

DIRECT PRIMARY CARE Summit



2018

Deliver Exceptional Care. On Your Terms.



AMERICAN ACADEMY OF
FAMILY PHYSICIANS



FAMILY MEDICINE
EDUCATION CONSORTIUM, INC.



American College of
Osteopathic
Family Physicians

Start Lean, Think Big

How to start your own DPC practice

Maura McLaughlin, MD, Blue Ridge Family Practice

Submit your questions to: aafp3.cnf.io

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Learning Objectives

- Understand the steps needed to start a direct primary care (DPC) practice.
- Access the resources available to support starting a DPC practice.
- Gain the confidence

AES Question

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Confidence in my ability to start a DPC practice

- I could never do this
- Not sure if I could really do this
- Hmm, maybe
- I think I can
- I got this



CONFIDENCE

Current practice (or if already DPC, previous practice)

- Straight outta residency
- Employed-academics
- Employed-private practice
- Owner-private practice
- Other



D P Dates: Between 1920 and 1929

Dr. S. S. McGinnis sits in front of his office in Tribune, Greeley County, Kansas with Roy Martin and a dog.

July 13-15, 2018

Summit

Soul searching

What does your ideal practice look like?

- Who? Age? Income level?
- Small, large, solo, with partners? Employees?
- What services? Home visits, procedures, hospital care, OB?
- Any services you do NOT want to include?
- Location? Schedule?



Let's Get Started!

Office space

- call Benton
- stop by
- place wall sign
- try/measure things
- Business license
 - should get license 6/29
 - next steps - Albrmarle
- July OPC conference? *meeting next week*
- Logo *credit card*
- send ideas to Ben Brush
- Get out Medicare
 - sever, other insurance
- Website/advertising
- talk to Max
- email Jason & Alton Set
- Wordpress/laughing squid/photostock
- email address
- cost for ads (Blue Ridge Life & Coast *costs*)
- desktop ads
- promo folders for pts/business/media
- business cards *Tina's address*
- stickers for folders/wall signs
- Business cards
 - email Dr. Forrest - name of business person
 - email business person
 - talk to Samanders Bros/Chiles/Steve Hill
 - Blue Ridge Builders Supply / The Lodge
- Plan OPC info mtg *date? mid sept* present gather needed info before mtg April.
 - invite all my patients via letter invite dept.
 - invite local businesses invite community
 - make use of badge space RSVP via email

Vaccines

- talk to Stephanie (Hria)
- call pharmacy HT SC Parkway
- VDH - vaccines for children
- Vax Care emailed 6/20
- Political action
 - Healthcare exchange
 - HSA
 - OPC not serve
 - WVA Open Enrollment
 - sit in?
- Covered services/pricing
 - city 0-38 \$30 40-58 \$50 60+ 60
 - from Max \$150
 - Farrago adults \$75 over 65 \$125 children
 - can't wait care \$249 visit *was patient member*
- Budget *in office*
 - business *buying book with only 1 of order (see)*
 - personal
- Insurance
 - malpractice - guy in VA beach
 - business - VA beach is local
 - email local gov/hoy
 - disability - meet 2 April
 - life - meet 2 April
 - gather needed info before mtg 2 April.

Medicine

- send drug rep contacts
- organized shelving in office space
- monthly drug contact
- organized lists of local pharmacies/costs.
- Financial Examples
 - my pt - BM-WVA Health Choice
 - myself - WVA Basic
 - if you spend it you spend it (no bill) if you don't spend it do you want to keep it or do you want the insurance to?*
 - not against insurance co. behavioral economics*
- Lawyer
 - Tim + I meet Aug - will (personal)
- Medical Supplies
 - PSS - Stephanie could help find?
 - miscellaneous - Forrest list
 - fridge or freezer
 - where to keep in office
 - AED
 - Movers
 - who? cost?
 - pick up supplies from home, table handoff, supplies garage move to office.*
 - Office decor tracing photos *frail or white*
 - book cart - land of Ned??
 - lamp waiting rm - land of Ned white?
 - bell for door my diplomas CAC
 - paint waiting rm light blue *USFED poster*
 - chairs *USFED poster*
 - NIS for waiting rm? accountant.

