# Could Your Healthcare Idea Become a $100 Million Startup? Transcript

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## Why great healthcare ideas need more than clinical insight

Welcome to the Startup Physicians podcast, where we explore how doctors lead healthcare innovation. Please like and follow our show to join our community of physicians contributing to meaningful change.

If you have an idea that maybe started when you were in clinic or in the hospital, and you kept seeing a gap in care or a problem in the way you care for patients, you just keep running into it and there's a version of reality that you feel like things could be better. Maybe you've turned this over in your head while you're driving and you keep coming back to it and saying, "Could this be a real business? Is this something that would warrant healthcare innovation and could get funded?" And you wonder, "Could you do this not as a side project, but actually as a company?" So, here's what I've learned advising physician founders. There are unlimited clinical ideas of ways to improve healthcare, and we want to work with physicians who want to found venture-backable businesses. But the truth is, most people don't know what that actually means. An idea needs to have a clear go-to-market strategy of how you would get it off the ground initially and an at-scale plan. So, how would you make this a $100 million business? We use that as our gauge because that is really the amount of value we need to see ourselves creating for this to be something that could really draw venture funding. And honestly, many of our ideas, if we were to put it through a process, we could really expand it and make it bigger and really identify how would you take it to market and then how would you scale it and grow it into something that can grow with enterprise contracts. So, we have to dig into what the market actually is, picture how it grows. And the truth is, most people never get to this part because no one has ever shown them how. Or they get stuck in the phase of thinking of something as a small business and they only build that initial ramp-up phase.

## Introducing the Concept Pitch Builder

I want to share with you today that we built a tool that will walk you through how to expand your concept and see if it could become a $100 million business. I want to remind you that when I started my first startup, I was given a floor that they would not start the company unless I could find a pathway to make it a billion-dollar valuation. That sounded ridiculous to me, but the truth is you can create so much value in healthcare company if you just know the ropes. I want to walk you through our concept pitch builder where we will show you how it works, the eight stages it will take you through from the problem you're solving to a one-page pitch. By the end, you'll know how to take the idea that you keep coming back to and expand it into something that an investor could actually evaluate. This is a free tool on our website, so you can check it out at startup physicians.com.

It's in the resources tab and we're going to walk through exactly how it works. The reason this tool came up is because we interviewed hundreds of founders for our incubator program. I'm going to re-say that. We interacted with hundreds of founders for our incubator program and had countless interviews and we kept walking founders through this concept of how to expand and define their idea. And they all found so much value and it was very motivating to be able to see how their idea could become something very valuable and concrete.

First, we're going to walk through the stages. So, the tool is a downloadable PDF, but it is an AI-based tool that you can put into your preferred AI tool. We like Claude and you can create a Claude project, put the tool into it and it will walk you through these eight stages. We have given explicit instructions to the AI on exactly what to ask and how to help you expand the concept and how to actually do the research to identify things related to the market and it will be building an artifact for you that will really clarify the idea. The first stage is really naming the problem.

## Defining the problem and why now

So we need to name the clinical problem in a language that a non-clinician can understand and really be able to verbalize what is the unfair advantage that you have as a physician who sees it from the inside. The next step is why now? So why are you wanting to do this now? Have there been shifts in the market? Is there a change in technology or payment models or some sort of policy or how care gets delivered? That's why it becomes a why

now question. The next phase is really assessing the market. We have to understand is this idea big enough and who pays for the idea? I've had so many doctors come to me and say I have this great idea. It would really help care for my patients but they can't really define who would pay for this. Sometimes it's either that no one would pay for it or that the problem is spread between multiple stakeholders and no one disproportionately carries the burden of that problem. What you want to do in this phase of the market assessment is identifying what is the defensible market size? How do you get real sources on that?

## Evaluating market size and venture potential

What is the venture scale and whether this is a serious business or more of a lifestyle business and then what would you need to prove it? So we will walk you through how do you actually address a market size? We call this the total addressable market or the TAM. The next phase is truly identify the buyer. So who would pay for this?

Sometimes it's easier to think of one stakeholder that would pay for this. You might say well, I could do it as a cash pay offering to patients and I can sell it direct to consumer. Okay, so if you're selling something that's $100 and you're going to do direct to consumer, then the math is to make a $100 business, you need a million customers. There are healthcare companies that work this way, that really do start with a direct to consumer route. That being said, that is usually the go-to-market strategy. The scaling strategy generally involves, once you've created a go-to-market strategy and a client base based on individual contracts, you want to move to enterprise contracts. That means selling to payers, selling to hospitals, selling to employer groups, selling to other larger organizations that will have a budget to be able to add on tens of thousands of patients with a single contract, as opposed to individually marketing to and selling to one person at a time. You have to know who the buyer is.

## Identifying the buyer and go-to-market strategy

You could describe a very expensive problem and still not be able to align the incentives among the system to make sure that you're really incentivizing the one who feels the greatest pain from this problem to pay for it, and that they will be happy with their purchase. They will see a real ROI, or return on investment. This usually involves quite a lot of brainstorming. You should come up with a list of multiple buyers. You should say, I could sell to this segment, I could sell to this segment. Maybe it's ambulatory surgery centers, maybe it's academic medical centers. One of the great things about AI is you can tell it whether you're in a divergent mode of brainstorming and really trying to bring together all the wild ideas versus when you're in a convergent mode and synthesizing. So this should be very broad, identifying what is the market and who would pay for it. The next stage is the competition. Who else is doing this? You might have a great idea and you might not know that there are a bunch of competitors that are building this, or that no one is building this. Especially if it's something related to IP, you can do a deep research report and identify has someone already filed a patent on this? Is there any sort of patent that could be close to the thing that you're thinking about creating? Now, a lot of care delivery models are not inherently IP. There's no patent for giving the best possible care to patients and and making them have a great experience. It's all in the execution.

