

Sample Employment Agreement:

\_\_\_\_\_ is a (State) corporation with offices at \_\_\_\_\_ (“Practice”) and \_\_\_\_\_ MD (“physician”), a resident of (State) enter into this Physician Employment Agreement (“Agreement”) to be effective (date, year).

**Recitals**

- A. Practice is a (State) corporation rendering professional plastic surgery and cosmetic services in the state of \_\_\_\_\_ through its employees who are duly licenses to practice medicine in \_\_\_\_\_.
- B. Physician is duly licensed to practice medicine in \_\_\_\_\_..
- C. Practice and Physician desire Physician to be employed by practice on the terms and conditions set forth in this Agreement.
- D. In consideration for Practice providing Confidential Information and Proprietary Information to Physician in connection with this Agreement, Physician agrees to the restrictive covenants in Article 5 of this Agreement

Based upon the above recitals and the mutual covenants in this agreement, the parties agree as follows:

**Article 1  
Employment**

- 1.01 Term The term of this Agreement starts on the effective dates and ends 12 months after the Start Date (“Initial Term”). Practice anticipates that Physician’s first date of employments (“Start Date”) will be \_\_\_\_\_. Unless otherwise terminated, this Agreement will automatically renew up each anniversary of the Start Date for additional 12-month periods.
- 1.02 Pre-Start Date Conditions. As of the Start Date, Physician must meet all of the physician qualifications in Section 2.06 of this Agreement.

**Article 2  
Conditions of Employment**

- 2.01 Professional Services. As of the Start Date, Practice employs Physician to provide professional medical services of a plastic surgeon, only as directed and approved by the Board of Directors of Practice (“Professional Services”).
- 2.02 Performance of Professional Services. Physician will perform the Professional Services described above in a competent and professional manner, subject to the reasonable instructions, directions, and policies of Practice. Physician will comply with all state and federal laws applicable to patients’ privacy including the Health Insurance Portability and Accountability Act of 1996 and all rules, regulations, and related laws and acts promulgated under and in connection with such Act. Physician

will not serve patients other than those of Practice, except as stated in this Agreement of unless otherwise authorized by Practice.

2.03 Full Time. Physician is scheduled to work full time at Practice, on days and times allocated and determined by Practice and agreed upon by the Parties. Nothing contained in this Agreement will be construed to prevent Physician from having business interests apart and separate from the practice of medicine and not connected with Practice so long as such separate business interests do not impair Physician's practice of medicine and Physician's conduct of Practice's business.

2.04 Call Coverage. Unless otherwise directed by Practice of Hospital, Physician will be required to participate in \_\_\_\_% of Practice and Hospital on-call coverage.

2.05 Practice Staffing. As determined by Practice in its sole reasonable discretion, Practice will provide staff to assist Physician in providing the services described in this Agreement. This may include providing a receptionist and a clinical assistant to assist Physician on patient days. Additional staff may be provided with Physician's volume of services demand.

2.06 Physician Qualifications. Physician represents, warrants, and covenants to Practice that Physician:

- (a) Licensed to Practice Medicine and Prescribe Drugs. Physician possesses a valid and unlimited license to practice medicine pursuant to the laws of the state of \_\_\_\_\_. Physician is not now and has never been the subject of any investigation related to Physician's medical practice or qualifications for licensure. Physician's license to practice medicine has never be revoked, suspended, restricted, or otherwise curtailed. Physician possesses a valid federal Drug Enforcement Agency license that has never been revoked or suspended.
- (b) Board Certification. Physician is board-certified in plastic surgery, or if Physician is board-eligible is actively pursuing such certification to be received within a two-year period of time.
- (c) Practice Criteria. Physician will abide by any reasonable guidelines, protocols, and policies of Practice. Physician will participate in all Practice programs regarding quality assurance, utilization review, risk management, and peer review.
- (d) Disciplinary Action. Physician's medical staff privileges at any hospital, surgery center, or clinic have never been curtailed, suspended, or revoked.
- (e) Criminal Conviction. Physician has not been convicted of any crime, not are any investigations or charges currently pending against Physician.
- (f) Legal Counsel/Free Will. Physician can consult with legal counsel regarding this Agreement. Practice did not induce Physician to execute this Agreement in contravention to any existing commitments or obligations.

- (g) Professional Conduct. Physician has never been found guilty of unprofessional or unethical conduct by any board or professional organization.
- (h) Compliance. Physician has complied with all applicable federal, state, and local laws and regulations, including the rules and regulations of the (State) Department of Health Care Services, the Centers for Medicare and Medicaid Services ("CMS"), and all other applicable governing bodies.
- (i) Clinical Privileges. Physician will maintain full hospital medical staff memberships and clinical privileges as are appropriate to Physician's plastic surgical practice.
- (j) Continuing Medical Education (CME). Physician will maintain skills through CME and training, and will participate in those programs reasonably designated by Practice from time to time.
- (k) Medicare/Medicaid. Physician is eligible for and not excluded from participating as a provider for Medicare and Medicaid programs.
- (l) Litigation. Physician is not now a party to or the subject of any professional liability litigation.

