155: Negotiating Tips for Women Physicians with Dr. Linda Street

Full Episode Transcript

With Your Host

Bonnie Koo, MD

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Welcome *to The Wealthy Mom MD Podcast*, a podcast for women physicians who want to learn how to live a wealthy life. In this podcast you will learn how to make money work for you, how you can have more of it, and learn the tools to empower you to live a life on purpose. Get ready to up-level your money and your life. I'm your host, Dr. Bonnie Koo.

Hey, everyone, welcome to episode 155. So, this episode concludes my special series celebrating Women's History Month so that you all know all the things that are in the way of women, all the history, all the thoughts, the socialization, et cetera.

And so today I have my good friend, Dr. Linda Street. She's been on the podcast before, but it's been a beat. And so I wanted to have her on today to chat about negotiation. That's what she does, obviously. And at the end of the episode you'll hear that she, or rather I asked her to look into what I made as dermatologists in terms of the MGMA data.

And we looked into it after we recorded and basically I was making something like the 10th percentile. People would say, why would you leave being a dermatologist? You make so much money. But I didn't make a lot for a dermatologist. I still made good money in the scheme of things.

But it always makes me wonder if I was making what I should be making, would I have left? It's hard to know, right? Because it's not just the money, it's would I have been happy doing what I do as a dermatologist versus what I do now. It's hard to know, right?

But seeing that income differential was definitely eye-opening. And this is why you need someone like Linda or to learn about negotiation. And also why it's so important to spend time and invest in these skills, because you'll learn from our conversation, why it's so important. It's not just for the money, by the way. And the importance of hiring experts.

Something that I've really seen is this unwillingness for, and obviously, I mainly talk to doctors, this unwillingness to pay for expert help. And yet we

want our patients to do the same thing. I just see a lot of, well, you can do this yourself, I'm talking about money specifically. Don't hire a financial advisor when you can do it yourself. And there are people who'd rather hire a financial advisor.

The same argument could be true about, well, you can clean your own house, so why would you pay someone else when you can do it? Yes, I could clean my own house, but I'd rather not. And plus someone else is going to be way better at it than I am.

And so I think in general every person is going to be different and how they feel about this. But I guess what I want to say is you get to decide whether something is worth paying for or not. Don't let someone else's opinion decide.

I actually do clean my own place. We live in an apartment, it's not that big. We go through phases where we have someone come, but I will tell you, I do a better job. So that's why we haven't paid someone. But I would love to not do it. And so until I find someone who can do a good job, I'll probably have to do that.

Actually I've been training my five year old, I know this sounds bizarre, but he actually loves cleaning the bathroom. It's hysterical. He doesn't do the best job, obviously, but I let him go to town. He loves spraying things. He loves wiping. He loves using the toilet brush, although I have to watch carefully because sometimes things splash. But in any case, I'm going to milk it while I can because at some point he might decide he does not like cleaning anymore.

But anyway, I digress. So I think you're going to enjoy your conversation with Linda and hopefully really instill in you the importance of hiring someone like Linda, spending time on your negotiation because it is a life changing, life altering conversation that you really do need to be prepared for.

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All right, here we go.

Bonnie: All right, Linda, so fun to have you back.

Linda: It's great to be here. It's St. Patty's Day today while we're recording, so we're all in green.

Bonnie: Oh yeah, I'm not wearing green. I totally forgot. Actually, speaking of St. Patrick's Day, for school, Jack is in pre-K, they're like wear something green. I feel like every month there's a color he has to wear. Is that like a thing?

Linda: I think so. And our school is a private school, so they make you pay to wear green. So it's like $2 out of uniform day, wear green. So it's not just out of uniform, it's out of uniform, wear this specific thing and bring us money.

Bonnie: Oh my God. Anyway, yeah, I'm like, we don't have t-shirts in every color of the rainbow.

Linda: You must acquire them. It is parenting 101.

Bonnie: Yeah, he's got some camo pants, so he's wearing that today.

Anyway, Linda, introduce yourself for those who don't know you.

Linda: Yeah, so I'm Linda Street. I am a maternal fetal medicine doc. I am full-time in solo corporate practice. So I work for someone but don't have a partner until August. 151 days from now, I'm counting. And I really started to get into negotiation as more than just something I was fascinated by. So more as a job and as a business because of my experiences with negotiation and with work.

So I've been doing it now, goodness, almost four years. And obviously, things have evolved over time, but it really is the same thing, each negotiation, just with different flavors. It's always the same kind of common

format, there are always techniques that you can use. And I've found that the more different situations that present themselves to use the skill set, the simpler it becomes.

It's one of those things where at first it feels like a very complex topic. And I'm digressing a little bit, but I think this is worth noting. But that's where I found physicians get stuck. They're like, oh, that's hard. That's complicated. I don't know how to do that. Nobody's ever taught me that. And those barriers really are removed if you realize just how simple the process is and how much we actually use it day to day anyway. You are negotiating all the time, you're just not calling it that.

Bonnie: I've heard that before.

Linda: Yeah. It becomes just simpler. It becomes just like, okay, this is just something we do. Great, I'm just going to use it in this setting today.

Bonnie: Yeah, so one of the reasons why I wanted to have you on during this time of the year is I usually do a series of podcasts specifically geared towards Women's History Month, I guess I should know. But obviously, I do it through the lens of money.

