

The Importance of Contract Compliance for Physicians

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By Dr. Diana Rangaves, PharmD

Medicine is an appealing industry for many ambitious young professionals. It is a high-paying and fast-growing field. Many physicians working today earn well over \$200,000 a year, and the number of active physicians has trended upwards for the past 40 years. Consequently, smart and hard-working individuals can do incredibly well for themselves if they choose to pursue this career.

However, becoming a successful practicing physician is not easy. The road is long and involves several years of schooling and apprenticeship. The Bureau of Labor Statistics estimates that the process can take anywhere from nine to 15 years. The arduous physician educational requirements are well known. However, the latter part of the physician's career path is just as important. This is exactly why physician contract compliance is imperative.

Physician costs are escalating

A significant reason as to the mounting importance of contract compliance for physicians is the increasing costs associated with the profession, both for the employer and the patient. In addition, while some of these costs are attributed to the changing economic climate, many are the result of poor organization and planning.

An open letter published by the [Tech CEO Council](#) outlines several of these administrative costs and the effects they have on the industry as a whole. In particular, the most damning statistic revealed in this letter is the fact that **one-third** of the money spent goes toward redundant or unnecessary procedures. This is credited to other statistics outlined in the letter, such as the fact that patient's charts go missing for 30% of their visits and 3 out of 10 tests need to be retaken due to missing the previous results. All of these costs and inefficiencies have been building up to grossly inflated healthcare costs affecting both patients and care providers.

Competition is increasing

The [Bureau of Labor Statistics](#) estimates that the number of positions available for physicians will increase by 13% over the next ten years. While this may give the impression that there will be more than enough jobs to go around, the fact that the number of [medical school applicants](#) is increasing at similar rates says otherwise.

Not only is competition for physician positions set to increase, but also prospective employers are going to start being much more selective in their hiring process. Physician turnover rates are a significant issue from a cost perspective. According to [one article written by a physician executive](#), the costs of training new physicians can reach costs of up to \$300,000.

The Solution is contract compliance

These elements are leading to a perfect storm. Not only are there going to be thousands of medical students hunting for the same physician jobs, but employers will also be more discerning in their hiring process in order to avoid high turnover costs.

Because of the highly competitive and selective environment, physicians of the future find themselves facing, it is essential for medical professionals to pursue any possible advantage that can improve their viability as a long-term physician. Moreover, one of the easiest and most effective ways to do so is to observe proper contract compliance.

Demonstrating attention to detail concerning timekeeping and documentation reduces compliance risks, improves utilization of labor and resources, and builds relationships between the healthcare industry, management, and the public. Additionally, by exhibiting these same traits to potential employers you can secure rewarding positions and negotiate greater benefits.



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