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**Young Physicians and  
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*The American Society of Cataract and Refractive Surgery established clinical committees as a tool to better identify and meet the needs of the membership. The Young Physician and Residents (YPR) Committee's goals are to identify and prioritize the young physicians and residents educational, scientific, and clinical needs and then develop and implement plans to address them. The YPR Committee will also address the importance of political and regulatory advocacy and the commitment to be involved.*

# Finding the Right Job

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**D**uring your final year of training, in addition to preparing for board certification and mastering different types of surgical procedures, you need to prepare yourself for the transition into life after training. Trying to determine the best career path for you can be more complex than just "finding a job." While looking for the best immediate opportunity, you need to consider what type of career you may ultimately want. Depending on what you consider most important, different types of careers might be the best "fit." It is often difficult to decide which path to take. Mentors with whom you might speak will often espouse their chosen path without getting into the pros and cons or the reasons why they made a specific decision.

For these reasons, The Young Physicians and Residents committee has compiled a white paper to help young ophthalmologists understand some of the advantages and disadvantages of different career paths. No choice is better than any other. All of us contribute to our field. The thoughts, opinions and experiences expressed here are only those of the committee members. For simplicity's sake, we have made generalizations about different practice types, but every practice is unique, and your experience may vary.

## Why You Might Choose Private Practice

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Elizabeth A. Davis, MD

One of the first decisions you will make in your career is whether to go into an academic or private practice. It is possible to move from one setting to the other, but there are distinct differences to these two modes of practice. It is helpful to analyze your preferences, personality, and strengths to determine which arena is best for you. Once you have done this, you will be more focused in your search for a job.

### **Disadvantages of Academic Practice**

Although there are clearly numerous benefits to academics, there are disadvantages that some may find significant enough that they choose to avoid to this mode of medical practice.

To begin with, a physician in academics clearly has less autonomy. As part of an institution, there are rules and levels of authority and seniority that dictate certain aspects of practice. Not only is there a chairman that oversees the entire department, but in some hospitals or universities, the department of ophthalmology is a division of the department of surgery. Hence, the oph-

thalmologists are in competition with the cardiothoracic surgeons, the otolaryngologists, the plastic surgeons, and other specialty physicians, for finances and control.

With such a large bureaucracy comes a more conservative approach to the practice of medicine. Academic institutions are notoriously slow to adopt new ideas, innovations, and technology. This is partly due to financial constraints, but there is clearly a prevalent belief in academics that new techniques or therapies be well proven before they are employed in everyday practice. This philosophy may stifle a clinician's freedom in treatment. Furthermore, in such a technologically fast-paced specialty as ophthalmology, this may hinder the ability of the clinician to stay on the cutting edge of their field.

Additionally, upward mobility in academic departments is often dependent more on productivity of published research than productivity of patient care. This "publish or perish" mentality can place considerable stress on those less interested in laboratory work or those who keep encountering dead ends in their research.

Furthermore, National Institutes of Health (NIH) grants have become very competitive to acquire especially when one considers that the clinician scientist is oftentimes competing for support with full-time researchers.

### **Advantages of Private Practice**

Many of the advantages of private practice are the converse of the disadvantages of academic practice. To start with, there is much autonomy in private practice. One can determine (in agreement with one's partners) when and where to practice. Schedules and vacation are at your choosing. You are the captain of the ship and decide how the practice's money is spent; you do the hiring and firing of the employees; you determine the way the clinic is run; you set the image of the business. There is essentially no business education in medical school, so these responsibilities can be initially overwhelming and challenging to the physician. On the other hand, when mastered, they can be very rewarding.

In private practice, techniques and technology tend to be more quickly adopted. Surgeons are typically able to purchase whatever equipment or instruments they desire

as long as it meets their budgets and any partners' approval. Because of this, there are likely more opportunities to collaborate with industry and consult with ophthalmic companies. For those interested in innovation, this can be a wonderful collaborative opportunity.

There is no pressure to publish. However, many of the most seminal articles in ophthalmology have been written by ophthalmologists in private practice. The same can be said for the editors and chapter contributors of ophthalmic textbooks. Additionally, private practice is typically more lucrative than academics. Private practitioner's income tends to be directly related to their clinical productivity. Income can also be generated from ownership in ambulatory surgery centers or laser centers. Whereas academicians have no ownership in their institution, in private practice there is an opportunity to build equity and, later, sell owned shares.

