

How to Evaluate a Neurology Opportunity

Any neurologist looking for a position will have a wide variety of options in a very favorable job market. With the considerable number of open positions, evaluating which ones are worth your limited interview time is critically important.

To successfully evaluate a neurology practice opportunity, consider:

1. Geography
2. The current practice or training facility
3. Your ability to develop the type of practice you want to have
4. Support from the local hospital
5. Income and compensation models

Geography

Will you be happy living there?

It is important to choose a practice in a location that is good for you and your family. Consider the proximity of the practice to your immediate family and your spouse's immediate family, if you are married. Before having children, many couples underestimate the importance of being near their parents. Similarly, when your parents are young, it is easy to overlook how difficult it may be to take care of your parents as they age if they live far away. During your first few years, you will put a great deal of effort into building your practice. If, after those first few years, you need to relocate for familial reasons, you will be forced to essentially start over.

While geography is important, it's a mistake to focus so much on geography that you forget how important it is to have a good job—if you're miserable in your practice, the location is not going to make you stay.

If there are specific aspects to a practice that are important to you, for example, the ability to develop a substantial practice in your area of clinical subspecialty, *you might need to be flexible with your geographic interests*. While it is important to take family into account, it is also important not to limit locations you will consider living. You and your significant other or any other decision maker should know not only your *ideal locations*, but also your *acceptable locations*.

The practice opportunity you want may not be in the location you most desire. This is especially true if your desired location is in a saturated market already over-populated with neurologists. This is a point that many neurologists make as they come out of practice—the market in any given region can be saturated by neurologists, just as it can be by any other profession and a saturated market makes it particularly difficult for you to start your practice.

The medical draw area

The traditional rule of thumb is that a medical draw area (i.e., total population) of approximately ten thousand people per neurologist is necessary to sustain a successful neurology practice. If other specialists that also do similar work to the neurologists have an active practice in the area, a substantially larger medical draw area may be necessary due to that competition. On the other

hand, if the practice can do work that may be performed by other specialties, then a smaller medical draw area may be able to support a busy practice.

Think about how the local population pays for healthcare—the payor-mix in your area you are considering may also affect your practice. If the payor-mix is unfavorable, a hospital-employed position may be advantageous, because a hospital can choose to compensate you using a salary or RVU-based production bonus that will assure that your income is not affected by the financial and insurance status of your patients.

Local competition and politics

Find out about the other neurologists practicing in the area. Learn which hospitals they primarily serve and whether any of the neurologists in the area were previously in practice with others in the area. A past breakup of a practice may indicate a conflict between groups or difficult local politics if former members of a group are still practicing in the same area. Ask whether there are issues with trauma coverage, especially if you are considering a position as a hospital-employed neurologist at a hospital that does not have full coverage for trauma call.

One neurologist who accepted hospital employment with promises of a strong elective practice was distraught to learn that they were not able to build a practice. After moving their family, they discovered that the private practice neurologist in the area had a very strong and virtually unapproachable referral network for neurology cases. Even worse, the private practice recently entered an exclusive relationship with the competing hospital in town. Despite all the demographic data the hospital had shown them, they had virtually no ability to develop a successful elective practice. These types of problems can be avoided if you do your due diligence and learn about the medical community and competition before you accept an offer.

The Current Practice

Members of the practice

Learn about the current neurologists in the practice, their ages, where they trained, and if anyone is near retirement. If someone is near retirement, find out how that may affect the call schedule. Ask whether anyone has recently left the group and why. If there were problems, find out whether they have been resolved.

Find out whether there are other medical specialists employed by the practice, such as neurosurgeons, PM&R, or pain management specialists. Find out whether the group employs PAs, RNs, NPs, or similar practitioners, and the role of each within the practice. Do not assume they will be used in the manner with which you are familiar, or that they will take first call for trauma, or you may find you are in for a surprise! Before joining a practice, ask whether mid-level providers will be available to you if they are available to other members of the group. It is important to know if you will have mid-level support or not—if you do it is important to know how they will affect your practice.

Clinical mix and volume

Ask about both the current distribution of cases and what your expected distribution of cases will be, especially if you are being brought in to develop a subspecialty area that is not currently

being provided. You must know the numbers and types of cases the current neurologists are doing each year.

