

How to Start Your Own Private Practice

A Step-By-Step Guide

This guide will assume you :

- Are **interested** in starting your own practice from scratch
- If you are employed, have your attorney evaluate any **Restrictive Covenants**
- Desire to keep overhead expenses low
- Can anticipate an approximate "go-live" date
- Will be leasing an existing office location (Building construction is a special circumstance)
- Do not want to be called a "Provider"
- Pay attention to details
- Have some risk tolerance
- Have proper credentials
 - NPI
 - Medical License
 - DEA/CDS

If you are taking over an existing practice most of this guide will be pertinent.

Direct Primary Care (DPC) model actions are highlighted in
Insurance Based (IB) model actions are highlighted in
(See PAGE 7 for distinction)

GREEN

ORANGE

Timelines are Suggestions to Keep on Track

6 MONTHS OUT

<input type="checkbox"/>	<p>ASSESS FINANCES</p> <ul style="list-style-type: none"> • Any personal funds? • Will you need a loan? • Construct a BUDGET (see example spreadsheet at end) • Startup cost: ~ \$20K • Monthly overhead: ~ \$4K (Annual - \$48K) • What are YOUR monthly living expenses? • Do you want to moonlight as a temporary income stream?
<input type="checkbox"/>	<p>DECIDE ON A GENERAL LOCATION (WHERE DO YOU WANT TO LIVE?)</p> <ul style="list-style-type: none"> • Pick a state/county (parish)/city etc. <ul style="list-style-type: none"> ○ Consider: Friends/family/climate/hobbies, etc.
<input type="checkbox"/>	<p>ATTORNEY CONSULTATION</p> <ul style="list-style-type: none"> • Engage an attorney in health care in the state for which you will be practicing • Legal need is minimal at this point but extremely helpful now and in the future
<input type="checkbox"/>	<p>CONTACT LOCAL BUSINESS DEVELOPMENT ASSETS TO SEE WHAT THEY HAVE TO OFFER</p> <ul style="list-style-type: none"> • Louisiana Small Business Development Center (LSBDC) <ul style="list-style-type: none"> ○ https://www.louisianasbdc.org/ ○ Workshops and one on one consultations ○ Business plan construction (in case a loan is needed) • Jefferson Parish Economic Development Commission (JEDCO) <ul style="list-style-type: none"> ○ https://www.jedco.org/ ○ Assist with financing, real estate evaluation, promotion, etc. ○ Free Business Start-Up Kit • Small Business Association <ul style="list-style-type: none"> ○ https://www.sba.gov/
<input type="checkbox"/>	<p>BRANDING</p> <ul style="list-style-type: none"> • Pick out a name for your practice that has: <ul style="list-style-type: none"> ○ An available domain name (for a website) ○ Check GoDaddy, 1&1 or any domain handler • A corresponding (matching) available corporate name in your state <ul style="list-style-type: none"> ○ Go to Secretary of State website (geaux.biz in LA)
<input type="checkbox"/>	<p>BUY THE DOMAIN (GODADDY.COM, 1&1IONOS.COM, ETC.) TO HOLD IT</p> <ul style="list-style-type: none"> • “Reserve” the business/corporate name with Secretary of State https://geauxbiz.sos.la.gov/ in Louisiana
<input type="checkbox"/>	<p>DEVELOP A LOGO</p> <ul style="list-style-type: none"> • DIY (GIMP, Photoshop, Inkscape, etc.) <ul style="list-style-type: none"> ○ If not a DIYer, consult with a graphic designer

