

Restrictive, non-solicitation covenants are valid

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(HealthDay)—Restrictive and non-solicitation covenants are valid and can be enforced, according to an article published Aug. 5 in *Medical Economics*.

Some physicians and their employers perceive that restrictive and non-solicitation covenants are not enforceable. However, according to *Medical Economics*, enforceability depends on whether the covenants are necessary to protect the interests of the [medical practice](#) or hospital.

A restrictive covenant prevents physicians from practicing medicine during the term of employment and for a period after termination. The covenant should encompass the period of physician employment and may continue for up to two years after termination. A covenant generally

must relate to the area from which the practice or hospital draws most of its patients. Non-solicitation covenants prohibit physicians from soliciting patients or other employees of the employer. These covenants are usually in force for the same length as restrictive covenants. Other issues that should be discussed between physician and employer include waiving of covenants if an employer doesn't renew a [physician's employment](#) agreement; whether the employer should include liquidated damage; and exceptions to the scope of the covenants.

"While courts may be reluctant to enforce such covenants and will try to limit their scope, properly drafted restrictive and non-solicitation covenants are valid," according to the article.

More information: [More Information](#)

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