Signage

- sign outside w/ us allowed
- sign outside door
- sign waiting rm
- small signs - should w/ be right? yes
- Books
 - SOHO group
 - ROR
- Teaching
 - GR FM *must dates* trigger
 - student elective? paid (pub no)
 - resident elective? paid (pub no)
 - CD paid commitment - ment
 - reply jobs@WVA
- Interact + phone
 - email concast once have office space
 - Steve - Black Cat - help me get set up buy laptop/printer/scanner
- Buy white coats
- EMR + "billing"
 - Practice Fusion vs. Elation
 - Twin Oaks vs.
 - email Forrest *since we help hang equipment*
- Phlebotomy
 - PVLG - dates? 8/2006
 - volunteer free clinic *to involve FM residents.*
- Cleaning
 - any refs? Stephanie?
 - supplies *Marketing Holistic services*

First Things First

- Choose a name (check name availability)
- Create a logo
- Plan a start date (keep in mind Medicare opt-out/contractual obligations)
- Plan initial hours
- Find a physical location (often takes the longest)

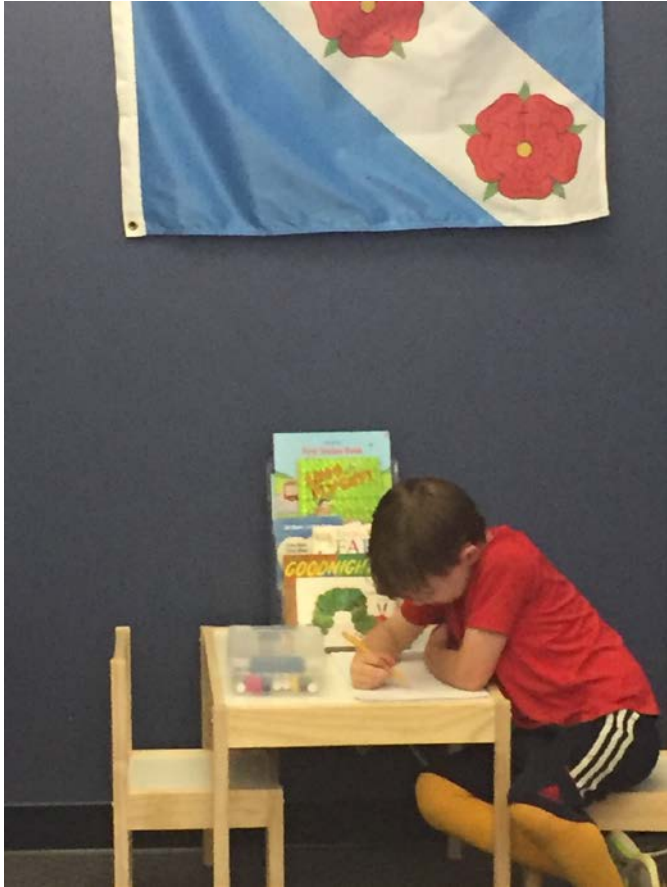


Office Space



- Decide where you want to be, and whether to buy or lease.
- Other options--sub-leasing a room in another practice to keep overhead very low, home visits only, work from space in your home.
- Find a location: search local listings, drive around the area

