



DOCTOR INCORPORATED

Stop The Insanity of Traditional Employment
and Preserve Your Professional Autonomy

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INTRODUCTION

I AM LIVING MY BEST LIFE. UNPLUGGED FROM MY JOB, CHILLED out with my family along a spectacular beach in Kauai, working on this book during a business trip covered by my company.

Ten years ago, this would have never happened because it was a world I never knew existed for doctors.

This book is written from the perspective of what I would tell my younger self about how to experience my best life as a physician. It is filled with personal and professional tips that would have saved me time, energy, and money had I been equipped with it thirty years ago when I earned my medical degree.

The information I am sharing with you would have spared me years of blindly following the same career path as my peers—a path that unknowingly eroded my personal and professional well-being each year that I was traditionally employed.

I accepted the tensions created by employment as typical for a young doctor and reacted to combat those pressures with personal resiliency measures and working harder. I naively thought this was my only option, as I was not aware of any other alternatives that would provide me relief. I reasoned the system I was employed within was unchangeable. Therefore, the changes had to occur from within me. I was both right and wrong, as I will explain later.

I am sharing my story with you because I want you to know I am one of you. I especially understand the various good and bad aspects of the employed doctor's life. I know how important it is to feel valued by your employer, receive fair compensation, and be empowered with professional autonomy. Despite its challenges, I believe employment is still an excellent option for most. However, the status quo system of traditional employment is not healthy for doctors and needs to be reshaped.¹

I hope that I can help you avoid replicating one of the bigger mistakes that I made: passively trusting my employer to guide my professional life. This professional passivity is the default mode for most employed doctors who blindly place all their eggs in their employer's basket and then trust in the beneficence of their employer to support their professional development and well-being. Spoiler alert: it turns out you are a commoditized cog in their business machinery, and your personal and professional development is generally not their concern.² They love you for what you do for them, not for who you are.

1 Simon G. Talbot and Wendy Dean, "Autonomy, Mastery, Respect, and Fulfillment Are Key to Avoiding Moral Injury in Physicians," *TheBMJOpinion* (blog), January 16, 2020, <https://blogs.bmj.com/bmj/2020/01/16/autonomy-mastery-respect-fulfillment-key-avoiding-moral-injury-physicians/>.

2 Danielle Ofri, "The Business of Health Care Depends on Exploiting Doctors and Nurses," *New York Times*, June 8, 2019, <https://www.nytimes.com/2019/06/08/opinion/sunday/hospitals-doctors-nurses-burnout.html>.

Choosing the path of passive professional codependence within traditional employment leads to a gradual loss of control over your life. This loss of control is one of the underlying factors causing burnout for many in our profession.³ In addition, the corporate takeover of the healthcare economy has resulted in doctors losing their small business powers and, thus, feeling trapped and morally injured by the soulless system of big business.⁴

My journey to near burnout within traditional employment, which was followed by my revival through the formation of my small business PC and its associated “employment lite” structure, has inspired me to want to share my discoveries with you.⁵ I believe they will illuminate a hidden path that many of you can benefit from.

Ultimately, I want you to avoid the same slow fade of vitality that I experienced in my first fifteen years as a traditional employee. Due to the personal and professional crisis created by my professional passivity, I learned that I had to proactively manage my job structure and shape it to support my well-being. You will find out that your employer will not do this for you. Instead, it’s up to you to do it for yourself.

I recognized that my path to thriving as a doctor had to include elements that restored my autonomy and actively prevented

3 L. Allen Dobson Jr., “We Must Address the Causes of Burnout,” *Medical Economics*, September 3, 2021, <https://www.medicaleconomics.com/view/we-must-address-the-causes-of-burnout>.

4 Simon G. Talbot and Wendy Dean, “Physicians Aren’t ‘Burning Out.’ They’re Suffering from Moral Injury,” *STAT*, July 26, 2018, <https://www.statnews.com/2018/07/26/physicians-not-burning-out-they-are-suffering-moral-injury/>.

