

Dental Counsel, P.C. Newsletter

Spring 2007
Edition 2

WELCOME!

Welcome to the Dental Counsel Newsletter!

We hope you will find the articles included both interesting and informative as we attempt to keep you updated on recent news and developments in dental law. The general topics that we will discuss include: **practice transitions, estate planning, contractual matters, new-entity formation,**

debt collection, and employment. We also encourage you to visit our website at www.dentalcounsel.com to learn more about our services.

We always welcome any article topics you may wish us to include. These, as well as any feedback you may have on this issue, can be sent to newsletter@dentalcounsel.com.



Employment Law

At a time when wage and hour lawsuits are at an all-time high, and recovery by aggressive plaintiff's lawyers are greater than ever, it is important to ensure that your dental practice is adhering to the federal and state guidelines. The areas that creates the most vulnerability for dentists are claims pertaining to not paying overtime or providing break and lunch periods as required by California wage

and hour laws. Generally speaking, employers must provide all non-exempt employees with a 30-minute meal period before they begin their fifth hour of work and a 10-minutes break for each four-hour increment. If the employer does not provide either of these breaks, then the employer must pay the employee one additional hour of pay for each day that they are in violation. On April, 2007,

the CA Supreme Court extended the statute of limitations to 3 years increasing the potential liability for employers. We can assist you in minimizing your risk by (a) drafting clear written policies providing meal and rest periods at appropriate intervals throughout the day; (b) recording employee meal and rest breaks; and (c) analyzing other areas of potential liability in your employee manual.

Green Business

Dental Counsel was recently awarded certification by the Bay Area Green Business Program as a "Green Business." We have experience in construction and design criteria that meet federal guidelines, laws mandating green building, recycling and waste management, and construction, architectural and engineering contracting. We work closely with our clients to help them increase profits by minimizing expenses through Green initiatives.

Announcement

Dental Counsel is registered with the State of California Board of Dental Examiners as a provider of continuing education on topics pertaining to dental law. We will be announcing our half- and full-day programs soon.

DID YOU KNOW THAT: You can now make an appointment online at <http://www.dentalcounsel.com/appointments>.

Contract Negotiations



Patience is truly a virtue when it comes to negotiating contracts whether they are employment, commercial leases, or buy/sell

agreements. A contract is a legally binding agreement between two or more parties, so when you are ready to make an offer or sign a contract you should ensure that you can meet the financial and non-financial components of the contract. Here are some important guidelines to keep in mind:

1. Negotiate all the financial terms during the Letter of Intent

stage;

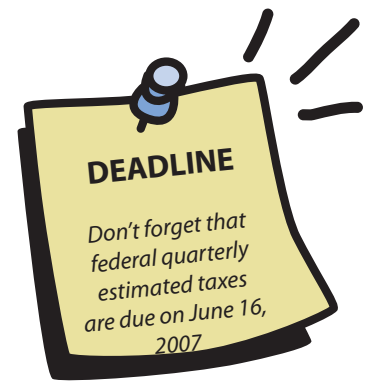
2. There is no hard-and-fast rule regarding length of a contract. A short or long contract can be advantageous or disadvantageous depending on the facts; and

3. Carefully review all the provisions of the contract. There is no such thing as boiler plate language.

Misclassifying an Employee as an Independent Contractor?

The risks to an employer in misclassifying, whether intentional or unintentional, an employee as an independent contractor are much greater than the risks to the employee, and carry far greater penalties and fines. An employer could face paying the unpaid FICA and income taxes as well as unemployment taxes. The IRS would also assess the employer interest and penalties on the

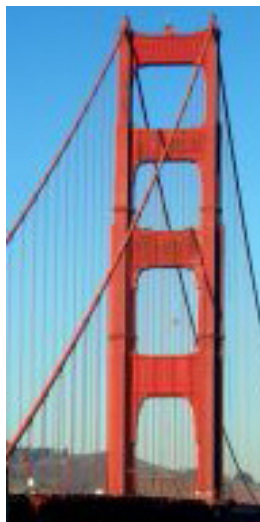
amount of the employer's liability. If the IRS deems the classification as "intentional" then the interest that they charge is at double the rate. The IRS can begin an audit if a former employee files an unemployment claim (common) or if an employee notifies them that this is happening (less-likely). It is vital that the employment contract of the independent contractor contain certain provisions.



About Ali Oromchian

Ali Oromchian holds a law degree from the University of California, Davis School of Law. He received an LL.M. in Taxation with Honors from The George Washington University Law School. He is a member of the California and District of Columbia bars.

Mr. Oromchian's family has made the San Francisco Bay Area their home for over 20 years. He currently lives in San Ramon, with his wife Ozzie Jafarnia, a local pediatric dentist and daughter Caroline.



■ **Speaking Engagements:** I would like to thank *Dr. Joshua Solomon* for inviting me to speak at his study group. We had a lively and fruitful discussion on a range of topics of interest to the doctors including employment law issues, wage/hour law and common contractual pitfalls. If you would like me to speak to your group, please contact me directly at ao@dentalcounsel.com or 925-242-2511

CONTACT US

Dental Counsel, P.C.
2603 Camino Ramon
Suite 200
San Ramon, CA 94582

Tel: (925) 242-2511
Fax: (925) 242-2001
www.dentalcounsel.com