Introduction and Guest Background

Everybody. I have Doctor Cindy White's today, and, I am so excited for this episode. Because I've been following her on her, on her podcast for a while now, but, Doctor White's is a, Phyllis of shame.

Board-certified, pain medicine, physician who started on practice, grew to 11 providers and built a massive 25,000 square foot, medical office building to house a clinic and multi-specialty ambulatory surgical center.

So that's a tall order. I know that, firsthand. And she also owned an anesthesia company, imaging center and, bunch of other different integrative medical businesses.

She's got a lot of experience, doing that. And now she teaches other physicians, like myself the business of medicine so that I can, you know, start and run and just grow with it and leverage their practice and use 7 or 8 figure businesses and then scale on further from that.

So, super excited to have you here and, have you take some time out of your day. So thanks for being on. Thank you so much for having me. Yeah. So, yeah.

So, you know, I've been following for a while, and so I feel like I know you, because I kind of listened to your podcast quite a bit. And even listened to it quite a bit.

But I brought you on, specifically to address some of the things that that was huge question marks for me when I started private practice and even right now, but, but here's some bullet points that we're going to talk about.

We're going to talk about, really, the foundations of private practice and what it really needs and what processes and workflows really need. When to talk about, profit and revenue, cycle management.

We want to talk about, building a team and what is, what does that look like? And human resources, I want to talk about growth. When I talk about scaling out in providers.

And it's a short talk when I feel like going to conquer quite a bit. But the nature of this is going to be, very much into an operating system, into what really should our mentalities, the mentalities be as physician owners and physician practice, managers as well to, to start, scale, execute, keep on growing and not to be at stasis.

So thanks for coming on. So let's just kind of jump into that first point, is, let's talk about the foundation. And then when I start a foundation, and, I and I talked to Doctor Brant Lacy on another episode about this, and we went so deep into processes and workflows and stuff like that, which are seemingly boring at first.

And I realize that's kind of the foundation. So, what does process and workflow really mean for you?

Why Processes and Workflows Matter

It means that basically every single step of everything that happens in your practice has to have a step by step process. And, you know, one of the things I think is very interesting is that most people, before they actually come to own their own practice when they're simply in for employed physicians, they they show up, they go into an exam room, they don't really have any sense of what happens.

Okay. And you really need to have a process. Everything from how does that patient actually schedule that new patient appointment? Does it come by a referral from another office?

If it comes from the referral from another office, do they send it to you as a fax? Do they send it to you by, it through

a portal, or do they send it to you by snail mail?

Who in your office is going to call that patient? Or how does that patient actually get scheduled? If you want medical records, how do the medical records get obtained before the visit?

Every single step of every task in your office needs to have a written down process, and you need to understand, you know, before you start thinking about it.

And we'll talk about team and human resources. But before you even think about hiring people, you need to really understand every single task that is going to need to be done in your office.

For example, front desk. Who greets the patient? Is that the same person who's going to answer the phones? What happens when the phone is ringing in? The patient is at the front desk.

Okay, which takes priority. You need to have a script for all of those things. And so, you know, and then workflow, are you going to have block time. Do you see a certain number of new patients a day?

Do you see a certain number of follow ups today? How are they scheduled? Are they scheduled at 15 minute intervals, 30 minute intervals. Are they interchangeable? Who makes those decisions?

Do you double book every single step in your office needs to have a process. What? What happens if you don't? Oh my God, then you have absolute chaos.

Total experience that yeah, you have absolute chaos. First of all, if you don't have a process, let's say, I'll give you an example. Patient shows up and they're late.

Okay. They had a 9:00 appointment and they're now here at 930. If you don't have a written process for how that patient is handled, the person shows up at the front desk.

The front desk employee has deer in the headlights look on their face because they're unsure. Should they reschedule the person? Should they fit them in?

They're calling to the back to talk to the medical assistant. Hey, conductor. Wait. Still see this patient? Well, if we do, then she's going to run that much further behind.

It creates absolute chaos. Right. And one of the ways that you make your practice run smoothly is to have everything be automated. If there is a process, there is an algorithm, then people are not wandering around going, gee, I wonder what I do now?

Yeah, you know, I'm gonna say that I 100% experienced that before I first started out. And even even now, because what we find is that, there's nothing that's too detailed to to put down into the process.