5 Craig Hunter and Neil Baum, “Physician-Hospital Alignment: ‘Employment Lite,’” *The Journal of Medical Practice Management: MPM* 28, no. 4 (January/February 2013): 260–263, <https://pubmed.ncbi.nlm.nih.gov/23547505/>.

burnout.⁶ Ultimately, the most significant changes that allowed me to adapt to the system of employment and still flourish as an individual included the following actions:

1. **Starting** my professional corporation (PC)
2. **Changing** my mindset
3. **Choosing** personal resiliency measures that helped my well-being

START YOUR PC

A fundamental component of preserving your autonomy—and the best place to **start**—is activating your unique power to incorporate yourself. Your professional corporation will act as a virtual entity that will allow you to control the professional assets that you have acquired at the launch of your medical career. Your PC will provide the necessary infrastructure for your professional life to be built upon much like land is needed to build a house. The parcel is more important than you probably realize, but it is typically an unassuming but critical component of the property. Your PC will support the evolution of your professional life much like land will support the dynamic changes of a house during the approximately three-decade span of your active medical career.

When you choose not to start your PC at the beginning of your career, you will be building your professional life on metaphorical land owned by others, most commonly your employer. This arrangement will result in an unhealthy codependency on them

⁶ Sarah Sloat, “Burned Out? Here’s How You Can Recover, According to Experts,” *Inverse*, April 17, 2022, <https://www.inverse.com/mind-body/recover-from-burnout>.

that will entrench their control of you, and make separating more difficult as time goes on. Although leasing space from them for your professional life is not always bad, ownership of that space through your PC is far better. It keeps you more in control of your professional life, which has important implications for your personal life as I will illuminate later.

I know prioritizing the formation of a professional corporation seems like an odd recommendation within a medical system that is voraciously eliminating private practice PCs from the marketplace.⁷ This trend is precisely the reason that most of you likely have not even considered the idea of starting a PC. You recognize a private practice PC can rarely compete successfully against the deep pockets of their sizeable corporate opposition.⁸ However, you likely have not considered the evolution of the modern PC into one that is no longer connected to a retail space or physical location.⁹ Instead, it is a micro corporation that is built around your professional services and medical brain. This version is not a true competitor or threat to large corporations.

The new micro-PC is a ubiquitous virtual structure that is uniquely Dr. You, PC. This modern version of a PC will help you flourish throughout your career. Due to your individualized specialty training, professional interests, and personal style, no PC will be the same as yours. This makes you a one-of-a-kind

7 Praveen Suthrum, “Physician Practice Consolidation: It’s Only Just Begun,” *STAT*, February 27, 2020, <https://www.statnews.com/2020/02/27/physician-practice-consolidation-its-only-just-begun/>.

8 Len Strazewski, “8 Threats Facing Physician Private Practices,” *AMA* (blog), American Medical Association, February 21, 2022, <https://www.ama-assn.org/practice-management/private-practices/8-threats-facing-physician-private-practices>.

9 Cecily Harris, “Guide to the Corporate Practice of Medicine for Virtual Care Companies,” *Wheel* (blog), December 2, 2020, <https://www.wheel.com/companies-blog/guide-to-the-corporate-practice-of-medicine-for-virtual-care-companies>.

business. You have invested in yourself, created a unique style and identity, and earned the extraordinary power to cloak yourself in this highly individualized professional business structure.

Small business ownership has multiple other benefits, including supporting your well-being and enhancing your financial health. Overall, the earlier you can start your PC, the better. It will serve as a firm foundation for building your thriving career. So, you would be foolish not to activate your own individualized and virtual PC for your present and future benefit.

Employment does not obviate the benefits of forming a PC. This is a myth and one that needs to be dismantled. As I will demonstrate later in the book, the truth is that you can BOTH own and operate your PC while also being employed by a large corporation. Making you aware of your options, including the hidden PC-employment lite model, is one of the overarching purposes of this book.

I believe that PC-employment lite is your best choice for job structure because it will allow you to thrive holistically while also working within the relative safety of a large corporate employer's harbor. It still supports your employer's goal for physician alignment, but provides you with greater control over your professional life. It is a win-win business arrangement that addresses a foundational defect in the system of employment which is the loss of professional autonomy for doctors. This systemic flaw must change as a needed solution for the current burnout crisis. The PC-employment lite model combats burnout by enhancing your well-being through the preservation of your professional autonomy. Quite simply you are placed back in control of your professional life by activating one of your most important earned assets: your small business power to start your PC.

CHANGE YOUR MINDSET

The real challenge goes beyond helping you visualize this space of starting your PC or knowing that the PC-employment lite model even exists. Instead, it involves helping you overcome the mental hurdle that you have the ability, know-how, and time to run your micro-PC. Younger professionals tend to depend on their employers to direct their career development while also expecting them to cover everything else related to practicing medicine in the modern marketplace. This typically means that you don't need to, nor want to, know how to run a business. Employment, by definition, allows you to outsource this work to someone else who manages it for you. For most doctors, the freedom to not be in charge of a medical business is one of the most appealing aspects of employment.