<input type="checkbox"/>	<p>ESTABLISH SOCIAL MEDIA ACCOUNTS (HOPEFULLY MULTIPLE ACCOUNTS W/SAME "@ABC..")</p> <ul style="list-style-type: none"> • Linked In, FB, Instagram, etc.
<input type="checkbox"/>	<p>MAKE A WEBSITE</p> <ul style="list-style-type: none"> • It is essentially a landing site. "Opening in August 20XX" • DIY (Wix, Squarespace, Wordpress. Etc.) • Get help if you cannot DIY (most domain sites have a self-web design option) • If you are going DPC, Hint Health billing platform can do a website for free
<input type="checkbox"/>	<p>DETERMINE OFFICE (BRICK AND MORTAR) LOCATION. AN ADDRESS!</p> <ul style="list-style-type: none"> • Pick a building <ul style="list-style-type: none"> ○ Lease in an appropriate area <ul style="list-style-type: none"> ○ Professional area vs next to Pizza Parlor If solo, <1000 sq ft ○ Assess whether an expensive modification (buildout) is needed ○ Sign lease for a future move in <ul style="list-style-type: none"> • Set lease to start one month before "go live" date (move-in time) • Build your own building (beyond the scope of this guide)
<input type="checkbox"/>	<p>DECIDE ON STRUCTURE. TYPICALLY LLC. (LESS LIKELY SOLE PROPRIETORSHIP OR S-CORP)</p> <ul style="list-style-type: none"> • Register your previously reserved name at https://geauxbiz.sos.la.gov/ (Secretary of State) <\$80 • New names can be registered at this point. • File articles of organization (All of these are online) • MAY have to register with your parish/county also • If a partnership, create an Operating Agreement

4 MONTHS OUT

<input type="checkbox"/>	<p>INSURANCES</p> <ul style="list-style-type: none"> • Obtain Professional Liability (PL) "Malpractice" insurance <ul style="list-style-type: none"> ○ E.g., Doctors Direct Ins., LAMMICO, LHA Trust Funds, Cunningham Group, etc. • Obtain Office liability (for trip and falls etc.) <ul style="list-style-type: none"> ○ E.g., Independent insurance agent, Elatas, Geico, Liberty, State Farm etc. • Obtain Workers compensation (ONLY if you are having an employee)
<input type="checkbox"/>	<p>DEVELOP COMPLIANCE POLICIES (HIPAA, OSHA, ADA)</p> <ul style="list-style-type: none"> • Use existing templates for DIY • Check with your Attorney or PL carrier for help
<input type="checkbox"/>	<p>DEVELOP MEMBERSHIP AGREEMENT (FOR A DPC CONTRACT)</p> <ul style="list-style-type: none"> • Plenty of templates are available • Get help from your attorney and your drafting platform

<input type="checkbox"/>	<p>DECIDE ON WHETHER YOU NEED OFFICE STAFF (CONSIDER VIRTUAL ASSISTANT)</p> <ul style="list-style-type: none"> • A receptionist/clerical is not necessary at first especially for DPC • No need for nurse or medical assistant • Insurance based practice WILL NEED employee for billing/collecting
<input type="checkbox"/>	<p>OBTAIN OCCUPATIONAL LICENSE</p> <ul style="list-style-type: none"> • Parish (County) or City if the city is incorporated
<input type="checkbox"/>	<p>OBTAIN TAX ID NUMBER (EIN)</p> <ul style="list-style-type: none"> • DIY at https://www.irs.gov
<input type="checkbox"/>	<p>ENROLL IN LOUISIANA MEDICAID (IF CARING FOR ANY MEDICAID PATIENT)</p> <ul style="list-style-type: none"> • https://www.lamedicaid.com/provweb1/default.htm <p>ENROLL IN MEDICARE (PECOS) (IF CARING FOR ANY MEDICARE PATIENT)</p> <ul style="list-style-type: none"> • https://pecos.cms.hhs.gov/ <p>ENROLL IN HEALTH INSURERS (Blue Cross, United, Aetna, etc)</p> <ul style="list-style-type: none"> • Enroll/register on their online site Give at least 90 days <p>DETERMINE IF YOU WANT TO BE IN “VALUE BASED” MODEL</p> <ul style="list-style-type: none"> • Accountable Care Organizations (ACO) • Value Based Payment help (Oasis, Aledade, etc) <p>NOTE: DPC docs DO NEED TO enroll to have Rx's and orders covered AKA as “OPR”</p>
<input type="checkbox"/>	<p>OBTAIN DISPENSING LICENSE (IF YOU WISH)</p> <ul style="list-style-type: none"> • DIY at https://www.lsbme.la.gov/ • Recommend that you do not dispense controlled substances
<input type="checkbox"/>	<p>START BANK BUSINESS (CHECKING) ACCOUNT AND FUND!</p> <ul style="list-style-type: none"> • Will need EIN/Business name (see above) to set up <ul style="list-style-type: none"> ○ See if your bank needs an "Operating Agreement" • Bank credit card (avoid mixing business expenses on personal CC)
<input type="checkbox"/>	<p>SET UP UTILITIES (ELECTRICAL AND ISP) FOR OFFICE SPACE</p> <ul style="list-style-type: none"> • Maintain cellular services • Electrical (e.g, Entergy) • Internet Service Provider (ISP) (e.g., COX, ATT, etc.) • Telephone system <ul style="list-style-type: none"> ○ Standard telephone subscription through ISP (e.g., Cox phone, ATT phone) • Internet only (VOIP) (e.g., Spruce)
<input type="checkbox"/>	<p>ESTABLISH VENDOR ACCOUNT</p> <ul style="list-style-type: none"> • Medical supplies and medications (Bonita, AndaMeds, Schein etc.) • Medical waste account