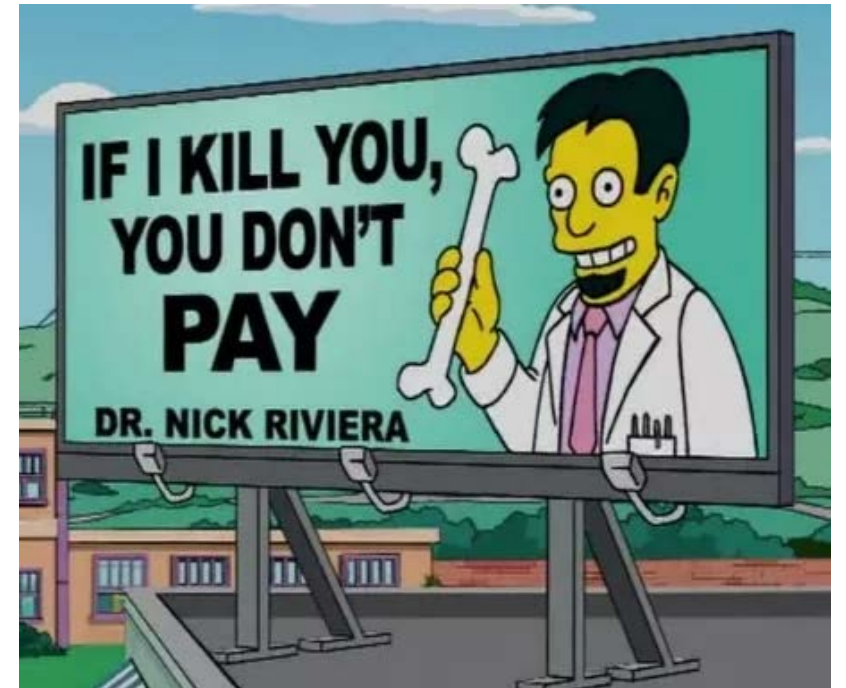
Outfitting your office



- Physical space
 - Exam tables/stools, comfortable chairs, art for walls, coffeemaker in reception area, books and toys for kids
 - Look for retiring docs/closing practices for great deals on large items
 - Signs outside and inside building
- Medical supplies
 - Keep track of what you're using now. Order as needed
 - Don't worry about being part of a Group Purchasing Organization (GPO)
- Office supplies
 - Business cards, letterhead, brochures, marketing flyers
 - Easy to use free graphic design software available
 - Print locally or online