This mindset informs and reinforces your acceptance of your business illiteracy and your choice to allow your employer to manage the business of medicine. Even if you wanted to start your PC, this acknowledged business deficit causes you to fear that you don't have the skills or time needed to run a business.¹⁰

Thus, you relegate starting a professional corporation to those who are natural entrepreneurs or have an MBA. That is because you envision an older version of a PC that includes running a retail medical business, managing employees, populating business spreadsheets, spending a lot of time overseeing it, and competing in the marketplace. Although this version is an option, it is not what I am proposing.

¹⁰ Evgenia Galinskaya, "7 Reasons Why Some Doctors Will Never Start a Business," *Pulse* (blog), LinkedIn, December 13, 2014, <https://www.linkedin.com/pulse/7-reasons-why-some-doctors-evgenia/>.

I am proposing you start the modern, slimmed-down, more-refined micro-version of a PC for your use in association with your professional services. This individualized small business is very lean and relatively easy to operate. It can be used in almost any job structure, and the business operations of it can be efficiently outsourced so that you are not bogged down with having to manage it.

But in order to move in this direction, you must shift your mindset in three ways. The first is you must understand that starting your micro-PC does not mean you are going into private practice, rather it means you are preserving and protecting your professional business power. The second is that choosing employment does not mean you won't benefit from a PC, because the truth is that you can use a PC within virtually any employment structure. The third is that starting a PC will not result in you missing out on the freedom to not operate a medical business, because the micro-PC has a simplicity that makes outsourcing its management quite easy.

CHOOSE A NEW PATH

One of the aspects of PC-employment lite that I discovered was most important to me was the way it restored and preserved my professional autonomy. Regaining my autonomy turned out to incredibly improve my well-being. The lesson learned for me was that choosing a professional path that preserves my autonomy is fundamental to my well-being as a doctor. In most cases, traditional large corporate employment will erode your autonomy, and thus my admonition to you is to choose a different path. But you can't passively trust employers to provide you with a table of options, as they are not obligated to do this. Instead, you will

have to proactively request it yourself. It's kind of like choosing something on the "hidden menu" at a restaurant. The option is there, but you have to know it and bring it up; otherwise you will be funneled to choose from the same menu as the masses. In the employed doctor world, that means you will have to propose a job structure that is on their invisible menu. It turns out this is the same structure that employers use to onboard private practice doctors into their safe harbor. It's available, but not visible, so you just have to know to ask for the PC-employment lite option. But, like most doctors who represent themselves at the contract negotiation table, you just don't know what you don't know, so you miss it.

I hope that as you read this book, you are inspired to believe that you can and should form a modern PC that can be used in conjunction with employment, and you need not relegate the concept of a PC solely to the space of private practice.

I love my life as a doctor, and I want you to love yours as well. I believe sharing my experiences and discoveries with you about PCs and the employment lite model will help you arrive at your best life.

This book will add me to the growing group of doctors providing innovative answers to the physician burnout crisis. There are ample resources available on personal and professional resiliency solutions for you. Thus, this will not be my focus in these pages. However, I strongly suggest you **choose** to equip yourself with these mindfulness skills because they are essential to the well-being of every doctor.

I aim to provide you with a novel solution to the broken system of employed physicians. This solution will lead you to **start**

something new in the form of your individual micro-PC that will serve as the foundation to help you live your best life. I also want to inspire and inform you that there are options beyond traditional employment. By combining these two ideas, you can use your PC to **change** the current status quo of employment, which is often detrimental to your well-being.

One of my favorite authors is Mark Batterson. He inspires me to go after the big goals that can feel impossible to accomplish. In his book, *Win the Day*, I like how he encourages each of us in the process of reaching for something better:

“If you want to change your life, start by changing your story.”¹¹

At the turning point of my story, I knew change was needed personally and professionally, so I decided to seize control of the narrative and actively shape it to my benefit. I visualized my best future, chose the right path to get me there, and created the proper infrastructure to support that journey.

Let the ideas of this book inspire you to proactively do the same by using all of your earned professional assets to map out a future that supports your well-being and allows you to thrive. In particular, I think you will love the benefits of using your modern PC as a mile marker to this path.

Employment need not be an obstacle to doing this, nor should your fear of running a small business be one. As you will see, I have successfully overcome both of these, and I know you can too.

