

# PHYSICIAN REENTRY: WHAT EMPLOYERS NEED TO KNOW

## THE PHYSICIAN REENTRY INTO THE WORKFORCE PROJECT

### OVERVIEW

Traditional career planning assumed that a physician would graduate from medical school and residency, and then work continuously until retirement; but in the twenty-first century, this model is becoming less normative. As both the demographics and employment expectations of the profession continue to evolve, it is now increasingly common for physicians to leave clinical practice voluntarily with the expectation that they will reenter clinical practice at some point in the future. Physician reentry into clinical practice can be defined as returning to the clinical practice for which one has been trained, certified or licensed after an extended period of clinical inactivity not resulting from discipline or impairment.

The Physician Reentry into the Workforce Project believes that every physician needs to plan carefully before leaving clinical practice, while on leave, and during the reentry process. Many of the reentry considerations that must be addressed by the physician are presented in the document entitled, The Physician Reentry into the Workforce Inventory (Inventory) available at [www.physicianreentry.org](http://www.physicianreentry.org). The Inventory contains vital information, practical tips, and checklists to make the reentry process go more smoothly. Although it is the responsibility of the reentry physician to address the personal and professional aspects of his or her return to practice, support from the employer will facilitate an easier transition.

Understanding that competent physicians are a valued resource, employers across the country are learning that communities, patients, practices, and healthcare systems benefit tremendously from helping these physicians return to clinical practice. With looming physician shortages, it is both good for patient care and potentially more cost-effective to facilitate a physician's return to practice than to recruit a new physician or other non-physician clinician.

To that end, this document is designed to assist employers throughout the physician reentry process. Although it is by no means comprehensive, employers who know and incorporate the following tips are more likely to experience a smoother reentry process. All of the recommendations provided are intended to be used only as a guideline to aid the employer who is considering hiring a reentering physician, or to assist the employer in the advance planning and preparation for such an event. The information presented may not apply to all

situations. This material is provided for informational purposes only and does not take the place of professional advice. Employers should use their own best judgment regarding which strategies will work best for them, and should seek professional advice, as needed.

## **WHEN A PHYSICIAN IS PLANNING TO LEAVE CLINICAL PRACTICE COMPLETELY FOR AN EXTENDED PERIOD OF TIME**

The Physician Reentry into the Workforce Project maintains that the most essential component of physician reentry is advance planning. There are several key considerations that involve decisions before the hiatus, and others that come into play when the physician wishes to return to practice. All of these should be discussed fully, and a written plan or agreement developed, prior to the physician's departure. Many of these considerations are the physician's responsibility, rather than the employer's, and should be clarified in the agreement. The final decision on which criteria to accept often rests with the employer, who arguably assumes the greater risk in these situations.

It is important for both the physician and the employer to recognize that reentry is a different issue than planning for a new hire or retirement from practice. Employers should explore establishing formal policies and procedures to explicitly address physician reentry situations in advance of their actual need, so that these policies will be well designed and comprehensive. This document serves as a starting point.

## **WHILE THE PHYSICIAN IS ON LEAVE (AND PLANNING TO RETURN TO THE PRACTICE)**

A variety of issues may affect the practice while a physician is on leave, including, but not limited to the following:

### **PRACTICE MANAGEMENT ISSUES**

Determine the possible overall effect of the physician's departure on the practice. Note, that this can vary and depend on things like timing of the event, advance planning, practice demographics and structure:

- Will the physician's absence affect the workload and call schedule of the remaining physicians and staff in the practice?
- Will there be adequate staffing to manage patient volume and complexity and to attend to the administrative needs of the practice?
- How will the physician's departure impact the practice's financial viability, including reimbursement of RVUs, productivity, and profit margin?
- What are the practice's predictions for growth in light of the physician's absence?
- Will the physician's departure diminish the referral base for the practice?
- Will there need to be changes in how the practice handles the issue of new patients?
- Will the physician's departure prevent, make easier, or change how the practice offers care in a particular specialty or in a special area of cognitive or procedural expertise?