And you and I both know, and I think all women know that we tend to not negotiate, we get paid less. And you coach specifically women physicians, that's most of my audience. And so I wanted to just bring that to the forefront because I'm just guessing your mission is to help women physicians get paid more.

Linda: Yes, because women with money do great things, as you know.

Bonnie: Yeah.

Linda: And I want women taking care of me. And I think when our compensation more adequately reflects the value we provide, it's easier to practice. It's easier to stay in medicine. It's easier when your job looks like

you need it to look instead of like someone selling it to you prepackaged. It is easier to continue in that way.

And really, I mean, selfishly, I want female physicians taking care of me as I get older as I have health issues.

Bonnie: For sure, because we have better outcomes.

Linda: Absolutely. Exactly. And so, selfishly I'm doing it so there are women physicians practicing still so that they can take care of me. And then on more of a global scale really is just that it breaks my brain that it is 2023 and we haven't figured this out yet. Why is there still inequity? So if I can smash it one person at a time, I feel like it's my way to just degrade that antiquated patriarchal thinking that keeps us behind on the wage gap.

Bonnie: Yeah, and even when I think about the way doctors are paid, right, not in every system, but for the most part it's some form of RVU or production based. So it still doesn't make sense why women are making less in that regard.

Linda: It doesn't on a forest view, but it's interesting because that's a great point to bring up. If you dive in on specifics you can find little gaps and inequities that lead to pay differences even in that setting.

So let's say you're both paid on production and there's a male physician and a female physician. Let's go emergency room or something where it's not like you have a clinic schedule that's built a certain way that pre kind of disposes to what you may or may not earn.

So let's go into the emergency room. Think about how much staff impacts who gets which cases in a multiple physician group. The female physicians, I remember actually it was Hollis Avery that brought this up and I was like, that's such a great point. And of course these things are happening in the background, right? But female physicians are more likely to get more pelvic

pain complaints, or a miscarriage, or clinical situations that may not be high revenue producing, high RVU production cases.

But take the finesse, the connection, the communication skills that women physicians tend to excel at a little bit better. And so then they're under earning because they're not getting the lacerations, the broken arm that you just take care of really quickly and then you're done, right? They're getting cases that require more of the listening skills, more of the interaction skills that don't get compensated as well.

So even in a very, what you would consider parody based environment, because you have a shift, you are paid XYZ per RVU, it should all even out, production can still predispose.

And then recently there was a study that looked at inbox messaging. So inboxes are the bane of everyone's existence and female physicians get more inbox messages. Those aren't compensated. So even if you're paid exactly the same as your male colleague, you're doing more work for that pay. And that's a problem too.

Bonnie: I've heard that too. I was in Phoenix a few weeks ago giving a talk at the White Coat Investor conference. It was on boundaries and that was actually one of the topics. And it's all related, right? Women are not great at boundaries, and I think the inbox is one example. We're too nice in some ways and we just want to respond. And then that means we actually get more messages, ironically, right?

Linda: Right, if you're not setting that boundary from the get go. And I think beyond just not being good at boundaries, additionally, we have to set more because there's this preconceived notion of, oh, she'd be happy to answer this question, or, oh, she's great at this, or whatever. And then that leads to more questions.

I mean, I can actually tell – And I'd love to do, I don't know if there's a good way in my clinic to randomize this, but I would love to be blinded to which

physician sent me the patient. Because as a sub specialist I'm seeing patients from different obstetricians in the community.

And I'd venture to guess I spend more time on basic obstetric questions outside of the sub specialty reason they're seeing me, like kind of normal birthing type things in patients who have a male doctor than I do in patients who have a female doctor. And I hear a lot like, oh, I just feel more comfortable asking you this. And it has nothing to do with me being the MFM versus the general OB, it has to do with the fact that I'm female. And that's non-revenue producing time.

I've gotten better at finding solutions to take care of those needs without spending extensive amounts of my time. But it's something I've had to kind of figure out a solution for and implement that wouldn't have even been an issue at all if not for my gender.

Bonnie: Yeah. Oh my God, I feel like we can talk on and on about these sorts of things. But I think what we just talked about how, yeah, on the surface level it should be the same, but the types of cases – Okay, you might know this answer. So as a dermatologist we do biopsies. I think I read that a biopsy from the vulva reimburses less than a biopsy from a penis, is that true?

Linda: I think it's like half. I'd have to look because I am not a gynecologist anymore, so it's been a minute. But if I remember right, because this came up in one of the OB mommy groups, I think the RVU payout is about half for a vulva biopsy.

Bonnie: Isn't that crazy.

Linda: Is it because it hurts differently? Like no, no.

Bonnie: I actually think it's way harder to do a penis biopsy than a vulva biopsy, from my experience.

Linda: Fair, I have not done either.

Bonnie: When I say easier, part of it is, and we're not going to get too technical here, it's like, well, the skin is very different. And also, I think men's threshold for pain is a lot less, especially in that area.

Linda: Fair, fair. But yeah, I mean, there are a lot of built in kind of subtle things within the system that make this worse.

And then also, I think, even beyond the money piece, which I know money is one of the things we're focused on, but just the fit, because one of the big things with money is turnover, right? It costs you money to have to find a new job. It costs you money if you have multiple jobs and you have to take time off in between and there are ramp up periods. And typically your guarantee pay is not the same as your production based pay, et cetera, et cetera.

So jobs to fit women versus jobs to fit men. I don't know data, I'd have to look into this, I am sure there is some. But especially moving forward now that the workforce is diversifying a little bit and you have different people with different kinds of lives and different social kind of conditioning, there are different needs.