¹¹ Mark Batterson, *Win the Day: 7 Daily Habits to Help You Stress Less & Accomplish More* (Colorado Springs: Multnomah, 2020), 8.

You got this!

Before you dive in, let's do a quick summary of the book chapters so that you can know where we are going with things.

IN THE BEGINNING—YOUR PROFESSIONAL POWERS

Chapter 1: Discover the historical basis and modern reasons why you are a small business professional and how that power can help you thrive by preserving your autonomy.

Chapter 2: Your life as a doctor can be divided into three stages, and this book primarily focuses on the very dynamic Stage 2, which is your attending physician phase. Stage 2 is best built on the foundation of your PC, rather than a space fully controlled by your employer.

Chapter 3: Take inventory of all the assets you have earned at each professional stage and use each to live your best life. Activating your small business powers early in your career, rather than completely subjugating them to your employer, will help you thrive.

THE PROBLEM OF CORPORATIZATION

Chapter 4: Corporate employers are most interested in your professional business powers and how they can economically benefit from them and are less interested in your professional vitality.

Chapter 5: Employment is a great option for most doctors, but systemic adaptations are needed to help reduce your risk of burnout as an employee.

THE SYSTEMIC SOLUTION—PRESERVING YOUR PROFESSIONAL AUTONOMY

Chapter 6: PC-employment lite is a systemic correction to physician employment that can increase your professional autonomy and improve your household financial position.

Chapter 7: Converting to a PC-employment lite structure is a simple but profound change that allows your employer to have the alignment they want while providing you with personal and professional benefits (autonomy).

Chapter 8: Much like doctors of yesteryear, forming your PC at the beginning of your career is an essential component to preserving and leveraging this professional asset. It can then be used within a large number of professional job structures and integrated into a business enterprise model.

Chapter 9: Your individual PC will unlock the many financial benefits afforded to small business owners throughout our country.

Chapter 10: You will encounter resistance to rethinking how you can use a modern PC in the marketplace, and the first hurdle you must overcome is yourself.

Chapter 11: You must know the essential steps to start and maintain your small business PC.

Chapter 12: You will benefit from forming a business team that supports your PC as well as your personal and professional interests.

Conclusion: Start your PC now—it is the most critical step to avoid burnout and flourish as a doctor.

Tod Stillson MD

Aka



CHAPTER 1



YOU ARE A SMALL BUSINESS

JUST A FEW YEARS AGO, A DOCTOR DID NOT HAVE TO BE reminded of the notion that they were a business. It was built into their mindset. The assumption was that one would enter the marketplace after completing training and set up or join a small company known as a private practice. A physician was, by default, a small business person.

The professional and personal autonomy that is built into operating a small healthcare business is nicely aligned with the DNA of most doctors. We like being in charge and are trained to be analytical decision-makers with an aptitude for continually learning new things. These all overlap with the skillset needed to be a successful small business person. On top of that, the

mental architecture of developing and executing a clinical plan with a patient shares some congruency with doing the same with a small business plan. The common denominator for the exam room and the business office is that you are in control and empowered to be a decision-maker.

HISTORICAL BASIS

Your economic power has been well documented over the centuries. Historically, physicians could earn income by teaching students or serving as public doctors. Ancient Greece and Rome had examples of healthcare institutions that both provided payment for physicians and guaranteed treatment for the community. The Greek and then Roman civilizations often supported physicians within municipalities and framed their service as a public duty and calling.

In particular, the Greek physician Hippocrates, who is often called the “father of medicine,” has influenced the ethical mindset of this long-standing tension between professionalism and business. The Hippocratic tradition, which is famous today due to the Hippocratic Oath, argued that the physician ought to prioritize treatment and not fees. Additionally, if a patient was suffering economic hardship, the physician ought to dispense with payment altogether. This was summarized in his influential writings such as the following example:

“Consider carefully your patient’s superabundance or means. Sometimes give your services for nothing, calling to mind a previous benefaction or present satisfaction. And if there be an opportunity of serving one who is a stranger in financial straits,

give full assistance to all such. For where there is love of man, there is also love of the art.”¹²

His philosophy of how to blend medical business and the ethical duty to equally help the public has served as a cornerstone mindset for physicians throughout the thousands of years that followed.

In both ancient and modern times, Western Civilization doctors have had a long-standing tension regarding their professional obligations to serve versus running a business. For example, English physicians could not legally bill for their services hundreds of years ago. Instead, following the Roman practice, patients paid “honoraria” voluntarily in connection to medical care. This legal architecture supported the Hippocratic duty of physicians to provide care regardless of a patient’s ability to pay.

