

The Business of Anesthesia

What Every CRNA Should Know

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Employment Classification

- W-2 Full Time or Part Time
- 1099 Contract Labor

W-2 Employee

- Taxes deducted by employer and matched
- Benefits offered
- Few taxable write-offs for employee
- Most Common relationship

1099/Contract Labor

- Taxes paid by individual
- All benefits paid by employee
- Should have CPA opinion
- IRS Tax code specific requirements
- Could result in penalties for employer AND Individual.
- **BE CAREFUL!!!!**

IRS Classification for 1099

- May earn profit or suffer loss from job
- Furnishes tools and supplies
- Is paid by the job
- Works for more than one client at a time
- Pays own business and travel expenses
- Hires and pays assistants
- Sets own working hours

Contracts

- Should spell out the BASICS of the deal
- Generally not about fine details
- Should have a start and end date/renewal
- Should allow either party an escape.
- Should define "cause"
- Should have legal review by both parties
- May be subject to State Law

Seek Assistance

- Legal Aspects
- Accounting
- Practice/State Regulations
- Billing
- Recruiting/Placement Agency

Billing

- Best handled by knowledgeable agent
- Highly Technical
- Legal liability/Implications
- Expensive Startup
- Coding Accuracy Essential
- Must be efficient and speedy

Collections

- Time Consuming
- Some are difficult
- May “make or break” your company
- A necessary “evil”
- May contract out to agency

Reimbursement Calculations

- AL 2004 Conversion factor \$16.82
- $CF \times (\text{Base} + \text{time units}) = \text{fee}$
- Time units = 15 minute blocks

Other Billing Issues

- Payers have different requirements
- May dictate provider credentials
- Requirements may exceed State/Federal Law

Benefit Package

- Expensive
- Time Consuming
- Federal/State Regulations
- Employer "Fiduciary Responsibility"
- Negotiated Annually
- Value to individuals highly variable
- "CASH IS KING"?!!

Negotiation Skills

- Decide What You Must Have
- Ask For Things You Would Like
- Know “Community Standard”
- Decide on “Reasonable” trade offs
- Matter of Fact/All Business/Professional
- Never Apologize While Negotiating

Key Points

Be Bold

Why are you different

What makes you "special"

Be Reasonable

Willing to "Make it work"

Persistent

Demonstrate Value

Potential Consequences