Like putting a woman into a job that was built for a man, can she do it? Absolutely. But it's like wearing a pair of shoes that doesn't quite fit right. Like it's going to rub, you're going to have pain points, it's going to be different than if it was built for you.

And it really starts at the beginning of recognizing like, oh, I can choose my job. I can design my job to fit my needs. Instead of I think in medicine, we're socialized so much that you're so lucky to have this position. You're so privileged to be able to have this residency position.

I mean, we just went through the match and that's a prime example of you should just be so grateful you got a spot. Or you were so lucky to soap into a spot. I don't know if soap is a verb, but it is today.

So I think that when we come out of that environment for a decade really, so all of medical school, all of residency, and then you go into your attending jobs, it's really hard to shift your mindset from this is how the job looks, I can take it or leave it, to okay, I'm the talent. I'm providing a necessary, important service for these patients in this organization. And this is how I need that to look to thrive.

And so shifting that mindset from this is the box, I can buy it or not to more like a custom build of like, okay, I'm going to build a job. What do I want it to look like? And then advocating for those things. So even if the money is similar, your longevity is better. Your turnover is less, your ability to function at a good level for you and be happy is higher. And so everything else financial is going to follow that.

Bonnie: Yeah, actually something you said just really reminded me how you were saying how medicine, and if you think about any field, the jobs, the whatever were designed for men.

Linda: Right.

Bonnie: And I know that there's a lot of outrage, like we have to change things because women are infiltrating the workforce. But do you know that Facebook account, Man Who Has It All?

Linda: I don't.

Bonnie: Oh my God, so Man Who Has It All is the opposite. That everything was built for women, so it's a matriarchy, and then the men are infiltrating.

Linda: Can I live in this world?

Bonnie: Yeah, so it's called Meet Abby and Callum. Abby is a proper doctor. Callum is a male doctor, or gentleman doctor if you prefer. Please note, and there is a picture, oh, you can't see it either. But it's a picture of a woman in a t-shirt that says doctor. And then there's a picture of a guy and it says male doctor. But the woman's shirt says doctor and the man's shirt says male doctor.

Please note that the male doctor t-shirt is more expensive than the standard version because we do have to specifically adapt it to fit the non-standard male body. I mean, it's brilliant, right?

Linda: Right.

Bonnie: It just goes to show.

Linda: How absurd is that? We look at that and we're like, oh my gosh, this is the most insane thing ever. But that's the world we live in.

Bonnie: And then the comments on these posts, if you just need shits and giggles. I'm just going to read you guys a few because it's so funny. I make sure to tell my son that if he works really hard, he can grow up to do anything a girl can do. He can even be a doctor if he wants. This is so inspiring.

Linda: I feel like he needs a shirt that says male doctor, not a nurse.

Bonnie: Probably. And then a lot of the comments are he should smile more, he'll be taken more seriously. I mean, but it makes you, obviously, you and I, we both know this work. It just shows you how ridiculous it is.

Linda: Right. Don't be so aggressive, honey. Don't be a male doctor. Yeah, I mean, it's insane. And so, yes, I agree with you on principle that it should not be so much effort to change these things. But if we don't, who will?

Bonnie: For sure, yeah.

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Linda: If we don't change them, who will?

Bonnie: Well that's exactly why you and I both do what we do.

Linda: Absolutely.

Bonnie: It's like one woman at a time to rock the boat and be like, no, I'm not taking this.

So since you help women with negotiation, what would you say are the top blocks or things in the way of women asking, because since you're negotiating it's obviously about a woman asking to be paid more, more or less, right? So what would you say are the top things in the way that you've seen among your clients?

Linda: Yeah, I mean, I think the first thing kind of circles back to where we started today of negotiation is hard. This is something that I don't have the tools I need to do, which is not true. We all have these tools. We are all female physicians, so everyone who's in that role has had patient interactions where you're negotiating.

You have a goal, they have a goal, and you need to make those match in order to make things work out. And that's all it is. So I think this thought process that this is hard, this is something different and new, that this is something I don't already have tools in my toolbox for is probably the first barrier.

The other things that I think become really challenging for women with negotiation are feeling like it needs to be a tug of war because that brushes up a lot against that socialization of sugar and spice and being nice and trying to make everyone happy and the people pleasing aspects of things. The idea of potentially disagreeing is very uncomfortable for some folks and for a lot of folks

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I think that conflict adversity kind of flares up because there's this thought that a negotiation is automatically a tug of war. I have to lose if they win, they have to lose if I win. And I think that's totally inaccurate. I look at negotiation, and if you look at the definition, it's literally a conversation with the goal of making an agreement. That is the definition of negotiation.

Bonnie: Oh, I love that. It's such a neutral definition.

Linda: It is, and it's so simple. And that is the dictionary definition. But we create all this layering drama around it that's not real, unless we create it. Like it doesn't have to be real.

So I always look at negotiation as an opportunity to really get the idea of, okay, I am being hired to solve a problem. If they are looking to hire you, they have a problem they need solving. Great. What problem are they trying to solve? They just lost a physician to retirement. They are expanding to a new service line, whatever.

What is it that has led to them deciding to hire? Because when you can answer that question, then you know what they want, you know what their goals are. And these are easy questions to get the answers to. It can actually make you look like a fabulous candidate if you approach your interview with some of these questions in mind. And it helps you later when you go to the negotiation piece to be able to ask for what you need.