Note: See The Physician Reentry into the Workforce Project's publication, A

*Physician Reentry into the Workforce Inventory (Inventory)* available at [www.physicianreentry.org](http://www.physicianreentry.org) for additional practice tips.

### **PATIENT ISSUES**

- Who will take over the physician's patients?
- Should the practice hire a replacement physician (locum tenens vs. permanent), or should existing partners absorb the impact?
- How should the practice inform the physician's patients about the situation?
- How much choice should patients be given when assigning them to a new physician?
- How should the practice prevent fragmentation and ensure continuity of care for the physician's patients?

### **FINANCIAL ISSUES**

Financial issues may vary depending on whether the physician is salaried, on a partnership track, or a full partner in the practice. Among the issues to address:

- Is anything owed to (or by) the departing physician?
- What will the physician's status as financial partner be during the hiatus? Upon return to the practice?
- What will be the status of the physician's benefits during his or her absence, such as COBRA/health insurance, life insurance, and retirement accounts?
- Will the physician need to maintain malpractice insurance during the leave of absence? This may depend on how the policy is structured (e.g., if the policy allows for "slot" coverage). If coverage is not maintained during the hiatus, the risk to the physician should be clarified, in the event that a claim is filed against the physician during the leave of absence. It should also be discussed how the physician regains coverage upon returning to practice.
- Who (employer or physician) will cover the various costs associated with returning to practice?

## **ISSUES THAT WILL IMPACT THE PHYSICIAN'S REENTRY:**

### **PROSPECTIVE PLANNING**

Although both the employer and the departing physician should discuss these issues, final decisions should rest with the employer, while the responsibility to meet the conditions rests with the physician.

- When is the physician planning to return? Is this timeframe certain?
- What kind of promises can be made about the future, from both the physician and practice viewpoints? Employers and physicians should recognize that economic conditions may change and that an employer may not be able to hold a position indefinitely. Certain financial benchmarks might need to be considered for the position to be held.
- Should any criteria for competency be established based on the projected time away from the practice? How rapidly are cognitive, technological, and procedural techniques changing in this field?

### **CREATING A REENTRY PLAN**

Reentry criteria should be discussed from the viewpoint of both the employer and the physician, using available resources. The employer, however, should encourage the criteria to be tailored to the needs of the practice.

- The physician should present a plan to the employer that outlines his or her

plans for ongoing CME and skills maintenance, or for formal reentry assessments, if the timeframe for the departure is over two years.<sup>1</sup> It should be decided before the physician's departure who will be financially responsible for the potential assessments.

- The physician should check with his or her state medical or osteopathic board to see if it has requirements for physician reentry and if it stipulates the components of a reentry plan. In addition to state board requirements, the reentry plan should be tailored to the mutual needs of the involved parties (physician and practice).
- If the hiatus is expected to last more than a year, the reentry plan should be revisited and revised in a mutually agreed timeframe to cover changing economic and educational needs.
- If the state medical or osteopathic board does not have guidelines for physician reentry, then the employer may choose to mirror the policies and procedures that hospitals use for re-credentialing and privileging of hospital-based physicians. These can usually be adapted for use by non-hospital entities.
- Physicians who leave due to physical or mental impairment should seek clearance to return to work from another physician outside of the practice.
- Both parties should investigate implications of reestablishing liability insurance, hospital privileges, and membership in health plans upon return. If hospital privileges are needed, the reentry plan should include at the outset these criteria, which may include a period of proctoring or mentoring. The implications (both financial and legal) of such relationships should be clearly understood by all parties, including any potential mentors or proctors.
- Both parties should be clear on the requirements for continued Maintenance of Certification (MOC), Osteopathic Continuous Certification (OCC) and Maintenance of Licensure (MOL). Both of these processes are evolving rapidly, so requirements at the time the physician leaves the practice may be very different from those at the time of reentry. Monitoring these changes is the responsibility of the physician. The physician should keep the practice fully informed of any changes of status with board certification and licensure. If a physician finds that he or she cannot meet the requirements for either MOC or MOL, the agreement between the physician and the employer may need to be modified, or even nullified. The employer should consider a clause in the agreement to cover such a contingency.