	<ul style="list-style-type: none"> ○ Pay some local vet to take your rare waste vs Stericycle etc. ○ In general waste production is extremely low ● Office Depot, VistaPrint, Amazon business, FedEx, UPS etc. (or Local suppliers)
<input type="checkbox"/>	<p>ESTABLISH LABORATORY ACCOUNTS VIA WEBSITE</p> <ul style="list-style-type: none"> ● Quest, LabCorp, CPL (Can get assistance from each company rep) ● Ask for an after-hours specimen pickup box from each account ● Once have account, link in your EHR for ordering/results
<input type="checkbox"/>	<p>HARD ASSETS (SHOPPING LIST)</p> <ul style="list-style-type: none"> ● Obtain office equipment/furniture <ul style="list-style-type: none"> ○ Exam table, oto-ophthalmoscope, scale, etc. ○ Desk(s), chairs, refrigerator, garbage cans, etc. ● Office supplies <ul style="list-style-type: none"> ○ Business cards, Rx pads (MediScripts.com) etc. ● Obtain networking equipment <ul style="list-style-type: none"> ○ PC/Laptop, Printers, Network switch, modem (from ISP), router. Phone(s) ○ Get help. Do not get an IT manager. Call a friend ● Stock medical supplies <ul style="list-style-type: none"> ○ Syringes, tongue blades, table paper, bupivacaine, etc.
<input type="checkbox"/>	<p>OBTAIN SOFTWARE</p> <ul style="list-style-type: none"> ● Accounting software (e.g., QuickBooks, etc.) ● EHR (e.g., Elation, AtlasMD, Practice Fusion, etc.) <ul style="list-style-type: none"> ○ AtlasMD is DPC-only ○ Paper charts are still an option ● Billing software <ul style="list-style-type: none"> ○ Membership Drafting Software if DPC (HintHealth, AtlasMD etc.) ○ Claims billing (if insurance) <ul style="list-style-type: none"> ▪ Claims billing embedded in most EHRs ● Dictation software or ambient AI to do notes
<input type="checkbox"/>	<p>"CLAIM" ONLINE SITES THAT USE YOUR NAME</p> <ul style="list-style-type: none"> ● Healthgrades, WebMD, Vitals, Yelp etc. ● You are listed (whether you know it or not). Take control ● Do not pay anything. Just claim them
<input type="checkbox"/>	<p>ESTABLISH GOOGLE BUSINESS ACCOUNT THROUGH GOOGLE MAPS</p> <ul style="list-style-type: none"> ● No need to pay for ads ● Make your Google business page look good