THE US HISTORY

Ultimately, the progressive civic philosophy and legal rules that differentiated professions from businesses in Western Europe did not survive the trip to the American colonies. Instead, medical practitioners here were viewed through the eyes of business-law principles right from the beginning. They were allowed to charge and collect fees based on the services they provided and careful consideration for the person’s ability to pay. Thus from

¹² Hippocrates, *Hippocrates: Volume I: The Loeb Classical Library*, ed. T. E. Page, E. Capps, W. H. D. Rouse, A. Post, and E. H. Warmington, trans. W. H. S. Jones (London: William Heinemann Ltd, 1957), 319 reprinted in Internet Archive, accessed November 30, 2022, <https://archive.org/details/hippocrates01hippuoft/page/318/mode/2up>.

the onset, physicians in America did not fully follow the “public calling” principle and its associated honorarium system. Rather, they followed the small business practices of the newly formed American capitalist system, which prioritized private ownership over government or institutional control. As this book unfolds, this business principle that was baked into the American Revolution is an essential concept for us to return to.

When joined with the Hippocratic professional and ethical principles, it later morphed into the adoption of a subjectively driven “sliding scale” medical services price model that allowed doctors to charge what they perceived the patient could afford. The remuneration could include a mixture of goods, services, or money. This sliding scale matrix allowed for the fusion of a doctor’s duty to serve the public equally with the preservation of one’s interest in operating a business.

THE PRESENT

This historical journey affirms that a doctor’s knowledge and expertise in providing medical services to patients has always had a built-in monetized value, which in the United States has long been viewed as a small private business. For years, the value of a doctor’s services was self-determined and influenced by the free market forces that were interconnected to the location of the medical business.

This all changed with the introduction of private health insurance, primarily after WWII. This was further accelerated by the federal government’s version of health insurance in 1965 when Medicare and Medicaid were signed into law. Their arrival signaled the loss of control of physicians subjectively choosing

prices in conjunction with the free market defining the value of their services. As these parties were empowered, they began to control and determine the value of a physician's professional service.

As a result, in the present state, the value of your services is nearly entirely determined by third parties and not by you. Those third parties place worth on your work in two ways:

The first way involves how payors decide to pay you, or your employer, for the medical services rendered. In this loop, the third party will **reimburse** you or your employer for your work, rather than pay you for it at the time care is provided. Unlike payment which involves an agreed-upon business arrangement in which you get money at the point of service, reimbursement means you will get your full payment later.

In order to be paid, you have to prove that you have done the work; thus, this system of "proving" your work has led to the rise of the electronic health record (EHR). This digital platform is not so much a repository of health information as it is the business ledger for mining revenue. Your employer's EHR, a/k/a cash register, is based upon your translation of your medical care into numerical codes called current procedural terminology (CPT) and international classifications of diseases version 10 (ICD-10) designations. The complexity of this system has become a huge administrative burden for doctors, as it consumes a large portion of any patient encounter. It has wholly displaced the highly efficient small business practice of paying for your service or goods at the point of care, at a price that the parties agreed upon.

The second way the value of your professional work is translated is within the **compensation** loop between you and your

employer. Here the value of your work is encoded into a standardized unit called a Work Relative Value Unit (wRVU). This represents a measurement that accounts for time, skill, training, and the intensity of the service you provided. Each CPT code is typically assigned a correlating wRVU value. This is all used by employers to determine your compensation via an agreed-upon productivity compensation matrix, or salary.

The wRVU system is meant to equally standardize the value of your services regardless of location and specialty. However, it gets even more complicated when the dollar value of each wRVU is further organized into fair market ranges by another layer of third parties (most commonly the medical group management association—MGMA for short). These groups make their private data purchasable to employers and doctors, but not to the public. This, in turn, often leads to what is called information asymmetry for individual doctors whose employers have access to this fair market compensation data, but the data is less accessible to individual doctors because it tends to be cost-prohibitive for you to personally access it. Thus they will authentically tell you that your compensation is at a fair market rate, but what they will fail to mention is that it is a range and not an actual number. Thus they can save money by choosing a lower range value for your wRVU compensation rather than an upper range value.

