



City of Valdez

212 Chenega Ave.
Valdez, AK 99686

Meeting Agenda

City Council

Tuesday, March 5, 2024

5:30 PM

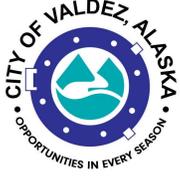
Council Chambers

Work Session: Physician Recruitment and Retention Program

WORK SESSION AGENDA - 5:30 pm

Transcribed minutes are not taken for Work Sessions. Audio is available upon request.

1. [Work Session: Review of Physician Recruitment and Retention Program](#)



Legislation Text

File #: 24-0080, **Version:** 1

ITEM TITLE:

Work Session: Review of Physician Recruitment and Retention Program

SUBMITTED BY: John Doulgas, City Manager/ Elise Sorum-Birk, Deputy City Clerk

FISCAL NOTES:

Expenditure Required: n/a

Unencumbered Balance: n/a

Funding Source: n/a

RECOMMENDATION:

n/a

SUMMARY STATEMENT:

The goal of this work session is to review the existing physician recruitment and retention program and to determine if the city council desires to continue this program or alter it moving forward.

Attached are the:

- Draft enabling resolution for continuation of the program.
- Draft physician contract.
- Draft MOU with Providence Valdez Medical Center.
- Program discussion guide document.

Outline for Discussion Physician Recruitment and Retention Program:

Program as a whole:

- Does city council want to continue this program moving forward?
- How does the council define success for this program?
 - Discuss desired outcomes.
- Has this program been viewed as a benefit by PVMC?

Specific to physician contract:

- Should the compensation structure be changed? Portions of the contract to examine are:
 - Total dollar amount.
 - Number of years.
 - Terms of repayment.
 - Subject to appropriation.
 - Extension clause.
- As currently structured, there is an obligation for the physician to provide coverage at the hospital- should this remain the case?
- Full time is defined as 40 hours per week- is this realistic/ accurate?

Specific to the proposed MOU with Providence:

Areas to discuss:

- Overall goal of MOU- why is it needed?
- Rules on compensation.
- Process for verification of hours. Should this be done by PVMC or physician?
- Is the hospital required to take on physicians employed by other healthcare providers or self-employed?
- Separation of funds.
- Quarterly reporting process.



**Memorandum of Agreement Between the City of Valdez, Alaska
and Providence Valdez Medical Center**

This Memorandum of Agreement (“MOA”) is made effective the ___ day of _____, 20__ and entered into by and between the City of Valdez (“City”) and Providence Health and Services–Washington, doing business as Providence Valdez Medical Center (“Hospital”).

WHEREAS, the provision of reliable high-quality medical services is of great importance to the health and wellbeing of the City’s citizens;

WHEREAS, the City has determined that an insufficient number of physicians presently serve the community and the high turnover rate of physicians practicing within the City is detrimental to the health and wellbeing of the City’s citizens;

WHEREAS, the City has enacted by a resolution a Physician Recruitment and Retention Program (“Program”) in order to recruit and retain highly capable physicians to practice in the City;

WHEREAS, the Program will provide up to Sixty Thousand Dollars (\$60,000) annually to any qualifying physician practicing medicine on a full-time basis within the City, subject to City Council approval;

WHEREAS, the Program provides benefits to the Hospital by allowing the Hospital to recruit and retain physicians;

WHEREAS, the Hospital employs physicians that benefit from the Program and possesses information necessary for the successful administration of the Program; and

WHEREAS, the purpose of this MOA is to ensure that the Hospital and the City will work cooperatively to ensure the success of the Program.

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Hospital agree as follows:

1. Hospital agrees to provide quarterly reports to the City containing the number of hours each employed physician worked during the preceding quarter and certifying that the physician practiced as a full-time physician during the preceding quarter.

2. Hospital agrees to provide the City a copy of any agreement with physician.

3. Hospital agrees that no aspect of physician's compensation or benefits, including bonuses customarily offered to physicians upon signing an employment agreement to practice medicine within the City that would otherwise be provided to physician by the Hospital, will be reduced in any way as a result of physician's receipt of compensation under this MOA.

