Start-up Overview

- Start organizing early to allow time for new considerations and adjustments
- Establish a time line
  - Begin planning now
  - Determine milestones to be met at certain time points
- Personal networking and professional advice can help
- Aspirations and desire are most important
Defining Your Goal = Success

- Success can be based on …
  - Wealth
  - Time with family
  - Professional satisfaction
- Decisions you must make will involve …
  - You
  - Your family
  - Your long term goals
Set Your Priorities

- Time spent with family
- Hours spent at work
- Specific endocrine foci e.g. diabetes
- Type of interaction with patients
- Financial goals and tolerance for risk
- Need for clinical challenges
- Need for education
- Need for altruism/community service
Select Consultants Early

- Choose an expert with physician experience
- Choose before setting up legal structure
- Optimize tax advantages and flexibility
- Establish internal controls for tracking cash flow, profit and loss statements, payroll withholdings, quarterly taxes, operating budget
Consultants or Experts Needed

- Accounting (CPA, bookkeeper)
- Banking
- Human Resources
- Information Technology
- Insurance Agent/Broker
- Legal
- Practice Management
Choose Professional Path

✨ Starting your own solo practice
✨ Joining an existing group
   ✨ Single sub-specialty Endocrinology
   ✨ Multi-specialty or multi-sub-specialty
✨ General endocrine vs. narrower focus
✨ Clinical vs. Academic vs. Research
Starting Your Own Practice

- Can be scary prospect, but doable even right out of fellowship
- You may be first in an area
- Financial supporters ready and willing to help in exchange for time, etc.
- **Endocrinologists are valuable commodity to hospital/community**
- Good staff and advice from others critical
Starting Your Own Practice

Risks
- Cost of start-up
- Stress
- Patient load, or lack of
- Profit vs. Loss
- You are the boss
  - Making wrong decisions
  - Office protocol your responsibility

Benefits
- Only paying for YOU
- Monetary rewards solely for you
- Quality control
- You are the boss
  - Sole decision maker
  - Select employees
Joining an Existing Practice

- Camaraderie may be enjoyable
- Referral patterns already established
- Business framework already established
  - Simply, show up and do your job in most cases
  - Other providers present help to cover overhead (rent, equipment, employees, utility, etc.)
  - Other providers to cover your absence
Joining an Existing Practice

- Financially and otherwise, must agree to terms of the group
- In many ways, “married” to the group
  - If you do something wrong, it reflects on them
  - If they do something wrong, it reflects on you
Joining an Existing Practice
Endocrinology only

- Most practices inundated, ≥ 2-3 month wait lists
- Nearly all practices are looking for help
- Ready resources to discuss cases/answer questions as you get started
- Look at practice closely to see if you will get “niched” into limited area
Joining an Existing Practice
Multi-speciality/subspecialty

- Most practices also looking for help
- Many groups want someone to manage the diabetics as sole purpose
- May be desirable if considering starting a family or considering part-time work
Academic Practice

**Good**
- Personal growth
- Ability to help and influence trainees
- Time to breathe and plan
- Opportunity to leave mark
- Balance
- Potential for different roles

**Bad**
- Navigating the system
- Lack of control
- Forces beyond you
- Benchmarking
- Change is slow
- Salary
  - Generally lower
  - Curve flat or not as steep
Academic Practice

- Performance evaluation
  - Patient productivity based on RVUs
  - Academic productivity and Grants
  - Time spent teaching
- Promotion varies from institution to institution
  - Generally dependent upon academic productivity
  - Depends on track (research, clinical, educator)
Choosing a Location

- Type of practice will influence location
- Location near hospital can be competitive advantage
- Location, rather than cost, should drive decision
- Understand cost and ownership issues
- Underserved areas often have good income potential
Choosing a Location:
Personal Factors

- Climate and pollution
- Proximity to family and friends
- Affordable housing
- Schools and community services
- Local economy and taxes
- Ease of transportation
- Proximity to cultural activity and recreation
Choosing a Location: Professional Factors

- Access to patients – insurance issues
- Community demographics and likely patient base
- Malpractice costs
- Availability of support resources
- Laws of state and state medical authority
Choosing a Location: Professional Factors

- Must determine need for endocrinologist
  - Utilize consultants already mentioned
  - Contact local medical society and hospitals
- Consider the competition
  - Other endocrinologists
  - Hospital systems
  - Multi-specialty groups
  - Other physicians and physician extenders
Regulations and Licensing
Start approx 6 months in advance

- Business License: City/county
- Employer ID# (EIN): IRS
- State Tax ID#: State
- State Medical License: State
- Medical Staff Privileges: Hospital
- Federal Narcotics License: DEA
- State Narcotics License: State
- National Provider Identification (NPI) #: CMS
- Medicare Provider #: CMS
- Laboratory License: CMS-CLIA
- Nuclear License: State
Other Regulatory Exposures

- HIPAA
- JCAHO
- OIG
- OSHA
- Dept of Labor
- Dept of Justice
Memberships and Affiliations

- Managed Care Organizations
  - Plan, select, and apply early
  - What plans are the local PCP’s in?
- AMA
- Medical Specialty Societies (e.g. AACE!!!)
- State, Regional, and local Medical Organizations
Memberships and Affiliations

- Call Group - share call with other area Endos
  - Remember: You are no better than the weakest link in your call rotation
- Hospital Physician referral service
- ER coverage?
- Non-medical
  - Civic Organizations
  - Community, Business, and Social Groups
Malpractice Insurance

- Consider limits above the minimum
- Insuring the corporation separately may provide savings
- Cover all healthcare professionals in your employment
- When changing from one practice to another, make sure tail coverage is in place
- If considering going bare, make sure you have solid legal consultant
Business Insurance

- General liability
- Business contents
- Property
- Umbrella liability
- Business interruption
- Business automobile
- Employee theft/embezzlement
- Worker’s compensation
General Commercial Liability

- Comprehensive coverage against action brought against you by third parties
- Personal injury
- Product liability
- Advertising liability
- Contractual liability
Dimensions of Competition

- You may provide best quality care, but patients often unable to evaluate or perceive this
- Emphasize quality, but find additional ways to differentiate yourself in minds of patients
  - Speed
  - Experience
  - Patient education
  - Web presence
  - Courtesy
  - Superior communication
  - Community outreach
Marketing Activities

- Yellow pages
- Paid advertising
- Referral sources
- Business cards
- Business stationary
- Other printed items
- Educational material
- Newcomer welcome services
- Health fairs
- Social/civic groups
- Medical speaking
- Community speaking
- Online presence
- Practice brochure
On-Line/Web Presence

- Some minimal presence is in order
- Serves new AND existing patients
- Marketing and practice management benefits
- Prices vary widely to create/maintain
- Web hosting companies that focus on the medical practice can provide significant benefits WITHOUT requiring IT expertise
Practice Materials

- Brochure/website provide image of practice to prospective patients and referral sources
- Provide patient forms and information online, saving time at the office
- Educational materials do double duty
  - Help patients and increase patient satisfaction
  - Help the practice
Practice Material Information

- Professional physician profile
- Practice philosophy, explanation of endocrinology
- Address, location, and contact information
- Available services and hours
- Office policies, including prescription refills
- Forms of payment, payment plans, and insurance accepted
- Hospital affiliations
Conclusion

- You are about to embark on the most rewarding and enjoyable part of your professional career
- But, many challenges lie ahead
- AACE …
  - Is committed to listen to you
  - Will provide help when you want it
  - Has many available resources, so use them!!!
Special Thanks to My Colleagues & Mentors
Questions???