IT'S COMPLICATED

Given this highly complex business model that favors third-party control of the economic variables, it's no surprise that most of you will choose to trade in the business value of your professional knowledge to employers whose job is to extract revenue for your associated services. You likely reason that this trade will allow you

to fulfill your altruistic desire to help people rather than run a business. Money can be a barrier to caring for patients, and many of us would simply prefer to focus on tending to the patient's medical needs and allow someone else to handle the business exchange. In many regards, offloading the financial interaction is a more altruistic version of medicine that harkens back to the Hippocratic professional call to serve the public, both rich and poor.

During my life, I have had the privilege of providing medical care to the impoverished and disadvantaged within the US and around the world. I have served in ongoing clinics as well as pop-up clinics in many remote villages and on numerous continents. Most of the time, there was no monetary barrier to entry for the patients, nor were documentation requirements associated with the care. Instead, there was just a patient needing care paired with my knowledge and expertise, one encounter at a time. In those moments, a deep sense of pleasure is derived because the care is stripped of the transactional barriers and colored by the purity of my desire to use my skills to help someone in need. That exhilarating and rewarding feeling always reminds me that this is why I chose medicine as my career. It feels good to help people without my care being continuously monetized.

Don't get me wrong, even if you share these good motives, most of us also deeply understand that our professional services indeed do have a value that is generally translated into a high income in the US system. You can expect to receive this pot of gold as you start your career, just as I did. This expectation is why you are willing to accept the high cost of the runway associated with the launch of your career as an attending physician. This runway is known as your medical training, and it truly represents your expensive investment in your future small business powers known as Dr. You.

COMMON PATH

Let's look at a typical doctor who has chosen the path of corporate employment.

Dr. Tony is happily employed as a physician for a hospital system that is located near his wife's family. It's his first job, and it provides him with a simple way to launch his career in medicine. With the sizable fair market value paychecks, the signing bonus, and the loan forgiveness program, he can now begin paying off debts, buy a house, and own a car that is less than five years old. As a new attending physician, he now has the time and resources to live his preferred lifestyle in a location with a good quality of life and some predictable time away from medicine. In addition, he and his wife are now empowered to grow their family, knowing they can finally afford it.

He celebrates his arrival in this attending physician space and expects a certain level of professional and personal autonomy that is afforded to most physicians. Professionally he begins to integrate his style, interests, and identity within his chosen specialty. This individuation process is very satisfying due to the self-actualization elements associated with it. He is emerging from his generic specialty title and genuinely becoming an individual whose knowledge, expertise, and style are unique to him. He embraces his high income and robust lifestyle from his job and feels satisfied leaving the hassles of the business of medicine to his employer.

Medical business seems complicated, risky, and time-consuming, so avoiding this in exchange for the simplicity of employment, particularly shift work employment, is a no-brainer. It's a great life, and finally being able to unlock his pent-up delayed gratification associated with training feels incredible!

MEETING YOUR NEEDS

Tony's story is a snapshot of the path that you—like many doctors—are apt to take in the early years of your professional career. That is because prospective employers are aware that you have some immediate needs that they are more than happy to meet to entice you to join them.

First on your mind is the need to erase your large and burdensome student loans that now can average a mind-boggling \$300,000 or more per person.¹³

Secondly, you have chosen to accept your business and financial illiteracy as a result of your singular focus on your medical training. It's not that you don't care about these areas, but you just haven't had the time to explore them, nor were they built into medical education and professional training.

You intelligently react to these two pressure points by targeting employment positions that offer you a solution to these two menacing problems. Physician employers provide the needed answers with loan payback bonuses along with fair market value compensation packaged in a turnkey clinical job. This is especially appealing when compared to entering private practice with its associated high startup costs or expensive buy-in processes with partnerships or group practices. Beyond that, you note private practices are vanishing from the landscape, so you reason that it's not wise to join or start private practice when they appear to be losing ground in the marketplace.

13 Jennifer Calonia, "What's the Average Medical School Debt in 2022?," *Forbes*, May 13, 2022, <https://www.forbes.com/advisor/student-loans/average-medical-school-debt/>.

It's no surprise that this all adds up to driving 89 percent or more of graduating residents to choose the safe harbor of employment.¹⁴ As a result, physician employees are now the majority job structure in the US, and this is growing annually.

However, there is a downside to this trend. Your employer now becomes your boss, usurps your identity, requires conformity to their standard operating procedures and policies, and ultimately exerts control over your schedule and professional services. As time goes on, the associated loss of power and autonomy within your professional life can lead to a tipping point of job dissatisfaction and even burnout.