Trauma call

Find out what the call schedule will be for the successful candidate, whether there are neurologists outside the practice who take ER call, and how many neurological trauma admissions are seen each year. You should ask for specifics about how the trauma service is run. Many neurologists seem to think the best indicator of trauma call is whether the practice services a Level I or Level II trauma center, however, other factors are just as important. Are there PAs or other mid-level providers who take first call? Are there hospitalists or mid-level providers who manage requests relating to medication, diet, and similar issues? A remarkably busy but well-run, efficient trauma service that is primarily consultative may be less taxing than a poorly run trauma service with fewer admissions where there is no buffer between you and every patient need.

Core values of the practice

Like every business or institution, a neurology practice is defined and shaped by the core values, or mission, of its administrators. Practices are as different as the individual partners. A “perfect” practice in a perfect location may not be so perfect after all if your professional goals are different than those of the other members of the group. Some practices are primarily focused on the business aspects of running a neurological practice. These practices are geared toward increasing remuneration for its owners. Some practices are community-minded, emphasizing the responsibility of its members to serve the entire community, even if the payor-mix is unfavorable. Other practices are highly progressive, working continually to remain on the forefront of neurological practices and techniques, and often developing extensive partnerships with the hospitals they serve to develop sophisticated neuroscience institutes. Even more still are highly entrepreneurial and focused on developing ancillary income sources. There is no one formula for a successful practice. What is important is that your professional goals and priorities fit well with the practice you choose.

Financial structure of the practice

The financial relationship between the partners in a group may greatly impact their personal and professional relationships. Depending on your personality and your sense of fairness, you will invariably fit better in one type of practice or employment arrangement than another. Find out if the practice in which you are interested is an income-sharing practice, where all the partners split the income evenly between themselves regardless of their differences in production, or if partners are compensated on a production-basis. If your sense of fairness dictates that you should “eat what you kill,” you will be much happier in a practice where the compensation is based on production than in an income-sharing group, even if your income in either practice would be the same. On the other hand, if you are a very team-oriented person who believes that an individual’s value to the group is not necessarily reflected in RVUs, you might be very happy in an income-sharing, incredibly team-spirited practice. I find that the partners I have represented in income-sharing groups often describe to me the profound respect they have for each other’s unique talents, and they seem to work together on a case with frequency to enjoy the camaraderie. On the other hand, partners in expense-sharing arrangements who share their overhead but operate

strictly on a production basis laud the merits and simplicity of their “no marriage, no divorce” relationship.

Development of ancillary income services

With reimbursements for neurological cases declining, many private practices are developing ancillary income sources through the development of physical therapy, occupational therapy, infusion suites, imaging equipment, and radiosurgery equipment. If you are considering a traditional private practice as opposed to a hospital-employed arrangement, inquire as to whether the practice is developing ancillary sources of revenue outside of professional billings. You should find out at what point you will be allowed to “buy-in” to such ventures and how the buy-in will be calculated.

Your Ability to Develop the Type of Practice that You Want

The practice as a dynamic entity

A neurology practice is a dynamic entity. Just as you develop as a professional, your practice will develop over time. You will have a significant hand in shaping your practice in the future. Evaluate your professional goals and decide whether you can develop the practice you want with the group you are considering. If there are things about the practice in its current form that you would like to change, discuss your thoughts frankly with the current members of the practice to gauge their reactions.

Your role in the practice

Practices recruit for varied reasons. Sometimes they recruit in anticipation of the retirement of a partner in the group, sometimes to develop a new service line that they do not currently provide, and sometimes to simply provide added coverage to assist with patient volume and trauma call. Investigate why the practice is recruiting and what your role in the practice will be.

Anticipated clinical mix and volume

Ask how many cases you should expect being able to do your first year, and where the referrals will come from. There is a tremendous difference between coming into a practice where the referral patterns are already well-established, where you might even inherit the practice of a retiring partner, and coming into a practice where you will need to go out into the community and develop your own referrals.

If you have a subspecialty, find out to what extent you can develop that interest within the practice. Even if the clinical mix for a general neurologist may not match well with a specific practice. If the practice is mostly stroke but you wish to do a wide variety of cases, will you be able to do that within the practice?

Support from the local hospital

Are the hospital and local group on the same team?

Whether you are being recruited by an independent practice group or by a hospital as a hospital-employed neurologist, it is critically important to know whether the local hospital is recruiting in opposition to the group.

This dynamic is important if you are considering a hospital-employed position. A hospital may choose to recruit in opposition to the local group when the hospital and the local group have a falling out. The group may refuse to supply sufficient trauma coverage to satisfy the hospital, the group may do “too much” business with competing hospitals, or it may compete directly with the hospital by developing other ancillary revenue sources that are in direct competition with services provided by the hospital. While the hospitals often have good reasons for wanting to hire their own hospital-employed neurologists, it can be quite a challenge to establish a new practice at a hospital that is recruiting in opposition to the local group. The local group typically has well-established referral patterns and may put up substantial resistance to any new neurologists in the community.

