

PHYSICIAN CONTRACT ISSUES IN LIGHT OF COVID-19

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- This information is current as of the date the lecture was written –

May 20, 2020



Physician Contract Issues in Light of COVID-19

American Osteopathic Association

What Do These Terms Mean?

1. Employee “at will”
2. Employee
3. Contractor
4. Layoffs
5. Furloughs
6. Written contract

Areas of Contracts Being Modified by Employers Related to COVID-19

1. Schedule
2. Location
3. Compensation
4. Bonus Targets
5. Exclusivity

Amendment to Agreements vs. Right to Unilaterally Modify

“This Agreement supersedes all previous contracts or agreements between the parties with respect to the same subject matters and constitutes the entire agreement between the parties. This Agreement may be amended only by an instrument in writing signed by both parties hereto.”

“X may revise or adjust Physician’s compensation from time to time during the term of this Agreement upon prior written notice.”

Termination For Cause vs. Without Cause

1. Termination for cause
 - Specific reasons related to license, DEA, breach of contract, etc.
 - Death, disability
 - Bankruptcy
 - Fraud, gross negligence
 - **Subjective provisions related to reputation and conduct**
2. Termination without cause. Typically requires notice between 30 and 120 days. Compensation and benefits typically continue during the notice period.
3. Force majeure and termination for impracticability

Other Provisions Impacted by Termination

1. Non-compete enforcement
2. Cost of Tail Coverage
3. Repayment of Bonus
4. Computation of Bonus Amounts Owed

Negotiating an Amendment

- 1. Signed by both parties versus memo or email
- 2. Limit to changes needed only
- 3. End date to changes (i.e. return to normal)
- 4. Make up financial loss?
- 5. No termination while compensation reduced or commitment not to terminate for period of time (1 year)
- 6. Commitment not to further amend
- 7. Waiver of repayment/some other benefit?

Other Contract Concerns

1. Benefits while furloughed
2. Exclusivity and non-compete provisions while furloughed
3. Productivity-based compensation

RESOURCES



<https://www.physiciansupportline.com/>



About News & Updates PSL In The Media   Volunteer Portal

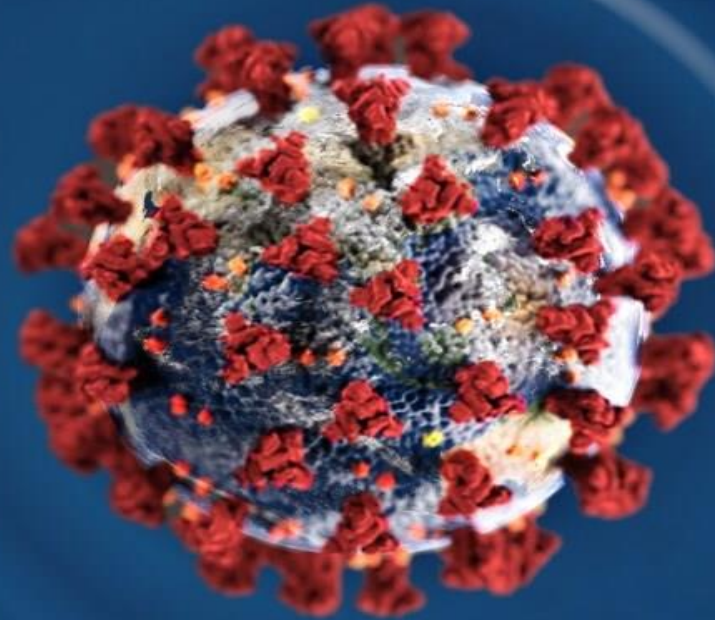
Physician Support Line

1 (888) 409-0141

Helping our colleagues all over the U.S. on the front lines of COVID-19
Free & Confidential | No appointment necessary
Open 7 days a week | 8:00AM - 12:00AM EST

[Call Now](#)

AOA Resources



www.osteopathic.org/covid-19

On-demand Covid -19 Webinars

- **The CARES Act and the Paycheck Protection Program (PPP): Key Considerations for Physicians and Their Practices**
- **Federal Financial Relief for Physicians During the COVID-19 Emergency**
- **Telemedicine – Successfully practicing medicine from a distance Navigating HIPAA and Telemedicine during COVID19**
- **Get Paid for Telehealth; New Rules for Documentation and Technology**
- **Billing and Coding Under New Telehealth Rules**
- **Update on Telemedicine for Physicians**

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<https://aoaonlinelearning.osteopathic.org>

# Upcoming Webinars

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Updated Telemedicine Coding & Billing for the biller and coder

May 28 7:00 PM CT

COVID-19 related concerns? Ask an attorney.

June 3 7:00 PM CT

Updating Your Partnership/Shareholder/Buy-Sell Agreements

June 10 7:00 PM CT

Reopening your Medical Practice

TBD

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AOA Online Learning

The American Osteopathic Organization's Online CME platform

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Questions & Answers

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