



Negotiation, Equality and Transparency

Charleston WIM

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Day Job







Our Company



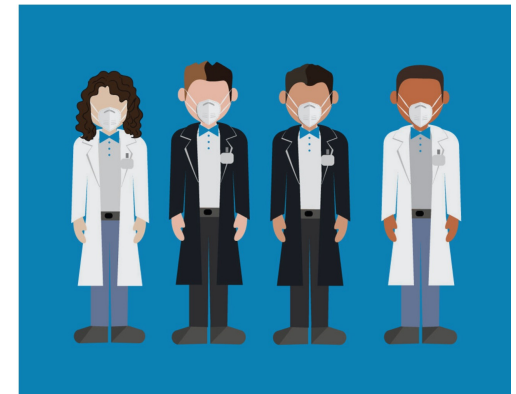
- Idea created at High School Reunion with Satish Subramanian, MD and Olivia Gifford, JD
- Laura Findeiss, MD joined in 2020 (now works at CMS)
- Privately held and funded
- Clients are 68% female and 84% residents and fellows (n = 217)





Mission

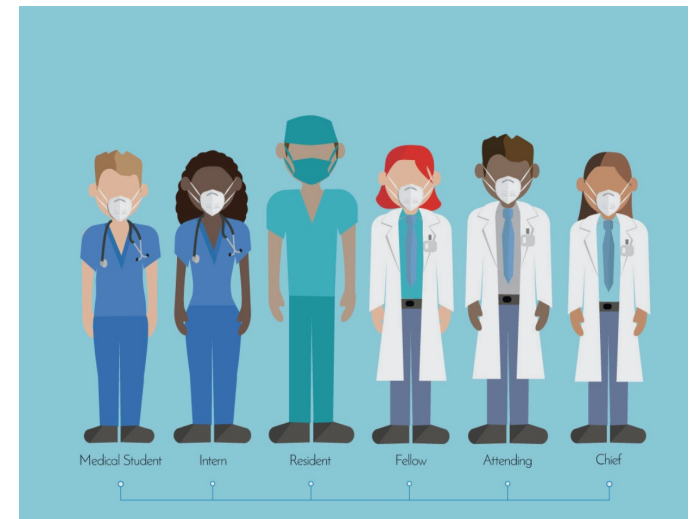
- At the highest value provide transparency and equity for physicians in their career journey
- Physicians are our super heroes; we are their Alfred
- Focused on residents and fellows
- Kept prices low as side job / service (\$350)
- We are what Alfred is to Batman



Physicians



- Lack Transparency
- Equity
- Negotiations are often not seen in partnership, but as commodities



Female Physicians



- Made \$0.72 to Male \$1.00 (AAMC, 2021)
- Average loss of \$2 million over a 40-year career (Health Affairs, 2022)
- Average difference when adjusted for specialty, location, years of experience, etc. was \$110,000 annually.



our physician empowerment problem



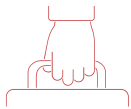
Mentality

Education and training

Necessity



Physician Common Pitfalls



“I am not good at business.”



“Money doesn’t really matter to me. I went into medicine to help people.”



“I’m just happy to be making much more than I make in residency.”



“I can ask for that? I feel bad and don’t want to be greedy.”

The Iterative Process



1. *apply*
2. *interview*
3. *receive offer*
4. *contract*
5. *sign*

1. *apply*
2. *practice interview*
3. *interview*
4. *receive offer*
5. *contract*
6. *review offer with trusted source*
7. *negotiate*
8. *review counter offer*
9. *review counter offer with trusted source*
10. *negotiate (if needed)*
11. *review counter offer with trusted source*
12. *negotiate (if needed)*
13. *review counter offer with trusted source*
14. *sign*

The RVU



$$\mathbf{wRVU} + \text{peRVU} + \text{mpRVU} \times \text{GPCI} \times \text{MCF} = \text{MD payment}$$

Key Considerations



- base salary
- RVU models
- bonuses and incentives
- path to Partnership
- equity
- mutual no cause terminations (days)
- malpractice coverage
- vacation
- leadership positions
- tax considerations
- call

Equilateral Data



MGMA NATIONAL	P75 Comp	P75 wRVU
Cardiology	577,964	9,371
Dermatology	585,701	9,192
Emergency Medicine	403,206	8,618
General Surgery	513,594	8,697
GI	702,683	10,220
Internal Medicine	307,329	5980
Pathology (A&C)	434,000	7,531
PM&R	363,656	6,398
Neuroradiology	610,500	14,390
Neurology	378,394	6,407
Thoracic Surgery	738,974	9,565

AMA Guidance (2024)

- Understand Obligations
- Be exacting on compensation
- Know your value
- Always get terms in writing
- Consult an expert



The Agent Concept



- Agents
- consultants, attorneys, friends, chiefs
 - Detachment
 - Tactical flexibility
 - Expertise
 - Confidence

Jeffrey Z Rubin and Frank Sander. When Should we use Agents: Direct vs Representative Negotiation. Negotiation journal October 1988

The Basics

- How badly do you want this job?
- The Best Alternative to a Negotiated Agreement (BATNA)
- Listen
- Weight your opportunity (scoring system)



ZOPAs

- Zones of Possible Agreement
- Look for overlaps of win / wins
- Creative ideas



Distributive Negotiation Theory & the BATNA



	Weight	Aspirational	Target	Minimum
Salary	50%	\$400,000		\$275000
Benefits	20%	100%		50%
Vacation	10%	200 hours		160 hours
Equity	10%	Year 2 at 7%		Year 4 at 5%
Path to Partnership	10%	Year 2		Year 3

**B
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Specificity



SALE: \$2000

FINAL: \$1750



SALE:\$1980

FINAL: \$1850

SALE: \$2010

FINAL: \$1860

The Mythical Fixed Pie (Bozerman, 2003)

1. Build trust and share information.
2. Ask questions.
3. Give away a bit more information.
4. Make multiple offers simultaneously



The Thomas-Kilmann Model of Styles



- **1. Competing.** People with a competing conflict style view [interpersonal conflict resolution](#) as win-lose games. Rather than recognizing the value of ensuring that each party walks away satisfied, disputants focus narrowly on claiming as much as they can for themselves.
- **2. Avoiding.** People with an avoidant conflict style prefer to skirt around conflict because it can be so uncomfortable. Although this can be an effective short-term coping strategy, it can allow problems to grow worse.
- **3. Accommodating.** Negotiators who adopt an accommodating conflict style tend to put others' needs and demands first. This can make those with an accommodating conflict style seem agreeable and easygoing, but ignoring their own needs can make these negotiators resentful over time.
- **4. Compromising.** People with a compromising conflict style often try to resolve conflict by proposing seemingly equal compromises, such as meeting in the middle between two extreme positions or making a significant compromise just to move forward. Although a compromising conflict style can move a conversation forward, the solution may not address root issues, making this style unstable over time.
- **5. Collaborating.** Those with a collaborating conflict style aim to understand the deeper needs behind their counterparts' demands and to express their own needs. They see value in working through strong emotions and propose tradeoffs across issues that will give each side more of what they want.

Excerpt From: G. Richard Shell. "Bargaining for Advantage", 2019

Current Issues in Physician Contracts



- Non-competes generally non applicable by FTC for for profits and some non-profits
 - Some states can still enforce based on economics provided (eg Signing bonus) for a reasonable period

Primary Care & Specialty



- Primary care more aligned with risk, panels, HEDIS, etc
- Private Equity and equity + liquidity
- Is there a best specialty model (bonus + wRVU bonus etc)?