



# **MODEL MEDICAL DIRECTOR AGREEMENT AND SUPPLEMENTAL MATERIALS**

**Medical Director of a Nursing Facility**



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## **MODEL AGREEMENT FOR MEDICAL DIRECTOR OF NURSING FACILITY**

### **MEDICAL DIRECTOR AGREEMENT**

THIS MEDICAL DIRECTOR AGREEMENT (“Agreement”) is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the “Effective Date”) by and between **[name of physician]**, an individual residing at OR **[(name of legal entity), a (State) (legal entity), having its principal place of business at (address)]** (the “Physician”) and **[(name of nursing facility), a (State) (legal entity), doing business as (name), having its principle place of business at (address)]** (“Facility”); individually, a “Party”; together, the “Parties.”

### **RECITALS**

WHEREAS, Facility is in the business of owning and operating a nursing facility or facilities;

WHEREAS, Physician is duly qualified and licensed to practice medicine in the State in which Facility is located and is an experienced physician with a special expertise in long term care medicine;

WHEREAS, Facility and Physician have agreed that Physician will provide the Services (as defined hereinafter) to Facility; and

WHEREAS, the Parties to this Agreement desire to provide a full statement of their respective covenants, agreements and responsibilities in connection with Physician’s appointment and Physician’s performance of the Services during the Term of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Physician and Facility agree as follows:

#### **1. Term:**

- 1.1 The term of this Agreement shall commence as of the Effective Date and shall continue thereafter for a period of one (1) year (the “Initial Term”). At the conclusion of the Initial Term, this Agreement, upon mutual agreement of the Parties, may be renewed for successive one (1) year terms (each, a “Renewal Term”) unless terminated as provided for under Section 9 of this Agreement. Upon renewal of this Agreement, all other terms and conditions of this Agreement in existence at the end of the Initial Term shall continue in

place. The word “Term,” when used in this Agreement shall mean the Initial Term and any Renewal Term.

2. **Engagement:**

2.1 Facility engages and appoints Physician to serve as the Medical Director of Facility for the Term.

2.2 **[Option #1 - Independent Contractor:** At all times during Physician’s performance of the Services pursuant to this Agreement, Physician shall be an independent contractor. Physician shall be responsible for paying all taxes due on all amounts paid to Physician hereunder and shall indemnify and hold Facility harmless from any failure to pay such taxes, including any interest and penalties assessed against Facility. Facility shall have no responsibility for withholding taxes or for employee benefits of Physician. The Parties shall cooperate if any taxing authority asserts that Physician is not an independent contractor under this Agreement. Except as expressly set forth herein or as may be required by Applicable Laws, as defined herein, Facility shall neither have nor exercise any control or direction over the methods by which Physician shall perform the Services hereunder, nor shall Facility control how Physician’s Services are accomplished hereunder, as long as said Services are performed as required by this Agreement.]

**[Option #2 - Employee:** Physician shall be an employee of Facility for all purposes. Facility shall withhold amounts from Physician’s compensation in accordance with the requirements of Applicable Laws for federal and State income tax, FICA, FUTA, and other employment or payroll tax purposes. It shall be Physician’s responsibility to report and pay all federal, State and local taxes arising from Physician’s receipt of compensation hereunder.]

**[Option #3-Employee of External Health Care Entity:** A medical group or an external health care entity that employs physicians (sometimes referenced hereafter, “Medical Center”) must designate a physician to be the medical director and provide covering physicians as necessary in the designee’s absence. The Medical Center will receive reimbursement for the Services and compensate the designee and covering physicians for all Services rendered, under similar terms and caveats outlined under option #1 for independent contractors.]

2.3 Nothing in this Agreement shall limit or restrict Physician’s right to serve as medical director of another nursing facility or other entity.

3. **Services of Physician:**

3.1 As Medical Director of Facility, Physician shall have the responsibilities and perform the duties set forth in Section 3 (the “Services”).