## Understanding competitors and market gaps

So, I think it's important to know for competition who else is in the space. What is the gap that your concept fills? Is there a really specific niche that you're able to to address that the competition is not addressing? Uh and usually there is some amount of competition. Someone is doing something related to the concept and it is important to do that research to do a market analysis. Next section is the MVP. So, what it takes to get a first version off the ground. And in our case, we like to look for concepts that can get off the ground in the next 6 months. What is the smallest version of this idea that you could get out into the world?

## Building your minimum viable product (MVP)

If you are a licensed physician and part of what you're proposing is a care delivery model that you could sell to patients and it would involve you making sure you have, you know, a practice and a platform for delivering some sort of telehealth care and you could go out and market and sell it and identify could I do this with 10 patients? That would teach you a lot.

That would be a pilot. You could start to understand how it works, what you need to measure, what needs to be improved. You don't want to make the absolute most complicated model and start there. You want to get the smallest thing out into the world and see how it is how the reception is on the market. And you have to understand like what what will it take to get there? Do you have a big tech build you have to do or could you buy some software solutions to piece them together to get you off the ground initially. So, that's the MVP or the go-to-market strategy. What would your pilot look like for this idea before you add all the bells and whistles? This is really important validation work. Then, the next stage is the scaling story. How does this first version become a national or global brand at a hundred million and up? This is the understanding of how are you going to scale this? Do you go into a partnership model? Do you have some sort of distribution channel? You could have an incredible product that no one knows about.

## Creating a scalable business model

If you are working on longevity focused, then you partner with a broad network that has the same ideal customer as you, but isn't offering that service. Ask your divergent thinking AI, what are all the ideas of who could I partner with to get this to grow? Maybe you offer your services to a value-based medical group that already has a million patients.

That's a partnership model and access to a larger patient population. This very much ties in with the previous stage of identifying the buyer. We can look at what would it take to start it? What would it take to scale it? And then we go through the last page, which is really your commitment. What do you want to contribute to this concept? Would you be willing to consider an arrangement where you are reducing your clinical time to work as a founder on this concept? Would you be interested in finding a capital partner that wants to fund your salary to develop this idea? Would you be willing to try to raise some angel investment to fund your salary to develop the idea? Are there alternative income streams you could use while you're building this up? Or how do you see your role? Do you want to bring in partners, capital partners? What you want your life to look like? How much clinical practice you want to have? And that's an assessment Identify a clear concept, market, validation, what's the MVP, how would you scale it, how could this idea actually become a hundred million dollar business, and would you want to do that? That's exactly what we do working with founders. That's exactly what my experience was building a company having all the resources and support around me to do the things that I had no idea how to do. I knew how to be a pediatrician, I knew how to care for complex kids, did not know how to fund raise, I did not know how to build a financial model or tech product, but with the right resources and people around me, I could be the visionary and the designer of the clinical model.

## Defining your role as a founder

I wanted to get this tool out into the world. What it will produce for you is a concept pitch. It will describe in detail all of those phases. You'll have gone through a lot of divergent thinking and brainstorming, uncovering things you wouldn't have thought of on your own, and then synthesizing that down into this is the best path of the idea that's really clearly built along the lines of how a venture firm would de-risk an idea. So, that's the arc. There's eight stages. It takes an idea that you've been carrying around and gives it a real venture-backable form. You start with the problem, why you're the right person to solve it, you test the timing, the market, the buyer, and the competition.

You sketch how you'd get a first version off the ground in six months, and then how it grows to a national brand with a lot of customers and a hundred million dollar in revenue. And you get honest about what you can commit right now. At the end, the concept pitch that it'll generate is something that you could share with an advisor or someone else in your network to get their feedback on whether this is something you would actually want to pursue.

And so, here's how you get it. So, go to the Startup Physicians website, www.startupphysicians.com, open the resources tab, and choose the concept pitch builder. You download it and it'll give you instructions for running it on your favorite AI, and when you get to the end, if you're proud of what you built, send it to us. We are running our incubator program now and we will continue to support other physician founders through these cohorts, and we'd love to see what you build. I want to remind you that ideas are cheap and it's execution that matters.

## Turning your idea into a concept pitch

What you're sharing in this concept pitch builder is the sort of thing that would need to be clear in a pre-NDA conversation. So, it will be general enough to demonstrate is this something that could be a real big idea, a real venture backable company, and we'd love if you would share it with us. We are still accepting applications to the incubator as of now, and we have a great group that we are supporting over the next 6 months. It is not too late. So, if you are interested in at least testing your concept, seeing if it could become a $100 million company, I think it is absolutely worth your time to spend 30 minutes or so going through the tool and seeing what you come up with. We're happy to support you and would love to hear from you with your feedback. Thanks for listening. Thanks for listening to the Startup Physicians Podcast. This community was built for doctors who want to contribute to the future of health care. We offer support for physicians who are ready to make the next step towards building the career they've dreamed of.

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