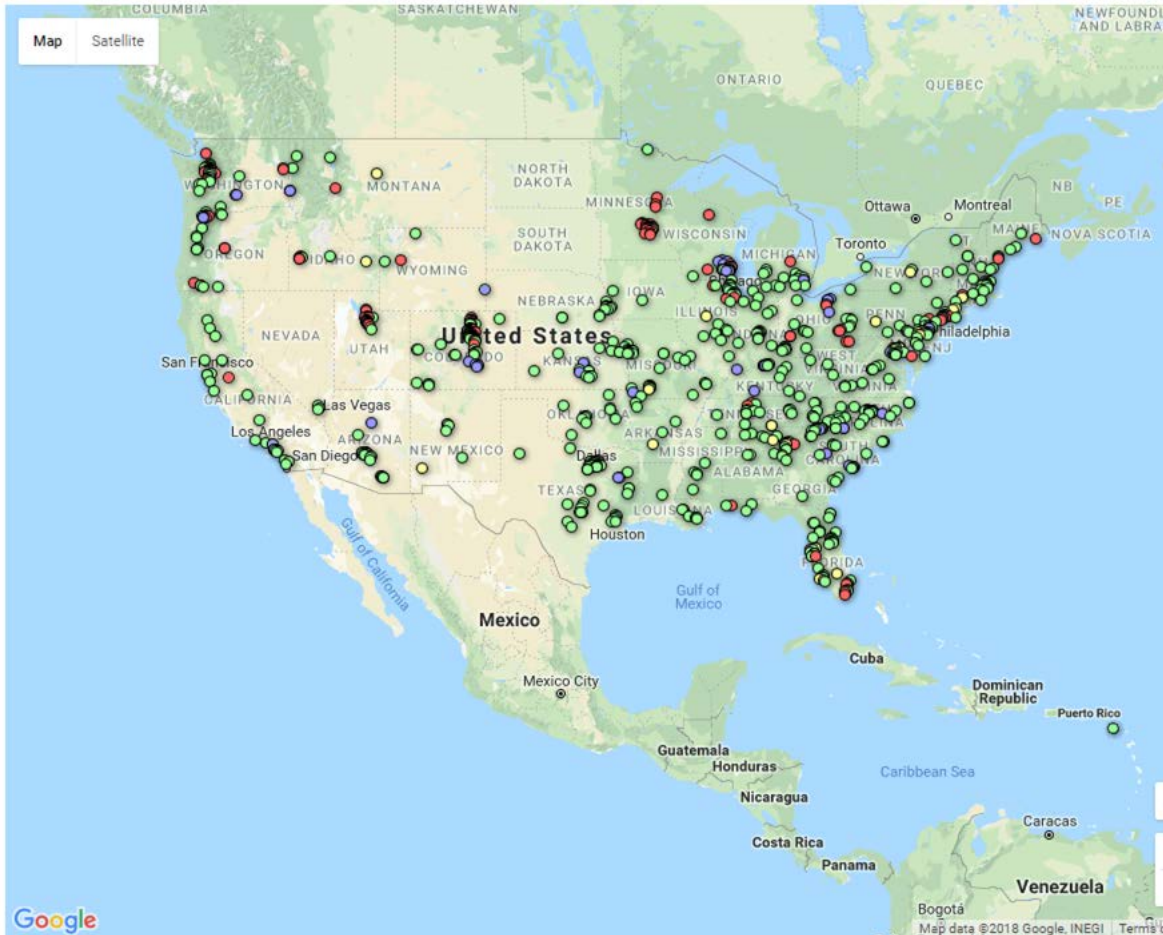
Pricing Structure

- Basic equation: operating costs + desired take home pay = revenue required.
- Once annual revenue is determined, divide that out by number of expected members (best estimate) to get your average per member per month cost.
- Then you can determine how to break that down per individuals/ages/any family discount



Pricing Considerations

Last updated June 10, 2018

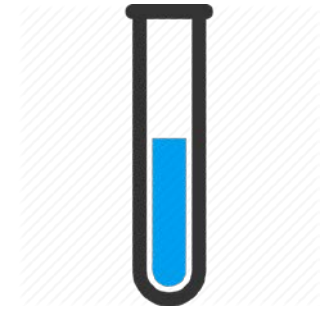


- DPC mapper (845 DPC practices as of June 2018!)
- Billing in arrears
- One-time enrollment fee
- Re-enrollment fee
- Per charge visit?

Employees

- Decide if you want employees to start
- Many practices have one person (phlebotomist or nurse by training) who helps with front desk duties, triaging calls, rooming patients, and drawing blood
- Others find doing this themselves very manageable, especially when starting up or if they plan to keep the practice small

Labs and pathology



- Lab options: national or local labs
- Lab will provide centrifuge and all supplies at no additional charge to you
- Lab bills you, you bill patient. Check state recs. Client bill may be difficult or not possible in NY and NJ
- Can set up so patients can use insurance if they wish
- Decide what you will charge for labs, any markup
- For pathology services, some states have laws against price markup by physicians. Still more states require disclosure to patients of the actual cost and any markup charged
- You will likely want to disclose your pricing anyway for transparency and marketing!

In-house dispensing

- Great financial benefit to patients
- Some additional administrative overhead for you
- Check your state guidelines
- If you do in-office dispensing
 - Decide whether to mark up medications (many practices mark-up meds by 10% to cover costs)
 - Sign up with wholesale distributor
 - Have EMR/other system that can manage inventory
- If do not dispense, you can still help patients save \$ on meds



Imaging

- Negotiate low prices with local centers if able. This may be more difficult in states with Certificate of Need legislation
- Independent imaging centers generally offer better pricing
- Practice can call imaging centers price lines to compare costs



Vaccines



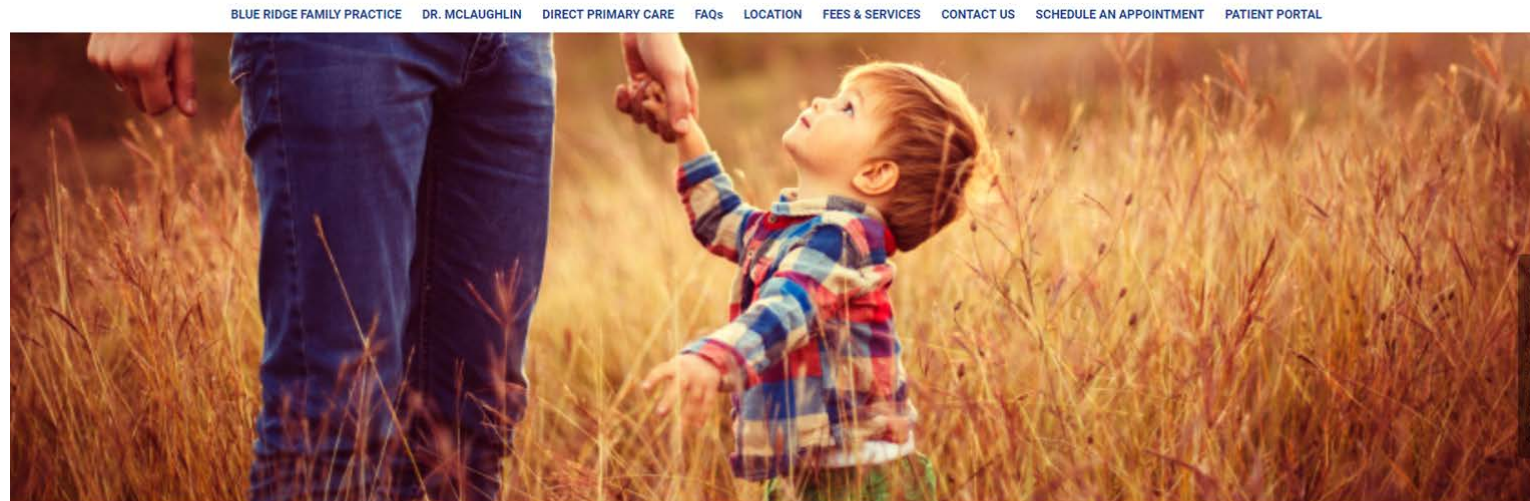
- Give at your clinic
 - CDC guidelines, power outage plan,
 - Buy from medical supplier or local practice
 - Local health dept may provide some free for certain patients
 - Set pricing for patients for administration
- Or refer out
 - Adult patients with insurance: local pharmacies
 - Adults/children who are uninsured/healthshare plan: local health department
 - Children with insurance: local peds/family med practice
 - Local health department-in many states, will also give vaccines to patients with insurance and bill insurance