3.2 Physician shall guide, approve, and help oversee the development, implementation, and monitoring/evaluation of Facility’s resident care policies and procedures in the following areas:

- 3.2.1 Admission policies and care practices that address the types of residents that may be admitted and retained based upon the ability of the Facility to provide the services and care to meet their needs;
- 3.2.2 The integrated delivery of care and services, such as medical, nursing, pharmacy, social, rehabilitative and dietary services, which includes clinical assessments, analysis of assessment findings, care planning including preventive care, care plan monitoring and modification, infection control (including isolation or special care), transfers to other settings, and discharge planning;
- 3.2.3 The use and availability of ancillary services such as x-ray and laboratory;
- 3.2.4 The availability, qualifications, and clinical functions of staff necessary to meet resident care needs;
- 3.2.5 Resident formulation and Facility implementation of advance directives (in accordance with State law), relevant order sets (e.g., POLST paradigm forms and pre-hospital DNR forms) and end-of-life care;
- 3.2.6 Provisions that enhance resident decision-making, including choices regarding medical care options;
- 3.2.7 Mechanisms for communicating and resolving issues related to medical care;
- 3.2.8 Conduct of research, if allowed by State law, within the Facility, under the guidance of an Institutional Review Board;
- 3.2.9 Provision of physician services, including (but not limited to):
  - a. Availability of physician services 24 hours a day in case of emergency;
  - b. Review of the resident's overall condition and program of care at each visit, including medications and treatments;
  - c. Documentation of progress notes with signatures;
  - d. Frequency of visits, as required;
  - e. Signing and dating all orders, such as medications, admission orders, and re-admission orders; and
  - f. Review of and response to consultant recommendations relating to the provision of physician services.
- 3.2.10 Systems to reasonably ensure that other licensed practitioners (e.g., nurse practitioners) who may perform physician-delegated tasks act within the regulatory requirements and within the scope of practice as defined by State law;

- 3.2.11 Procedures and general clinical guidance for Facility staff regarding when to contact a practitioner, including information that should be gathered prior to contacting the practitioner regarding a clinical issue/question or change in condition/transfer and discharge of resident;
- 3.2.12 Care of residents with complex or special care needs, such as dialysis, hospice or end-of-life care, respiratory support with ventilators, intravenous medications/fluids, dementia and/or related conditions, or problematic behaviors or complex mood disorders;
- 3.2.13 Systems to ensure appropriateness of care as it relates to clinical services (for example, following orders correctly, communicating important information to physicians in a timely fashion, etc.);
- 3.2.14 Processes for accurate assessment, care planning, treatment implementation, and monitoring of care and services to meet resident needs;
- 3.2.15 Risk management programs; and
- 3.2.16 **[Optional Provision for CCRCs or ALFs:** Participating, as needed, in level of care assessments and placement recommendations for prospective residents and residents of Facility.]
- 3.3 Physician shall review and participate in updating resident care policies and procedures to reflect current standards of practice for resident care and quality of life. Current standards of practice refer to approaches to care, procedures, techniques, and treatments that are based on research and/or expert consensus and that are contained in current manuals, textbooks, or publications, or that are accepted, adopted or promulgated by recognized professional organizations or national accrediting bodies.
- 3.4 Physician shall be responsible for the coordination of medical care in the Facility. Physician shall help the Facility obtain and maintain timely and appropriate medical care that supports the healthcare needs of the residents, is consistent with current standards of practice, and helps the Facility meet its regulatory requirements. Physician shall address issues related to the coordination of medical care identified through the Facility's quality assessment and assurance committee and quality assurance and performance improvement (QAPI) program, and other activities related to the coordination of care, which may include, but is not limited to, helping the Facility:
  - 3.4.1 Reasonably ensure that residents have primary attending and backup physician coverage;
  - 3.4.2 Reasonably ensure that physician services are available 24 hours a day and in case of emergency;
  - 3.4.3 Reasonably ensure that physician and health care practitioner services are available to help residents attain and maintain their highest practicable level of functioning, consistent with current standards of practice and regulatory requirements;