2.07 Billings and Collections. Physician irrevocably assigns to Practice all rights to any fees resulting from Physician's practice pursuant to this Agreement. Practice will be responsible for billing and collecting all fees for services provided by Physician. Physician is responsible for proper coding for care provided. Physician authorizes Practice to submit claims and to collect payment on behalf of Physician. Physician will provide all documentation required for timely billing on all patient accounts.

2.08 Medical Records. Physician will keep and maintain appropriate and accurate records, reports, claims, and correspondence in connection with all services rendered by Physician under this Agreement. All such records belong to Practice.

2.09 Medical Decisions. Physician will exercise Physician's own independent medical judgment in the practice of medicine for patients.

### **Article 3 Compensation and Benefits**

3.01 Compensation. Physician will receive a Base Salary of \$\_\_\_\_\_/two weeks, for an annual Base Salary of \$\_\_\_\_\_. Physician will also receive compensation equal to \_\_\_\_% of the Net Physician Collections received by Practice.

3.02 Payment. Physician's Base Salary will be paid in biweekly installments. Physician's percentage of Net Collections received will be paid in monthly installments beginning one month after the Physician's Collections are received by the Practice. All compensation paid to Physician will be subject to federal, state, and local income and employment taxes, withholdings requirements, and other

deductions in effect. Upon any renewal of this Agreement, any change to the Physician's compensation will be determined by the Practice.

3.03 Paid Time Off. Physician is entitled to \_\_\_\_ weeks of vacation time during the 12-month period of this Agreement. Such time off must be approved in advance by Practice to ensure proper coverage of the patients of Practice. Additional unpaid time off may be allowed at the discretion of Practice.

3.04 Sick Leave. Pursuant to (State) regulations, Physician is entitled to \_\_\_\_ days of paid sick leave/year of employment. Physician may use paid sick leave for self or for caring for a family member.

3.05 Professional Liability Insurance. Practice will pay Physician's premium for professional liability insurance for coverage of all Professional Services performed by Physician for Practice during this Term. Any coverage for professional liability exposure Physician incurs prior to Physician's employment with Practice or outside of this Practice employment will be the sole responsibility of Physician.

3.06 Professional Liability "Tail Coverage". Upon termination of this Agreement, Physician will purchase, at Physician's own expense, an extended reporting endorsement malpractice insurance ("Tail Insurance") policy covering acts or omissions performed during the term of this Agreement.

3.07 Insurance. Physician may participate in employee benefit plans including group life, disability, and long-term care insurance coverage as detailed in the Employee Handbook.

3.08 Health Insurance. Physician may participate in Practice's group health insurance plan for which Practice will pay the premium.

3.09 Marketing. The Practice will support Physician by sponsoring and paying up to \$\_\_\_\_\_/year for Physician to be involved in certain marketing initiatives as are mutually discussed and agreed to by the Parties. Physician agrees to be an active participant in the development and implementation of such marketing initiatives.

### **Termination**

4.01 Termination by Practice. This Agreement will terminate after 60 days' written notice from Practice to Physician for the following reasons:

- (a) Criminal conduct resulting in conviction of Physician (excluding misdemeanors unrelated to the practice of medicine)
- (b) Physician ceases to meet the qualifications requirements set forth in Section 2.06, including suspension or revocation of Physician's medical license

- (c) Physician is found guilty of unprofessional or unethical conduct by any Board, institution, organization, or professional society
- (d) Termination, revocation, cancellation, suspension, limitation, or loss of hospital privileges
- (e) Practice determines Physician has acted in a manner that is fraudulent, unethical, detrimental to patient care, or damaging to the reputation or operations of Practice, including professional negligence, intoxication, or substance abuse
- (f) Fraud, embezzlement, or falsification of records
- (g) Any restrictions placed by a governmental authority under which Physician cannot engage in the service for which Physician is employed
- (h) Physician's death, or any disability of greater than 90 consecutive day

4.02 Termination by Physician. Physician may terminate this Agreement at any time with 60 days' prior written notice to Practice.

4.03 Effect of Termination on Compensation. In the event of termination, Physician's compensation will be computed to the date of termination and paid as required by law. Net Physician Collections received for up to 90 days following termination will be paid at the percentage set forth in the Agreement.

4.04 Effect on Termination of Benefits. All benefits will terminate as of the date of termination, subject only to state and federal requirements regarding continuation of coverage.

4.05 Duties Upon Termination. Upon termination Physician will return all Practice property (including equipment, devices, passwords for devices, websites, blogs or social media accounts of Practice, any and all digital content created or developed by Physician during the Term, any patient images, uniforms, supplies, monies advanced, etc.). Physician will immediately make an accounting to Practice of all money and property received by Physician. Physician will vacate the premises and return all keys and access devices to the Practice.

