— PRACTICE & CAREER GUIDE — EPISODE 4

Hospital Employment: The Honest Tradeoff

What you gain and what you give up — from someone who's practiced on both sides.

COMPANION GUIDE TO SUNDAY PRACTICE ROUNDS, EP. 4

THE DEFAULT PATH, EXAMINED HONESTLY

Hospital employment is the most common path out of training, and for good reason. It's also the model most surgeons take without fully understanding what they're trading away for that stability. Having practiced as an employed physician — including in a hospital leadership role — before moving into private practice and eventually a physician-ownership position, this is the model I can speak to most directly from the inside.

WHAT YOU GET

The Real Upside

It's genuinely real, not a consolation prize. A guaranteed salary from day one, usually with a work RVU bonus layered on top. Malpractice coverage handled. Billing and collections handled. Staffing, EMR, front desk, and credentialing are someone else's problem. You don't make payroll. After seven-plus years of training and often six figures of debt, that stability is worth a great deal — and no one should be talked out of valuing it.

WHAT YOU TRADE

Control, Piece by Piece

The hospital sets your clinic template — how many patients you see, how long each slot runs. The hospital assigns your OR block time. The hospital hires and staffs your room, which means the team you operate with day to day isn't fully your call. Call obligations are written into the contract rather than negotiated informally. None of these are dealbreakers on their own; together, they define how much of your daily practice is actually yours to shape.

THE GUARANTEE-PERIOD CLIFF

When the initial guarantee ends, compensation resets against a productivity target you generally didn't set. This is the moment most employed surgeons first feel the tradeoff directly — worth understanding in detail before you sign, not after the first paycheck under the new formula. *(See the companion guide on reading your first contract for exactly what to check here.)*

THE QUIET TRADEOFF

No Ownership Upside

Employed physicians are generally shut out of ownership — no surgery center equity, no ancillary revenue participation. Whatever you build in reputation, referral base, and outcomes accrues primarily to the institution, not to you as a transferable asset. For some surgeons this genuinely doesn't matter. For others, it's the reason they eventually move toward a PSA or independent model once they've built enough volume to make that transition worthwhile.

WHO IT FITS, WHO IT FRUSTRATES

Fits	Frustrates
Surgeons early in career building volume and skill	Surgeons who want to control their own schedule
Anyone in a market dominated by large systems	Surgeons who want to build their own team
Anyone who doesn't want operational responsibility — a legitimate preference	Surgeons who want ownership upside over time

QUESTIONS TO ASK BEFORE ACCEPTING

- What happens to compensation when the guarantee period ends? Ask for the formula in writing.
- Who sets the clinic template and OR block allocation, and how often can they change it?
- Are there any ownership or ancillary participation paths available to employed physicians here, now or in the future?
- What does the call schedule actually look like month to month, not just what the contract states?

Stability Is a Real Choice, Not a Default

Hospital employment is a legitimate, well-reasoned choice for a lot of surgeons — not just the path of least resistance out of training. The goal isn't to talk yourself out of it. It's to understand exactly what you're trading for that stability, so the choice is actually yours.

Ryan D. Snowden, M.D.

Fellowship-Trained Spine Surgeon · Tennessee Orthopaedic Alliance · @ryan.snowdenmd

This guide is educational and reflects one surgeon's perspective on practice structure. It is not legal, tax, or financial advice. Terms, regulations, and enforceability vary substantially by state and by individual agreement — consult qualified counsel before acting on any of it.