So why are they hiring you? What problem are you solving? How are you uniquely positioned to solve that problem, is the next question I like people to think about. Because then you're saying, okay, they have a problem, I have a solution. How do we make the compensation for me solving this problem make sense for me and make sense for them?

So instead of that back and forth tug of war, like for me to get a bigger piece of the pie, they have to have a smaller piece. How can the value I'm providing enhance their goals and solve their problems uniquely, in a way that makes it a no brainer to give me the compensation and the package

and the schedule and whatever else it is that's important to you that I'm asking for? And that feels so much better.

Because oftentimes, when people are reaching out to me, they have a negotiation, either in the works or very soon to be in the works. We probably don't have 12 months to dive deeply into why you're a people pleaser. Is that important to work on? Absolutely. But we don't have time for that. We have a goal, we have a need that needs to be met, and we usually have a timeframe.

So let's shift how you're looking at the goal you need to accomplish in a way that it doesn't completely break your brain from everything you've been trained on, everything you've been socialized on. So let's just look at it as, okay, they have a need, I have a skill set. And I uniquely bring these flavors or these spices to my skill set, and that's why this is an amazing match. Let's make it happen. And the way it happens is for the package to make sense for me.

Bonnie: Of course, I'm sure everyone listening is like, oh, that makes so much sense. But when you're the person having to do it –

Linda: Right, it's simple. It's just not easy.

Bonnie: Yeah.

Linda: Very different things. Very different things.

Bonnie: Yeah. Okay. I want to hear some success stories. I'm sure you have a gazillion. Okay, let me just tell you one thing. So I have a client, and she's probably listening to this, who when she first got offered her DM position I think they had low-balled her at like 125 an hour or something. And she's a specialist. And it ended up going up to like a little over 300. 300 per hour, Isn't that insane that they would even offer that low amount? I'm sure you see this all the time.

Linda: Yeah, but somebody will take it. Somebody will take it.

Bonnie: Yes.

Linda: That's why they offered it. They've offered it because they've previously gotten the feedback that that can be successful sometimes. Maybe 10% of the time, but that 10% of the time they're dramatically increasing their profit margins because ultimately, the people you're negotiating with are often not other physicians, they're typically the administrators. They're typically the business people.

And their job is to have the lowest rates of turnover and highest volume, success, whatever, in the context of maximizing profits. And unless you request and push for XYZ profit margin, they're going to be happy to give you a smaller piece of the pie.

And so your job is to convince them, you can give me all these things and it's worth your time. Your job is to say I am such a great solution for your problem, that's your leverage. Your leverage is, I'm such a great solution for your problem, that hiring anyone else will not solve this problem in this way.

And then it makes them want you, as an individual, to be the solution for them badly enough that they're willing to pay for it. Because think about it, if you're at a purse store, that's probably a bad example because I'm not really good on luxury purse brands and things. It's not my jam.

But say you're at a store and there's a target purse, a Coach purse, and then let's say a Gucci purse, or Louis Vuitton or something big and expensive. If they're all labeled $250 it is different to you which one you pick. Which one are you going to pick? Probably the Louis Vuitton or Gucci, right? You're going to pick the designer purse that that's a dramatic discount.

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So don't be the Gucci purse being sold for $250. You're a female physician, you have an amazing skill set beyond just your diagnostic ability. It is not just your diagnostic ability that makes you a good clinician. It is your rapport, your ability to communicate, your ability to process multiple pieces of complex information to come up with a simple solution and communicate that to your patient, right?

We all know, there are a million different things that go into why excellent physicians are excellent physicians. And women tend to excel at a lot of those things. So don't discount yourself and allow for that because if they think you're a Coach purse, they're like, okay, this price makes sense. Let's go for that. If they think you're a Target purse, they're going to try to low ball you because they're like hey, I can get this for way less than this price. Why am I going to pay that?

So you have to convince them why you're the Gucci purse, why you're such an amazing solution for them. Because let's say we double those purse prices. For just the Gucci purse it's $500 now. If you know that that's an amazing purse and it's going to hold up really well, it's going to match your outfit perfectly, it's going to be phenomenal for you, you're happy to pay that.

Whereas you may not be if it's the Coach purse. You're like, that's a rip off. No ma'am, I'm not paying that. So you just have to convince them why you're such an awesome solution to their concerns, why you're such a good fit for their environment, that it's worth investing in you.

And I love the word investment in negotiation, like we can digress into language in a minute if we want to. But I really look at it as it's not that they're paying you $300 an hour or $125 an hour. In a permanent job that you're going for, or even in a temporary job, they're investing in you so that you can solve their problem.

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Bonnie: Yeah, so I was thinking about this so I'm sure everyone else is. Okay, so it makes sense I need to show them my value, that I'm an LV bag and not a Target bag. But then it's like, well, what do you mean and how? And I know we can't cover this in the next five or 10 minutes, but can you just give us some examples?

Linda: Yeah. So I mean, I think the quick and dirty of that is knowing what their problem is. And this is where those questions like, why are you hiring? How do you see the organization progressing over the next 12 to 24 months? What values are really a focus right now for your organization, for your practice, for your whatever?

Like getting a feel and asking some questions to understand what they want, what they value, what they're focusing on, can really help you to focus what you share about yourself into that lens, into that context, right? So you can't show them that you're the perfect fit for them if you don't know what fit they're looking for.

