

A close-up portrait of a man with dark hair, a light beard, and black-rimmed glasses. He is wearing a white dress shirt and a patterned tie. He is looking directly at the camera with a neutral expression. In the background, to the right, is a blurred eye chart with various letters and numbers. A green horizontal bar is visible on the chart, and a red horizontal bar is visible below it.

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**DENTAL & MEDICAL
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When setting up or expanding an optometry practice, one of the crucial decisions you'll face is hiring personnel. There are two main routes you can take - hiring staff as employees or as independent contractors. Both options have their advantages and disadvantages, and the right choice often depends on your specific situation and business model.

The right decision for one practice is not necessarily going to be the right decision for yours. You need to think about the benefits and drawbacks of each choice before you make a decision and do not hesitate to reach out to a professional who can help you. At DM Counsel, it would be our pleasure to help you find the right Staffing option for your practice, so learn more below, and reach out to us to schedule a consultation.

What Is the Definition of an Employee?

An employee is an individual who works part-time or full-time under a contract of employment. They are under the employer's control in terms of working hours, the type of work done, and how it's executed. Employees have an obligation to fulfill the responsibilities defined by their job role, and in return, they receive a wage or salary from their employer.

An employee's remuneration is subject to tax withholding, and they are entitled to employment benefits. These benefits can include sick leave, paid vacation time, health insurance, retirement contributions, and more. From a legal perspective, employers are typically liable for the actions of their employees during their working hours.

What Defines an Independent Contractor?

An independent contractor, on the other hand, is a self-employed individual who provides services to clients under terms specified in a contract or a verbal agreement. They typically have more control over how they perform their services, often using their own methods and tools. This provides them with a degree of flexibility that employees might not enjoy.

Independent contractors are not entitled to employment benefits provided to employees. They are also responsible for their own tax payments. However, they often charge more for their services to offset these costs and risks. Unlike with employees, a company typically isn't liable for most of the actions of an independent contractor.

So, how do you decide which one is right for your needs? It is important to consider the benefits and drawbacks of each choice.

What You Need to Include

As an optometrist seeking to hire an associate, crafting a comprehensive contract is pivotal for safeguarding the interests of both parties. Key components to include in an optometry associate contract are:

Financial and Benefit Package:

- Competitive benefits package, encompassing health and life insurance, disability, and retirement plans.
- Inclusion of paid holidays, vacation, and coverage for liability insurance.
- Commitment to covering annual continuing education and professional dues requirements.

Salary Negotiation and Employment Terms:

- Negotiation for the best possible salary, considering factors like working hours and schedule flexibility.
- Inclusion of employment term in the contract, providing job security while carefully weighing the implications of termination clauses.

Clauses to Watch For:

Non-compete Clause or Restrictive Covenants:

- Careful scrutiny of limitations on practicing in specific geographic areas after separation.
- Awareness of potential restrictions related to Dental Service Organizations (DSOs) or multiple practice locations.

Post-Termination Promises Clause:

- Examination of any obligations, such as patient notifications, after separating from the optometry practice.
- Vigilance to avoid unintended limitations on career prospects and future practice.

Negotiation Strategies:

- Despite perceived limitations in negotiation, proactive efforts can result in favorable outcomes.
- Ensuring that the associate contract aligns with desired clauses enhances security and fairness.
- Seeking a balanced approach in compensation, benefits, and separation terms contributes to a mutually beneficial associate contract.

Navigating the intricacies of associate contracts requires diligence in incorporating essential elements and mindful negotiation. Striving for a well-rounded agreement promotes a fair and secure partnership between optometry practice owners and associates.

Employee: Pros and Cons

There are several benefits to consider when hiring an employee. A few of the top benefits include:

- Employees can provide consistent and reliable service to your practice's patients.
- As the employer, you maintain control over the work hours, job duties, and quality of service.

