Essentials of Personnel Management
HR Organization, Hiring, Discipline and Evaluations
Presented By Economedix
Your Partner In Building High Performance Practices™

About the Presenter
R. Thomas (Tom) Loughrey
• Chairman & CEO - Economedix, LLC
• Former President of Conomikes Associates, Inc.
• Former Hospital Administrator & founder of a medical billing firm
• BS Degree - Penn State University
• MBA in Health & Hospital Administration from Univ. of Florida
• Professional Memberships – MGMA, HCFMA & American College of Health Care Administrators
• Created and Presented Thousands of Seminars & Workshops on all aspects of Practice Management

Today’s Course
Practice Management Seminar Series
First of Three Human Resources Seminars
• Essentials of Personnel Management (CME & CEU)
• Building Job Descriptions & Task Analysis (CME & CEU)
• Dealing With Difficult People (CME & CEU)
Course Outline

Essentials of Personnel Management

- The Hiring Process
- Interviewing
- Reference & Background Checks
- Employee Evaluations
- Discipline & Terminations
- The Regulatory Environment
- Summary

Introduction

Human Resource Management concerns itself with the important relationship between employer and employee complicated by a complex set of laws, regulations, human emotions, behaviors and economics.

“I’m sorry to have to tell you this but I have found a new job that pays a little bit better and has more opportunities for me. How much notice do I need to give you?”
The Hiring Process Begins

- Recruitment
- Interviews
- References
- Making an offer
- The paperwork

Recruitment

- Employment Agencies
- Advertising
- Schools
- Friends
- Referrals from other medical employers

Employment Agencies

- Efficient
- Knowledgeable
- Large database
- Expensive
Advertisements

- Most Widely Used
- Must establish interest and qualifications
- What does the job require?

The Ad

- Position Title
- Approximate location
- Minimum education and experience
- Special skills required
- How to respond

A Model Ad

Medical Office Receptionist
A three-physician office located on the near north side (1 block from Metro) seeks an experienced medical receptionist. Minimum 3 years preferably in Orthopedics. Knowledge of computerized scheduling, familiarity with medical terminology and MS Office skills required. Familiarity with CPT and ICD-9 is desirable. Able to work until 6pm and one Saturday per month. Background check prior to hire may include drug screen.
Fax resume to Office Manager at 999 555-1234.
Questions & Answers

- State employment agencies are excellent sources of qualified employees. True or false
- School programs can provide good candidates but they usually lack experience. True or false
- Do not tell your current employees about ads in the paper. True or false
- Hospitals are good sources of candidates. True or false
- Special care must be taken when hiring family and friends. True or false

Options on Sending Resume

- Fax
- E-mail
- Mail to office
- Mail to PO Box
- Mail to Newspaper box

Reviewing Resumes

- Is it neat and complete? Good grammar and language?
- Employment dates sequential? Gaps?
- Frequent job changes?
- Relevant education and experience?
- Required skills?
- Desired qualities?
Recommendations

- Don’t make notes on resumes
- Keep resumes on file for at least one year
- Scan if able for key word searches
- Rank order candidates

Interviews

- What do you really need to know and why?
- Avoid questions that could be interpreted as illegal or discriminatory
- Schedule interviews closely together

Questions & Answers

1. Interviews should be grouped together to fairly assess candidates. True or false.
2. Small employers do not need to worry about non-discrimination rules. True or false.
3. Any notes on candidates should be kept separate from their resume. True or false.
4. If a candidate provides a resume they do not need to complete an application. True or false.
The Application

• Have an application completely filled out in addition to a resume.
• Look for discrepancies
• Get names of immediate supervisors from previous jobs
• Get applicant’s statement of the accuracy of the facts

Reference Checks

• Confirms applicant’s information
• Provides insight into character, work habits, strengths and weaknesses
• Get a signed authorization to get references
• Maintain confidentiality

Background Checks

• Obtain authorization from candidate
• Can check criminal records, driving records, credit reports, educational transcripts, state licensing bureaus and former employers
• Check on special state laws dealing with pre-employment screening
Pre-Employment and Background Screening

Employment Screening Resources – also does physician checks - www.esrcheck.com
Background Check International – www.bcint.com
Integra-Net – www.integra-net.com
Background Profiles – www.backgroundprofiles.com
Online Screening Services – www.onlinescreening.com
KnowX – www.knowx.com
Infotel ProScreen – www.infotel.net/proscreen
Ahha! People Profiler – www.ahhapeopleprofiler.com

Making An Offer

• Do it in writing
• State an hourly wage or a monthly salary
• State the title of the position
• State the starting date for the position
• Request an acceptance by a specified date

The Probationary Period

• A time to get to know each other
• Start right with a review of policies and procedures
• Review with new employee and get them to sign an acknowledgement
• Frequent meetings to review progress and accomplishments
Evaluations

- During and at completion of Probationary Period
- For any time when an intervention is indicated
- At least annually for all employees

Conducting The Evaluation

- Planned
  - Prepare yourself by reviewing the employee's work.
  - Get input from supervisors and doctors.
  - Review personnel file for attendance, incidents, etc
  - Complete evaluation form and then compare with last evaluation. Note changes (plus and minus)

Conducting The Evaluation

- Private
  - Have a scheduled time that will be sufficient to cover everything
  - Be prepared for emotional responses
  - Keep the materials and the interview confidential
  - No interruptions
Conducting The Evaluation

• The Interview
  – Review the written evaluation. Start with accomplishments and then deal with problems
  – Get a commitment to work on problems with a date to re-discuss the progress
  – Finish with some general comments that reflect positive impressions and contributions.