So I think the first piece is to ask a lot of questions that help you to decide what their needs are and what they value, like what's important to them. And the next piece is to have pre-thought, because let's be real, when you're in the moment there's a lot of neurochemicals going on, our brain is in a high cortisol situation. Even me, I spend all day talking about this and when I have my own negotiations, I have pre-done a plan because I can't wing it.

And why would you wing it? We studied like eight weeks in a library cubicle for step one, which I would argue has nothing to do with how you are as a physician at all. I barely passed and I'm doing just fine. And then we go to these negotiations, which dramatically impact your quality of life, how long you stay in a job, how you like the job, how much value you feel they feel you're providing, like how valued you feel by them. And we wing it.

We just show up and we're like, oh, well, so and so makes this. So, okay, I'm ready.

Bonnie: Why do you think we do that?

Linda: I think just lack of really giving it the thought process of, okay, if I prepare for this, then I'll do better. I don't even think we think about it. I think it is such a foreign concept that it just doesn't even come into our brain as something we should do.

Bonnie: I know, it just was as you were saying it's like, because I'm just thinking about myself when I really not negotiated the few jobs that I had in medicine. I think in the back of my mind I knew that it's probably something I should do. But I think I was like, oh, it seems so hard. And let's just get the job and it's fine type of thing.

Linda: And you feel like you don't know what to do to prepare. Like how do I even prepare for this?

Bonnie: Exactly. And then also, I think in my mind I was like, well, it's not going to make a big difference anyway. But I'm sure you have stories where, like I just told you, right, it more than doubled.

Linda: Yeah.

Bonnie: And I think it was actually step-wise. I think they offered her higher, then she said okay. And then the next thing she was like, no, I want more. And they gave it to her.

Linda: Yeah. Yeah, because they needed her because what she was able to offer them was really valuable to them. They just weren't going to play that card on the onset.

Yeah. So I mean, I think the first thing is really knowing how to prepare. And I always tell people because your brain goes into this high cortisol place in these conversations, that is not a place where you're going to be

really creative, able to think outside of the box. You're not going to be your best self. You're not going to be able to give the best responses. You're going to go out the door and be like, "Oh, I should have said that." Right? That's when we have those moments.

So when you don't have that pressure, when you're not in that neurochemical environment, write down all the things. So okay, why are they hiring? These are the things I need to ask to get that information or this is what I know so far. How do I uniquely solve that problem? Okay, these are the things I can think of that I offer that are really valuable to them.

So, for example, when I did my recent job negotiation a couple of years ago, one of the things I had to offer that was incredibly valuable as a sub specialist was I had already worked with all the referring physicians. I was a known entity, I had great relationships. I already had that foundation built that I could just tap into when I was at a new employer in a new place after my non-compete burning.

And so that was something that you wouldn't think of as something to sell when you're trying to get more money. You're like, okay, so you know people? Whatever. But in the context of them wanting to grow a clinic, me being able to tap into pre-existing resources and relationships, instead of having that lag time of building them was a really valuable asset.

And so I leveraged that. I mentioned it. I said, look, I can walk in, I will talk to all these people ahead of time and let them know I'm coming. And I can walk in and I can make you busy quickly. And that's valuable to them when their goal is growth, when their goal is building.

And so really just looking at what are their goals, and how do I have something that may not be just my clinical skill set that can solve them ahead of time, is able to tap into those creative things to really push the envelope better on what your packages.

And then I think also pre-anticipating what they may put as far as obstacles in your way. So pre-anticipating what all their no's will be is kind of what I have people do. So okay, I'm going to ask for these things and they'll say, well, we can't do that, because we've never done it before. How do I want to respond? They're going to say, oh, that's not in the budget. How do I respond? Oh, this is a standard contract. Okay, how do I respond?

Bonnie: That's a common one, right?

Linda: It is so common. And the reality is, it's a standard contract and like 50% of the physicians have a one letter addendum to it modifying it in some way, right? Is it really a standard contract? Yes, this piece may be, but there is still wiggle. There are still different ways that that can look.

And so pre-deciding, okay, if they say that, what do I want to say back? Because if they say it in the moment and you've not thought about it at all, you're going to deer in the headlight and say, okay, about 90% of the time.

Bonnie: I wish you could see Linda's face. Okay.

Linda: I know, I'm making a very like, meh. It's like a meh face. It's like in the Emoji Movie, the little like meh kind of emoji. So you're just making this like, okay, defeated kind of response.

If you've thought about it ahead of time, you're like, I understand that this is not something you've typically done before, but this is why I think it's worth your investment. Or I understand this hasn't been done this way before, but this is why I think it's a good idea. Or that's not in the budget, but how else could we approach this situation to where it would fit the parameters you're working within, but still provide me with what I need?

For example, if they offer 300k and they say that's what we have budgeted for a physician to come in. Okay, well, would there be a way to adjust the schedule to be 32 hours instead of 40 patient facing hours, and then I'd be open to that salary? Because the budget is still there for 300,000.

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You're still full-time, technically, at point eight. And you probably can see just as many patients in 32 hours or a very similar amount if you're not burned out, if you're not exhausted, if you're not dragging your feet saying, "Okay, I'm going to go to work today," as you could in 40 hours when you have all those barriers, right?

Be creative about like, okay, if that's truly the upper limit of the salary you can provide, how can we modify the schedule to make more sense for me at that number? And it depends. It depends on what you want.

Bonnie: So basically we need an earpiece with you talking.

