

4 bases to cover in your compensation arrangement

Your employment contract will spell out your base salary, bonus opportunities, loan repayment and noneconomic benefits. It's up to you to understand them.

"A nickel ain't worth a dime anymore." –Yogi Berra



BRUCE ARMON

YOGI BERRA WAS A GREAT CATCHER FOR THE NEW YORK YANKEES. He was an 18-time all-star, a 3-time MVP, won 10 World Series, and was elected to the Major League Baseball Hall of Fame. He was the ultimate winner in a team sport.

Most physicians, too, are valuable players on their teams. And for physicians, the most significant way to be rewarded for a job well done is through their employment contracts.

If you have a great year, there are upside opportunities that can be included in your contract to reward those successes. And just like a major league baseball player who has a guaranteed contract, a physician with a multi-year deal may have protections in an "off" year as well.

The four bases (baseball pun intended) of a physician's compensation arrangement are base salary, bonuses, loan repayment (particularly for more junior physicians) and noneconomic benefits.

Base salary

"You better cut the pizza in four pieces because I'm not hungry enough to eat six." –Yogi Berra

For most physicians, the base salary—the amount you're paid annually over the contract term—will be the predominant source of income communicated in the employment contract. Before signing a contract with a base salary included, make sure you understand how the salary was determined. Is there independent verification of its appropriateness? When (if at all) will the base salary change, and under what circumstances? How frequently will you get paid: weekly, bi-monthly, monthly?

No physician wants to be or believe they are not being paid as competitively as their peers in the same geographic region with comparable experience and job responsibilities. Independent salary statistics, such as those from the Medical Group Management Association (mgma.com) or the Association of American Medical Colleges (aamc.org), can help you get a ballpark figure.

Bonuses

“When you come to a fork in the road, take it.” –Yogi Berra

Most physician bonuses are based upon some element of productivity. Productivity is often measured in cash. How much a physician personally produces will dictate the bonus threshold. An employer may state that a bonus can be achieved based on some multiple of your base salary, e.g. 1.5, 2 or 3 times. Some employers use wRVUs as the bonus threshold to avoid the variances from the payer’s reimbursements. Understanding reasonable wRVU thresholds (how many wRVUs you must produce to earn the bonus) is essential to making sure the bonus is not illusory and out of reach. An employer may do a combination of your productivity versus overhead to determine if a bonus is earned. It is important in this scenario to understand how overhead is calculated. Is each physician responsible for the same overhead? Is it based on your actual expenses? In any cash-basis bonus, it is important to understand whether trailing collections for payments received after termination or expiration of your employment agreement are included as part of the bonus calculation.

Loan repayment

“It ain’t over till it’s over.” –Yogi Berra

An employer willing to pay some or all of your loans can be a wonderful perk, but you must understand the conditions for payment. Some employers require you to be employed and in good standing at the end of each contract year before the loan amount is paid. Others may provide loan repayment on a monthly basis. An employer may “cap” the amount of the loan to be paid over the life of the contract. Or, there may be other conditions, such as a certain amount of productivity or attending a certain percentage of committee meetings.

Noneconomic benefits

“The towels were so thick there I could hardly close my suitcase.” –Yogi Berra

Salary, bonuses and loan repayments are wonderful benefits—but noneconomic perks can also have significant value.

Imagine deciding between two contracts. One contract pays \$35,000 more annually. The higher-paying contract provides you with individual health insurance and a claims-based professional liability policy that requires you to pay the cost of the “tail” policy upon your departure for any reason.

The contract with the lower annual salary provides family health insurance, life insurance for you, 401(k) match, occurrence professional liability coverage that does not require you to pay for a “tail,” \$5,000 annual CME allowance, payment for licenses and dues for professional societies, the ability to moonlight and retain that compensation, a signing bonus and reimbursement for moving expenses.

When viewed in the entirety, the contract with the lower base salary may actually be a much better option.

“You’ve got to be very careful if you don’t know where you are going, because you might not get there.” –Yogi Berra

When these four compensation components of the employment contract are coordinated, you can hit a professional home run. If one or more of these elements is missing or incomplete, you may strike out and feel the need to move on to the next job. •

BRUCE D. ARMON (barmon@saul.com) is a partner and chair of the law firm Saul Ewing’s health care group—and a baseball fan. Bruce has helped hundreds of physicians and employers with contracts and all participants in the health care delivery system with health care transactional, regulatory and compliance matters.

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Finding The One

Dating and interviewing for your dream practice share similarities that can't be ignored. This humorous and helpful comparison will help you make a great connection.