YOU ARE A MEDICAL BUSINESS

Your professional services are valuable, and when they are informed by their historical roots in the US, they automatically make you a medical business. You alone get to determine whether to unlock this business power for yourself or trade in its power to your corporate employer to unlock. In today's world of medical employment, many physicians are unaware that they even possess this power as an earned asset.

Broadly speaking, you are part of a distinctive family of service professionals that exist in many different industries. These include lawyers, dentists, architects, accountants, financial advisers, and engineers, among others. Each one can offer customized, knowledge-based services to their clients within a business arrangement. Unlike other types of businesses, professional service firms sell knowledge and expertise—not visible,

¹⁴ Merritt Hawkins, *2021 Survey of Final-Year Medical Residents* (Dallas: Merritt Hawkins, 2021), 9, <https://www.merrithawkins.com/trends-and-insights/article/surveys/2021-survey-of-final-year-medical-residents/>.

physical products. Their products are generally intangible and are not amenable to economies of scale on the “cost of goods sold.” But their services do have value, and this, in turn, generates revenue for their business.

You should let the past inform your future—by activating your individualized small business as a professional. This systemic directive was signaled as a foundational component to the vitality of the Republic by our founding fathers, whereby they emphasized the prioritization of private ownership over government or institutional control. This principle reflected their understanding that the well-being of the individuals within the Republic would be threatened if there was too much institutional control over their lives. This historical guardrail points toward a solution to the current burnout crisis associated with the corporatization of medicine. That solution is a return to doctors forming and using a professional corporation (PC) to preserve their professional autonomy.

You may think that a PC is unnecessary if you’re not going into private practice. But before you move on, I invite you to learn why your assumptions about employment and PCs are wrong. I am going to share with you a personal discovery that I made a decade ago that busted this myth, and how adopting it into my professional life changed the course of my career. I wouldn’t exactly call it a secret path, but I wouldn’t say it’s easily visible to most of you, either. So get ready to have your eyes opened.

BURNOUT PREVENTION AND PC- EMPLOYMENT LITE

The loss of professional autonomy that is experienced through the current state of medicine harms, injures, and impairs you

on many levels.¹⁵ Therefore, the restoration of your professional autonomy is a crucial ingredient to both preventing and recovering from burnout.¹⁶ Physicians can much more resiliently autocorrect themselves under the pressures of corporate employment and thrive again, but first they must address the structural flaw of traditional employment's erosion of their professional autonomy.

I know from personal experience that when my professional and personal autonomy were fading within traditional employment, I was heading towards burnout. But my autonomy was reinvigorated through the formation of my PC-employment lite contract, also known as a Professional Services Agreement (PSA). As part of this arrangement, I was required to have my own business entity—my PC. My employer then contracted with my PC for my professional services, rather than to me individually. It was now transformed into a business-to-business relationship.

To be clear, this employment model is still a flavor of employment and not necessarily an escape from it. There are still aspects of professional life that I don't fully have control over, but the space created by the parallel operation of my PC has created freedom and power that is not found in traditional employment alone.

And this is why you need to place PC-employment lite on your radar. It represents a needed structural correction to the current

15 Simon G. Talbot and Wendy Dean, "Autonomy, Mastery, Respect, and Fulfillment Are Key to Avoiding Moral Injury in Physicians," *TheBMJOpinion* (blog), January 16, 2020, <https://blogs.bmj.com/bmj/2020/01/16/autonomy-mastery-respect-fulfillment-key-avoiding-moral-injury-physicians/>.

16 Pamela Hartzband and Jerome Groopman, "Physician Burnout, Interrupted," *The New England Journal of Medicine* 382, no. 26 (June 25, 2020): 2485–2487, <https://doi.org/10.1056/NEJMp2003149>.

state of employment that will go a long way towards helping you live your best life and avoid burnout. This is because it allows you to tap into the overarching benefits of small businesses and ultimately increases your professional autonomy.

Simultaneously it provides all the benefits of employment while addressing one of the fundamental flaws of physician employment, which is the loss of professional control. Your PC fills your autonomy tank, and corporate work empties it. Combining the two will help keep this crucial professional need balanced for you. This is a better version of employment than the traditional paradigm where your professional autonomy is constantly assaulted and your only recourse to fill your tank is personal resiliency methods.

THE NEW PC

As I wind up this chapter about your small business power, I believe it is critical to address an aspect of the changing PC-employment lite equation. Traditional PCs are slowly disappearing, and a modern version is now replacing them. The contemporary version is a micro version and doesn't compete with large corporations but instead collaborates with them individually.