4. Hospital will not require the physician to enter into an agreement with a provision not to compete with the Hospital as a condition of employment.

5. Hospital agrees not to require physician to pay or transfer any amount of the compensation contemplated under this MOA to the Hospital or any third party.

6. Hospital agrees that physicians employed by other healthcare providers within the City shall provide coverage at Providence Valdez Medical Center within the scope of the physicians' hospital privileges and for services upon terms agreed upon between the physicians and the Hospital.

7. The City and the Hospital agree to exercise good faith in upholding the intent of this MOA.

8. The City and the Hospital shall hold the other harmless from any liability that may arise from performance under this MOA.

9. The term of this MOA shall be for five (5) years beginning on the date first-above written with an option, upon consent of both parties, to extend the MOA for one (1) additional five (5)-year term.

10. Notice under this MOA shall be given in writing and may be hand delivered, sent by U.S. Mail, or faxed as follows:

If to Hospital:

If to City:

City of Valdez
P.O. Box 307
Valdez, Alaska 99686
ATTN: City Manager

A party may change the address to which or official to whom notice is to be given by giving notice of such change to the other party.

11. This MOA shall be governed by, interpreted, and enforced in accordance with the laws of the State of Alaska and the laws of the United States, as applicable. The venue for all litigation arising out of or relating to this MOA shall be in Valdez, Alaska. The parties hereto irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of Alaska and waive any defense of *forum non conveniens*.

12. In the event any provision of this MOA is held to be unenforceable or invalid for any reason, this MOA shall remain in full force and effect and enforceable in accordance with its terms disregarding such unenforceable or invalid provision.

13. No modification, amendment, or waiver of any of the provisions of this MOA shall be effective, unless in writing specifically referring hereto, and authorized by both parties.

14. The City is entitled to receive actual reasonable attorneys' fees and other expenses incurred by the City by reason of the breach of this MOA by the Hospital.

IN WITNESS THEREOF, the Hospital and the City have executed this MOA on the dates listed below.

[SIGNATURES TO FOLLOW]

PROVIDENCE VALDEZ MEDICAL CENTER

Date

By: _____

CITY OF VALDEZ

Sharon Scheidt, Mayor

Date

Attest: _____

Sheri L. Pierce, MMC, City Clerk

Approved as to Form

By: _____

Jake W. Staser, City Attorney

CITY OF VALDEZ, ALASKA RESOLUTION # 23-**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA ESTABLISHING A PHYSICIAN RECRUITMENT AND RETENTION PROGRAM.

WHEREAS, the provision of reliable high-quality medical services are of great importance to the health and wellbeing of City of Valdez's citizens;

WHEREAS, the City of Valdez ("City") has determined that the program established hereunder will aid in maintaining an adequate number of physicians to serve the community and reduce the high turnover rate of physicians practicing within the City;

WHEREAS, recruiting and retaining highly-capable physicians to practice in the City requires competitive pay and benefits; and

WHEREAS, the City desires to aid in the recruitment and retention of highly-capable physicians by offering compensation in addition to regular pay and benefits in order to increase the competitiveness of compensation provided for practicing medicine within the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that:

Section 1. The foregoing recitals are incorporated in this resolution as if fully set forth herein.

Section 2. The City hereby establishes a Physician Recruitment and Retention Program.

Section 3. The City shall appropriate no more than \$___*000 on an annual basis as an incentive to recruit and retain up to ___*physicians practicing medicine on a full-time basis within the City. The incentive shall be in addition to any compensation paid to physicians in the ordinary course of business and shall not serve to offset any such compensation that would otherwise be provided.

Section 4. The attached Physician Recruitment and Retention Agreement (Attachment A) shall serve as an example of the type of agreement the City shall utilize to implement the Recruitment and Retention Program and may be revised as the City Council deems appropriate for the purposes of implementing the Program.