BY BRUCE ARMON

Illustrated by Doug Ross

Everyone has a dating story. Some stories are romantic. Some stories are funny. Some stories are sad. But this much is true no matter the turnout: We should all learn from previous dates as we consider entering into a new relationship.

Unfortunately, not all relationships last forever. You may end up back in the market again...and again.

Most physicians have less experience interviewing for jobs than they do dating. But there are many similarities between the two. At the very least, your requirements and expectations—from both a job and a potential mate—likely change as you experience new things.

With each job interview, you learn more about your expectations and understand what issues, if any, you're willing to compromise. With each subsequent job, you become more experienced in knowing what to look for in an employer and what employers expect from physicians.

There are many analogies between dating and interviewing for a job—so we went to the dating experts at eHarmony for advice. They let us borrow their tips from their Do's and Don'ts of Dating as inspiration (read it at ow.ly/wvrFG)—and transform them into the Do's and Don'ts of the Physician Interview.

It's uncanny how similar the advice can be.



Continued

Finding The One

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Do: Be realistic about what you want

NOT EVERY JOB IS THE “RIGHT” JOB for a physician. As you go through the interview process with a prospective employer, you’ll get a “gut feeling” whether this potential job opportunity is appropriate.

In addition to describing your education, experience and background, your CV should also tell a story about what you want to do professionally. You may have multiple CVs: an academic one for a university position and a clinical one for a private practice.

“As a private practice physician, I am not necessarily interested in the number or type of papers published by a prospective physician hire,” says Steve Fassler, M.D., a colorectal surgeon and shareholder in Colon and Rectal Associates, a private medical practice in suburban Philadelphia.

Before you start the interview process, make sure you can clearly identify what type of job situation would make you most happy. A savvy employer will also determine what kind of candidate would be the best cultural fit—and be able to, in a relatively short period of time, determine if you’re it.

“Interviewing is just like dating,” Fassler says. “The first meeting, you find out about the person. At the second meeting, you find out if you like the person.”

As the prospective hire, you need to be transparent for there to be a possibility of a long-term relationship. To further the potential relationship, you must be able to clearly articulate your short-term and long-term goals and how you’ll add value. You also should be able to determine relatively quickly whether the opportunity is the “right” one to achieve your personal and professional goals.

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Do: Put yourself in target rich environments (often!)

THE EXPLOSION OF ONLINE RESOURCES has changed the dating game. It also enhances the interviewing opportunities and process for employers and employees.

“The ability to meet a prospective candidate online and learn if the physician’s interests are compatible with the practice’s are invaluable,” Fassler says. “If there is an interest in moving forward, it is easy to express and to set up the next steps in the interview process.”

In addition to online opportunities, physicians look for prospective employers at CMEs and conferences. Employers are doing the same thing at these venues. Every social setting presents an opportunity for you to market your skills to prospective employers. Even physicians who are perfectly content in their jobs should maintain con-

tacts across their specialty to ensure flexibility should they ever consider—or be forced to consider—a new practice.

RELATED: How to use a conference to start your job search
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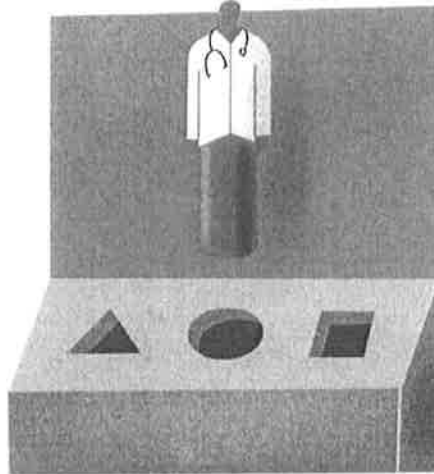
Do: Learn your relationship lessons

