

Name of Practice

Business Plan

Prepared by (MD or other)

Date

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Executive Summary

(Suggestions)

Describe the area

Describe the patients that come to the practice and the kind of rapport that they have and have had with the practice and its physicians

What factors make this practice unique (ie—Dr. Jennings has cared for three to four generations of the same family....)

Brief history of physician's career, the volume of patients treated over the past five years... Explain how the illness of a partner affected the practice, but only until another physician could be recruited....

Brief description of three year goals: introduce Dr. M to patients, build his practice, transfer ownership within three years, at which time Dr. J. plans to retire.

Additional needs to make this transition successful:

- Upgrading equipment

- Modernizing billing and collections with the use of latest technology and billing services.

Concluding remarks: Dr. J has a unique reputation in the community as a co-founder of....., a recipient of _____ awards, and _____(something about how patients think of him). An impressive network of professional and business relationships adds greatly to the value of the goodwill of his practice. Dr. J plans to convey this asset to Dr. M. prior to Dr. J's retirement through successful marketing.

Company Description

_____ (Name of Practice) is a ___ corporation owned exclusively by _____.

Mission statement: To provide high quality , affordable health care for the entire family to residents of Chesapeake City in census tracks 201-204, Health Professional Shortage Areas.

_____ (Name of practice) is located in _____. It employs ___ highly skilled medical personnel, a board certified family physician (?) and a board-certified (or eligible?) internist (?). Dr. J has managed the practice for ___ years and earned a reputation for providing:

(List type of clinical services rendered. For example:

Preventive care for patients from ___ age to ___ age. (Infant check ups, immunizations, school physicals, annual gynecologic exams, and routine adult physical exams.)

Management of chronic diseases (hypertension, diabetes, and asthma)

In-patient services at ___ hospital for patients typically admitted for _____.

House-calls (etc.)

Industry Analysis

Describe the delivery of health care for this community, how it has changed recently, and how Dr. J's commitment to a traditional, small practice continues to receive tremendous support from the community, hospitals , etc.

Dr. M's credentials as an internist will also have a positive impact on the practice. His training will allow him to treat and bill for a more acute level of care per current HCFA guidelines (or something to that effect,) which will increase revenues by ___% the first year, and an added ___% the following two years.

Mention whether the practice qualifies for higher levels of reimbursement given its location in a HPSA. (Add some of the data used to apply for J-1 visa status for Dr. M.)

Describe the area, anticipated changes in demographics (aging of the population?; this alone will increase the demand for medical care).

The Market

This section of [area/ place]Chesapeake City has a population of _____ which is (describe its characteristics). Dr. ___ has practiced in this community for ___ years. [Here's an example:]

“There is a large proportion of elderly residents, many of whom have multiple medical problems and require above average amounts of medical care. They can be expected to visit a physician 4-6 times a year. There is a substantial population of adults aged 40 – 65 who require 1 – 2 visits per year.

Describe the competition: where located, ages, attributes. (Emphasize in which ways they do not compete with Dr.).

Dr X. has developed major sources of referrals. These include:

An analysis of patients treated at the clinic over the past year shows the following payor mix:

Private and sliding fee	%
Medicare	%
Medicaid	%
Third Party	%

We expect _____ during the next twelve months. {New doc} is on the panel of _____ third party payors including _____, _____ (list: major insurance companies, etc.), and will also be applying to _____ .

The Competition

Although this section of [place] is considered medically underserved, there are a few competing practices. Unlike _____(name of practice) however, they lack _____ and _____ and _____.

Name(of practice): # of MD's, ages, full time or part-time, distance from Dr. Xs office and characteristics of their patient population (do they limit #s of Medicaid pts? Provide a sliding fee scale? Accept pts. With no insurance?)

Add a closing paragraph such as: “ Dr. X knows the competition very well and is [what's being done to address this].

Marketing Plan

Given Dr. X's [special attributes], he is actively introducing and recommending [new doc] to patients and colleagues alike. In addition, Dr. X will be sponsoring [new doc] for membership to: (list organizations)

This year's marketing plan includes: (meeting with hospital administrators, nursing home directors, health department directors, ministers of ___ churches, etc. – anyone who knows Dr. X well and who could help spread the word about new doc's ability to treat patients and with compassion, etc.)

Dr. X will be speaking before _____ in an effort to educate the community about _____ at the _____ (meetings). In addition,

Additional marketing efforts will include a listing in the White and Yellow pages, (weekly, monthly?) adds in the _____ newspaper, and printed brochures that describe (Name of the practice, the doctors' credentials, and what patients can expect from this practice (services, cost, billing procedures, etc.)

Management and Organization

Describe current environment. (Job description for key people, salary paid, benefits, etc.) **Please include a copy of new doc's CV.**

Describe expected changes (ie- with modernization of billing practices, we plan to use the services of _____ company for billing and collections/ or, we plan to hire highly skilled personnel familiar with automated systems and managed care environment.)

Implementing automated systems will cost approximately _____, but with this additional cost comes an expected increase in revenues of _____%, quick payments on claims, and a substantial reduction of our Accounts Receivable beyond 90 days. [Ask Health Data systems for estimates on these kinds of things].

Development Plan

What Dr. X and new doc are doing to grow the practice in the next 3 to 5 years. Describe anticipated changes in the marketplace / community. Articulate long term goals and aspirations.

Financial Information

(Include data on application form: practice information)