

WEISS



May 9, 2025

Here's the number 1 mistake, the Achilles' heel of the negotiations between a medical group, for example, an anesthesiology group or a radiology group, and a hospital in connection with the terms of an exclusive contract, including related stipend negotiations.

I previously shared the **7 Key Steps to Successful Hospital-Based Group Stipend Negotiations**.

Let's travel back in time approximately 2,500 years to Ephesus, a now-ruined city in what is modern day Turkey, which was then part of the Greek empire. It's there that we'll find Heraclitus, the pre-Socratic philosopher obsessed with change.

Viewing the world as always in flux, it's he who coined the saying "no man ever steps in the same river twice" and who declared that "nothing endures but change." Heraclitus was the anti-Parmenides, a fellow Greek philosopher who argued that reality is absolute and eternal.

And that's the problem with those laser beam focused on what is in the context of exclusive contracting and stipend support, that is, those Parmenideans manically focused on currently required coverage and its fair market value.

Although current coverage and current FMV are essential details, what's generally lost to most is that, as Heraclitus taught us, what is on any specific day, say, May 5, 2025, will likely not be what "is" on September 30, 2025, or

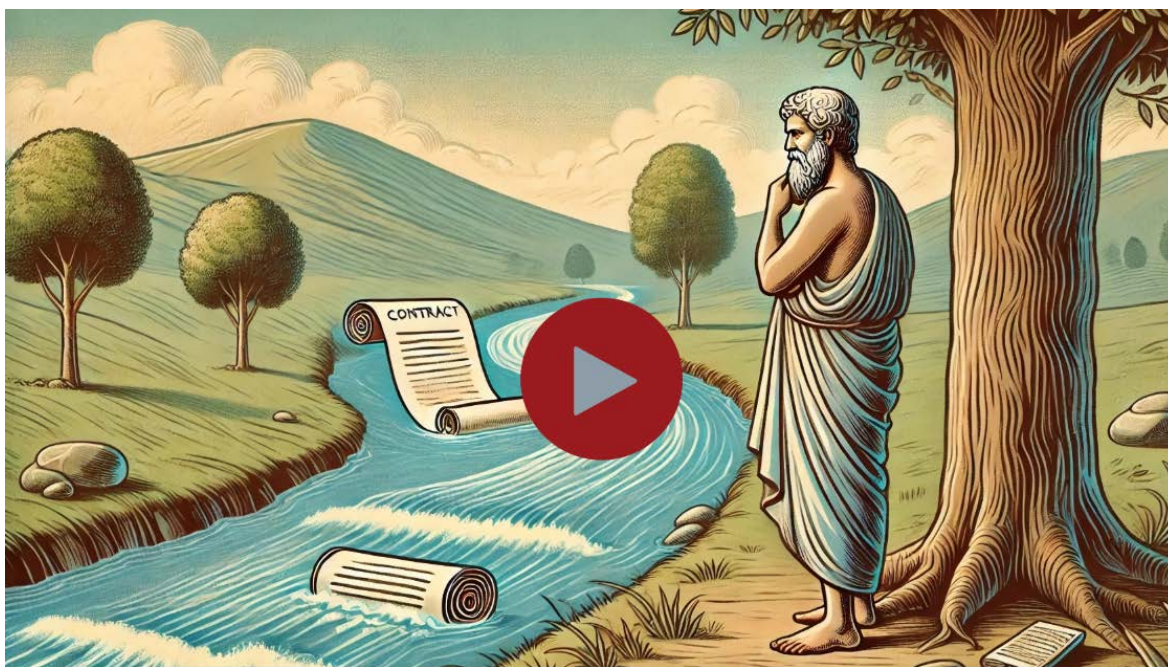
on August 1, 2026, or on December 1, 2027, with all of those dates falling within the term of an agreed-upon three-year exclusive contract.

And that's the case even though the exclusive contract assumes it will be the same. No contract, whether 3 or 33 or 333 pages long, can control reality any more than a map can control the terrain.

We therefore have a choice. We can pretend that the coverage matrix built into the agreement will be honored in reality, or we can be realistic and create an expandable, but not elastic, agreement that has mechanisms for matching the growth in scope and intensity to growth in financial support.

There is no such thing as static demand for services over a contract's multi-year term, and it's a fool's bet, yet one many take, to believe that one can place a set value on total fair market value.

A mechanism to deal with change in demand, and linked change in financial support, is essential. Heraclitus told us as much, Bob Dylan sang about it (i.e., *The Times They Are A-Changin'*), and I've warned you not to make the mistake of believing to the contrary.





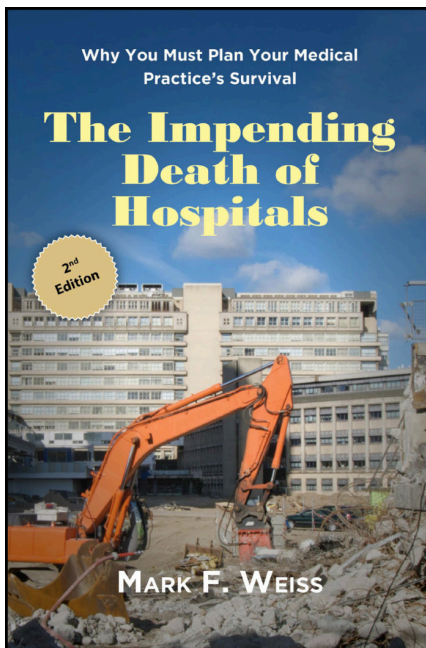
Mark was interviewed by Justin Harvey for the APM Success podcast. The episode will be available on 5/14! Check the interview it out here.

Would a Friendly Physician be as Friendly Without a License?



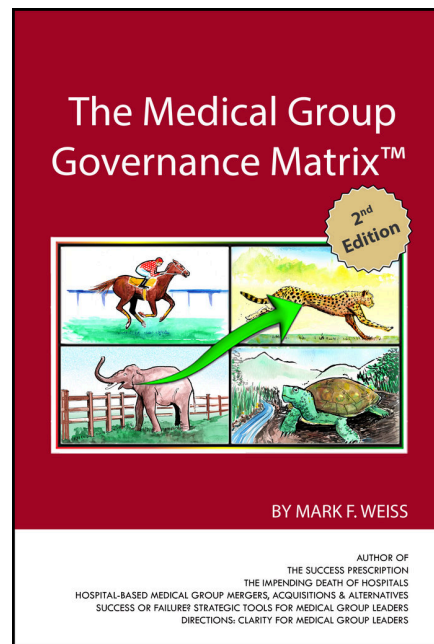
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