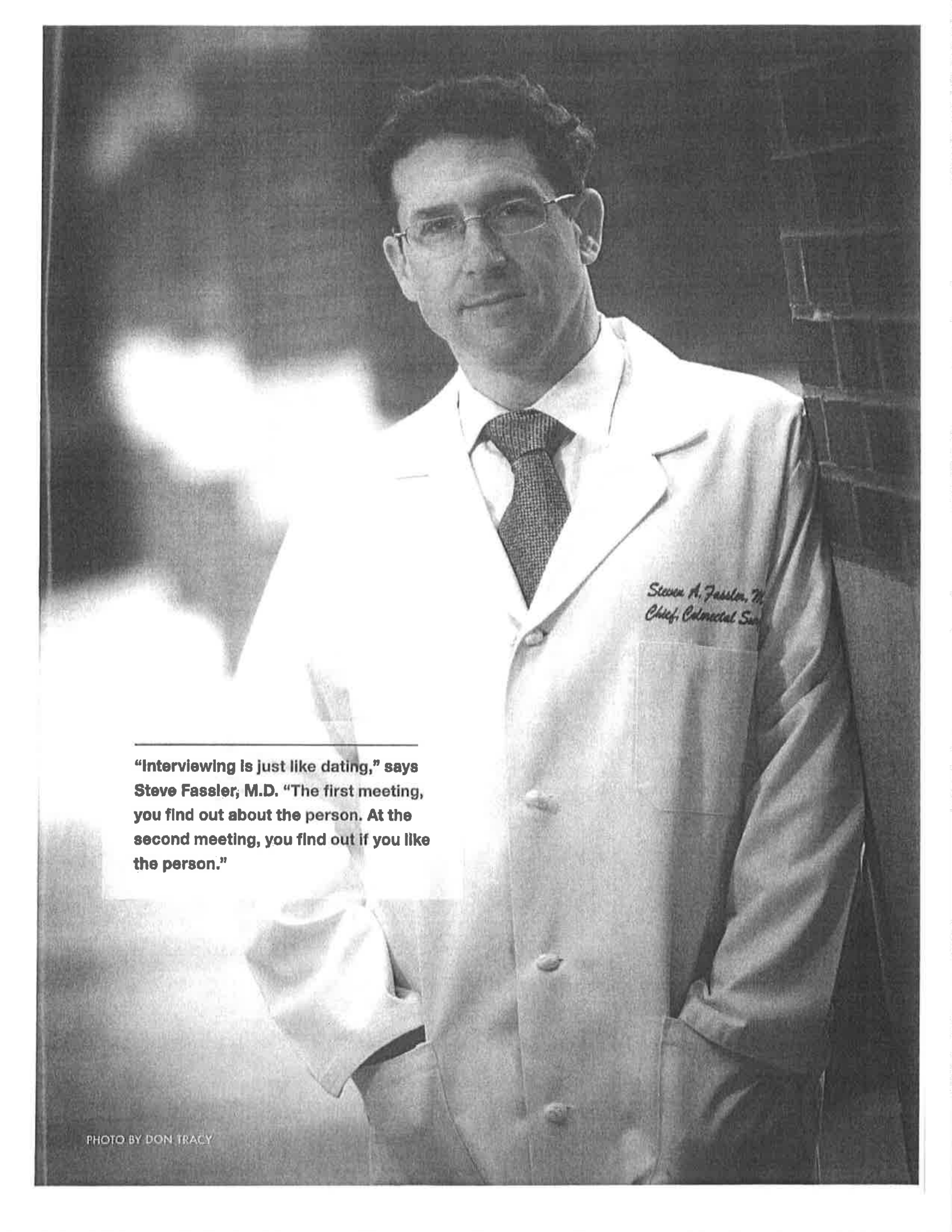
AS YOU GO ON MORE INTERVIEWS, you’ll get a better handle of the ebbs and flows of the processes. Learning from the past is critical to anticipating the future. Gary Chimes, M.D., has worked for academic medical centers and is now part of a private practice in Washington state.

“A physician should create a vision of what he or she would look for in an employer and see if that vision matches reality,” he says.

For Chimes, moving to a private practice environment in a totally different geographic setting was important in creating his personal vision. “I like the outdoors and enjoy outdoor physical activities. I wanted to work with an employer who had that same enjoyment

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“Interviewing is just like dating,” says Steve Fassler, M.D. “The first meeting, you find out about the person. At the second meeting, you find out if you like the person.”

PHOTO BY DON TRACY

of nature and the outdoors,” he says.

Try and try again. If the first interview does not go as planned, use that as a learning moment and work on addressing those shortcomings when you get the next opportunity. Practice your interview skills with friends. Walk through a series of questions and ask a friend to provide constructive feedback on the answers you provide and the flow of the conversation.

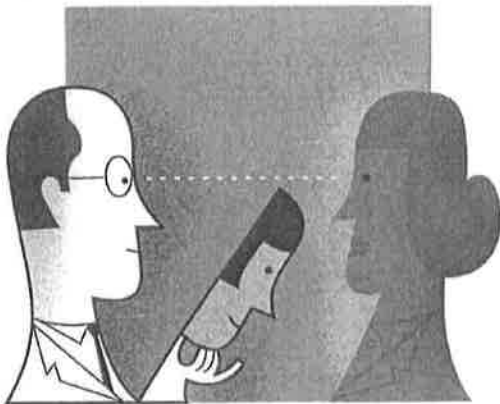
George Belecanech, M.D., is a shareholder in The Asthma Center, a multisite practice with offices in New Jersey and Pennsylvania.