### **Combining Private Practice with Academics**

It is also possible to combine private practice with academics. Some private practitioners spend most of their time in their own practice but then spend a few days per month with residents or fellows at a university attending clinics, supervising in the operating rooms (OR), or lecturing. Some private practices have their own fellowship program as well.

It is also possible to perform excellent research in private practice. One can set up a basic sciences laboratory (usually in collaboration with other researchers), but more often clinical research is chosen. One can often assign an employee to oversee research projects or one can hire a group of individuals to head up a small department if the volume of research is significant.

In conclusion, private practice has many advantages including autonomy, flexibility, more accessible technology, and greater financial rewards. At the same time, one can still enjoy some of the benefits of academics by participating in research and teaching.

# Why You Might Choose Academic Medicine

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Natalie A. Afshari, MD and J. Bradley Randleman, MD

## ***What's different about academic ophthalmology?***

The fundamental aspects of every ophthalmic practice include clinical activity (direct patient care), service-related activities, scholarly activity/research, teaching/education, business administration, and continuing medical education. Some balance of all of these elements exist in every practice, but there are some subtle differences in academic medicine beyond the typical concepts of research and student education, that make it quite appealing for the right individual. There are also some common misconceptions about academic ophthalmology that may affect an individual's career decision-making process.

## ***Patient Care in Academic Ophthalmology***

Academic practices are tertiary referral centers. Therefore, the variety of pathology is unparalleled. You get an opportunity to manage rare conditions and often get to use the latest cutting-edge technology for both diagnosis and management. Academic practices also provide a great opportunity to coordinate challenging cases with other services, such as the combined management of patients with anterior and posterior segment disease or trauma between cornea and retina services. As such there is an opportunity to interact with members of all sub-specialties leading to superior patient care. As there is generally slightly less emphasis on reimbursement, academic ophthalmologists can perform procedures that may be too time consuming or less profitable than ophthalmologists in private practice settings. In addition, the opportunity to pioneer new surgical techniques exists.

## ***Teaching & Education in Academic Ophthalmology***

In academic ophthalmology, there is time specifically built into the academic weekly schedule for teaching and mentoring at many levels, including ophthalmology resident education, fellowship training, and often medical student teaching as well. This can be a very rewarding experience as one is training the new generation of practitioners. Additionally, there are often opportunities to interact with and educate practitioners outside the field of ophthalmology.

## ***Scholarly Activity & Research in Academic Ophthalmology***

Both basic science and clinical research opportunities exist in academic ophthalmology. Again, dedicated time built into one's schedule facilitates this process. Additionally, in universities opportunities exist for collaborations that would be difficult to forge in private practice. For instance, collaborative efforts between ophthalmology and engineering and physics departments may stimulate improvements in microkeratome systems in the future.

While basic research can be a large component of one's practice, it is a common misconception that all academic ophthalmologists must have strong basic science research interests and be productive in this area. In fact, many ophthalmologists who practice in university settings have very little if any basic science activities; however, they can still be quite productive by applying the scientific process to their "routine" practice, analyzing surgical outcomes or treatment strategies, especially for the rare disease processes that present preferentially in academic practices.

Breakthroughs in medicine have been the result of clinical observations becoming research topics. Academic institutions expose physicians to interesting cases, and allow enough time to collaborate with fellow scientists to discover the underlying causes of disease and potentially discover new treatment for such disease. In this regard, the clinician scientists have the opportunity to change the treatment of numerous patients throughout the world.

## ***Business Administration***

The business of medicine is present in every practice model, including academic medicine. However, there is less focus on day to day "bottom line" aspects of the practice, and this can facilitate caring for a larger patient demographic as well as providing a wider variety of diagnostic and surgical procedures. In general, academicians are less exposed to market boom and bust cycles, less worried about day to day marketing, less worried about billing and collections, and less worried about hiring and firing of staff. Some ophthalmologists do not have a

strong interest in the business aspects of practice management, and an academic practice allows one to focus less on this area and more directly on patient care, teaching, and research.

