

# Key Considerations in an Emergency Medicine Employment Contract

*At the request of EMRA, the ACEP Medical-Legal Committee developed this checklist of key considerations residents should keep in mind as they prepare to sign their first employment contract.*

Perhaps, in no area of emergency medicine is there a greater gap between formal residency training didactic education, and practical career need than in that of the professional personal service employment contract.

This brief summary of the contracting process provides a concise list of important topics related to an emergency services contract, that should be ideally considered, discussed and potentially negotiated.

Clearly over time as circumstances change, this document will continue to evolve, with your advice and assistance.

## Key Aspects of an EM Employment Contract:

- Job Description/Obligations
- Compensation
- Malpractice Insurance
- Termination Provisions

## Specific Pitfalls

- What is your compensation package?
  - What is the base salary?
    - How is it calculated (salary, RVU, quality metrics, patient satisfaction scores)?
    - Is there a pay difference between board eligible and board certified?
  - Does it include bonuses and under what conditions?
  - Are health, vision, dental, disability covered and are these benefits fixed or subject to change after the contract is signed?
  - What other benefits are included?
    - retirement contributions
    - profit-sharing,
    - CME
    - licensure (state, DEA)
    - board certification expenses
    - professional society dues
    - moving expenses
- What are your obligations and are they reasonable?
  - Are your clinical hours reasonable?
  - Do you have non-clinical obligations (e.g. teaching, research, departmental/committee meetings)?
  - Do you have call responsibilities?
  - Are you obligated to cover clinical emergencies outside the ED?
  - Are you required to obtain and maintain ABEM certification and are you required to maintain medical staff privileges?

- What are your obligations in supervising and signing the charts of APPs providing patient care?
- How is the malpractice policy structured and who is responsible for various premiums?
  - Are malpractice insurance limits reasonable?
  - Does the policy protect the physician against liability for APPs practicing under their direction?
  - Is the policy occurrence-based or claims made?
  - What are the provisions for purchasing “tail” coverage?
  - Is there a discovery clause?
  - Is there a consent to settlement clause?
  - What is the group’s malpractice claim history over the last 5 years?
- What is the pathway for promotion/partner?
  - Who are the voting stakeholders involved in your promotion?
  - What is the pay grade differential?
  - Is a buy-in required to make partner?
  - In the last 5 years, how many have been promoted to partner and how many have not?
  - Do you or your accountant have the ability to examine the group’s finances?
- In which circumstances can the employer or employee terminate the contract?
  - Does the employer have the ability to terminate the contract without cause? And if so, do you have the same ability?
  - Are there protections in this instance - period of notice, severance pay?
  - Are the grounds specified as sufficient for “for cause” termination objective and reasonable (as opposed to “moral turpitude” or other such nebulous terms)?
  - Do you have the ability to terminate “for cause” in certain reasonable instances?
  - Can the employer terminate the contract before the employee begins working?
  - Is there a *force majeure* clause, which absolves one or both parties of some or all of their obligations in the event of a catastrophic event (e.g. pandemic)?
- Is there a non-compete clause?
  - Which prospective employers are covered by it?
  - Which types of services are covered?
  - What happens if the employer loses its contract at the contracting hospital?
  - Is the restriction geographically bounded?
  - Does it involve non-competes from other hospitals the group is staffing but you are not working at?
- Is there a dispute resolution process?
  - Is there a binding arbitration process?

For more information, please see the video presentation by Rade Vukmir, MD, JD, FACEP (ACEP Medical-Legal Committee Chair 2019-2021) on personal service employment contracts, available on the Employment Contracts page of the ACEP web site at: <https://www.acep.org/administration/contracts/>.

Also, see this [In Transition article](#) on employment contracts.

For a list of non-endorsed firms that ACEP members have worked with in the past for contract review, please visit: <https://www.acep.org/administration/small-groups/small-groups-legal/>.