Linda: No, no, you just need to think about it ahead of time and decide what makes sense for you.

Bonnie: But I bet you could sell that service very well, Linda.

Linda: I mean, I do strategy sessions and we go through this whole process. And I put people on the spot and we make it hard when it's just me and them and I'm friendly. And we get it all out of the way.

Bonnie: Oh, you do mock interviews or mock negotiations?

Linda: So I call it a strategy session. So we basically kind of pre-plan for all the disastrous things that could happen. And then that way, when it happens you're like, oh, I have a solution for this, and you just whip it out.

And then the last thing I like for that one situation that you didn't plan for, there's always that one, is I call it a get out of jail free card because I was an old Monopoly person. But now that I know there was like the woman's version of monopoly that was more collaborative and stuff, I'm going to have to rename this. It's that statement that gets you out of having to answer it directly right now.

Bonnie: Oh, tell me.

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Linda: So I call it a get out of jail free card, but it's basically just kind of a generic situation that says, I appreciate that but I really would like to give it some more thought before I give you a response. When can we circle back to discuss that further? Or I'd really like to get more information about how this job looks before I could commit to that. When can we circle back? When can we talk again?

And really just very politely in a I want to get more information so I can give you a better response kind of way. So it's not skirting it, it's not neglecting it. It's just saying I want to be able to give you an answer that I can commit to. When can we circle back?

Bonnie: Oh, that's good.

Linda: And it gets you out of having to answer on the spot, which is your gut reaction. Your gut reaction is going to be like oh my God, I have to make a decision. But you're not in a good headspace to make a decision.

Bonnie: And you don't have to.

Linda: You don't have to. There's no true urgency to you making a decision. This is not the emergency room when somebody is coding and you have to decide do I call it or not? This is not the OR where you have to decide, do I do this or not? This is a conversation in a business arrangement that is not an emergency and you don't have to respond to all of the things right this second. You can come back, you can talk again.

And taking the time to do that allows you to make sure what you're signing up for is what fits you, is what you want.

Bonnie: This has been awesome. I'm learning so many things.

So okay, one thing I was thinking about and I want to know what your opinion is, is I remember when I was getting my first contract out of residency, and maybe it's different whether you're brand new or further

ahead in your attending hood. But I find that a lot of doctors are, and maybe it's more for women than men, like they don't want to pay a contract lawyer.

They look at the price and are like, oh, I don't want to pay that amount. And then I'm also just thinking like, they might not want to work with someone like you to negotiate even though it could 10x whatever, you know, like 10x what they paid you. So why do you think that is? Or have you seen that?

Linda: Yeah, I've definitely seen that. And I think of it as you are going into a life-changing, at least for a temporary timeframe, agreement. Why would you not get the people on your team you need to be successful?

So it's kind of the difference of DIY versus a contractor coming in and doing something for your house. Can you DIY it? Yes. Can you do it well? Yes. But is it probably going to look nicer if somebody professional who already understands how to lay tile has done it for you? And the answer is probably yes.

And in order to DIY it, so let's say you listen to all this and you're like, "Yeah, I'm still going to DIY it." Okay, then it's going to take a lot longer. You're buying their expertise to make it faster, to make it easier.

With an attorney you're buying three years of an education and sub specialty expertise in health care contracts, because hopefully, if you're spending money on a lawyer, you're using a healthcare contract attorney, otherwise, you're wasting your money. So I will say don't bother with a regular attorney. You need someone who does health care contracts. They are specific, you need someone that that's what they do.

So, okay, you're saving two grand now. But you're probably going to lose money later. So it's like when you try to tile your bathroom and then halfway through you realize it looks really janky and you have to pay somebody to fix it.

So not only does it cost more now, because they're fixing instead of just doing it correctly from the get go, but you spent all that time, all that money, all that frustration, and then they're going to come fix it anyway. That happens sometimes. Or you may have to look at the tile in the bathroom and be like, there's that one that's a little bit curved, right?

So I think you're just saving yourself a lot of trouble, a lot of time, and potentially mistakes that could be really costly by using professionals who know what they're doing.

Bonnie: I mean, in general, that's my stance because I know in the finance world, at least from the groups that I've been in, they're all like fire that financial advisor, you can do it yourself. Or don't hire a CPA, do your own taxes. Which I'm like, you guys are on crack. Why would I do that?

But that's what I think is interesting is I hear people saying things like that, and maybe they're sort of saying things like, well, I don't need it. I'll review it for you, as if another doctor who is not a lawyer can figure that out for you. I'm sure you see that a lot where other doctors who've been through a few jobs think they know how to read a contract.

Linda: Right.

Bonnie: But then we get mad when patients Google things and think they know how to do things, instead of valuing our professional opinion. So I just find it ironic.

Linda: Yeah, no. And I mean, and to the patient Googling, I mean, that's probably a better example than tile. But with a patient Googling, if it's a simple horse type case, can they get it right sometimes? Sure. But if it's a zebra situation, you're toast. You could miss something big, like there could be big consequences.

And with contracts, say you misread something and make a mistake. I mean, that could be a several hundred thousand dollar mistake. I have had

physicians pay six figures to get out of a job. I've watched people pay tail insurance, which costs them six figures because they thought that all insurance was the same. And they had a claims made policy, not an occurrence policy, and they didn't understand what the difference was.

