

Associate Agreements Outline



Ontario
Chiropractic
Association

MILLS & MILLS LLP

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An Associate Agreement is an agreement between a healthcare practice, and/or the primary owner of a healthcare practice, (the “Clinic”) and another professional who will be working at the Clinic as an associate (the “Associate”). The Associate will be providing services on behalf of the Clinic, but may not be an employee of the Clinic. This type of agreement is a method by which the parties can document their business arrangement in writing, thus protecting themselves and their respective businesses.

In general, contracts should outline the terms agreed upon between the parties to the contract. In an Associates Agreement, these terms generally include a statement confirming whether or not it is the parties’ intention that the Associate joining the Clinic be considered an employee of the Clinic, a statement confirming the need to comply with regulatory requirements, and details regarding the division of patients (both new and old).

Other terms which may be included in this type of agreement include (without limitation):

- the work and responsibilities covered by the contract,
- how such work and responsibilities will be divided,
- any standards and best practices that are to be followed,
- the length of the contract,
- details of the fee arrangement,
- details outlining how liability will be handled,
- under what circumstances the parties shall be permitted to terminate the agreement, and
- details about what happens upon termination of the business relationship.

When negotiating this type of agreement, you should contemplate ownership of intellectual property. In the event the association ends, how will the client lists be handled? Additional considerations include confidentiality, competition, assignment of patients, and settling of disputes.

Although it may be tempting to avoid the work and cost which accompanies the drafting of such an agreement, taking the time to have a proper Associate Agreement drafted at the beginning of the working relationship will help to avoid unnecessary difficulties in the event the business arrangement comes to an end.

In an attempt to make this process easier, please refer to the Associate Agreement Checklist that we have drafted which outlines points to cover when negotiating an Associate Agreement.



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