

Succeeding from medical school to practice

Preparing for practice

[Read an excerpt](#) from “Making the right choice— assessing practice options and demographic locations”

[Read an excerpt](#) from “Medical professional liability insurance”

Making the right choice— assessing practice options and demographic locations

This document provides resources that will assist you in making two of your most important decisions: choosing a practice setting and then finding the most desirable geographical location in which to practice and live. The perfect practice opportunity would be a combination of one’s ideal practice setting, an attractive compensation and the most desirable geographical location for you and your family. The reality is that most choices involve a number of compromises and selecting the overall best mix of advantages and disadvantages.

You can [view an educational streaming video](#) in which physicians discuss their experiences as practitioners in a solo, group or hospitalist practice. Moreover, the following

charts highlight the advantages and disadvantages of the following practice setting options: solo, group, hospitalist, academic and employment. While you may categorize the listed advantages and disadvantages differently, the goal is to consider all of these issues.

| Solo practice Start or purchase your own practice | |
|---|---|
| Appeal | Downside |
| <ul style="list-style-type: none"> • Significant control and autonomy • Ability to create/manage a practice the way it suits you • Individualized benefit packages • Set one’s own schedule • Entrepreneurial freedom • No worry about being dragged down by less successful partners • Sometimes have lower total overhead, but higher per capita than a small group practice • May be able to hire one person to be responsible for all office functions: billing, collections, appointing, records management and HIPAA compliance, and general office management • Can be a less complicated, and therefore less costly, practice to run • Buying an established practice may mean an established patient base, and an equipped and staffed office • Significant potential for continuity of care (“Marcus Welby”) | <ul style="list-style-type: none"> • Need to be a good business person • Sole financial responsibility • Greater personal risk • Need to have a diverse and loyal regional network • Coverage difficulties • Unpredictable work hours/schedule • High startup and overhead costs • Difficulty establishing patient base • Administrative burden • Significant disadvantages in a market dominated by managed care • Cannot reap certain benefits available to practitioners in single-specialty group settings, such as the capital and the patient volume necessary to provide ancillary services • Because of patient volume, may not attract pharmaceutical trials • Increasingly difficult to find one or two people who can do everything required to meet local, state and federal requirements • Existing staff may be used to doing things the way the departing physician wanted them done |

Lifestyle, financial and community resources

If you have a position in mind in a given geographical area, the following resources may help you in your decision process. Resources include school reports, crime statistics, home prices, rental information, cost-of-living comparisons between locations, information about patient populations, etc.

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Medical professional liability insurance

Purchasing professional liability insurance is one of the most important—and expensive—decisions you may make in your medical practice. The current environment of increased litigation makes this decision more important than ever. Before purchasing a policy, you should try to learn as much as possible about the types of coverage, carriers and other options that are available.

Types of coverage

MPLI may be purchased in two forms: **occurrence** or **claims-made**. Where an occurrence policy covers acts of negligence that occurred while the policy was in effect (regardless of when the claim may be filed), claims-made policies cover claims reported against physicians while the policy was in effect (regardless of when the negligent act occurred). Occurrence policies are ...

Coverage and liability limits

Limits are provided in accordance with the stipulated terms and conditions of the policy. You will need to ascertain whether the state, hospital or managed care plan with which you may be associated requires a specific coverage limit.

Exclusions

Every medical liability insurance policy has an exclusions section, which sets out specific circumstances under which coverage will not apply. Such circumstances may include liability assumed by contractual agreements with managed care organizations (MCOs), actions by employees of the medical practice other than the physician, practicing outside of certain standards of care and others. It is important to understand what is covered and what is excluded. The following are some exclusions you may encounter. ...

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