

# 6 questions to consider before signing an employment contract

JUL 1, 2020

**Brendan Murphy**

Senior News Writer

---

After years of training that can extend beyond a decade, depending on a physician's specialty path, one's desire to enter practice is going to be strong. Negotiating an employment contract is one of the last hurdles between training and practice, and it's a vital one.

It's worth noting that for first-time entrants into the job market, the COVID-19 pandemic has altered the dynamics of what was once a buyer's market. Still, one expert in physician recruitment expects the market to turnaround eventually.

"As the economy recovers and employer-based insurance rebounds, demand will recover," said Travis Singleton, a veteran in physician recruitment who is executive vice president of Merritt Hawkins and AMN Leadership Solutions. "Health care is a huge priority for most people and patients can only postpone physician visits for so long. But the process must be seen as safe. [Personal protective equipment] and safety protocols that protect caregivers and patients need to be in place before we will get back to some semblance of normal."

The first season of *Making the Rounds*, a podcast from the AMA, focuses on the complexities that doctors confront while negotiating their first physician employment contract. Throughout the six-part series, Wes Cleveland, a senior attorney for the AMA, offers a road map for successful contract negotiations.

What are the parts of a contract a physician must consider and how should they approach them? Cleveland offers advice on those questions in transcripts from *Making the Rounds*.

**1**

## What should you look for in pay and benefits?

The key elements to physicians' compensation, according to Cleveland, include possible signing bonuses, relocation expenses, fringe benefits and compensation methodologies, which translate to how you will get paid as an employee.

## **2 What should you know before you sign?**

An employer's long-term and short-term business plan, leadership stability, employee turnover and your non-clinical obligations, as a potential employee, are aspects of employment of which you should have an understanding before you sign a contract.

## **3 What type of restrictive covenants are in place?**

Post-employment, a restrictive covenant provision, often referred to as a "non-compete" clause, places limits on where you can practice medicine and for how long. Understanding what triggers that provision is a necessity, Cleveland believes.

## **4 What is covered in the letter of intent?**

The letter of intent will outline elements of employment, such as the duration of the initial employment term.

## **5 What is your employer expecting of you?**

There should be no ambiguity. Understanding when you are going to be on-call, how much direct patient care you will be providing and, even, what constitutes full-time employment should be spelled out in your contract.

## **6 How should residents approach interviews and negotiations?**

During the contract negotiation stage, Cleveland recommends residents make a list of things they'd like to have and things they must have. Be prepared to give away a few of your like-to-haves during negotiations.



The AMA provides many resources to help physicians understand employment contracts, such as the Career Planning Resource and a variety of model contracts e-books (free to AMA members).