- Hiring an employee can contribute to team cohesion and a consistent practice culture.
- Employees can be trained to follow your specific procedures and protocols.
- Your practice's reputation and brand can benefit from long-term, dedicated staff.
- An employee could potentially grow with your practice, leading to long-term retention.

However, hiring an employee also comes with its share of challenges. A few drawbacks to note include:

- Employees require regular wages or salary, irrespective of your practice's cash flow situation.
- You're obligated to provide employment benefits, which can significantly add to costs.
- You'll have to manage payroll taxes and other employment-related regulatory obligations.
- Employees can require substantial training and supervision.
- Termination procedures can be complex, often involving legal considerations.
- Employees may not provide the same level of flexibility as independent contractors.
- Hiring an optometrist as an employee might be the right choice for your business.

Independent Contractor: Pros and Cons

There are several potential benefits to hiring an independent contractor. They include:

- Independent contractors can offer high flexibility, ideal for handling peak periods or temporary needs.
- You may save costs by not having to provide employment benefits or manage payroll taxes.
- Independent contractors often bring a wide range of experiences, potentially enhancing service quality.
- Contract termination can be simpler than employee termination.

- You can easily scale your practice up or down based on demand by hiring or releasing contractors.
- Contractors can provide specialized services that your regular staff may not be able to.

However, there are also disadvantages. They include:

- Independent contractors may not be as available or dedicated as full-time employees.
- They may work with multiple clients, potentially causing conflicts of interest.
- You may have less control over the quality and consistency of the service.
- Contractor rates may be higher than an employee's wage to offset their lack of benefits.
- Building a cohesive team can be more challenging with independent contractors.
- Legal and regulatory issues can arise if an independent contractor is incorrectly classified.

When To Hire an Employee

The decision to hire an optometrist as an employee might be right for your practice in several scenarios. If you're seeking to build a consistent and reliable team to manage everyday tasks and create a cohesive practice culture, hiring an employee might be the best option. Employees are typically more dedicated to your practice and can provide a stable workforce.

If you're looking for someone to work during specific hours, then an employee could be the ideal choice. Having control over your workforce can help in managing the patient load and ensuring quality service. Moreover, if you want to invest in the long-term growth and development of your team, then hiring an employee could be the most beneficial path.

When To Hire a Contractor

On the other hand, hiring an optometrist as an independent contractor could be the right decision if your practice needs specialized services that your current staff can't provide. This might include advanced diagnostic procedures or specific optometry-related tasks. Contractors can also be an excellent choice if you need additional help during peak times or to cover staff absences.

Independent contractor optometrists can offer the flexibility to scale your practice's workforce up or down based on demand. If you prefer to avoid the administrative burdens and costs related to employment, such as payroll taxes and employee benefits, then a contractor might be the most cost-effective choice.

Your Practice Might Have a Mix of Employees and Independent Contractors

It's worth noting that your optometry practice might benefit from a mix of employees and independent contractors. A blended workforce can offer the best of both worlds, providing the stability and consistency of employees, coupled with the flexibility and specialized skill sets of independent contractors.

Balancing the two categories can ensure your practice has the required staffing at all times while also being able to accommodate special needs or fluctuating demand. It's crucial to understand the legal implications and differences between these two types of workers to maintain a compliant practice.

What to Look For In Your Hire

Discovering the right associates for your optometry practice involves a strategic approach. Consider these key factors:

Complementary Skills:

Optometrists seek associates with skills that complement their practice focus. Highlight your expertise in specific areas, making yourself stand out.

Expressing Interest:

Showcase your proactive approach by expressing interest in potential practice locations. Initiate contact with practice owners, signaling your eagerness and creating top-of-mind awareness.

Effective Communication:

Ideal associates possess excellent communication skills with both colleagues and patients. Strong interpersonal abilities contribute to a confident and harmonious integration within the optometry family.

Performance in the Interview Process:

Associates play a pivotal role, so the hiring process is thorough. Make a lasting impression beyond formal interviews. Practice owners seek a comprehensive understanding of your background and may consider prior support staff roles as part of the assessment.