Note: See The Physician Reentry into the Workforce Project's publication, *A Physician Reentry into the Workforce Inventory (Inventory)* available at [www.physicianreentry.org](http://www.physicianreentry.org) for more information.

Although it may be tempting for the physician and the employer to come to an informal agreement or agree to terms based on a handshake, this is not advisable. Regardless of how cordial and collegial the relationship is between the departing physician and the employer, there are serious considerations for the practice and patient safety in readmitting a physician into the workforce. These considerations need to be discussed and spelled out. Even though the physician who is departing may be very busy and may be anticipating meeting many new demands, it is important that the reentry plan be developed and agreed upon by both parties before the physician departs or within the following month. Delays could hamper both the implementation of the plan and the physician's ultimate reentry into the workforce.

The goal of advance planning, discussions, and a mutually agreed-upon reentry plan is to make current and future transitions smooth for the physician, the employer, colleagues in the practice, and most importantly, patients.

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<sup>1</sup> While two years is not a time frame based on clear evidence, it is the widely accepted de facto time frame after which a formal assessment should usually be required.

# WHEN DISCUSSIONS ABOUT LEAVING CLINICAL PRACTICE LEAD TO EXPLORING REDUCING HOURS SIGNIFICANTLY

Discussions about reducing hours significantly may occur when a physician is considering whether to take an extended leave from clinical practice. In this case, some of the same reentry principles apply to a physician who opts to reduce his or her clinical hours in the practice. Employers should note that there might be advantages for both the physician and the employer/practice to working a markedly abbreviated schedule, rather than leaving the workforce completely.

## KEY POINTS FOR THE EMPLOYER TO CONSIDER:

- From the employer's vantage point, it is prudent to have specified in advance and in writing the necessary philosophies and specific steps involved, should an employee choose a reduction in time. This is especially important, as the desire or necessity for a physician to reduce his or her time can occur suddenly and without warning.
- At the beginning of any change in the hours of employment, it is key to define the specific change in work hours and to identify whether such an adjustment represents a short-term, long-term, or undesignated change.
- The physician and employer must ensure that expectations of the arrangement match to avoid possible misunderstandings. Negotiation is often necessary both on the part of the physician and the employer to reach a mutually beneficial arrangement.

## PRACTICE MANAGEMENT ISSUES

The Physician Reentry into the Workforce Project's publication, *A Physician Reentry into the Workforce Inventory (Inventory)* available at [www.physicianreentry.org](http://www.physicianreentry.org) provides a starting point for exploring practice considerations.

Of note, are the following:

- The practice must be committed to flexibility and be open to new practice patterns that may affect staffing patterns, including patient care and the workloads of the other physicians and non-physician clinicians in the practice. Consensus among all partners will be necessary.
- The practice should look at the following areas to help determine how best to accommodate both the needs of the physician and the practice:
  - How might the physician's reduced hours affect the workload and call schedule of the remaining physicians and staff in the practice?
  - Will there be adequate staffing to manage patient volume and complexity and to attend to the administrative needs of the practice?
  - How will the physician's departure likely impact the practice's financial viability, including reimbursement of RVUs, productivity, and profit margin?
  - What are the practice's predictions for growth in light of the physician's reduced hours?
  - Will the physician's reduced hours diminish the referral base for

- the practice?
  - How should the practice handle the issue of new patients?
  - Will the physician's reduced hours prevent the practice from regularly offering care in a particular specialty or in a special area of cognitive or procedural expertise?
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- Arrangements will need to be made for the continuing involvement of the part-time physician in clinical practice decisions.
- The practice will need to ensure that there will be an equitable coverage of nights, weekends, and holidays.
- Note that certain requirements may necessitate a change in duties for the physician working a very part-time schedule. For instance, in some localities, Medicaid will not allow well-child care by a physician who works fewer than a designated number of hours. Performing some procedures may become difficult, if they are not done often.
- It may be useful for the practice explore the concept of shared positions as a way of maintaining staffing FTEs.

