Choosing a Private Practice: Things to Consider

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Subspecialty medicine in the United States is practiced within a variety of different organizational structures. One can roughly categorize practice structures according to size and according to whether they consist of multiple specialties or are limited to the practice of pulmonary/critical care/and sleep medicine. The most familiar structure to individuals coming out of a training program is the large institutional model, such as clinical practice in a university setting, large HMOs such as Kaiser Permanente, and multi-specialty medical groups. Some of these groups may contract with larger healthcare organizations to provide subspecialty coverage to various hospitals and clinics within a given geographic area. Single specialty groups of 2 to 20 physicians limited to the practice of pulmonary/critical care/and sleep are common, although the relative proportion of pulmonary, critical care, and sleep may vary considerably from practice to practice. Although some subspecialties such as oncology, emergency medicine, and anesthesiology have organized into larger regional or national groups, this has not been a common organizational structure to date for pulmonary/critical care/sleep. Because of economic factors, the national trend has been towards larger groups over solo or dual practitioner structures. Depending on how health care evolves over the next decade, it is likely that medical practice organizational structures will change as well.

There is surprisingly little uniformity in how various practices, even with similar numbers of people, are structured and governed. Although the larger practice models tend to be more hierarchical in nature, with decisions made at the top, this is by no means absolute, because some large groups may function by democratic processes. Some groups operate with an elected or selected board, some by voting or consensus, others by executive fiat of the senior partner(s). It is important to understand the specifics of how a practice works. Within each type of structure, there are similarities, but there may be surprising differences, dependent on both the specifics of remuneration (i.e., the extent of managed care/capitation) and the "culture" of the group (i.e., how decisions are made and implemented).

Not all models or groups are good fits for everyone. What is important to you as an individual? Although geographic location and initial salary seem to be the prime reasons that individuals select a practice to join, this can be shortsighted. The first 1-3 years spent in practice are a continuation of the processes of accumulating knowledge and experience that one develops during postdoctoral training. Often the focus in this period of time is learning how to function within a specific community. However, when you and the practice group become comfortable with one another and you have become a full, functioning member of the group, the details of how the group functions will be important to you. There are many factors to consider that are ultimately more important than the initial salary. You should develop other criteria for you to help decide about choosing a group. Some questions to ask yourself in preparation for obtaining information about various practices include the following:

How important is it that you have input into decision-making? Do you want to have a say in most decisions regarding practice direction, management, and daily operations, or would you prefer to leave this type of decision to others and focus on your medical subspecialty? Whatever your preference, you should understand how the practice/group is governed, who makes decisions, and what will be the extent of your input, both initially and as you develop seniority in the practice. Administrative and business decisions are time consuming and often frustrating, but are important, because they influence important issues such as where, what hours, and how people work, as well as the formulas for remuneration.

What will your daily life be like? What mix of patients do you want to see? What type of patient mix does the practice see—inpatient/outpatient? What is the spectrum of patients within pulmonary/critical care/sleep legal cases? Does every physician in the group see the entire spectrum of patients and perform all procedures, or is there specialization and compartmentalization within the group? Is it important to you to have a say in the types of patients you will see? Will you have an opportunity to do work other than the practice of medicine, if you wish, such as teaching or participating in experimental drug trials?

What type of practice community is it? In some communities, house staff, hospitalists, internists, or family practitioners play a major role in both inpatient and outpatient medicine; in other communities, the subspecialists also function as primary care physicians. Do you have a preference?

How important is it to you to have flexibility in the time that you work, such as control over the hours you work during the week or the amount of time you spend out of the practice? How would your desires and wishes fit into the organization of the group? Would these easily be accommodated or would they be a source of friction?

Are you more comfortable in the type of practice where everyone makes the same (or similar) salaries and works similar or fixed hours, or would you prefer a more flexible working situation, based on either time spent in the practice or on productivity? If there is a component of remuneration linked to productivity, how is productivity measured? Some practices base productivity on amount billed or on RVUs, whereas others base productivity on income collected. Each method has its advantages and its drawbacks; it is important to understand what the formulas are in the practice you join. How are expenses allocated?

How is work allocated? Is there competition within the group? If not, how is this avoided?

How will your position evolve within the group? There is usually a trial period of 1-3 years and there may be different levels of partnership. You should fully understand both the timeline and the processes by which decisions about advancement are made.

Most importantly, can you work well within the group? Do you think you like the individuals currently in the group and can you get along with them? Do they seem to get along well with one another? Do they appear to function well as a group?

By the time you reach the point of signing a contract, you should have developed a clear understanding of what the group is like, and what your responsibilities will be to the group and vice versa. Therefore, the contract should contain no surprises. That said, it is most important that you understand what the agreement means in plain English. If you are signing a contract with a solo practitioner or with a very small group, some negotiation may be possible. However, with larger groups, there is often little flexibility. Groups have fixed ways of doing business, and there are issues of maintaining equity within the group with respect to both salaries and other job specifics; many contracts are "boilerplate." Issues such as job flexibility, vacation time, and salaries may have been fixed by the group's prior and current working arrangements; these may not be negotiable. If you have specific issues that are important to you, these should have been discussed and agreed upon before an attorney draws up a contract. There should be a good exit arrangement in the contract, so that if either party is dissatisfied, the working arrangement can be amicably terminated. Finally, it is critical that you have the contract reviewed by an independent attorney of your choosing and that you fully understand all of the terms of the contract before you agree to it. It may be tempting to avoid the expense and time involved in hiring an attorney to review the contract, but it is often a mistake to do so.

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