<input type="checkbox"/>	<p>ADVERTISING</p> <ul style="list-style-type: none"> • TALK to other specialists. <ul style="list-style-type: none"> ○ Make verbal contact about referrals and continuity • Social media • Networking with other physicians/ERs/Urgent Care • No need for TV/Billboards • Visit local meetings, chamber of commerce, rotary clubs <ul style="list-style-type: none"> ○ Consider have a marketing material bag for businesses (pens, swag, etc) • Be a guest speaker wherever you can <p style="background-color: yellow;">If you are an insurance model your practice will be in network directory (book)</p>
<input type="checkbox"/>	<p>IF YOU NEED/WANT EMPLOYEE(S)</p> <ul style="list-style-type: none"> • Get state tax ID number for state income tax withholding <ul style="list-style-type: none"> ○ https://latap.revenue.louisiana.gov • Get workers compensation insurance (Multiple carriers) • Get state unemployment account https://www.laworks.net • Values to look for <ul style="list-style-type: none"> ○ Clear background checks ○ Smiles, polite, teachable • Establish payroll method <ul style="list-style-type: none"> ○ e.g., Payroll Sync, QuickBooks Payroll, Paychex, etc. ○ I do not recommend that you do it manually via spreadsheet/940s/941s • Get someone who is happy/polite/smiles and that you can teach <ul style="list-style-type: none"> ○ Resume websites, referrals, etc.
<input type="checkbox"/>	<p>WILL YOU BE DOING IN-PATIENT (HOSPITAL) CARE</p> <ul style="list-style-type: none"> • Contact hospital medical staff office to apply

3 Months Out

<input type="checkbox"/>	<p>BEGIN MARKETING</p> <ul style="list-style-type: none"> • Visit community organizations • Pre-enroll patients
<input type="checkbox"/>	<p>MAKE SURE ALL "ENROLLMENTS" ARE IN PROCESS</p>

1 Month Out

<input type="checkbox"/>	<p>MOVE IN</p> <ul style="list-style-type: none"> • Set up hardware <ul style="list-style-type: none"> ○ Security cameras, IT equipment, etc • Connect utilities
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<input type="checkbox"/>	DRY RUN <ul style="list-style-type: none">• All supplies in place and functional• Evaluate work flows• Assess messaging systems
<input type="checkbox"/>	GO "LIVE" TO WORK OUT ANY GLITCHES

DECISION POINT-PRACTICE MODELS

Insurance Based (claims and billing)
Direct Primary Care (membership)
Cash based (cash per visit)

How are they different?

<p>Insurance based model requires that a practice becomes "in-network" with insurance companies and sign a contract with each. That practice is required to send claims to the insurer to get paid for the services. The practice's income is based on visits per year times the payment per visit. Those insurance payments (incorrectly termed "reimbursement") vary from insurer to insurer. Typically, payment is tied to performance metrics. You WILL NEED an employee to handle insurance billing and claims.</p>
<p>Direct Primary Care is a membership model completely disconnected from the insurance industry where practice income is primarily derived from monthly membership fees collected with no fee for service charges. This is typically done with billing software that drafts a patient's checking account or credit card monthly. DPC practices do NOT sign contracts with insurers, send claims, nor collect any money from insurers.</p>
<p>Cash based is rarely used. The patient simply pays whatever the physician charges at the time of service.</p>

<input type="checkbox"/>	<p>"Opt out" of Medicare (You are likely in the Medicare system by default)</p> <ul style="list-style-type: none"> Stay in PECOS https://tinyurl.com/yhup9pxh
<input type="checkbox"/>	<p>Engage Health "Insurers"</p> <ul style="list-style-type: none"> Must do AT LEAST 90 days before opening to process through credentialing Medicaid: https://www.lamedicaid.com/provweb1/default.htm PECOS & Medicare: https://tinyurl.com/yhup9pxh <ul style="list-style-type: none"> Log in to affirm data even if already enrolled Need this before enrolling in any Medicare Advantage (MA) Plan AETNA: https://extaz-oci.aetna.com/pocui/join-the-aetna-network CIGNA: https://tinyurl.com/mrx2z427 UNITED: https://tinyurl.com/yc8m4ayh
<input type="checkbox"/>	<p>Learn Quality Payment Program and "Value Based" payment metrics</p> <ul style="list-style-type: none"> Avoid penalties (reduction of payments) Accrue bonus for performance metrics Some practices use a third party to handle that data. They take a cut. Need a CPT manual for proper coding and modifiers Direct Primary Care does NOT use CPTs/Coding

