



Physician and Physician Assistant Employment Contract Template

1. Preliminary Considerations and Basic Agreements

1.1 Parties

This PHYSICIAN ASSISTANT EMPLOYMENT AGREEMENT is made by and between _____ MEDICAL GROUP [INC, PC, SC, MC, LLC, LLP] hereinafter called "Employer," organized under the laws of the state/jurisdiction of _____ and _____, PA-C/PA hereinafter called "Employee," a physician assistant licensed to practice medicine with physician supervision in the state/jurisdiction of _____.

1.2 Employment

Employer employs PA and PA accepts employment with the Employer under the terms and conditions set forth in this Agreement. The purpose of the PA's employment shall be to provide professional medical/surgical services on a [full or part-time] basis. PA's medical duties are set forth in paragraph 3 below. PA is licensed to practice medicine by the applicable regulatory authority or agency. It is agreed that the PA is an employee of Employer, not an independent contractor.

Employer and its agents agree to follow all applicable laws, rules and regulations governing billing, coding, and reimbursement for services performed by PA.

1.3 Working Conditions

Employer will furnish PA with medical supplies, facilities, personnel, and services as are suitable to the position and adequate to the performance of the assigned duties and responsibilities of PA.

2. Term

2.1 Initial Term

The initial term of this agreement shall commence on _____ and shall continue for _____ months, thereafter subject to extension (Paragraph 2.2).

2.2 Extension of Term

The agreement renews automatically unless terminated with 60 days notice by either party or is renegotiated at least 30 days before the end of the term. Any changes to contract shall be set in writing and agreed to by both parties.



3. Responsibilities/Duties

PA agrees to provide medical/surgical care to patients in accordance with state law.

General description of medical duties to be delegated to PA by supervising physician(s)

Names of primary and alternate supervising physicians

Site(s) where PA shall provide medical services

If applicable, hospitals where PA will apply for privileges

General description of PA's hospital and or nursing home responsibilities, if applicable

Typical PA schedule, with locations

Expected number of hours per PA work week, with maximum



If PA will take call, they will do so on an equal basis with other physicians and PAs in practice. PA's days and hours of on call availability are

Description of compensation for call taken by PA

Coverage on holidays will be determined as follows

PA's supervisory responsibilities towards other staff

Description of PA's administrative responsibilities

3.1 Patient Privacy Guidelines/HIPAA

Employee agrees to follow all applicable HIPAA laws and to maintain confidentiality regarding both patients and practice.

4. Practice/Delegation Agreement

PA and supervising physician(s) shall draft a delegation of practice agreement describing team practice within one month prior to PA's starting date. (A template delegation agreement is available from the AAPA)

5. Compensation

5.1 Fixed Base Salary

PA shall receive a salary of _____ per year, payable in equal [semi-monthly] installments, on the [first and 15th day or 15th and last day] of each month, subject to state and federal income tax withholding, employment taxes, and such other deductions which may be required by law.



(AAPA has information on other compensation models. It is advisable for PAs to negotiate a solid base salary as a foundation for bonus compensation, whether based on productivity or other measures. For latest data on PA salaries, visit AAPA's Data and Research page at www.aapa.org)

5.2 Annual Review

Employer agrees to meet with PA for a performance review at one month, three-month and six-month intervals for new position, and at least once every [year or six months] after one year of employment has passed.

As part of the review process, PA and supervising physician(s) will conduct a face-to-face review of the team practice relationship designed to improve communication about patient care and address both strengths and areas for improvement in the team relationship (AAPA has an evaluation template available to facilitate the evaluation process).

A standard cost of living increase will be provided to PA on a yearly basis.

Compensation adjustments based on performance will be part of the annual review discussion and changes will be written into updated contract and signed by both parties.

6. Reimbursement of Professional Expenses

The PA shall be entitled to reimbursement by the Employer for reasonable and necessary expenses incurred in the performance of services hereunder, including travel expenses for hospital visits during working hours, provided that the PA furnishes Employer with detailed records of expenses.

In addition, Employer shall reimburse PA for the following:

- a) Continuing Medical Education Costs: Employer-approved costs of CME tuition/enrollment, including reasonable travel, food, and lodging for up to \$_____ year.
- b) Membership in PA's professional associations (AAPA, state PA association, medical specialty association).
- c) PA license renewal fees, NCCPA exam recertification fees, DEA fees, state prescriber registration fees (if applicable) shall all be covered by Employer. ATLS, CPR, and PALS fees
- d) Where applicable, hospital medical staff and privileging fees
- e) Costs of credentialing with hospital, health systems, payer and provider networks.

7. Insurance

7.1 Health, Dental, Vision, Life and Other Insurance

PA [and his/her dependents] shall be entitled to participate in Employer's health, dental, vision, group term life, group long and short term disability and other insurance benefits to the same level as other PAs and physician employees of the Employer. Employer shall pay all monthly premiums or up to \$_____ per month [or a percentage_____] toward the cost of the premiums.

7.2 Professional Liability Insurance

- a) Patient care services performed within the scope of PA's employment by Employer shall be covered by professional liability insurance, either by adding PA as a named insured under physician's policy or compensating PA for the cost of PA's own policy. Insurance will reflect a policy limit of at least \$_____ per claim with an aggregate limit of at least \$_____.
- b) If PA prefers to maintain own liability insurance, Employer will compensate PA for \$_____ [or percentage_____ of its annual cost.