You will also be affected if you consider joining an independent group where the local hospital is recruiting in opposition to the group. Find out the size of the medical draw area and whether the hospital recruitment will result in an overly saturated market in neurology.

Other hospital support

You should find out if the hospital offers the practice other means of support, including compensation for trauma call, updated equipment, and other newer technologies. It is also critical that other significant medical colleagues are available to support the practice, as necessary. For example, if the hospital has trouble with neurosurgery support, you may find it difficult to adequately refer care for your patients. If the hospital has no interventional neuroradiologist (NIR), you might feel that the hospital cannot meet standard of care in admitting aneurysms. If there is insufficient support by hospitalists, intensivists, or trauma surgeons, the trauma call may be impossible to manage, or it may not be possible to accept admissions.

Income and Employment Contracts

Money isn't everything

Compensation is a key factor in any employment decision. While compensation is often highly advertised and frequently talked about, all other factors are more significant for a successful long-term match. Money can buy happiness only for a brief time, and your love affair with your paycheck will not last if you hate your new living or working environment. In our experiences, money cannot buy loyalty, talent, or retention. The critical factors in achieving long-term happiness are an appreciation for the area in which you are living, affinity and respect for those with whom you work, and satisfaction with the type of practice you are developing. You can know that whatever your salary, that it is still a physician's salary, and you should still be able to live comfortably.

If you are considering hospital employment, you should look carefully at how compensation will be decided. Your income may be straight salary, or it may have a production component. Be

careful if you are considering a production bonus based on collections—if the hospital does a poor job at billing and collections, you may find you are not compensated fairly for your work. If your bonus is based on collections, carefully examine the hospital's track record in this area. A less-risky method of compensation is an RVU-based production schedule, which might be based on total RVUs or may be based on work RVUs (wRVUs). It is important to understand the difference. wRVUs cover all aspects of clinical care including post-operative care for 90 days. Total RVUs includes wRVUs plus malpractice expense, plus overhead. Overhead is a general term for practice-related expenses (secretaries, nurses, office space, etc.) Note that the malpractice expense component does not reflect the actual cost. It is an infrequently adjusted index which rarely keeps up with reality.

The relative Importance of a Contract

Occasionally, a resident will ask me which of two contracts is more favorable as a way of deciding which of two offers to accept. No decision should be made mostly based on the terms of the offered contract. A contract more accurately reflects the style of the lawyer that the practice or hospital hired to draft the agreement than anything important about the practice itself. It is more important to focus on the people, the practice, and the location. Only if all those other things are equally appealing should the terms of the contract be a deciding factor. A contract can be negotiated or changed, while the people, practice, and location are all non-negotiable things you accept when you accept the offer.

The hospital or practice has hired a lawyer to draft a contract, and you should hire a lawyer or specialized contract consultant to review it. Be sure you make your negotiating position clear to the lawyer. Some lawyers can be focused on proving their abilities by nitpicking an agreement to death. This is different than protecting your best interests. Be sure your lawyer points out any significant issues, however, and helps you understand any potential problems. Review your contract with your lawyer and be sure that you understand all the provisions. Make sure that all your questions are answered to your satisfaction before you sign. A practice should never feel threatened if you hire a lawyer. Your lawyer is there to explain to you the terms of the contract—you did, after all, go to medical school, not law school!

If you are considering accepting an offer from someone you know you do not trust, do not think you can protect yourself with an iron-clad contract. Stop. Think. This cannot be a smart move. Find a different position, and fast! No contract can truly protect you from someone you know you can't trust. A contract is evidence of an agreement, but it cannot force someone to live up to their promises. It only gives you the right to sue the contracting party after promises are broken. The only real "winners" in a lawsuit are the lawyers, and the broken relationships that lead to a lawsuit will not help you progress in your career.

Summary

The current job market is very favorable to neurologists looking for permanent positions. You will have more practices wanting to speak with you than you will have time to visit. You must prioritize. Look for the best match in terms of the location, your prospective partners, and the type of practice. Consider whether your professional goals are compatible with the core values of the practice. Be aware of local politics within the medical community that may affect your practice. Learn about competition within the community. If you are certain that you have a

quality practice opportunity in all these aspects, look for a reasonable offer. If you find yourself having doubts about the integrity of your prospective partners during the contracting process, pay attention to your feelings and continue looking. You are in a generous market with many opportunities—enjoy!

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