And then all of a sudden a year in they don't like the job. They're like, that's okay, I'll leave. I'll start a new one, no problem. The non-compete, most people understand non-competes, so I get that, whatever. And then all of a sudden they're like, oh, even if I'm practicing and willing to move, I have to pay 100 grand to buy a tail policy. And obviously that's a little more extreme, but I can think of two obstetricians.

Bonnie: Well, for OB I feel like that's not extreme.

Linda: Right, I can think of two obstetricians that I've worked with that's a ballpark of what they actually paid. And so those can be very expensive mistakes that you could have corrected on the front end had you thought to even ask about it. Or had you understood the contract in a way that somebody who's looking for those things is going to.

Insurance is always going to be something that a healthcare contract attorney should be catching. It's something that I talk to, especially my OBS, but it's something I talk to people about like, okay, so what kind of insurance do they offer? Okay, claims made. That's not necessarily a problem, it may be totally fine for you but you need to be prepared to have money set aside in case you need to buy a tail policy in case this is not a good fit, and you want to leave.

You have to plan your exit like a prenup. You talk about prenups, you're planning your exit before it happens, and you hope it will never happen. But the reality is that it does happen. And if it does, you want that protection.

So it's like buying insurance by having professionals really review everything carefully ahead of time, so that you don't find yourself in a situation later.

Bonnie: No, totally, it's so important because thankfully I've always had occurrence or claims plus tail.

Linda: Same, I won't work for anything else.

Bonnie: That's like one of the few things I did know.

Linda: Yep. I mean, I refuse as an obstetrician to work for anything other than occurrence. And that's just a deal breaker for me. It's just something that is set in stone for me, and that's okay.

Bonnie: Do you know, because it seems like it's not that common for OB jobs to offer occurrence.

Linda: So I think it depends on your employer. So it is more common in corporate environments and academic environments than it is in a private practice environment. But even in a private practice, a lot of times the barrier to this, so you're thinking of obstacles ahead of time, you're asking for tail insurance. Their obstacle may be that facilitates you being able to leave and I'm going to be on the hook for a big fee. Okay.

So anticipate that. I understand that your concern may be that this would facilitate leaving, and this being a short term arrangement, and you're losing money over it. But how else could we structure this? So that's when I think it's really good to start thinking out of the box. And I usually tell people like, well, how would you feel about a tiered system, to where they pay a certain portion that increases every year you work there?

So from their standpoint, they're like, okay, at least I'm investing at a lower level if this doesn't work out quickly and we part ways. Or if I'm having to pay the whole thing, at least there's been a longer term investment, a longer term gain in return on that investment because they've been here for four years, or whatever.

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And so there are ways other than yes or no. There's like all this beautiful land of gray, where you can come up with solutions that might not be the first thing either of you think about, but would be a good fit and comfortable for everyone involved. Versus you being like, well, they don't want me because they're not willing to pay tail. And them being like, okay, well, clearly, they just want to come and leave six months later. And so I'm going to get ripped off.

No one's going to make any progress if those are the two opposing head spaces that you're in. Versus being able to say like, okay, well, how else could we look at this? And it doesn't matter what your solution is, it's opening the door to having conversations around these solutions that really moves the negotiation forward.

Bonnie: I still think if I needed to hire you, I would just want you in my ear. I'm just imagining.

Linda: I feel like that would be very weird. You'd be like, "Hold that thought, I need to listen."

Bonnie: Just hold on.

Linda: I need to listen to my advisor.

Bonnie: Yeah, I need to go to the bathroom, I'll be right back.

Linda: It would make for a weird conversation. There would be less focus on what I call listening to connect, which is actually engaging with a human hoping to connect with them. And more focus on the script, per se. So I think it would damage the conversation quality.

Bonnie: Okay.

Linda: It's not that hard to learn these things and pre-prepare for them. My strategy sessions are 90 minutes. You can spend an hour and a half and get all this down. It's not that hard.

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Bonnie: Oh wow, so that's like what people usually –

Linda: We do it quick and dirty. I mean, I am, just as a human, somebody who likes to be very efficient and effective. I don't have a lot of time I'd like to waste. Even if I had a ton of time, I wouldn't want to waste it. So 90 minutes, that's it. That's all it takes to plan effectively for a negotiation to be successful.

And I mean, I think the cost of not being successful is so high that even if you do it on your own, say you decide that you want to do it on your own. That's okay, but do it. Don't just neglect to do it.

Bonnie: Yeah. Okay, quick question before we close, does MGMA data, how useful is it?

Linda: So I think it depends. If you have a really good pulse on what you should be paid and what your market pays, I don't think it's as good. I think a lot of physicians don't. I can't tell you how many times I've had somebody say I thought I was well paid until I saw that data and I'm at the 10th percentile. Cool, that hurt.

So I think it is valuable in the fact that it gives some market data. There are other ways to get that data. One is, and I mean, the best is just to talk to people.

Bonnie: Yeah.

Linda: I think the barrier to that is we've got this cloak and dagger kind of culture around salaries. And some of it is bred by these confidentiality clauses that I'm kind of like, yeah, whatever it's there, whatever.

Bonnie: I heard it's illegal to not let people talk about it.

Linda: It depends, I think, on the state. I think it's a state level thing.

Bonnie: I asked everybody at my job.

Linda: Either way, they're ridiculously difficult to sue over. It's a hard clause to really go after someone for. So I think it's a fairly safe thing. And you get to choose what you're comfortable with and what state you live in and whatever, I'm not a lawyer. But I think asking other people is a great way to find out information, people you trust. People who have no skin in the game are obviously awesome. But even your future partners.