### **FINANCIAL ISSUES**

*The Physician Reentry into the Workforce Inventory* mentioned above includes a section on financial issues.

Employer will need to evaluate the employee's partnership status, including answers to the following questions:

- What is your distinction between financial partner and paid employee?
- Will part-time status count toward partnership, in the case of a physician who is working toward financial partnership?
- If the physician is already a financial partner, how will compensation be figured when the physician transitions to part-time?

Other important financial considerations include:

- A system for compensation, calculating the relative value of hours in the office; coverage of nights, weekends, and holidays; hospital rounding; charting and similar activities.
- Salary and performance-based compensation and incentives, if any.
- Analysis of benefits is critical, as it is important to establish the status of malpractice insurance, life insurance, medical coverage, disability insurance, costs of professional memberships, and educational expenses. If the practice no longer pays these costs, the employee assumes a major financial burden, and will need to know this at the outset.
- Need for revision of the partnership agreement.

### **PROSPECTIVE PLANNING**

Note that these issues are unique to each individual and can change. Although the physician may state today that he or she wants to return to full-time status at a specific time, this choice may change later.

Consider the following:

- Identifying at the outset the physician's plans for returning to full-time status.
- Outlining the physician's plans for lifelong learning (i.e. continuing medical education). See the *Inventory* for more information.
- Evaluating practice skills. If the physician reduces his or her practice and patient care hours, he or she may not have the opportunity to see and manage the same kinds of medical conditions as before. In some instances and in some specialties, this might result in the physician losing key abilities to diagnose, manage illness, talk with patients, perform procedures, and ensure appropriate continuity and coordination of care. It

is important to consider whether or not duties in a part-time/reduced hours situation will be different or require different skills. It may therefore be important to consider methods for assessing if part-time or reduced hours will mean that additional learning or training will be needed at some point in areas of skills, knowledge, competence, professional practice.

- Helping the physician to plan for licensure, certification, and hospital privileges. Although, this is primarily the responsibility of the physician not the employer.
- Investigating legal implications of planning for the physician's return to full-time practice, especially with regard to partnership. Ascertaining whether licensing or privileges will be affected by the change in job status.

### **PATIENT ISSUES**

Employers will need to look at their policies regarding patient issues, including the following:

- Informing patients about the change in the physician's status
- Deciding which patients the physician will keep as a primary care provider
- Deciding which patients will be absorbed into primary practices of the other physicians

In a study of physicians in all specialties conducted by the Physician Reentry into the Workforce Project, the majority of the respondents (both men and women) said that the availability of part-time work or flexible scheduling was the primary reason they would return to practice. In a time of impending physician shortages, making accommodations to retain physicians on a limited basis, is likely to be a good option for your practice and for the provision of healthcare in your community.<sup>2</sup>

The extensive education and training of a physician involves a significant investment of financial and other resources, so the reentry of a physician who has been away from the workforce for an extended period of time signifies a recuperation of this investment in the physician's knowledge, skills, and experience for the benefit of both the practice and patients.

### **REHIRING OR HIRING A PHYSICIAN SEEKING TO REENTER CLINICAL PRACTICE**

It is likely that many employers will be faced with the decision to hire or rehire a physician who has voluntarily left clinical practice for a prolonged period of time and now is seeking to return to practice. Although some employers may be hesitant to hire a reentry physician, many employers across the country are finding that their practices and healthcare systems can benefit from helping a physician reenter clinical practice. In addition, given the projected shortage of physicians to care for patients, including our aging population, we expect this will be an incentive for an increasing numbers of physicians to reenter the workforce. When considering rehiring or hiring a reentry physician, the employer should start by answering the following questions:

- Has the physician completed a qualified reentry program?
- If the physician has not completed a qualified reentry program, does the physician have a written reentry plan that demonstrates that his or her clinical knowledge is current and relevant?