Character Matters:

Doctors prioritize character when selecting optometrists. Strong moral values and decision-making skills ensure a patient-centered approach, fostering empathy and concern for individual well-being.

Teachability:

Optometry requires continuous learning. Opt for associates open to ongoing learning within a collaborative team setting. Willingness to mentor or be mentored showcases suitability for the role, often leading to mentorship roles in the future.

Frequently Asked Questions

Q: What is the definition of an employee?

A: An employee is an individual who works part-time or full-time under a contract of employment. They are under the employer's control in terms of working hours, the type of work done, and how it's executed. Employees have an obligation to fulfill the responsibilities defined by their job role, and in return, they receive a wage or salary from their employer. An employee's remuneration is subject to tax withholding, and they are entitled to employment benefits, including sick leave, paid vacation time, health insurance, retirement contributions, and more. Employers are typically liable for the actions of their employees during their working hours.

Q: What defines an independent contractor?

A: An independent contractor is a self-employed individual who provides services to clients under terms specified in a contract or a verbal agreement. They typically have more control over how they perform their services, often using their own methods and tools, providing a degree of flexibility that employees might not enjoy. Independent contractors are not entitled to employment benefits and are responsible for their own tax payments. Unlike with employees, a company typically isn't liable for most of the actions of an independent contractor.

Q: How do I decide whether to hire an employee or an independent contractor?

A: The decision between hiring an employee or an independent contractor depends on various factors. Consider the benefits and drawbacks of each choice. Employees offer consistent service, team cohesion, and long-term growth potential but come with obligations such as regular wages, benefits, and payroll taxes. Independent contractors provide flexibility, cost savings, and specialized skills but may lack the same dedication and consistency as employees. Seek professional advice to make an informed decision for your optometry practice.

Q: When should I hire an optometrist as an employee?

A: Hiring an optometrist as an employee might be suitable if you seek consistent and reliable team management, a cohesive practice culture, specific work hours, and long-term retention. This choice is beneficial for practices aiming for stable, dedicated staff contributing to the practice's growth and reputation.

Q: When should I hire an optometrist as a contractor?

A: Hiring an optometrist as an independent contractor is ideal for specialized services, peak periods, or covering staff absences. Contractors provide flexibility, and cost-effectiveness by avoiding administrative burdens, and can fulfill specific optometry-related tasks or advanced diagnostic procedures.

Q: Can my practice benefit from a mix of employees and contractors?

A: Yes, a blended workforce—comprising both employees and independent contractors—can offer the advantages of stability and consistency from employees, along with the flexibility and specialized skills of contractors. Balancing both categories allows your practice to meet staffing needs while accommodating special requirements or fluctuating demand.

Q: What legal considerations should I be aware of when managing a mix of employees and contractors?

A: It's crucial to understand the legal implications and differences between employees and independent contractors to maintain a compliant practice. Seek professional advice to ensure you adhere to relevant laws and

regulations, avoiding potential legal issues associated with worker classification and employment practices.

Q: How can DM Counsel assist in finding the right staffing option for my optometry practice?

A: DM Counsel is pleased to help you navigate the complexities of staffing decisions for your optometry practice. Schedule a consultation with us to receive personalized guidance on choosing between hiring employees or independent contractors. Our expertise can support you in making informed decisions aligned with your practice's unique needs and goals.

Contact DM Counsel for Help With Your Practice

Whether you decide to hire employees, independent contractors, or a mix of both, DM Counsel is here to help guide your decisions. We specialize in legal support for medical, dental, and optometry practices, ensuring you can focus on providing excellent patient care while we take care of the legal complexities.

Hiring an optometrist as an employee or independent contractor can both offer unique benefits. The best choice will largely depend on your practice's specific needs, resources, and long-term plans. Don't navigate these complex decisions alone; reach out to DM Counsel for expert advice and guidance. Your practice's success is our priority.