Section 5. All Physician Recruitment and Retention Agreements are subject to City Council approval on an individual basis.

Section 6. This resolution shall become effective upon approval.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this ___ of _____ 2023.

CITY OF VALDEZ, ALASKA

Sharon Scheidt, Mayor

ATTEST:

Sheri L. Pierce, MMC, City Clerk

CITY OF VALDEZ

PHYSICIAN RECRUITMENT AND RETENTION AGREEMENT

THIS PHYSICIAN RECRUITMENT AND RETENTION AGREEMENT (hereinafter "Agreement") is made by and between _____ (hereinafter "Physician") and the City of Valdez, Alaska (hereinafter the "City") and is entered into on the ____ day of _____, 20xx. Physician and City are each individually referred to herein as a "Party" and collectively as the "Parties."

WHEREAS, the provision of reliable high-quality medical services is of great importance to the health and wellbeing of the City's citizens; and

WHEREAS, the City has determined that an insufficient number of physicians presently serve the community, and the high turnover rate of physicians practicing within the City is detrimental to the health and wellbeing of the City's citizens; and

WHEREAS, recruiting and retaining highly capable physicians to practice in the City requires competitive pay and benefits; and

WHEREAS, the City desires to aid in the recruitment and retention of physicians by offering a financial incentive in addition to regular pay and benefits; and

WHEREAS, offering a financial incentive is necessary to compete in the marketplace for the purpose of recruiting and retaining skilled physicians to practice medicine in the City; and

WHEREAS, Physician has accepted employment to practice medicine on a full-time basis in the City and intends to continue practice within the City in accord with Physician's employment contract.

NOW, THEREFORE, in consideration of the mutual covenants set out in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Parties agree as follows:

1. TERMS AND CONDITIONS

a. Physician shall maintain full-time employment practicing medicine within the City for the term of this Agreement. Full-time employment is defined as an average of forty (40) paid working hours per week. Periodic time spent practicing medicine outside the City for the purposes of gaining/maintaining competency is allowable as long as the Physician maintains full-time employment within the City.

b. Physician shall provide coverage at Providence Valdez Medical Center

within the scope of Physician's hospital privileges and for services upon terms agreed upon between Physician and Providence Valdez Medical Center.

c. Physician shall at all times comply with the terms of any agreement(s) with his or her employer. The City shall have the right to review any such agreement(s) with the understanding that the contents of any such agreement will be kept confidential from the public as required by such agreements or by law.

d. Nothing in this Agreement shall be interpreted as preventing Physician from acquiring an ownership interest in a medical practice.

e. This Agreement does not entitle Physician to any compensation for employment prior to the execution of this Agreement.

f. Execution of a Memorandum of Agreement with Physician's employer to facilitate administration of the program is a prerequisite to execution of this Agreement.

2. COMPENSATION

The City will compensate Physician as follows:

a. Within sixty (60) days of execution of this Agreement the City will provide Physician with a Sixty Thousand Dollar (\$60,000) recruitment and transition payment. The \$60,000 recruitment and transition payment is compensation for Physician working as a full-time employee practicing medicine in the City for a twelve (12)-month period after execution of this Agreement. If Physician voluntarily or as the result of termination for cause fails to work as a full-time employee practicing medicine in the City for a period of twelve (12) months after execution of this Agreement, the \$60,000 recruitment and transition payment shall be repaid to the City on a prorated basis at a daily rate of \$164.38.

b. The City shall pay Physician up to sixteen (16) quarterly retention payments in the amount of Fifteen Thousand Dollars (\$15,000) within forty five (45) days of Physician's completion of the initial twelve (12) months of full-time employment and at the beginning of every three (3) months thereafter until the Physician reaches sixty (60) months of full-time employment from the date of execution of this Agreement. In the event Physician fails to work as a full-time employee practicing medicine in the City for the entire quarter after receiving a quarterly payment, the quarterly payment shall be repaid on a prorated basis at a daily rate equal to quarterly compensation divided by the number of days in the quarter.

c. Compensation under this Agreement is subject to appropriation of funds by the City Council.

