



## Practice Opportunity Outline

*To be reviewed with Companion Text*

### I. Before you start: Considerations for those who want to go it alone

**Read “To All Brave Souls...”**

#### A. Market Viability

1. Patient Base
2. Payor Mix
3. Competition
4. Referral Networks

#### B. Physician Values

**Read “Physician Values”**

1. Are you sacrificing or suffering?
2. Can you be the boss?
3. Will you part of the 22% Club?
4. Take a coding class

#### C. Finances

**Read “The X and the Y”**

1. What is the X? What is the Y?
2. What are your resources?
3. What is the least amount of money you can spend?
4. What can you not afford not to buy?

### II. Getting Started: Things to do before you take the leap

**Read “The Medical Practice Fertile Crescent”**

#### A. Explore the Market

1. Patient Base
  - a. Research market segments in potential markets
  - b. Scout prospective locations for housing, commercial, auto
2. Payor Mix
  - a. Obtain a list of local payors (ask hospital or recruiter) and call each payor to ask about your specialty panel (Is it open?)
  - b. If panels are open, ask about the standard reimbursement for your specialty (XX% of Medicare)
  - c. Ask insurance companies with open panels to send you a provider manual and credentialing information
3. Competition
  - a. Check internet and phone book for listings in your specialty
  - b. Check provider manuals for listings in your specialty
  - c. Visit health care provider offices in target markets to determine unlisted presence of your specialty
  - d. Call medical malpractice carriers in the market for a “quick quote”
  - e. Consult local hospitals
4. Referral Networks



- a. For specialists, inquire at primary care offices about the perceived need for your specialty.
- b. For primary care, determine growth of patient base to determine potential practice growth.
- c. Consult local hospitals

## B. Prepare Yourself

- 1. Prepare for Hard Times
  - a. Tighten finances by controlling spending and eliminating debt
  - b. Focus on the utility of objects
  - c. Commit to sacrifice
- 2. Buckle up for Business
  - a. Prepare the best image possible
  - b. Read up on small business management
  - c. Take one last vacation

## C. Getting Ready to Get Started (You still can back out)

- 1. Form your business
  - a. Consider entity options
  - b. Consider naming requirements
  - c. Obtain and file proper forms with Secretary of State
- 2. Obtain licensing
  - a. State Medical License
  - b. DEA License
  - c. Prescribing License
  - d. State and Federal CLIA License
  - e. Local and State Business Licenses
- 3. Credentialing
  - a. Complete hospital credentialing
  - b. Complete insurance credentialing
- 4. Insurances (*Negotiate, Don't Sign*)
  - a. Personal Health, Life and Disability
  - b. Medical Malpractice
  - c. Property and Liability
  - d. Workers Compensation
- 5. Professional Services (*Negotiate, Don't Sign*)
  - a. Practice Management
    - a. Billing
    - b. Staffing
    - c. Operations
    - d. Bookkeeping
    - e. Marketing
  - b. Corporate Management
    - a. Resident Agent
    - b. Annual Filings
  - c. Accounting



- a. Pro Forma Balance Sheet
- b. Quarterly Balance Sheet
- c. Quarterly Tax Filings
- d. Annual Balance Sheet
- e. Annual Tax Filings
- d. Legal
  - a. Corporate Structure
  - b. Contract Review
  - c. Professional Support (Depositions, etc.)
- 6. Location Setup (*Negotiate, Don't Sign*)
  - a. Lease Space
    - a. Cost
    - b. Duration
    - c. Escalators
    - d. CAMs
    - e. Included/Exclude (utilities, supplies, etc.)
    - f. Restricted/Unrestricted (parking, restroom facilities, etc.)
  - b. Cost Equipment
    - a. Office Supplies
    - b. Medical Supplies
    - c. Room Equipment
    - d. Computer Equipment
    - e. Business Office Furnishings
    - f. Nurses Station Furnishings
    - g. EMR/PMS Systems
    - h. Phones
  - c. Services
    - a. Answering Service
    - b. Pager/Cell Phone
    - c. Cleaning
    - d. OSHA Compliance
    - e. Biohazard
    - f. Shredding
    - g. Supplies
    - h. Telecommunications
    - i. Fire extinguishers
    - j. Banking
    - k. Lab pick up/reporting
    - l. Transcription
    - m. Utilities
  - d. Determine Staffing
    - a. Consider layout
    - b. Consider coverage/attrition
    - c. Consider cost/benefit analysis for staff



- D. Reconsider
  - Read “These are my People”**
    - 1. Review market
    - 2. Review personal goals
    - 3. Review financial forecast
- III. Step off the Abyss
  - Read “Patient Care or Postage Stamps?”**
    - A. Secure professional services, insurances and location setup
    - B. Obtain federal tax ID
    - C. Develop and produce marketing material
      - 1. Stationary/Header
      - 2. Business Cards
      - 3. Welcome Ad
      - 4. Physician post card mailer
      - 5. Phone book listing
      - 6. Little Yellow/Blue Book listing
      - 7. Website/Email Hosting
    - D. Develop office forms
    - E. Secure staffing
      - 1. Place ad in local paper or online classifieds
      - 2. Develop employee handbook
      - 3. Develop job descriptions based on location setup
      - 4. Develop interview questions/format
      - 5. Develop pay scale
      - 6. Interview and hire staff
      - 7. Train staff
    - F. Develop operation processes
      - 1. Scheduling
        - a. Time
        - b. Reason
        - c. Date made and initials
      - 2. Patient processing—Front Desk
        - a. Insurance Prior Authorization (if necessary)
        - b. Insurance Verification
        - c. ID
        - d. New patient paperwork
        - e. Payment obligation
      - 3. Patient processing—Nurses Station
        - a. Vitals
        - b. Complaint
        - c. Instructions
      - 4. Patient Check out
        - a. Drug samples
        - b. Prescriptions



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- c. Referrals
- d. Lab orders
- e. Imaging orders
- f. Other orders
- g. Payment obligation
- h. Follow up appointment
- i. Procedure orders

5. Processing Referrals, Orders and Labs

6. Beginning of Day/Close of Day

7. Bookkeeping

## G. Hand Shake Marketing

- 1. Go visit the offices in your referral network
- 2. Contact local hospitals about participating in community programs
- 3. Contact local schools about participating in any career events
- 4. AVOID any appearance of “trolling” for patients

**Read “Remember This”**