dog years, of course...
5 Key Elements of a Physician Contract

1. Compensation
2. Restrictive Covenants
3. Termination Clause
4. Malpractice Coverage
5. Resources/Benefits
Resources you will need to be successful

1. Proper office
2. Admin staff/NP/PA
3. CME/Conference expenses
4. Relocation expenses if possible
5. Research start up funds if applicable
6. Senior partner willing to mentor
Compensation
Components of Compensation

- Salary (usually guaranteed 1-3 years)
- Bonuses (RVU, case targets, research goals)
- Equity in practice or group – partnership
- Benefits: 403B/401K, pension plans, college, insurance
- Disability insurance
- CME meetings
- Travel/membership support
- Research start-up funding
- Administrative support (assistant, key position)
# Opportunity Comparison Grid

<table>
<thead>
<tr>
<th>Factors</th>
<th>Opportunity A Rating Weights (Place A)</th>
<th>Opportunity B Rating Weights (Place B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary (25%)</td>
<td>-</td>
<td>++</td>
</tr>
<tr>
<td>Location (10%)</td>
<td>++</td>
<td>-</td>
</tr>
<tr>
<td>Working Environment (10%)</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>Benefits (5%)</td>
<td>++</td>
<td>+</td>
</tr>
<tr>
<td>Career Potential (50%)</td>
<td>++</td>
<td>+</td>
</tr>
</tbody>
</table>

**Factors (my personal weight)**

- Salary (25%)
- Location (10%)
- Working Environment (10%)
- Benefits (5%)
- Career Potential (50%)
So How Do You Handle the Compensation Issue?

• First of all, *get the offer*!

• Do some research – AAMC / MGMA’s Physician Compensation and Production Survey

• Give a thoughtful response if asked-
  “*I know this would be a great opportunity and a good place to work, so I’m sure the salary will be fair.*”
<table>
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<td>$364,000</td>
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<td>Plastic Surgery</td>
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<td>Thoracic &amp; Cardiovascular Surgery</td>
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<td>Transplant Surgery</td>
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<tr>
<td>Trauma/Critical Care Surgery</td>
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<tr>
<td>Urology</td>
<td>$213,000</td>
<td>$231,000</td>
<td>$259,000</td>
</tr>
<tr>
<td>Vascular Surgery</td>
<td>$230,000</td>
<td>$281,000</td>
<td>$289,000</td>
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“The Devil is in the Details”

• Request a “letter of intent”
• Legal review advisable
  (private practice or major admin position)

For instance

*How will disputes be resolved?*
*Who makes decisions on behalf of practice?*
*How will performance be evaluated?*
Key Questions in Employment Contracts

Is there Non-Compete or Restrictive Clause?

• Non-Compete prevents departing physician from competing with the employer in a specific geographic area (5-50 mile radius) and for specific time (1-2 years).

• Non-solicitation – employee may practice anywhere, but agrees not to ask patients to transfer to new clinic.
Benefits

- Medical/dental coverage
- Disability insurance
- MOC/midlevel support
- Travel/journals/society dues (limit?)
- Access to Credit Union
- Remuneration for local courses (self and family)*
- College tuition*
- Retirement funds/policy
- Consolidation of loans

*taxable?
Bonuses

- Guaranteed first few years?
- How often paid?
- How/who determines
- Basis: RVUs, cases, publications, teaching
- Is there a cap?
- MUST BE TRANSPARENT!

“Post-its? Nah, the boss gives me a gold star when I perform well.”
Miscellaneous Requests

• Moving expenses
• Bonus advance (down payment for house)
• Start up funds for research
• Money for advertising/web/publicity
• Consolidation of loans
• Protected time
• Guaranteed bonus for x years
Who Pays Malpractice and “Tail Coverage”? 

Most employers provide professional liability insurance - $1,000,000 per incident/ $3,000,000 in aggregate is common.

*Tail coverage* is coverage for claims made after the physician leaves and a liability policy has terminated
– if employer pays, fine; if not there should be some accommodation in overall compensation package.
How Can the Agreement be Terminated?

**Grounds for termination by employer**
- Losing license or privileges
- Being convicted of felony
- Death or disability
- For “cause”

**Grounds for early termination by either**
- 30-90 day notice
- Many contracts incorporate employee handbook or medical staff bylaws by reference which outlines termination policy

THERE IS A” DUE PROCESS”!
Red flags in employment contracts/negotiations:

- Lack of willingness to include agreed upon compensation/resources in writing ("trust me" "I will be here for you").
- Unrealistic targets (case, RVUs, research).
- Restrictive covenants that are extremely long or cover a wide geographic area.
- Contracts requiring a physician to give more than 120 days' notice to end the arrangement without cause.
Your First Job

- Perhaps the most critical decision you will make, after marriage
- Can set the tone for your career, either good or bad
- You may not have a lot of leverage to negotiate, but you do have some *(and it won’t be better anytime soon!!)*
- Seek professional help with looking over and possibly negotiating your employment contract
Conclusions

• It’s a tough market, but “cream still rises to the top”
• Get informed career advise
• Follow your passion
• Carefully review job opportunities based upon your priorities
• Don’t be afraid to ask informed questions, negotiate and get solid legal advice.
Good Luck!!

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