



# GP Contracts Checklist

## Issues to consider when assessing a GP practice contract.

A handy list of the major issues to consider when negotiating a GP contract is set out below. The list is not exhaustive and the relevance of some issues will depend on the circumstances. The list is a valuable tool to assess the relative strength of a contract on offer. Prior to signing, you should always have your contract independently checked to ensure the terms reflect your understanding of the proposed arrangement and that it meets your needs.

### Issue 1: Contractual Relationship

What is the nature of the contractual relationship between you and the medical practice? E.g:

- Principal/Contractor - (GP is a contractor providing services to the principal, ie - locum)
- Principal/Contractor - (GP is a contractor engaging the practice to provide office support, i.e.- Corporate practice model)
- Employer/Employee (GP is employee of the practice and entitled to employment benefits)

### Issue 2: Leave

- When can leave be taken? Can a request to take leave be refused? (Generally the timing of leave is agreed by mutual consent)
- How many weeks comprise the working year? A normal working year is 43 weeks based on 52 weeks minus 9 weeks leave comprising 4 weeks annual leave, 2 weeks conference leave, average of 5 days sick/family leave and 10 public holidays).
- Am I paid when I am on leave? (an employee is entitled to paid leave whereas a contractor is not)
- How much notice is required prior to taking leave? For annual leave, providing 4 weeks notice is common, but requirements vary. Notice should be given as soon as practicable for other types of leave (e.g. sick leave)



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### Issue 3: Obligations

It is usual for the contract to require the GP to:

- Diligently provide services
- Maintain private indemnity
- Maintain registration
- Keep records to standards of credentialing
- Advise practice if a complaint is made.

It is usual for the contract to require the Principal/practice to:

- Provide consulting room (days, times and how varied)
- Medical equipment
- Admin and nursing staff
- Billing and collection services.

### Issue 4: Hours of work

- When are you required to see patients?
- Is (paid) time set aside to prepare reports?
- What breaks are specified (i.e. lunch)? Are breaks paid or unpaid?
- How are hours varied? (Generally this is done by agreement).
- Out of hours roster – who sets it and how are after hours duties shared? (Generally amongst doctors themselves by agreement.)
- Are there any requirements to work on public holidays?



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### Issue 5: Payments

- Are you paid fortnightly or monthly? (monthly payments are standard)
- What proportion of fees billed are paid to the doctor (e.g. 65% of receipts)?
- What proportion of fees billed are paid by the doctor to the practice. (e.g. 35% of receipts)?
- Is the proportion paid taken from 'fees billed' or 'payments received'? (Billings will always be more than receipts, quicker to pay and easier to calculate. This is less relevant in a bulk billing practice.)
- What proportion of payments are paid to the GP for off site visits?
- Is there reimbursement for out of hours travel expenses?
- What is the distribution of blended payments (e.g. PIP)?
- Are there any superannuation contributions?
- Are percentage payments inclusive or exclusive of GST?
- Can you request or require an audit of the calculation of the distribution?
- On termination, when is final payment required on all outstanding fees? (e.g., payment within 30 days of termination)

### Issue 6: Reimbursement of expenses for professional costs

Does the contract provide for reimbursement for:

- private indemnity,
- conference attendance,
- Travel on behalf of the practice.

### Issue 7: Practice Location

- Is the location of your work fixed or spread across several practices?
- Can you be moved without your agreement?

### Issue 8: Additional duties

Does the contract require you to perform any additional duties, e.g.:

- Supervision of medical students and registrars? (If payments are based on fees generated, supervision of students will mean less income.)

### Issue 9: Allocation of patients

How are new patients to the clinic allocated? Is it 'fair share' or 'last GP on gets all new patients for the first 6 months'?



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### Issue 10: Medical indemnity insurance (MII)

Do you provide your own MII or is it provided by the practice?

### Issue 11: Termination of the contract

- In what circumstances can the contract be terminated? What are the consequences of (early) termination?
- What notice period is required prior to termination?

### Issue 12: Patient records

Does the GP or the practice own the patient records?

- If the records are not owned by the GP, do you have free access to patient records for medico legal purposes after leaving the practice?

### Issue 13: Restraint of trade

What activities are covered by the restraint? E.g.:

- Practicing medicine
- Enticing patients and staff away

What geographical area does the restraint cover, and for how long?

### Issue 14: Dispute resolution

- Is there a dispute resolution clause in the contract (if not, one should be inserted prior to signing)
- Do you have access to independent assistance if there is a dispute between you and the principal? (AMA members should contact the AMA for advice)
- If a dispute cannot be resolved, do you agree to accept the decision of an independent arbitrator?

Additional clause providing that termination of a Registrar's employment prior to completion of a term should only be affected in accordance with applicable law.