For Belecanech, working with a team player is essential. “We work in an environment that can be stressful and are often working alone in one of our offices. A physician must be confident, collegial and willing to work in a way to promote the best interests of the practice,” he says.

As you would in a dating situation, compile a mental checklist of the things you like and dislike in a prospective employer. The ideal job should include more “likes” than “dislikes.”

Don't: Misrepresent yourself

JUST AS IN DATING, honesty is key. Be honest with prospective employers. Your CV should be accurate



and current, and you should be prepared to discuss each statement that you list. If there are missing dates in your CV, a prospective employer is

likely going to ask you questions to better understand the professional history and sequence of events.

The interview process is an extended conversation with a prospective employer. “Character traits like honesty and integrity are critical elements when making an evaluation of a prospective hire,” Belecanech says. “I need to know I can trust my physician colleagues. Candor and mutual respect are important skills when dealing with others, and we expect our physicians to have these traits.”

A prospective physician hire customarily meets with multiple physicians and staff during the interview process. If the physician is misrepresenting facts, this will likely be discovered when the interviewers compare notes or when checking references or doing a background check.

Don't: Get stuck in a rut

DATING CAN BE HARD and frustrating. Finding the right job can have the same challenges. A physician



who dreams of being in private practice may ultimately realize that being in an academic environment is the better fit, or vice versa.

For Chimes, the “goal is to determine how you view yourself as part of

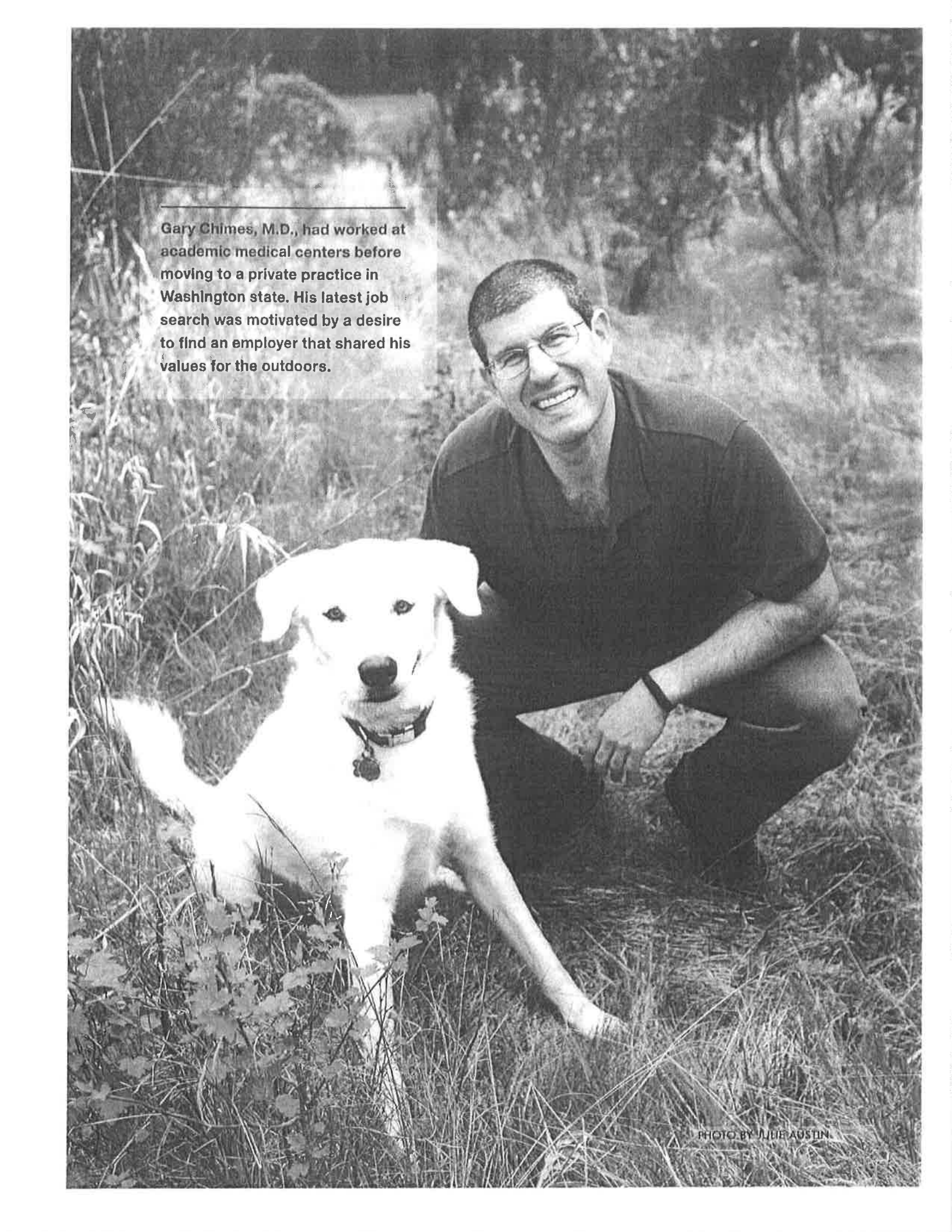
the ‘couple.’ I really enjoyed my time in an academic medical center and the opportunity to teach was invaluable. After joining a small medical practice, I really feel like I have found my professional niche.”