Test Your Knowledge

1. Former employers are required to release information if the candidate authorizes the release. True or false.
2. Companies that specialize in background checks can usually get more information and faster. True or false.
3. Pre-employment testing will tell you how much training may be required. True or false.
4. Evaluations only need to be done once a year and then only if there is a problem. True or false.

Disciplinary Interviews

• Progressive discipline
  – Oral counseling – may be a lack of understanding or training
  – Re-training
  – Written counseling – focus is on behavior, not the individual
  – Commitment to change behavior with a scheduled time to discuss progress
  – Punitive action – may include suspension or termination
Terminations
• Result of a failure to change behavior
• Not a time to re-discuss the issues and behavior
• Best done at end of day and end of week
• Private and confidential
• Have final pay ready
• Collect practice property
• May escort from premises

Personnel File Checklist
 ✓ Application
 ✓ Resume
 ✓ IRS W-4
 ✓ I-9
 ✓ Payroll setup
 ✓ Insurance enrollment
 ✓ Pension Plan forms
 ✓ Personnel Policies acknowledgement
 ✓ Section 125 options
 ✓ Attendance records
 ✓ Payroll changes
 ✓ Emergency notification
 ✓ Evaluations
 ✓ Commendations and disciplinary materials

Personnel File
• Keep locked and confidential
• Provide right of inspection to employee
• Retain for at least 3 years following termination. Longer if any legal action
• May keep employee/family medical records with personnel file or in other locked file
Test Your Knowledge

1. An employee may be terminated without any notice. True or false.

2. Oral counseling is generally the first step in progressive discipline. True or false.

3. Counseling of any type should be documented in the employee’s file. True or false.

4. Employers usually have until the next regular payday to give a termination check. True or false.

5. Generally, an employee has a right to review the contents of their personnel file. True or false.

The Regulatory Background

- Equal Employment Opportunity
- Age Discrimination in Employment Act
- Immigration Reform and Control Act
- Americans With Disabilities Act
- Fair Labor Standards Act
- Family and Medical Leave Act
- Occupational Safety & Health Act
- Workers’ Compensation
- ERISA
- COBRA
- Income Tax Withholding
- Record Keeping Requirements
- State Laws

Equal Employment Opportunity

- Deals with Issues of Discrimination
  - Equal pay Act of 1963
    - Requires equal pay for equal skills, effort and responsibility.
    - Prohibits pay discrimination based on gender
    - Amends the Fair Labor Standards Act
  - Civil Rights Act of 1964, Title VII
    - Covers employers of 15 or more and employers with federal contracts (Medicare)
    - Prohibits discrimination on basis of sex, race, religion, national origin, color, ethnicity.
Equal Employment Opportunity

- Equal Employment Opportunity Commission
  - Complaints of discrimination may be filed by or for the “aggrieved person”
  - Generally, complaints must be filed within 180 days of the event
  - Most complaints are based on continuing policies of discrimination, so a complaint can be filed at any time
  - EEOC can delegate its role to an approved state agency

Equal Employment Opportunity

- Deals with Issues of Discrimination
  - Equal pay Act of 1963
    - Requires equal pay for equal skills, effort and responsibility.
    - Prohibits pay discrimination based on gender
    - Amends the Fair Labor Standards Act
  - Civil Rights Act of 1964, Title VII
    - Covers employers of 15 or more and employers with federal contracts (Medicare)
    - Prohibits discrimination on basis of sex, race, religion, national origin, color, ethnicity.

Equal Employment Opportunity

- Remedies for Discrimination
  - Reinstatement to former position
  - Back pay
  - Court costs and attorney’s fees
  - Reinstatement of Seniority
  - Injunctions preventing future discrimination
  - Creation of an affirmative action plan
  - Compensatory and Punitive damages
Equal Employment Opportunity

- Pregnancy Discrimination Act of 1978
  - Amends Title VII to make it illegal to discriminate on the basis of pregnancy
  - Must permit pregnancy leave on same basis and same rules as other types of leave
  - Permits states to enact pregnancy leave requirements that can exceed other types of leave

Equal Employment Opportunity

- Sexual Harassment
  - Includes unwelcome sexual advances, requests for sexual favors, verbal or physical conduct of a sexual nature
  - Violates Title VII when:
    • Such conduct made a condition of employment
    • Submission to or rejection of such conduct is used for employment decisions such as pay changes, promotions, discipline, etc.
    • Such conduct interferes with performance or creates an offensive atmosphere