And one way to, like if you're coming in as a new partner, one way to ask that question without having to specifically ask what people are making, if that's a hurdle for you, is to say, how long did it take this person to come off guarantee? Because sometimes they came off really early because they were bonusing. What is a typical bonus in this practice? What would that look like?

So if you can pick a piece of the package, sometimes people are a lot more willing to be open on it. And I like to ask what is a typical bonus? What's the range of bonus between partners? Because you can do some basic math and figure out the basics. If you know the variable piece, which would be like the bonusing or whatever, then that actually gives you enough information to piece together about what ballpark people are in.

So I think talking to people is a way to bypass meeting MGMA data. A lot of people don't feel comfortable with that. And so the MGMA data provides kind of a place to jump off from in that setting.

I think the other advantage to the standardized data is that you can bring it to your employer. So most of the employers are familiar with it as well. So you can say like, look, I've looked at this data and the salary you're offering is at the 25th percentile. How do we make this work?

Bonnie: That question I know from negotiations. Yeah, how do we make this work?

Linda: Yeah, how do we make it work? I am offering a tremendous amount of value. I'm happy to invest in your organization. And I'd like to come work

for you. But how can I do that for the 25th percentile? That just doesn't make sense.

Bonnie: Quick question because I don't know MGMA data. Is it stratified by location? Because obviously people in California get paid differently.

Linda: The bigger the specialty, the more specific you can get on locations. You can't get city based location, you can get state based on some of the bigger specialties. Some like super sub specialized things, you're looking more at regional data. Most of the time you can get regional data, there are very few like very, very, very sub specialized, sub specialized things that is national data.

But for the most part, most of the things you matched into out of medical school, you can at minimum get regional data. And anything that's so sub specialized otherwise, there's a little less. We can get kind of an idea by a less sub specialized thing about regional variation. But yeah, there is a huge difference in geographic arbitrage in how physicians are paid.

Bonnie: I want you to tell me what it is for derm because I'm pretty sure I was one of the lowest paid.

Linda: I'd have to pull it up. It would take me like 10 minutes, but we will do that.

Bonnie: Because everyone says like, oh, you're a dermatologist and you left? But it makes so much money. I made a great income. But I'm pretty sure I made on the lower end.

Linda: Yes, we will use Bonnie as a case study after this and can include it as a side note.

Bonnie: Yeah, I can add it on as like an outro.

Linda: Yes.

Bonnie: Yeah, so I was getting paid at the 10th percentile of dermatology. Maybe I would have stayed if I was making more, I don't know.

Linda: Yeah, I would not say yes at your salary. But there is some geographic arbitrage. And I think that what's fascinating to me, and kind of sad, is the higher cost of living places are often associated with lower physician salaries.

Bonnie: It does not make sense. Is it because they just assume people want to live there so they can pay you less?

Linda: 100%. It's because they've gotten away with it. I mean, some of it, if you look at the governmental payers, there is an adjustment to how much things are reimbursed based on geography to a certain degree. But for private insurance and things, it's completely because they can.

Bonnie: Yeah.

Linda: It's because they've been allowed to get away with it, and so they do.

Bonnie: Well, that could be a whole other podcast.

Linda: It is. It is, we could go on.

Bonnie: Well, I think this has been super insightful. I think people listening, if you're listening and you have a negotiation coming up, work with Linda, hire a professional. Your wallet and your life will be better off because it's like I think people think of it as like, sure there's the money piece but then also because one thing I learned from you is like, okay, you want to make a certain amount of money. But then you also want the other aspects of the job to fit in, right?

Because some job might offer you 30% more but it's going to require you to work nights and weekends. That's probably not what you want. And so I think of it as like, yeah, it's like a money issue and, obviously, the less

money you make that compounds over time if we're just thinking of even simple compound interest. And then there's your life quality that can suffer dramatically as well.

Linda: Yeah, and, and even a lower paying job with a higher quality of life long-term may not make you that much less money if you stay in it. Versus if you have all the ramp down, startup expenses of leaving a job, starting over.

Kind of like a divorce. A divorce is going to have a financial impact on you. Divorcing your job is going to have a financial impact on you. So a slightly lower paying job with longer longevity, with the ability to stay in it, is maybe actually from a financial standpoint, a better choice than a really high paying one for a couple of years, you burn out and are crispy and need a year to recover before you take a different job.

So I think you have to look at the whole picture. It's not just direct money that impacts your long-term wealth and your long-term financial wealth.

Bonnie: Yeah, because I'm all about the money, but if you're unhappy and crispy, it's not worth it.

Linda: Right, you don't get to go die and bring gold with you. I mean, you can but what good is it for you? So making sure that it's a good fit, I think, financially is smart too. But also as a human, yes it's a career, yes it's a calling, but at the end of the day it's a job. It's something you're doing to make an income for you and your family or just you and it has to make sense.

Bonnie: Yes. Okay. Okay, everyone, hire Linda.

Linda: Come hang out, we'll have fun.

Bonnie: We'll link your website. What's your website?

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Linda: It's simplystreet md.com. So it's nice and easy, street is S-T-R-E-E-T, just like you live on one. That is part of why I married him.

Bonnie: The easy last name.

Linda: Easy last name, it was priceless.

Bonnie: I'll be sure to tell him that when I meet him.

Linda: You can.

Bonnie: Well, thanks for being here, Linda, as always.