If you’re not satisfied in your current job setting, don’t be afraid to explore different opportunities. There is nothing wrong with looking for a new practice. Before engaging in a serious job hunt, however, understand any post-employment restrictions in your current job and revise your search accordingly.

Don't: Be a critic

GOSSIPING ON A DATE will likely result in the same outcome on a job interview: rejection. On any job interview, it is important to stay positive. Keep negative thoughts to yourself and maintain composure and professional behavior during the entire interview process. Every employer has flaws or issues a new physician hire thinks could be done better or differently. But don’t be overtly critical or condescending of the prospective employer.

Though it may be tempting to offer a prospective solution to a problem, be mindful and deliber-



Gary Chimes, M.D., had worked at academic medical centers before moving to a private practice in Washington state. His latest job search was motivated by a desire to find an employer that shared his values for the outdoors.

PHOTO BY JULIE AUSTIN

ate when communicating with a prospective employer. Being too direct or opinionated can backfire. Just like during a date, a physician candidate should be polite, respectful and courteous. If you're hired, there will be ample time for helping to make constructive changes. The interview process is not the appropriate time to take these steps.

Don't: Drag in excess baggage

NOT EVERY PROFESSIONAL EXPERIENCE can be perfect. And dwelling on a previous negative experience doesn't make a physician an attractive candidate to a new employer.

A prospective employer, however, will want to understand the manner in which a physician will respond to and handle an unexpected or unknown situation. Be prepared to demonstrate the maturity and lessons learned from a previous difficult experience to instill confidence in a prospective employer. Remember: Pay attention to social cues and maintain a level of professionalism at all times. Casual is not to be confused with acting cavalier.



Do: Have fun

INTERVIEWING—AND DATING—should be fun. Interviewing is a wonderful opportunity you to learn about a new employment situation, potentially visit a new geographic area, meet new people and refine your interpersonal skills and com-

Continued



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—Tiffany Hackett, MD
Director of Service and Operational Excellence
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Finding The One

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munication objectives.

"A physician candidate should dress up, smile and see if the prospective employer is a good match," Fassler says. Nerves are to be expected—and it's OK. Employers can distinguish nervous energy from anxiety and an inability to coexist. If your personality is

dynamic, engaged and energetic, make sure that comes across in your interview, too.

Your next steps

THERE ARE MANY SIMILARITIES between dating and interviewing. If a physician is successful in either an interview or a date, there's a high chance for a follow-up invitation.

With one notable exception, says Fassler: "If the employer likes the physician candidate, unlike dating, the employer does not have to wait three days to follow up for the next date."

Time, in fact, may be of the essence during the interview process. Depending upon when the employer is looking to fill an opening, there may be limited time for interviews and little time for you to counter-offer or consider different opportunities. An employer may permit a physician candidate a small period of time to accept an



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Be prepared to demonstrate the maturity and lessons learned from a previous difficult experience to instill confidence in a prospective employer.

offer before moving on to the next candidate.

The eHarmony.com article's last two Do's and Don'ts for Dating are: "Don't: Look at being single as a bad thing" and "Do: Become a successful single."

This is where the dating game and interviewing process diverge. Unless you're prepared to hang the proverbial shingle and start your own medical practice, the interview period must end, and you will ultimately accept a job offer. At least, that is, until it's time to enter the scene again in the search for your next job. ☛

Bruce Armon, Esquire, (barmon@saul.com) is partner in Saul Ewing LLP's health law group and is managing partner of the firm's Philadelphia office.

