Introduction: Buying Back Your Autonomy

Today we're talking about buying back your autonomy, specifically when and how to leave the hospital system or large group and build your own independent practice.

Now, let me say this clearly up front. Independence is not for everyone. And leaving hospital or large group employment is nothing to do impulsively or emotionally.

This isn't about burning bridges or reacting to a bad quarter or a frustrating meeting. It is about making a thoughtful, strategic decision about the next chapter of your career and executing it in a way that sets you up for long-term success.

Welcome to Medical Money Matters, the podcast where you can find experts, answers, and resources so that you achieve mastery over the financial and business aspects of your practice.

Hello everyone, I'm your host, Jill Arena. I began my career in accounting and finance and have more than 30 years of experience running medical groups.

I own and operate a national healthcare consulting and revenue cycle company, and I am the author of Physician Heal Thy Financial Self. In 2020, I co-founded the Physicians Leadership Project, And in 2025, released Physicians Edge, the first of its kind CME-accredited online business education for physicians.

My passion is to increase financial and business literacy for physician. Episode 168, Buying Back Your Autonomy, When and How to Leave the Hospital System or Large Medical Group.

There was a time when hospital or large group employment felt like the safe choice. Predictable income. Built-in infrastructure. Someone else worrying about staffing, compliance, billing, and contracts.

Why Physicians Consider Leaving Employment

For many physicians, it felt a reasonable trade, giving up some control in exchange for stability. But over the past several years, something has shifted.

More and more physicians are realizing that while hospital or large group employment may reduce certain risks, it often introduces a different kind of cost.

Less autonomy, less flexibility, and less influence over how medicine is practiced day to day. Schedules are set by committees. Compensation models feel disconnected from effort or quality.

Decisions that directly impact patient care are increasingly made far away from the exam room. That's why today we're talking about buying back your autonomy, specifically when and how to leave the hospital system or large group and build your own independent practice.

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One of the biggest mistakes physicians make is assuming that independence is either wildly risky or impossibly complex. The truth is, when done correctly, it's neither, but it does require clarity, preparation, and the right

sequence of decisions.

The first question isn't how to leave, the first is whether the timing is right. Many physicians reach a point where the friction starts to outweigh the benefits.

You may notice that each year brings more administrative responsibility without more support. Productivity expectations creep up while clinical autonomy shrinks.

Compensation formulas change, often in ways that feel less transparent and less favorable. You may feel like you're working harder, seeing more patients, yet somehow enjoying medicine less, perhaps even taking home less.

For others, the misalignment is more subtle. You are successful by most objective measures, but the system no longer reflects your values. you want more control over staffing, scheduling, or patient experience. You want to invest in your practice, instead of asking permission for every improvement.you want build something that reflects how you believe medicine should be practiced.

There are also personal factors. Career stage matters. Early career physicians often value mentorship and income stability. Mid-career physicians may start thinking about sustainability, burnout, and leadership.

Myths About Independent Practice

Later career positions may want flexibility, succession planning, or a legacy practice. Family considerations, geographic flexibility and risk tolerance all play a role.

What we always emphasize is this, independence works best when it's proactive, not reactive. Leaving because you're angry or exhausted rarely leads to good decisions.

Leading because, you've clearly defined what you want to build and why, puts you in a position of strength. Once that decision starts to take shape, it's important to understand what independence actually requires.

There are a lot of myths that still circulate. One common myth is that independent physicians automatically make less money. In reality, many physicians discover that once overhead is properly managed and compensation is aligned with productivity, independent practices can be financially competitive, or better, over time.

Another myth is that hospitals or large groups are inherently more stable. Hospital systems are large, complex organizations with their own financial pressures.

Independence shifts risk, but it also restores control. Predictability comes from planning, not from employment status. A third myth is that you need to be a business expert to succeed.

You don't. What you do need is access to expertise. The most successful independent physicians are not doing everything themselves. They are making informed decisions with the right advisors at the time.

At Healthy Practices, we've facilitated more than 100 de novo medical practice startups across a wide range of specialties. What we've learned over a couple of decades is that success is not about brilliance or luck.

It's about process.

Planning Timeline for a Practice Transition

When the right steps are taken in the the order, outcomes become far more predictable. That predictability starts with a realistic timeline. You're listening to Medical Money Matters, a weekly podcast brought to you by Healthy Practices, A healthcare consulting and revenue cycle company dedicated to keeping our clients independent.

If you're looking for more ways to strengthen your business skills, check out Physicians Edge, our mini online MBA

course designed to help physicians master the financial side of their practice.

You can find that and more about how we support practices like yours at HealthEPS.com. That's www.healtheps.com. And don't forget to follow or subscribe so you'll never miss a new episode.

For most physicians, the journey from employed to independent takes about 9 to 12 months of intentional planning before opening the doors. That timeline isn't a burden, it's a buffer.