## **Article 5 Restrictive Covenants**

5.01 Restriction on Soliciting Employees of Practice. If Physician leaves Practice, Physician will not, directly or indirectly, solicit or take away any of the employees or independent contractors of Practice. Physician will not engage if employ any such person for a period of 12 months after leaving Practice.

5.02 Medical Records. All patient medical records, demographic information, photographs, etc. belong to the Practice. Physician may obtain access to all appropriate medical records of Practice as necessary for Physician's provision of service under this Agreement, including the right to make copies of these documents as needed. Physician will be allowed access to the list of names of patients Physician

has treated for the two years up to the termination of this Agreement. Physician will be allowed access to the medical records of Physician's former patients upon signed written authorization of the patients, and after payment of a reasonable fee as determined by the Medical Board of the State of \_\_\_\_\_.

5.03 Continuing Care. Physician will not be prohibited from providing continuing care and treatment to a specific patient as needed to complete an acute course of care following termination of this Agreement.

5.04 Confidentiality. Physician agrees that patient confidentiality will be held in the strictest confidence, in the highest regards, and that specifics of any patient of the Practice may not be discussed or disclosed outside of Practice's office, unless with another health care provider also engaged in the care of the patient. Physician will comply with all state and federal privacy laws.

## **Article 6 Representations and Warranties**

6.01 Representation of Practice. Practice represents and warrants the following to Physician:

- (a) Organization. Practice is duly incorporated, organized, and formed, validly existing and in good standing under the laws of its jurisdiction.
- (b) Authority. The making, execution, delivery, and performance of this Agreement by Practice constitutes valid and binding obligations enforceable in accordance with their terms.
- (c) No Conflicts. Neither the execution and delivery of this Agreement by Practice, nor the consummation by Practice of the transactions contemplated by this Agreement will (1) conflict with or result in any breach of any provision of Practice's governing documents, or (2) breach in any material respect with any other material agreement, judgment, injunction, order, decree or other instrument to which Practice is a party.

6.02 Representation of Physician. Physician represents, warrants, and covenants the following to Practice:

- (a) Training. Physician possesses any training required to perform the services to be provided pursuant to this Agreement, and that any and all necessary licenses will be maintained by Physician, for so long as Physician provided services for Practice.
- (b) Obligations. Physician has not previously assumed any obligations inconsistent with those contained in this Agreement.
- (c) Legal Representation. Physician has had the opportunity to consult legal counsel regarding this Agreement and has either done so or declined to do so.
- (d) Free Will. Physician has entered into this Agreement pursuant to Physician's own initiative and Practice did not induce Physician to

execute this Agreement in contravention of any existing commitments or obligations.

- (e) Binding Obligations. The making, execution, delivery, and performance of this Agreement by Physician constitute valid and binding obligations of the Physician enforceable in accordance with their terms.
- (f) Reliance. Physician acknowledges that Practice is employing Physician in reliance upon the forgoing representations of Physician and all other representations, warranties, and covenants may by Physician under this Agreement.

## **Article 7 Indemnity**

7.01 Indemnification by Physician. To the extent not covered by insurance, Physician will indemnify, defend, and hold Physician Indemnitees harmless from and against any and all third party claims and losses resulting from or attributable to (a) Physician's breach of any of Physician's representations, warranties, obligations, or agreements made under this Agreement; or (b) Physician's acts or omissions regarding coding, billing, patient privacy, or provision of Professional Services.

7.02 Indemnification by Practice. To the extent not covered by insurance, Practice will indemnify, defend, and hold Physician harmless from and against any and all third party claims and losses resulting from or attributable to Practice's breach of any of Practice's representations or warranties made under this Agreement.

## **Article 8 Additional Provisions**

8.01 Assignment. This Agreement is not assignable or transferable by Physician, by operation of law, or otherwise.

8.02 Amendment. Amendments to this Agreement will not be binding unless such amendment is in writing and signed by a duly authorized representative of the Parties.

8.03 Waiver. The failure of either Party to insist upon performance of any terms of this Agreement will not be construed as a waiver of future performance required by the terms. No term of this Agreement may be waived except by written consent of the waiving Party.

8.06 Severability. The provisions of this Agreement are severable. If one or more provisions of this Agreement are declared unenforceable, all other provisions will remain enforceable.

8.07 Notices. All notices required under this Agreement will be in writing and will be delivered to all parties to this Agreement.

8.08 Governing Law and Venue. This Agreement, and all Claims, will be governed by the internal laws of the State of \_\_\_\_\_.

8.09 Legal Costs and Expenses. In the event that any suit of legal proceeding arises out of this Agreement, the substantially prevailing Party will be entitled to court costs and reasonable attorneys' fees incurred.

Signature Page to Follow.