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legal matters

Name That Term Hitting the right note with the termination provisions of your employment contract can make the difference in the tone of your tenure in a practice.

BY BRUCE D. ARMON



A good relationship is a foundation for happiness. It does not matter whether the relationship involves a best friend, a spouse, or your col-

league in a medical practice. The end of that relationship can be a traumatic event—emotionally, spiritually, and yes, financially. Music is filled with examples of song titles that reflect an artist's feelings about a "break-up." In this article you won't find today's Top 40, however, you will soon see why for many physicians, "Breaking Up is Hard to Do" and gain some helpful tips about term and termination provisions in your employment contract.

I always counsel my physician clients when they are job searching (whether it is for their first job or their fifth job) that finding the best practice opportunity is, in many respects, a dating game. You should

PLAYLIST (IN ORDER OF MENTION)

"Breaking Up is Hard to Do" (Neil Sedaka)
"Dazed and Confused" (Led Zeppelin)
"A Day In The Life" (The Beatles)
"Forever" (Bee Gees)
"Forever Man" (Eric Clapton)
"Promises In The Dark" (Pat Benatar)
"Time After Time" (Cyndi Lauper)
"Changes" (David Bowie)
"Oops!.. I Did It Again" (Britney Spears)
"Time Is On My Side" (The Rolling Stones)
"Not Fair" (Shaggy)
"The Times They Are A-changing" (Bob Dylan)
"Because" (Beatles)
"Tuesday Afternoon" (The Moody Blues)
"There's No Way" (Alabama)
"Ain't No Stoppin' Us Now" (McFadden)
"Fifty Ways To Leave Your Lover"
(Simon and Garfunkel)
"Ready To Take A Chance Again" (Barry Manilow)
"The End of the Innocence" (Don Henley)
"Can't Stand Losing You" (The Police)
"I Will Survive" (Gloria Gaynor)

SOURCE: LYRICSXP.COM

be looking for a practice that shares your long- and short-term goals, the same criteria most people look for in a companion. Accordingly, your employment contract (I don't have to tell you to be sure you get the contract in writing) should clearly define the term and termination provisions so you are not left "Dazed and Confused" after reading its terms. In addition, you want to make sure that the opportunity lasts for more than "A Day In The Life" of your professional career.

The initial term

Your employment contract should have a clearly defined initial term. Some contracts I have reviewed for my physician clients have included language such as: "Employee / physician is employed from the effective date of the contract first written above for as long as this contract is in effect." This language is circuitous. You could conceivably be employed according to the terms of that contract "Forever" with no salary or benefit increases.

While a contract could be attractive enough that you do not mind being the “Forever Man” [or Woman] of a practice, having a defined initial term allows you (and your employer) to evaluate periodically your respective thoughts about the employment situation and make changes to the arrangement in a predetermined and timely manner.

Contract renewals

In addition to a defined initial term, your employment contract should establish a renewal term or terms. If the contract includes only a defined initial term and has no express renewal provisions except verbal assurances from your employer that everything will be worked out at the “appropriate time,” this is the equivalent of “Promises In The Dark.” While you should have every reason to trust your prospective employer, “Time After Time” I hear stories from physicians who tell me that their employer did not abide by an oral promise to extend or renew the employment contract after the term was complete. In many jurisdictions, an oral promise is unenforceable.

Even if you are not sure you want to stay with that practice or in that community beyond the initial term, it is always preferable that you retain the option. For instance, a client who has completed her residency a year or two ahead of her spouse may be fairly certain that she will not remain in that particular community once the spouse completes training. For that reason, the physician may be content to take a short-term opportunity until the couple have both finished training and can move to their desired community. However, “Changes” happen, and I always caution a client that circumstances and preferences evolve. You’d rather be in the position of saying “Oops!.. I Did It Again” and have the option to renew your em-

ployment contract than be forced to start your and your spouse’s job searches simultaneously because you cannot remain in your current position beyond the fixed term of the contract.

Renewal terms in contracts need to be explicit. For instance, does the contract automatically renew in the form of a so-called “evergreen” provision, or does one of the parties need to provide notice (in writing or verbally) that it wishes to renew the contract? If notice to renew is required, what is the timing of the notice? You will prefer to be in the position of knowing that “Time Is On My [Your] Side” so that you can adequately determine if renewing the contract for an additional term is in your best interest.

You should know whether you and your employer have to provide the same notice to renew a contract. I have seen some contracts that propose that the physician-employee provide three months notice if they wish to renew the contract for an additional term, while the employer need only provide fifteen days notice if they do not wish to renew the contract. This scenario is not only “Not Fair,” it also places you in a significantly weaker bargaining position when you are searching for that next job on short notice.

