Managing Shared Employees Across Multiple Locations

ANDRAYA CARSON-HRUBY and VANCE DANIELS

Urgent message: Ongoing growth within the urgent care industry intensifies competition for competent professionals. "Sharing" trusted workers across multiple sites can help keep costs in check and ensure efficient.

It is a good time to be in the urgent care business: According to the Urgent Care Association of America's 2016 Benchmarking Report, there was a 10% increase in the number of urgent care centers across the U.S. from 2015 to 2016, and 90% of urgent care centers expect continued growth this year.

This boom has made urgent care—once a small subsection of the healthcare industry—a very attractive opportunity for physicians, physician groups, healthcare systems, hospitals, and even private equity firms. As a result, many urgent care centers are now actively looking to open a second, fifth, 15th, or even 50th location.

This explosive growth doesn't come without complications, however. In addition to the challenges of scaling a practice quickly and keeping up with changing healthcare reform regulations, finding enough qualified people to provide the kind of quality patient care needed to create a successful practice can be difficult. It takes a lot of people to keep all those urgent care centers going, and every new location the business opens amplifies the need for more, high-caliber employees.

To make matters even more difficult, this boom comes at a time when the labor pool of skilled nurses and other medical professionals is shrinking, creating stiff competition for these employees, both within the urgent care industry and the wider healthcare industry.

In an effort to minimize the administrative and financial burden of managing multiple clinics and compensate for the labor shortage, many urgent care proprietors opt to "share" employees across multiple locations. The practice of employee sharing can be a great way to keep a multilocation practice running smoothly, but it can also cause a lot of headaches for the business, especially when it comes to employment law compliance and workforce management.


Andraya Carson-Hruby is cofounder and chief operating officer of KaiZen Medical Group. **Vance Daniels** is a human resources advisor for G&A Partners, a national HR and professional employer organization.

Tracking Time (and Overtime) for Shared Employees

One of the most common compliance problems clinics that regularly share employees face is overtime. There is a mistaken belief that hours employees work at different locations don't have to be combined when calculating overtime if the locations are two different legal entities.

In most cases, if two or more locations or entities are sharing employees in an integrated practice (where the locations have common ownership, share the same handbook and policies, etc.), even if they are separate legal entities, the hours those employees work in each location should be combined for the purposes of calculating overtime. An employer may also be required to consider time shared employees spend travelling between locations as hours worked, depending on whether the employee is driving directly to the second location as part of their shift.

Organizations with online and attendance systems in place are better able to manage such complex wage and hour issues than those that rely on manual processes. In fact, the 2009 Payroll Performance Study administered by the American Payroll Association and The Hackett Group revealed that the use of modern time and attendance systems was linked to an 86% reduction in grievance/litigation incidents. Urgent care businesses sharing employees across multiple locations should consider using a timekeeping system that not only allows employees to clock in and out at each location, but also automatically combines those hours to create a single time record.

A centralized time and attendance system also enables managers and HR professionals to easily pull reports that identify potential problems and expensive oversights. For example, a nurse clocking in just 10 minutes early every day could cost an employer thousands of dollars a year in overtime pay; multiply that cost across the entire staff, and the potential overtime costs could be astronomical. To manage this issue, owners can set up alerts in their time and attendance software to notify them when an employee is approaching overtime so they can make the decision to either approve the hours or ask the employee to go home once they've reached their allotted hours for the week.

Automate the Employment Experience

As urgent care practices continue to grow and add locations, it becomes increasingly important to make the hiring process as efficient as possible. However, there is a lot of paperwork standing between a new hire and their first day: I-9, W-4, employment agreement, direct deposit authorization, drug testing consent form...the list goes on and on. Each of these is essential to the onboarding process, but the time it takes to fill them out takes away from time staff could use to train the new employee.

For this reason, many urgent care companies choose to utilize an online onboarding application that allows employees to complete, sign, and submit new hire paperwork electronically. Online onboarding also allows management to verify and store employment documents in one central location where they can quickly and easily access them in the future.

The same principle of automation can also be applied to a number of other aspects of the employee lifecycle: recruiting, benefits enrollment, payroll processing, performance management, license and certification tracking, and more. Whenever possible, urgent care practices should look for tools or applications to automate and streamline these processes to minimize the administrative burden on employees and management.

Create Consistency Across Practices with Shared Ownership

Many multilocation urgent care businesses operate under a shared-ownership agreement between several physicians (although the number of corporate-owned clinics has been increasing). It is particularly important for clinics in a shared-ownership arrangement that intend to also share employees to take the time to establish consistent policies, processes, and procedures across the business so employees can move between locations seamlessly. Policies should also be enforced across every location to prevent confusion among employees (as well as potential legal action).

It is also important for clinics with shared ownership to establish who oversees the day-to-day operations at each location, and communicate this to all shared employees. This person might be the doctor-owner at one location, but the office manager or nurse supervisor at another. Clearly, communicating roles of authority within the company and each location not only helps employees know who to go to with any concerns or questions, but also helps those in charge resolve

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any issues involving multiple locations.

Similarly, doctor-owners and practice managers should clearly communicate who a shared employee reports to, as it can be confusing for one employee to have multiple managers or supervisors. Each shared employee should have one primary location and one designated supervisor.

Working closely with the management across all locations to set expectations of performance and quality right from the beginning will go a long way toward running a seamless operation.

Be Aware of Multilocation HR Compliance Issues

One area of that can be very challenging for urgent care centers as they expand and add locations is the different local wage, break time, overtime, or other employment laws that may apply to each specific location across county or city lines. For businesses with multiple locations, it's not unusual for locations in the same city or even the same street to be subject to different employment laws, depending on where county lines fall.

This issue is compounded if there are employees that are shared across these locations. If an employee is going to work at more than one clinic, the HR/management team or compliance officer should ensure that policies are both consistent and compliant with all applicable rules and regulations across the board.

Conclusion

Although the urgent care industry shows no signs of slowing down, physician groups and other healthcare providers looking to capitalize on this boom should continue to move quickly to establish a presence in the rapidly crowding urgent care space.

Expanding your urgent care practice to more locations is exciting, but can also be overwhelming—the more locations you add and employees you hire, the more difficult it becomes to effectively manage your workforce, and the business may suffer as a result. It's for this reason that sharing employees across locations is such an attractive option for many clinics; however, this practice can also cause a lot of headaches when it comes to managing those shared employees.

Taking steps to optimize workforce management strategies early in the life of the practice (like investing in online tools and platforms to track employee hours, automating paper- and labor-intensive onboarding processes, establishing clear and consistent employment policies, and staying up to date on applicable labor laws) will not only help owners scale urgent practices more quickly to meet the current demand, but also set them up for long-term and continued success. ■