### Limitations of Academic Ophthalmology

An academic career is not without its downsides. Primarily, there are few academic openings each year in a given subspecialty. This puts a limitation on the geographic area that one can choose. Many academic centers have had financial instability in the past few years. There is increasing patient care and clinical demands to compensate for the shrinking clinical reimbursement. The academic salary is limited and although the starting salaries are similar to private practice salaries the rate of increase is usually not as great.

In one's quest for the perfect position the key is to seek

the best fit for one's interests. It should be remembered that the most important thing to do is something that you are passionate about.

### Service-related Activities

#### Continuing Medical Education

Regardless of one's practice design, personal continuing education is a vital component of your practice, without which you will cease to provide the standard of care to your patients.

#### References

Weinreb RN. Clinician-scientists in ophthalmology. Arch Ophthalmol 2001, 119:277-9.

Epstein DL. Is the ophthalmologist as a clinician-scientist still viable? Arch Ophthalmol 1991, 109:1523-4.

## The Nuts and Bolts of Finding a Job

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Nicole Anderson-Weiss MD

After many years of studying and training, all ophthalmologists are left with....finding a job. Each year there are approximately 600 ophthalmologists looking for jobs. Half of the candidates are just out of training and half are in practice already. Those candidates in practice are part of the 50-80% of ophthalmologists that leave their first job within five years. There are several resources available to assist in finding the right job. These include professional organizations, non-peer reviewed journals, peer-reviewed journals, professional career placement organizations, web sites, program directors, and medical/surgical representatives.

Both the American Academy of Ophthalmology (AAO) and ASCRS have resources available to assist the young physician in job placement. The Young Physicians Committee of ASCRS sponsors an annual Job Fest prior to the annual ASCRS spring meeting. This is a one day event where job seekers and employers benefit from the experience of several invited speakers. Following the formal talks is a cocktail hour where employers have an opportunity to discuss their practice with prospective employees. An applicant can view job postings (all or by search criteria), and post and advertise a resume. The AAO has a similar search engine on their website called

Professional Choices. This is a very comprehensive site where applicants can post their professional information about themselves as well as search available practice opportunities. Practices post essential information such as location, salary, fellowship requirements, purchase options, buy-in options, type of practice, satellite locations, area population, surgical cases and office visits/year, access to ASC, and optical dispensary.

There are several non-peer reviewed journals that have corresponding websites with classifieds that include physician recruitment. These include *Eyeworld*, *Ocular Surgery News* and *Ophthalmology Times*.

The peer-reviewed journals, such as *The Journal of Cataract and Refractive Surgery* (JCRS - the orange journal), *Archives of Ophthalmology* and *Ophthalmology* (the "Blue Journal") and have employment opportunities in the back of each edition. They are especially useful when searching for academic positions.

There are a host of professional career placement organizations that are hired by practices to search for available candidates. BJB Medical is an ophthalmology-only recruitment firm. They help hundreds of practices/year with

recruitment as well as contract services and negotiation. Sea Change, Inc. is an organization that places ophthalmologists, optometrists, administrators, technicians, and others. They also offer brokerage services such as practice appraisals and consultations, sales and mergers. The Eye Group also specializes in search and placement services for ophthalmologists. These professional career placement organizations often advertise positions not available on other websites. Many of the positions tend to be in smaller communities. They offer free services for those seeking a job.

There are a few other websites that post job positions. The Eyetown center is a virtual on-line community of ophthalmologists with photographs, chat groups, and board review questions. They offer listings of practices for sale as well as associates seeking positions. Other websites include: Medbulliten.com; Physicianrecruiting.com; Ophthalworld.com; and the Christian Medical and Dental association (cmdahome.org).

Program directors are always an excellent source for employment opportunities as they often know previous trainees now in practice that are looking for associates. They will provide letters of recommendation as well as word of mouth referrals. Medical and surgical representatives work closely with physicians in their coverage area and often know when certain groups are looking to add an associate. Ophthalmology internet chat groups such as those sponsored by ASCRS or kera-net, although not intended for the purpose of job advertisement, often use the chat group forum to notify their colleagues that they are looking to hire.

Finally, if there is a particular area where an applicant needs to locate, sending a CV to ophthalmologists in that area may generate some interest. The professional organizations will have a list of ophthalmologists in a given area and their contact information.