Specialists

- When specialist evaluation needed, can help patients use most appropriate and cost-effective specialist for their situation
- Organized electronic “curbside consults”
- Other local DPC practices can be a great source of information about cost effective regional specialists--DPC Alliance and regional DPC Alliances can help connect you

Website

- Select a domain name
- Find someone to help design your website, or build it yourself
- Consider building it yourself. \$20-\$30/month-website builder service with a drag and drop interface.



Welcome!

At Blue Ridge Family Practice, we care for adults and children of all ages, newborn on up. We provide care for both acute and chronic illnesses and also provide preventive services, including well child checks, sports physicals, and gynecologic exams. Our comfortable clinic is conveniently located on Route 250 in the Crozet area.

A Personal Relationship With Your Own Physician

Do you want a physician who will take the time to get to know you as a person and develop a treatment plan that is right for you? If you have

Website Options & Email



- Freelance programmer \$500-\$1000
- Solicit a web design studio. Well-designed and polished product. Typically >\$1000
- Ideally, site will be able to integrate with EMR scheduler/billing, load fast, look good on mobile phones
- Set up email associated with your domain name

Tech: EMR, billing, phone, fax, dispensing

- EMR
- Billing
- Internet
- Phone system *(good to figure out early for your phone number)*
- Fax service *(good to figure out early for your fax number)*
- In-office dispensing inventory management

Other potentially useful tech

- Patient communication
- Cloud file storage system
- Cloud to-do list/notes organizer
- Dictation Software



Making it official



- Decide on a business structure: LLC, PLLC, S-Corp, C-Corp
- Register your business through your state--you will file Articles of Organization (for LLC/PLLC) or Articles of Incorporation (for Corp)
- Register Doing Business As (DBA)
- Apply for your Employer Identification number (will need for paying taxes)
- Draft an operating agreement/bylaws (esp if you have partners)
- Registered agent
- Update your info with state medical license and DEA

Running a business

- Business plan
- If you need a loan, do your research and read all the fine print
- Accounting
 - Quickbooks is popular-connect checking and credit cards, can handle payroll
 - Accountant for taxes and questions
- Checking account
 - Likely need your business's EIN and Articles of Incorporation/Organization
- Credit card for business