- c) Alternately, PA shall be added as an additional named insured on the Employer's professional liability policies. Employer shall furnish written proof of the same within 45 days of the starting date. PA may obtain a copy of the policy upon request.
- d) If professional liability insurance is on a "claims made" basis, Employer shall purchase extended reporting endorsement coverage ("tail coverage") with an unlimited discovery period after termination of PA's employment. PA shall have the right to review the policy on a periodic basis. Employer shall pay deductibles, as necessary, before and after termination of this Agreement.
- e) In the event that PA knows of a professional liability incident involving PA or receives notice of a claim or of an intended claim that alleges that PA is or may be liable for a professional act or omission, PA shall immediately notify Employer of such fact.
- f) Employer shall hold PA harmless for costs of legal defense in administrative and disciplinary proceedings.
- g) Employer shall reimburse PA for any difference in auto insurance premiums based on business use of PA's auto, if any.

8. Leave

8.1 Family/Maternity/Medical Leave

PA will be entitled to _____ (weeks) of unpaid leave within any 12-month period for maternity leave, illness or family matters.

Under the federal Family and Medical Leave Act of 1993 (FMLA), an employee is eligible for up to 12 weeks of unpaid leave during a 12-month period for the birth or adoption of a child, the care of a child, spouse, or parent who is ill, and to recover from a personal illness or the effects of a medical treatment. FMLA applies to employers with 50 or more employees and to employees who have worked at least 12 months and 1250 hours during the previous 12-month period.

In institutional settings, FMLA policies may be incorporated into the employee agreement by reference to a formal policy or an employee handbook. In other employment situations, the terms for leave should be stated in the agreement. Some states have enacted similar medical leave laws but federal law mandates compliance with whichever law provides greater employee benefits.

8.2 Sick Leave

PA is entitled to _____ days of sick leave annually.

8.3 Vacation/Annual Leave and CME Leave

PA will receive _____ paid vacation days per year.

PA will receive _____ days of paid CME leave

8.4 Paid Holidays

The following holidays are paid days away from the office:

8.5 Leave of Absence

Employer acknowledges and agrees that PA may request unpaid leaves of absence up to _____ days a year. If the leave of absence is requested for medical reasons, sick leave shall be applied first, then vacation, if any has accrued.

The agreement should specify the circumstances (if any) under which a leave of absence may be granted, such as whether the PA is entitled to allocate unused sick or vacation time, or continuing medical education time to leave of absence, whether and under what circumstances such leave will be paid or unpaid, and any time limitations.

9. Additional Work Opportunities

No part of this contract prohibits Employee from pursuing additional employment or professional opportunities provided there are no overt conflicts of interest, schedule conflicts with Employer, or ethical concerns regarding alternate Employer.

10. Termination and Leaving the Practice

10.1 Automatic Termination

This agreement, and PA's employment by Employer, shall be terminated automatically:

- a) upon the PA's loss of his or her professional license to practice medicine in the State/Jurisdiction of _____
- b) if the PA is convicted of a felony or crime of moral turpitude under ___(state/jurisdictional)___ or federal law.

10.2 Termination With Cause by Either Party

In the event of a material breach of this Agreement, the non-breaching party may terminate this agreement upon _____ days prior written notice to the other. If the breach is corrected to the satisfaction of both parties within the notice period, the Agreement remains in full effect. If the breach continues, the Agreement terminates upon the expiration date of the notice period.

10.3 Leaving the Practice

PA may terminate this agreement without cause with 60 days notice to Employer.

11. Disability or Death

11.1 Permanent Partial Disability/Accommodations for Disability

If PA at any time during the term of this Agreement should become disabled as defined under the Americans With Disabilities Act (ADA), Employer shall take affirmative steps to make reasonable accommodations so that Employee can continue to work.

Such accommodations may include, but are not limited to, making facilities readily accessible to and usable by Employee, allowing Employee to work on a part-time or modified work schedule, and modifying equipment where required. This provision shall not be construed to require Employer to make an accommodation that would impose an undue hardship on the operation of Employer's business.

12. Remedies

12.1 Arbitration/Mediation

Controversies or claims arising out of or relating to this contract, or breach thereof, that are subject to arbitration shall be settled by binding arbitration before an arbitrator who shall be an impartial individual acceptable to the parties. If the Employer and Employee cannot agree upon such impartial individual then any such arbitration shall be in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered may be entered in any Court having jurisdiction thereof.

12.2 Amendment

This Agreement may be amended or modified only by a written document signed by both parties hereto.

13. Governing Law

13.1 This agreement will be governed in accordance with the laws of the State of _____ .

14. Construction and Severability

The law of the State/Jurisdiction of _____ shall govern this Agreement and each numbered paragraph shall be severable, so that the invalidity of any paragraph shall not invalidate the other provisions of this Agreement. In the case of an existing employment agreement, this Agreement revokes and replaces all agreements previously entered into by the parties hereto, whether oral or written, regarding the Employee's employment with the Employer.

14.1 Notices

Any and all notices required or permitted to be given under this Agreement will be sufficient if furnished in writing, sent by registered mail or certified mail to his or her last known address in the case of the Employee or to its principal office in the case of Employer.

15. Independent Counsel

PA acknowledges that he/she had the opportunity to consult an attorney regarding the terms of this Agreement.

16. Signatures

In Witness Hereof; the parties hereby execute this agreement.

By: _____ Date: _____

Employer: _____

Address: _____

By: _____ Date: _____

Physician Assistant: _____, PA-C/PA

Address: _____

This sample contract is offered solely as an example; PAs and employers should have legal counsel review any contract before signing to take into account variations in state law.