There is one last item to consider regarding renewal terms. Be aware (and wary) if your employer has the sole option of renewing your contract for an additional term. This can be the equivalent of your employer saying “The Times They Are A-changing” and giving you no more long-term assurances than the initial contract term.

Terminating the contract

I wish I could say the first job you take after completing training will be your last. However, there are very few profes-

sionals, including physicians, who spend their entire careers with one employer.

Knowing the reasons your employer can terminate your contract and the ways you can terminate your contract are as important as having well defined initial and renewal terms.

There are two primary reasons a contract can be terminated: for cause and without cause.

• WITHOUT-CAUSE TERMINATION

“Without-cause” termination provisions permit the employment relationship to end when one party simply provides notice that it would like to terminate it just “Because.” There are two factors that should be considered: Who can terminate the contract without cause, and how much notice is required.

I have reviewed physician employment contracts that provide: “Employer may terminate this contract at any time for any reason.” I always counsel a client that if this language remains in the executed copy of the contract, you could come back from lunch on a “Tuesday Afternoon” and be told you are no longer welcome at the practice. While you may believe “There’s No Way” your employer would take this draconian action, there is nothing in the contract to prevent this from happening. I recommend to my clients that they ask their prospective employer to modify this provision. If an employer refuses to accommodate the request and suggests retaining the provision to keep all options available, I encourage my clients to ask a lot of tough questions of the prospective employer to ensure this is the right practice opportunity.

Conversely, you also need to be aware if your employer retains the option to terminate you without cause but you do not have the same prerogative. I recently

LEGAL MATTERS: NAME THAT TERM

Continued from previous page

faced this situation with a client. Both parties could terminate the agreement without cause sixty days prior to the onset of any renewal term. The employer could also terminate upon sixty days notice without cause at any time during the life of the contract, but was not willing to give the employee the same courtesy. Understanding the rationale for an employer's initial bargaining position may help you negotiate more effectively.

The timing of the without-cause provision is important. Anywhere from thirty to sixty days notice is probably appropriate for either party to terminate a contract without cause.

• FOR-CAUSE TERMINATION

Most everyone is familiar with "for-cause" termination provisions. One party has done something objectionable to the other party and the non-breaching party believes that there "Ain't No Stoppin' Us Now" from terminating the contract.

These provisions, however, should clearly delineate the circumstances in which either party can end the relationship. While the list of for-cause provisions does not have to include "Fifty Ways To Leave Your Lover" [or employer], there also should be no ambiguity on the part of the physician-employee since most for-cause termination provisions are effective immediately. Typical for-cause termination provisions from an employer's perspective include a physician's loss of license, loss of ability to write prescriptions, loss of hospital privileges, or a conviction for any crime.

Many contracts do not initially give the physician-employee the right to terminate the contract for cause. I always urge my physician clients to, at the very least, seek the ability to terminate their agreement for cause if the employer breaches any of its obligations in the

contract.

Since for-cause termination provisions are often immediate upon the occurrence of any of the prohibited acts, I often encourage my clients to seek a cure period which permits both parties to be "Ready To Take A Chance Again" if the breaching party remedies the for-cause provision within a certain defined period of time.

"The End of the Innocence"

As you can see, there are plenty of examples from the world of music to underscore the importance of the term and termination provisions in a physician's contract. While your employer may want to minimize the ways in which you can leave the position because he "Can't Stand Losing You," it is imperative that you look out for your own interests. While it may be tempting to shrug off negotiations with your employer before you sign the contract and say to yourself "I Will Survive" no matter what the outcome, it's always easier and better to leave a practice on a high note than to end off-key. ■

Bruce D. Armon, Esq. practices health-care law in the Business Department of Saul Ewing LLP. He doesn't do karaoke performances, but can assist with physician contract issues. barmon@saul.com

Legal Matters



Planes, trains and automobiles: Who pays for what?

Just like in dating, there's not a hard-and-fast set of rules about who picks up the tab throughout the physician interview process. But here's a start.

BRUCE ARMON

Who pays for a first date? How about the second? As a relationship progresses, there can be traditional or expected protocols to follow. Same with the job interview process, which also can feel like a dating game.

As a physician considering a new opportunity—whether it's your first job after training or you're seeking the next step up on the professional ladder—it's important to understand your and a potential employer's role in paying for transportation, lodging, meals and related expenses during the interview process. These are the first "dates" that are the building blocks of your professional relationship.