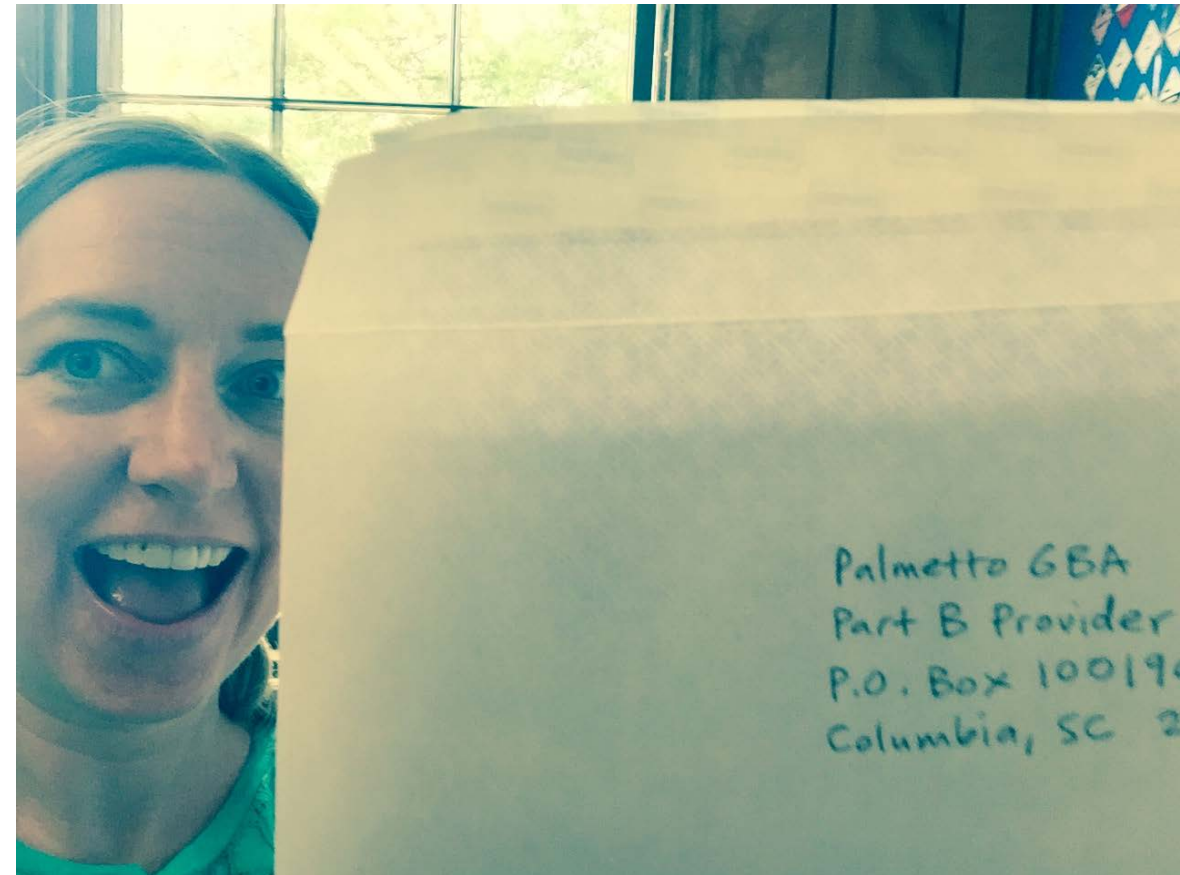
Insurance-for you

- Business insurance
- Malpractice insurance
 - If you will have average of less than 20 hours of patient care per week, you may qualify for part-time with reduced rates
- Disability insurance
- Life insurance
- Medical insurance or healthshare plan for yourself/family



Medicare opt-out

- Possible to open practice while remaining opted-in, but won't be able to see Medicare patients
- Moonlighting considerations
- Mail affidavit at right time (made active Jan 1, Apr 1, July 1, Oct 1), must be received 30 days prior
- Complete affidavit (<http://aapsonline.org/opting-out-of-medicare-a-guide-for-physicians/>)
- Mail to proper address (listed by state here:
https://www.cms.gov/Medicare/ProviderEnrollment-andCertification/MedicareProviderSupEnroll/downloads/contact_list.pdf)



Medicaid

- No formal “opt out” process, some states may ask you to sign up as an ordering and referring only provider
- Check with your state

Ending insurance company contract

- Check state specific patient abandonment laws and your existing employment contract for requirement
- Often this must be done 90 days out
- If you are employed, your employer may do these above steps for you, ask to have this confirmed in writing
- Most state abandonment laws ask that you provide patients with a list of nearby clinics. There is variance from one state to the next