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<sup>2</sup> [A national survey of 'inactive' physicians in the United States of America: enticements to reentry](#) Ethan A Jewett, Sarah E Brotherton, Holly Ruch-Ross *Human Resources for Health* 2011, 9:7 (17 February 2011)

- Has the situation that led the physician to take an extended leave been resolved or well managed?

### **PRACTICE MANAGEMENT**

The employer should also look at the following practice management related issues listed below in addition to consulting *The Physician Reentry into the Workforce Inventory (Inventory)*, which provides a more in-depth analysis of physician reentry issues at [www.physicianreentry.org](http://www.physicianreentry.org).

Reasons to consider a reentry physician:

- Previous employee/partner with an established track record
- Referral from a credible source (i.e., recruiter, trusted colleague)
- Ability to meet your employment needs (e.g., specialty needs of the organization)
- Job share opportunity for the practice
- Part-time employment to meet practice needs

Just as if you were hiring a non-reentry physician, the following items should be completed:

- Conduct a criminal background check through a suitable firm.
  - For many organizations this is standard operating procedure
  - Some state medical boards also perform checks for licensure
- Verify board certification and Maintenance of Certification or Osteopathic Continuous Certification
  - Contact the American Board of Medical Specialties (ABMS) or
  - American Osteopathic Association (AOA) Bureau of Osteopathic Specialists
- Credentialing
  - The process for credentialing for hospitals and insurance panels can take many months. Start this process at least 6 months prior to the planned start date. It is important to note that this process may take longer for the reentering physician than for an active - physician.

Before the physician reenters clinical practice, an employer may wish to consider the practice's office policies, resources, and procedures related to the following issues:

### **SHOULD THE REENTERING PHYSICIAN SHADOW OR BE MENTORED BY A COLLEAGUE?**

- Shadowing/Mentoring physician(s)
  - Due to potential HIPAA concerns, what are the policy and procedures for the mentoring organizations?
  - What is your practice's financial reimbursement policy for the physician who agrees to be a mentor or to let the reentering physician shadow?
  - What are the potential medical liability issues associated with mentoring and/or shadowing?

### **SHOULD THE REENTERING PHYSICIAN, WHETHER NEW TO THE PRACTICE OR NOT, PARTICIPATE IN AN ORIENTATION PROCESS?**

- Orientation – Introductions
  - Nursing Department
  - Coding Department
  - Reception Department
  - Medical Director
  - Quality Department
  - Information Technology
  - Probationary status



- Will there be a periodic review (interval to be determined) of a random sample of medical records?

**WHAT KINDS OF ACCOMMODATIONS MIGHT THE PRACTICE BE WILLING TO MAKE FOR THE PHYSICIAN? WHAT FINANCIAL ISSUES NEED TO BE ADDRESSED AT THE OUTSET?**

- Returning full- or part-time to start
- What hours will the physician work, and how will he or she be compensated for overtime?
- Does the practice offer its physicians a flexible scheduling option?
- How will the physician’s salary and benefits be determined?
- How will the physician’s status as a financial partner be evaluated? The employer will need to inform the physician at the beginning of the specific metrics or criteria that will be used.

**WHAT PATIENT AND PATIENT LOAD ISSUES NEED TO BE ADDRESSED UPFRONT?**

- What will the policy’s practice regarding new patients, particularly for a physician that it is rehiring?
- What are the practice’s on-call expectations of the physician?

Hiring a physician who has voluntarily taken a leave from clinical practice (whether from your practice or a different practice) need not be problematic. If the expectations of your practice are clearly stated, and the answers to the questions listed above are thoroughly explained, the transition into your practice can be a smooth and rewarding experience.

**SUGGESTED CITATION:**

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