Employers are more familiar with the private practice PC, which has historically been the home for most physicians. Thus the origins of the PC-employment lite model are tightly connected to this interface. With this in mind, when large companies recruit seasoned physicians, they come prepared to offer contracts that unite with these doctors and their PC framework. This older version of a PC typically included a medical office building, medical equipment, the small business

itself—including employees, and of course, the professional services of the physician owner(s). Each of these elements has to be addressed contractually when a private practice doctor becomes an employee, and the purchase of their small business assets is typically hard-wired into the deal.

This is in contrast to new graduates or long-time employed mid-career physicians who come to employers without any business wrap-around. They are more easily contractually assimilated with their professional services. Rather than small business assets to be purchased, young doctors typically present to large corporations with personal liabilities (debt) that they hope will be bought by their employer as part of their recruitment deal.

Due to this dynamic, employers don't expect to interact with PCs for young doctors and physicians with a prior employment pedigree. In fact, employers often view a PC designation as a signal that you don't intend to be employed long-term, and thus they may express concern about hiring you through your PC. They fear not having total control of you and are also unfamiliar with the newer version of a micro-PC that doesn't necessarily compete with them.

Thus, when I talk about starting your PC, I am NOT talking about the older PC version that is tightly associated with private practice and independent medical care. Instead, I am talking about a modern micro-version that is more of a virtual corporation that houses your intangible and tangible professional assets. It allows you to parse out your professional services, knowledge, and expertise to an increasingly diverse healthcare economy that is not geographically locked in.

I am pointing you towards your power to create a PC that can be either located within or outside your employer's safe harbor. In either case, you can form a PC and use the same bridge as your former private practice peers to access the free market interests with your professional skills, services, expertise, or knowledge. This can include your primary employer but also can involve business interests outside your employer's domain. We are now part of a global economy that is not constrained by local physicality and therefore does not compete directly with your primary employer. Your own PC allows you to connect with people and organizations who value your knowledge and services anywhere in the world.

As an example, I recently spoke to a specialist who resides in Southern California, but 75 percent of her professional services are delivered to patients in the Midwest through the power of digital communication. Her PC has a PSA with her hospital in Southern California, and the contract has a regional non-compete. However, in the new world of medicine, this has left the door open for her to connect with others outside their reach who value her virtual expertise.

Her PC has made it easy for her to have two sources of professional income that are geographically separated by thousands of miles. By the way, you may ask why she just doesn't move to the Midwest where most of her work is done, and the answer is that lifestyle, quality of life, and family ties keep her anchored on the West Coast as her preferred home. In the end, her more nimble and virtual version of her PC is not tied down to a brick-and-mortar location where she must physically deliver her services. Instead, it opens the door to possibilities due to her PC's ubiquitous nature and its ability to divide out her professional services.

This reframing of a PC to a more modern virtual container that wraps around your professional assets is what I want you to have in mind when you consider incorporating yourself and then contemplate the PC-employment lite structure.

Peter Drucker is considered the founder of modern management theory and practice. His writings and philosophies have heavily influenced government and corporate business management concepts in the latter part of the twentieth century. I like how he elucidates the necessary component for systemic change when he says:

“If you want something new, you have to stop doing something old.”

This same idea was said differently by the genius scientist Albert Einstein, whose theory of relativity provided new understandings of how everything in the universe worked together systematically. He is famously credited for defining insanity through the eyes of a physicist when he said:

“Insanity is doing the same thing over again, and expecting different results.”

Too many of you know that doing the same thing as your peers by following the old path of traditional employment and believing you will somehow avoid being among the 50% who are burned out is the same irrational thinking that Einstein associated with insanity. This subtle form of insanity will unfortunately, statistically, happen to more than half of you unless you quit doing something old.

You are at risk of missing out on your best life unless you do something different than accepting what you are currently being offered through traditional employment.

Drucker and Einstein are both exactly right, and that is why I exhort you to stop the insanity of traditional employment and do something new to preserve your professional autonomy.

SUMMARY

- Historically doctors have operated as a small business that was fused with their altruistic call to serve everyone regardless of their ability to pay.
- Doctors are a unique group of professionals who are given the power to start a professional corporation (PC).
- Employment lite is a hidden employment model that allows you to use your PC while remaining employed.
- Starting your own professional corporation will provide you with more autonomy as a small business owner.
- The modern micro-PC is a virtual container for your professional assets and is different from the older private practice version of a PC.
- The path to avoiding burnout for doctors involves making a systemic change by stopping something old and doing something new.