It creates space to make good decisions instead of rushed ones. In the early planning phase, roughly 12 to 9 months before launch, the focus is clarity and feasibility.

This is where you define what independence actually looks like for you, solo or group. full scope or niche, growth oriented or lifestyle oriented. This is also where legal review becomes critical.

Employment agreements, non-compete clauses, nonsolicitation provisions, and notice requirements must be clearly understood. this is not something to skim or assume.

Missteps here can delay or derail a launch before it even begins. Financial modeling is another key component. You'll need a realistic pro forma that accounts for startup costs, operating expenses, payer mix, ramp up time, and working capital.

This isn't about best case scenarios. It's about understanding the most probable shape of the first year, so there are no surprises. As you move into the design and infrastructure phase, around nine to six months before opening, the practice begins to take form.

Business entities are established. Tax strategy is clarified. Banking relationships are set up. Location strategy becomes a major focus. Site selection, lease terms, and build-out considerations all have long-term implications.

A good lease in a good location can support your growth. A bad one can quietly drain profitability for years. This is also where decisions about your operating model matter.

What services will you offer? What staffing model makes sense? what technology will support, not hinder, your workflows?

Launching and Managing the New Practice

EHR selection, billing systems, phone systems and reporting tools should align with how you want to practice, Not just what's familiar. Many physicians find the myriad decisions fatiguing.

many find them fun. As the launch approaches, roughly six to three months out, the emphasis shifts from planning to execution. Credentialing and payer enrollment and contracting are critical during this phase, and delays here are one of the most common causes of early cash flow stress.

Starting early and tracking progress matters. Hiring also requires careful timing. Bringing staff on too early increases overhead before revenue exists.

Hire too late creates operational strain. The goal is alignment, having the right people, trained and ready, as patient volume ramps up. Policies, workflows, and compliant processes are established during this phase.

This is where operational discipline begins. Clear expectations early prevent confusion later. Again, you don't need to create these all on your own. A good consultant will come with a toolbox full of things you need make this part straightforward.

Marketing and referral strategies are also part of this window. Independence does not mean invisibility. Clear messaging, outreach, and relationship building ensure that when the doors open, patients follow.

Then comes launch and the months immediately after. This period is often emotionally intense. Volume builds gradually, cash flow lags behind clinical work.

This is normal, but it's only manageable if it was anticipated. Monitoring early metrics matters. Scheduling efficiency, collections, days and accounts receivable, and staffing utilization all provide feedback.

Adjustments are expected. No startup is perfect out of the gate. One of the most important shifts during this time is leadership. As an owner, your role changes.

There are moments to be deeply clinical and moments step back and lead. Knowing when to do which is a learned skill and one you'll pick up over time. Across all of these phases, there are a few high-level tasks that consistently assure success.

First is financial clarity before emotion. Independence should be driven by understanding, not hope. When physicians know their numbers, fear loses its power.

Second is realistic expectations around ramp up. Early discomfort does not mean failure. It means you're early. Practices that plan for this period weather it calmly.

Third is strong operational leadership. This doesn't mean micromanagement.

Keys to a Successful Independent Transition

it means clear roles, accountability, and communication. Fourth is advisor-led decision-making. Legal, financial, and operational expertise prevent expensive mistakes.

Learning everything the hard way is not a requirement of independence. And finally, independence must be intentional. The goal is to not create a hospital inside a smaller building.

the goal to design a practice that supports both excellent care and a sustainable life, on your terms. There are, of course, common pitfalls. Underestimating startup capital is one.

Waiting too long to credential is another. Hiring without clarity or avoiding hiring out of fear can both cause problems. Trying to do everything alone is perhaps the most common mistake of all.

Independence does not mean isolation. The most successful physician owners are well supported. If there's one takeaway from today, it's this. Leaving the hospital system or large group does not have to be a leap of faith.

It can be, a strategic transition. With the right preparation, the timeline, and the support, independence becomes structured, predictable, empowering.

At Healthy Practices, we've been humbled to help more than 100 physician groups successfully launch independent practices, and we're always happy to be a resource, whether you're actively planning or just starting to explore the idea.

If you'd like a practical next step, message us at dave at healtheps.com and we'll send you our well-tested practice startup checklist for free. It's a simple, tangible way to understand what's involved and where you are in the process.

Until next time. Thanks for joining us on the Medical Money Matters podcast. Ready to take control of your practice's finances?

Closing Thoughts and Resources

If you're just beginning, grab your copy of my book, Physician, Heal Thy Financial Self, available now on Amazon.

It's packed with actionable insights to transform the way you think about your practices' finances.

Also available in Kindle and Audible formats. Visit healtheps.com, click on products and books to get started today. Until next time, take charge of your financial future and keep your practice thriving.

See you on the next episode of Medical Money Matters.