Forms and Forms and Forms



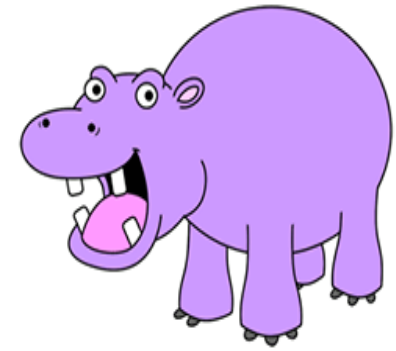
- Patient Enrollment Form
- Patient Agreement
- Private Contract for Medicare Patients
- HIPAA Notice of Privacy Policies (NPP)
- HIPAA Acknowledgement of Receipt of NPP
- Release of Medical Information
- If hiring employees: Employee Contract
- DPC Frontier recommends consulting an attorney to draft/review the above items
- Patient History Form--if you wish

Clinical Laboratory Improvement Amendments (AKA CLIA)



- You need a CLIA waiver for in-office testing
- Consider also doing physician performed microscopy (PPM) services (filled out on CLIA waiver)
- Check to see if any additional state requirements surrounding physician-office lab tests
- You will then receive coupon to pay fee, will receive certificate
- Renew waiver every two years--set reminder for yourself
- Don't forget proficiency testing!

Health Insurance Portability and Accountability Act (AKA HIPAA)



- Complete a security risk assessment (free tool available online)
- Have Notice of Privacy Practices available for patients
- Release of information form on file, be able to account for all disclosures you've made if you get audited
- Business Associate Agreements with companies that handle your patient's health information
- Gather and maintain proof of HIPAA compliance

Occupational Safety and Health Administration (OSHA)

- If you have zero employees, you're done already! 🧀
- Find biohazard disposal service, buy fire extinguisher, train employees annually, print OSHA poster, know how to report incidents



Marketing

- Elevator pitch
- Google maps
- Facebook
- Letter to old patients
- Townhall meeting
- Speak to community groups
- Newspaper/radio
- Your happy patients!

Charlottesville

Roy Wheeler R
WWW.ROYWHEELER
Home Facebook Twitter

Radical care: Doctors ditch health insurance

Like 0 Tweet Share G+ LEAVE A COMMENT



Dr. Maura McLaughlin believes that by not taking health insurance, she's found a better way to practice medicine. EZE AMOS

News

Lisa Provence

11/29/17 at 6:26 AM

Maura McLaughlin still remembers the day in January 2015 she heard about a revolutionary way to practice medicine—like doctors used to do decades ago. Now she spends as much time as she needs with patients, who can come see her as often as they like at a reasonable cost.

A key component: She doesn't take health insurance at her two-year-old medical practice in Crozet. The model is called direct primary care, and it's spreading across the country, with four such practices now in Charlottesville and Albemarle, where, incidentally, people who don't qualify for Affordable Care Act subsidies are facing [the highest premiums in the country](#).

Learn more

- Community of other DPC docs
 - Direct Primary Care Alliance and regional groups, DPC docs facebook, AAFP Member Interest Group
- Attend conferences
- Community college classes--business, phlebotomy
- DPC websites, blogs (<https://docsteppingout.wordpress.com/>), book (The Official Guide to Starting Your Own Direct Primary Care Practice by Doug Farrago, MD), policy manual (<https://dpcmanual.com/>)
- Remember, if you are smart enough to make it through medical school and residency, you are smart enough to start a practice!

AES Question

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Confidence in my ability to start a DPC practice

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- Not sure if I could really do this
- Hmm, maybe
- I think I can
- I got this



Questions?

Submit your questions to:

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Don't forget to evaluate this session!

Contact Information:

Maura R. McLaughlin, MD

info@blueridgefamilypractice.org

**YOUR TIME IS LIMITED,
SO DON'T WASTE IT
LIVING SOMEONE ELSE'S LIFE.
DON'T BE TRAPPED BY DOGMA**
- WHICH IS LIVING WITH THE RESULTS OF OTHER PEOPLE'S THINKING.
**DON'T LET THE NOISE OF
OTHERS' OPINIONS
DROWN OUT YOUR OWN INNER VOICE.
AND MOST IMPORTANT,
HAVE THE COURAGE
TO FOLLOW YOUR HEART
AND INTUITION.
THEY SOMEHOW ALREADY KNOW
WHAT YOU TRULY WANT TO BECOME.
EVERYTHING ELSE IS SECONDARY.**

- STEVE JOBS
2005 STANFORD
COMMENCEMENT SPEECH