3. TERM

This Agreement shall become effective on the date it is executed and shall remain in effect for a period of five (5) years with an option, upon consent of both parties, to extend the Agreement for one (1) additional five (5)-year term.

4. TERMINATION

a. If either Party fails to perform any provisions herein, that Party shall be in default. The Party not in default may, by written notice, provide notice of the default. If the default is not cured within thirty (30) days or as otherwise agreed to in writing by the parties, then the non-defaulting party may terminate this Agreement in whole or in part for failure to perform. In such event, the defaulting Party shall be liable for damages, as well attorney's fees arising out of or related to the default.

b. If Physician discontinues work as a full-time employee practicing medicine within the City for any reason, this Agreement may be terminated by the City.

c. The City may at its sole discretion terminate this Agreement upon the occurrence of any of the following events:

i. the denial, suspension, revocation, termination, restriction, or voluntary relinquishment of the professional license or privileges of Physician at Providence Valdez Medical Center;

ii. the death or inability of Physician to perform normal and ordinary duties as a physician due to sickness or accident for ninety (90) consecutive days;

iii. the termination or revocation of Physician's drug enforcement agency number; or

iv. the exclusion of Physician from participation in the Medicare, Medicaid, or other government health program.

5. SOLE BENEFIT OF PARTIES

This Agreement is for the sole benefit of the Physician and the City. Nothing in this Agreement is intended to confer any rights or remedies on any third party.

6. LIABILITY

In no event, whether as a result of breach of contract, tort liability, or otherwise, shall either party or its agents or employees be liable to the other party for indirect, economic, or consequential damages of any nature.

7. NOTICES

Notice under this agreement shall be given in writing and may be hand delivered, sent by U.S. Mail, or faxed as follows:

If to Physician:

If to City:

City of Valdez
P.O. Box 307
Valdez, Alaska 99686
ATTN: City Manager

A party may change the address to which or official to whom notice is to be given by giving notice of such change to the other party.

8. GOVERNING LAW/JURISDICTION

This Agreement shall be governed by, interpreted, and enforced in accordance with the laws of the State of Alaska and the laws of the United States, as applicable. The venue for all litigation arising out of or relating to this Agreement shall be Valdez, Alaska. The parties hereto irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of Alaska and waive any defense of *forum non conveniens*.

9. NO WAIVER OF IMMUNITIES

In no event shall the language of this Agreement constitute or be construed as a waiver or limitation for either Party's rights or defenses with regard to each Party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitutions or laws.

10. SEVERABILITY

In the event any provision of this Agreement is held to be unenforceable or invalid for any reason, this Agreement shall remain in full force and effect and enforceable in accordance with its terms disregarding such unenforceable or invalid provision.

11. ASSIGNMENT

Physician may not assign or transfer any of Physician's rights, duties, or obligations under this Agreement, in whole or in part, without the prior written consent of the City.

12. ENTIRE AGREEMENT

This Agreement represents the entire agreement and understanding between the Parties relative to the recruitment and retention of physicians. All previous or contemporaneous contracts, representations, promises, and conditions relating thereto are superseded.

13. MODIFICATION, AMENDMENT, WAIVER

No modification, amendment, or waiver of any of the provisions of this Agreement shall be effective unless in writing specifically referring hereto, and authorized by both parties.

14. FEES AND EXPENSES CAUSED BY BREACH

The City is entitled to receive actual reasonable attorneys' fees and other expenses incurred by the City by reason of the breach of this Agreement by Physician.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date first above mentioned.

[SIGNATURES TO FOLLOW]

Physician

City of Valdez, Alaska, Authorized

Signature

Sharon Scheidt, Mayor

Name

Date

Title

Attested:

Date

Sheri L. Pierce, MMC, City Clerk

Mailing Address

Date

Recommended:

City, State, Zip Code

Mark Detter, City Manager

Date

Approved as to Form:

Brena, Bell & Walker, P.C.
Jake. W. Staser