It's also helpful to know that those building blocks are variable. There are no absolutes as it relates to these expenses and any other initial start-up costs employers may incur when bringing in new physicians.

PLANES, TRAINS, AUTOMOBILES AND LODGING

If you're traveling for an interview, determine in advance what the prospective employer will pay.

If you're traveling by car, log the related miles and tolls. (There is an IRS-approved rate of reimbursement for each mile traveled that may be used as a benchmark.) If you rent a car for the trip, ask for and retain the receipts. In either case, confirm *in advance* whether the prospective employer will pay for those expenses.

Traveling by train? Don't book a business class or first-class ticket without prior authorization from the

prospective employer, and don't forget to record any cab expenses to the train station or parking garage.

If you need to take a plane to meet with a prospective employer, don't book anything other than a coach ticket without approval first.

You also shouldn't book a flight that lands only a short time before the beginning of the interview. Flight delays are out of your control and can cause both you and your prospective employer unnecessary angst.

Plan to grab the latest return flight home if same-day travel is planned, or opt to stay overnight so you have ample time to meet as many prospective colleagues as possible. Be sure to ask about the timing to get to and from the airport, too. Will you need to take a cab or rent a car?

If you're staying the night during the interview, ask your recruiter which lodging to use; there might be a preferred hotel. Don't expect your prospective employer to pay for room service or in-room entertainment expenses.

If you're invited to make multiple visits as part of your interview process, confirm before each visit that the expenses will be reimbursed as you're anticipating.

YOUR RELOCATION AND RELATED EXPENSES

As part of the contract negotiation process, consider the expenses you will incur before the first day of employment. If possible, coverage of these expenses should be built into your employment contract.

House-hunting expenses. It may take multiple visits to find housing, and you may need to bring a spouse or partner along on at least one of the visits. Discuss with the employer which house-hunting expenses, if any, will be reimbursed.

Housing expenses. An employer may consider offering an allowance for short-term housing or for a down payment on a house.

Moving expenses. It is common for an employer to offer a defined amount to help physicians with moving expenses. Call several moving companies to understand the expected fee range.

Review the employer's policy related to moving expenses. An employer may not, for example, pay to help you relocate a boat or a horse, or pay for two pickups as part of the same move. Storage facility costs may also not be covered.

If the allowance that an employer is offering for moving expenses is more than the actual cost of the move, ask if you can use the excess dollars even without direct associated expenses.

Signing bonus. To attract a physician to the job, a prospective employer may offer a signing bonus to help pay for incidental expenses. These expenses may be used to pay your COBRA health insurance expenses, for example.

Student loan expenses. Some employers offer monthly, quarterly or annual payments directly to lending institutions to reduce your student loan balance.

License expenses. You'll need to have an active license to practice in the state where your new employer is located. Each license may cost several hundred dollars. And if you're practicing as a locum tenens, you may need medical licenses in many states.

In addition to the costs for the medical license, you'll also have a DEA registration. Many states have their own DEA-equivalent license that a physician also must obtain.

YOUR EMPLOYER'S RELATED EXPENSES

You're not the only one. Employers, too, incur significant costs before new physicians can begin employment.

An employer may need to hire additional staff, purchase additional supplies or acquire more equipment. Larger or additional office space may be needed.

Considerable staff time will be spent getting the new physician credentialed with each of the employer's third-

party payers and securing hospital or facility privileges. Many hospitals and facilities charge an expense for the privilege of being credentialed by that institution.

An employer also may need to secure an additional electronic medical record license, or purchase a laptop for you.

PROTECTING THE INVESTMENT

Employers expect to have a return on investment when hiring physicians. That investment may be measured by the clinical dollars you generate, the number of papers you publish, the quality of your teaching or the caliber of your research.

But not all employment relationships turn out as predicted. Some employers may quantify the costs incurred in hiring you—house-hunting and related travel, moving expenses, licensure fees, signing bonus, etc.—and include a clause in the employment agreement that requires repayment if you're not employed there for a defined period of time.

If a provision like this is included in the draft of your employment contract, understand how each individual cost and the total was calculated, the length of time you must remain employed, and any exceptions to the repayment provision. Exceptions could be related to the reason for termination, whether you generated a "profit" during your time employed, the amount of your account receivables by the date of termination, or other factors.

There are no "rules" when it comes to who pays for what throughout the dating—err, interview—process. Remember, the upfront costs incurred by an employer may be significant, so understand any circumstance in which you may be expected to repay the expenses.

Clearly addressing these issues is a good practice for both physicians and employers and can be used to establish clear parameters once the "dating" is complete and actual employment begins. •

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