Equal Employment Opportunity

- Places Responsibility on Employer for Conduct of Others
  - Supervisors: the employer is liable for the acts of its supervisors regardless of whether the employer knew or should have known
  - Fellow employees: the employer is responsible for the acts of other employees where the supervisors knew or should have known
  - Non-employees: the employer is liable for conduct of others in the workplace where it knew or should have known and failed to take immediate and appropriate corrective action
### Equal Employment Opportunity

**Preventive Actions**
- Proactively raising the subject of sexual harassment and expressing employer intolerance
- Development of appropriate sanctions
- Advising employees of their rights
- Developing methods and programs to sensitize all employees

**Responsive Actions**
- Adopt and publicize a written policy statement prohibiting sexual harassment
- Develop a method for resolving complaints internally
- Full and prompt investigation of any complaints
- Education of physicians, supervisors, staff and contractors

### Equal Employment Opportunity

**Age Discrimination in Employment Act of 1967**
- Applies to employers of 20 or more
- Prohibits discrimination based on age over 40
- Restricts mandatory retirement age at 65

**Amended in 1975**
- Prohibits discrimination based on age at any age
- Only applies to employers with federal contracts
- Allows for additional damages

### Equal Employment Opportunity

**Immigration Reform and Control Act of 1986**
- Applies to employers of 4 or more
- Requires employers to obtain and maintain documentation of citizenship and right to work in the US (I-9)
- Prohibits unfair immigration related employment practices
- Administered by Department of Justice
Equal Employment Opportunity

- Americans With Disabilities Act
  - Applies to employers of 15 or more
  - Prohibits discrimination against a qualified person with a disability
  - Disability means:
    - "A physical or mental impairment that substantially limits one or more major life activities of such individual."
    - Rehabilitated persons no longer using illegal drugs or alcohol have a disability and are protected
    - Current use of alcohol is not protected
  - Employer must make a reasonable accommodation

Equal Employment Opportunity

- Reasonable Accommodation
  - Making existing facilities readily accessible and usable
  - Restructure the job
  - Modified work schedules
  - Reassignment to a vacant position
  - Acquisition or modification of equipment or devices
  - Modifications of examinations, training materials, or policies
  - Provision of qualified readers or interpreters

Equal Employment Opportunity

- Factors to Consider in Reasonable Accommodation
  - The overall financial resources of the employer
  - The overall size of the business, number of employees, number of locations and type of location
  - The type of work being done including the composition, structure and functions of the entire workforce
  - The nature and cost of the accommodations needed
Fair Labor Standards Act

- Deals with issues of minimum wage and overtime
  - Administered by Wage & Hour Division of Department of Labor
  - Covers virtually all employers
  - Also covers pay deductions, child labor and benefits of employment
  - May be supplemented by more stringent state laws

Fair Labor Standards Act

- Categories of Employment
  - Exempt: do not have to be considered for overtime pay
    - Executive
      - Primary duty is management
      - Must supervise at least 2 full-time employees
      - Must have authority to hire and fire or recommend them to others
      - Must regularly exercise discretionary power
      - Must spend no more than 20% of time on non-managerial duties

Fair Labor Standards Act

- Categories of Employment
  - Exempt: do not have to be considered for overtime pay
    - Administrative
      - Primary duty is office or non-manual work related to policy or operations
      - Must assist someone in Executive status
      - Must regularly exercise discretionary power and independent judgment
      - Must not spend more than 20% of time on activities that are not part of professional duties
Fair Labor Standards Act

• Categories of Employment
  – Exempt: do not have to be considered for overtime pay
  • Professional
    – Primary work requiring knowledge of an advanced type in a field of science
    – Must consistently exercise decision and judgment
    – Must do work that is intellectual and varied
    – Must not spend more than 20% of time on activities that are not part of professional duties

Family and Medical Leave Act

• Categories of Employment
  – Non-Exempt: Must be considered for overtime pay
  • Covers all employees who are not exempt
    – Establishes a minimum wage
    – Requires overtime pay for work in excess of 40 hours per week
  • Important: Check with State Agencies that may supersede the minimum wage and the exempt / non-exempt categories

OSHA

• Provides for a Safe and Healthful Workplace for Employees
  – Employers are required to furnish a workplace free of identified hazards
  – In medical practices this includes blood-borne pathogens and environmental exposure
  – Check with your state medical society for a model OSHA compliance plan
  – OSHA may be administered by a state agency
ERISA and Employee Benefits

- Employee Retirement and Income Security Act
  - Protects pension fund assets
  - Regulates employee health and welfare benefit plans
  - Prohibits discrimination with regard to benefits
  - Regulates contributions and payouts from retirement plans
  - One of the most complex employment laws

COBRA

- Consolidated Omnibus Budget Reconciliation Act
  - Establishes mechanism for employees to continue health insurance coverage
  - Requires employers to offer employees and dependents health insurance continuation if the employment status changes
  - Covers employers of 20 or more
  - Does not require health insurance be offered

A complete listing of federal rules related to employment is available from The US Department of Labor

The can be reached at

http://www.dol.gov/cgi-bin/consolid.pl?regs+statutes
Thank you for participating in this seminar presentation from Economedix!

Please go to ...
http://YourMedPractice.com/evaluation.html
To complete the Evaluation then you can proceed to the Quiz to Complete the CME / CEU Process