Five Things Your Physician Contracts Should Always Have

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1. Time Submissions

Frequency

Specify the frequency that physicians are expected to submit their time logs. E.g., Monthly.

Post-Period

Be explicit about how many days physicians have after the period closes to submit their time. E.g., 60 days.

Submission Requirements

Clearly explain how physicians should submit their time to the organization.

2. Duties

A physician's contract should clearly define the physician's duties. and explain why they require the physician's unique skills. The duties should not be something a non-physician could perform.

Instead of: "Represent the hospital as needed."

Change to: "At the request of the hospital, participate in community events to increase stroke awareness. Travel to and from the event is included."

3. Payment & Rate

Ensure there is a clear tie to an hourly rate and an expected number of hours with a total agreement maximum for the year. Each payment issued should be carefully checked against these terms.

Instead of: "Physician will be paid $2,000 per month."

Change to: "Physician will be paid $200 per hour for work performed up to 10 hours per month."

4. Contract Terms

The initial term of the contract should be for at least one year and can have auto-renewal provisions. Some agreements have what is referred to as an "evergreen," meaning it automatically renews until either party notifies the other of its intent not to renew. This provision usually requires 30 to 90 days' notice before the initial term ends. If the contract ends, the physician should not be paid for dates outside of the contract.

5. Automate with Technology

Hospitals should consider automation software to submit time logs and ensure the terms of each physician contract are followed. The Stark Law is a strict liability statute, so even an unintentional error can create repayment obligations and penalties.

ABOUT LUDI
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