When looking for a job, remember, no job is perfect. Know what you're looking for and list your priorities so you can narrow your search.

## Business Basics: What to Seek in Your New Practice

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William J. Lahnert, MD

After many years of medical training and soul searching you have decided what subspecialty, type of practice, and geographic location is just right for you. After you have determined all of these personal needs, your next goal is to evaluate the health of the practice. Can this practice support you, in your specialty, and provide you with the compensation that you are hoping for? Medical training does not provide much insight into fiscal evaluation so this is a new challenge for many. The following is an overview of the basics of evaluating the financial strength of a potential practice.

### **Qualitative and Quantitative Evaluation**

There are two basic divisions in the evaluation process: qualitative evaluation and Quantitative evaluation. Both are important and must be considered independently. Qualitative success is characterized by a practice that has excellent leadership, responds well to challenges, develops new markets and products, has a good management team, proper and sufficient staffing, facilities and equipment that are specialty specific, and has good

esprit de corps. Quantitative success is defined as a practice that shows good profitability for its partners, has good cash flow, a low accounts receivable, and an appropriately low (specialty specific) overhead. A qualitatively excellent practice that is an accounting disaster is to be as deftly avoided as a quantitative gold-mine that is completely dysfunctional in terms of leadership and management.

### **Qualitative Factors**

One of the most important considerations is how well the practice actually runs. Some of this information is available by interviewing the other physicians and staff. Pay attention to the track record of the practice and how successful they have been at developing new offices, new services, and new referrals. If a practice has demonstrated success in these areas it will be more likely to offer you an opportunity to prosper. Another important consideration is the referral pattern for the practice. Look for a practice that caters to their referring doctors and will make it easy for these doctors to send you patients.

Look for a successful management team and find out about the practice's management style. Make sure it is compatible with yours. Equipment and space are easy to evaluate, but make sure that the practice is willing to spend to ensure your continued growth. Find out if the practice has been good about keeping the other specialists current in terms of diagnostic and therapeutic equipment. Staffing is a challenge for all medical practices, but make sure that you and the practice share a similar practice philosophy. For example, if you plan on using a lot of assistants and scribes to see more patients, make sure this is their style as well or there will be friction.

It is a good idea to try to figure out where the practice is headed and how you will fit into its future. If you are joining a solo practitioner and he/she is retiring soon then the answer might be obvious. If the goodwill of the practice hinges on one physician and he/she is leaving to compete with the practice this may have an adverse impact on you. It will be important to determine the ownership structure and how you will be offered ownership. Get some idea of the buy-in options that are offered and the buy-out options as well, particularly if there are several senior partners.

Practice associated opportunities may be important to you as well and deserve some consideration. Ambulatory surgery centers, optical shops, lens laboratories, diagnostic centers, practice management corporations, ownership of buildings, real estate, clinical research, and equipment or drug design and research can all be profit centers in which you may wish to invest.

Having some idea of how well a practice runs and whether there is a well thought out plan to add you and your services can have a large impact on your success and future with the practice. Looking for these qualities is critical in evaluating a practice.

### **Quantitative**

The next step is to determine how well the practice performs financially. Unless you have an accounting degree, this can be difficult. Having a basic understanding of a few accounting reports can give you a great deal of insight into the finances of the practice.

The key accounting reports that provide a general overview of the practice are the following: statement of assets and liabilities, statement of revenues collected and expenses paid, and the cash flow summary.

The statement of assets and liabilities, which is also known as the balance sheet, provides information on

owner equity. It shows the balance between the total cash and tangible assets and liabilities such as current and long term debts. By showing these totals one can calculate the total owner equity. The statement of revenues collected and expenses paid, also known as the profits statement, operating statement, or the profits and losses, provides the total revenues coming into the practice over a defined period of time and the total expenses over this time. The difference between the two is the profit for the partners. Lastly, the cash flow summary shows how the cash is moving into and out of the practice.

With the information in these three reports, certain benchmarks can be determined. Key financial benchmarks are revenue measures, expense measures, liquidity measures, and profitability measures. Two important revenue measures are the accounts receivable aging analysis, which indicates the amount of time that charges are taking to be collected, and the net collection analysis, which is the collection totals divided by the adjusted charges. These analyses can uncover billing problems, collection difficulties, or poor payers. In good practices 40-60% of collections occur in the first 30 days, only 20-30% in the next thirty days, and only 10-15% taking longer. The net collection analysis should be 90-98%.

The most commonly quoted expense measure is the overhead, which can be calculated in different ways. A useful method is the non-MD/OD overhead, which is the operating expenses (minus MD/OD salaries) divided by the net collections. Benchmark numbers here are typically 45-65%, but can vary considerably in the various sub-specialties. This is a useful indication of practice efficiency.

Liquidity measures typically describe the ability to convert assets to a form capable of meeting currently maturing debts. A useful measure is the current ratio, which is the current assets divided by the current liabilities. Lastly, profitability measures indicate how well the practice generates a profit for its owners. A common index is the net profit ratio (NPR), which is the net income divided by the gross sales. Higher profitability is indicated by a higher ratio, and good practices should be at least 20-35%.

Remember to utilize expert help in the evaluation, typically an accountant with experience in healthcare. With careful analysis of these qualitative and quantitative measures, it will be easier to objectively determine how well the practice performs and how much potential it offers you.

# Finding the Right Job

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Daniel Chang, MD

## **Partnership**

Finding the “right job” is clearly a personal decision. Depending on one’s own desires and ambitions, partnership is by no means a requirement for a successful career. Nevertheless, for those who want increased autonomy, greater governance, and maximal earning potential, co-ownership provides the opportunity to achieve these goals. However, with privilege comes responsibility and commitment; achieving partnership requires a substantial investment of time, money, and emotional capital.

Even what appears to be the best job offer—with the best starting salary at the best geographic location—may not be a very good long-term job opportunity. After years of training, new ophthalmologists are still subject to the authority and decisions of their new practices’ owners. Although they usually have more autonomy and income than they did in residency and fellowship, not all associate physicians are guaranteed future partnership or even continued employment. Therefore, it is important to have a mutual understanding of the long-term expectations for a particular position at the time of contract negotiations.

Although it can be impractical to formulate the exact numbers for a practice buy-in that may not occur for several years, an agreement over the valuation and general outline of buy-in should be established by the time the employment contract is signed. Valuation of a practice can be a complicated (and controversial) process, particularly if no previous buy-in has taken place. Simply stated, the financial value of a practice is comprised of the sum of hard assets, accounts receivable, and goodwill minus any liabilities. While there are relatively straightforward methods for valuating the first two components, the goodwill value of a practice’s “intangible assets” can be much more subjective. Nevertheless, there are guidelines and practice norms that can be

used to help the valuation process. While it may sound obvious, it is important to know exactly what is bought. Large practices with optical shops, ambulatory surgical centers, and refractive centers may or may not decide to present the opportunity to buy these separate components. Additionally, the real estate may be separate from the corporation itself.

Buy-in to a practice would typically begin at some point between the second and third years of employment. This is compatible with the time it takes for the new associate to become busy enough for buy-in to be a feasible and affordable process. Ideally, a pre-tax income deduction would be applied over a three to five year period. As the buy-in progresses, increased ownership leads to entitlement to a greater percentage of the ownership share of income. The net effect would be to see a continued increase in take-home earnings (as compared to the non-ownership income) during the buy-in process.

In summary, partnership buy-in is simple in concept but potentially complex in execution. That is why less than half of new ophthalmologists become partners in their first practices. What is most important is the intention of the current owners and the potential direction and growth of the practice. Whether it is through the future retirement of a current owner or from the expansion of the patient base, a new associate needs a viable way to grow his or her own practice. The experience of previous associates can yield significant insight into future buy-in opportunities. Ultimately, the success of potential buy-in depends upon the motivations of all parties involved. When considering the long-term viability of any new job opportunity, the new ophthalmologist should carefully assess the direction and goals of the practice and the current owners, particularly with respect to how it would relate to the addition of future partnership options.



The mission of the American Society of Cataract and Refractive Surgery is to advance the art and science of ophthalmic surgery and the knowledge and skills of ophthalmic surgeons. It does so by providing clinical and practice management education and by working with patients, government, and the medical community to promote the quality of eyecare.

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