And it's because, you know, first we very general had an outline, and then we were much more structured just because we suffered so much through these pain points.

And you give a fabulous example of when the processes could be corrupt and all of a sudden pandemonium occurs and it affects patient care. And so I think that I think that, you know, there's already very few minutes that physicians already spent with a patient, and you're going to take away from that.

If you don't have that process and it takes away from the patient experience, which is extremely important. And then the other thing is, and I want to this is sort of a follow up question to the first one now that we talked about processes, is that when I talk to a lot of my buddies who are private practice owners and managers, turnover is a big deal.

Especially since the pandemic really started. And, in when you have high turnover, which means you have to

interview for new staff and train, if you don't have those processes documentation, it is excruciating, difficult to to train that person.

Can you comment a little bit about that? Yeah. Well, absolutely. So first of all, you need to have a policies and procedure manual. Okay. For that, you share with every single employee.

One of the reasons for high turnover, high turnover is when you don't have consistency, right. If you give people a process to follow, it actually decreases their anxiety and it improves for the worker satisfaction, okay.

Because they know what they're supposed to be doing. Right. And the other thing that I would tell you is, and this is not necessarily when you very first start, because you may not have enough staff, but you need to be thinking about the ability to train the trainers.

Okay. So for example, if you have a front desk person, that person, sooner or later you have that person with the lead who then is capable of teaching other people the same process.

And if you always like, for example, if you have a phone script for how, how do you answer the phone, you know. Hi, this is Sandi from Comprehensive Pain Management.

Right? If you have a script, then you can give that script to the new employee. You don't have to then basically recreate the wheel and hope that they're going to kind of catch on.

On how to do this. And then the other thing I'm going to talk about and we'll talk about it, I guess, for other human resources, is you want to cross-train people because, for example, let's say that you have when you're first starting, you may have one front desk person and 1st May well, if your medical assistant only knows how to do the medical assistant test, doesn't know how to check people in at the front desk.

If the front desk person calls in sick or, you know, God forbid it takes a vacation, then you're up a creek without a paddle. If you have a process for everything, then you actually have the ability to have staff take on more than one role because there's a clear cut what they're supposed to be doing.

Right. So as we're talking about that, let's kind of jump into the sort of the human resources, side of the topic because I think that, with what you're talking about in your example is that if everything is documented, processes is down and trained, and you're able to train the trainer, which is, very undervalued concept.

And once you able to train the trainer, you have multiple, safety nets that could be created and that can only happen if the processes are well documented.

You know, we use this platform in our office called trainer, which is, basically it's a digital online training platform. There's videos, there's, there are, things written down, PDFs, but there's also training and certifications through it.

And it wasn't until we really started that that the culture of our practice actually became a lot better. People became very cohesive. But let's talk about something which I think is very counterintuitive and this is probably dealing with human nature, is that, and especially, myself.

When I first started, I was pretty meticulous about each of the process, you know, micromanaging a bit to a fault. Not a bit. A lot to a fault. And, a lot of times when I feel like, hey, I'm documenting my processes and procedures, I don't want to make my employees feel like they're dumb.

And why is this so detailed and documented? And I realize that by not doing that, it was taking away their senses of safety. Do you see that pretty often in some of the people that you talk to?

Yeah, absolutely. I think that human nature is to assume that something is obvious or intuitive when it's not. Yes. And the other thing that I need to tell you in this is probably politically incorrect and not nice, is that most of the people that you're going to hire for your front office, for your medical assistance, okay, have, you know, a college

have a high school education, maybe they have some technical school if they're a certified medical assistant, but they are, you know, slightly more than minimum wage employees, right?

We are not talking about people who have PhDs in running an office. And so you want to take the decision making away from them because it actually gives them a comfort level.

If you tell them the answers to the questions when you when they have to basically freelance because you are not clear, it actually creates more anxiety for them.

And so yes, absolutely. You know, the fear is I'm going to make you feel like you're dumb. If I tell you this. Right. But the reality is, is that it's all about communication with your staff, okay?

Training, Cross-Training, and Team Consistency

If you frame it in such a way that this is our practice policy, this is how we do things here at Bob's rheumatology clinic where Doctor Whites is clinic, right?

If you frame it, as I'm telling you, the way I want you to manage this, it doesn't come across as I think you're stupid and that's why I'm spoon feeding you.

It comes across as this is our process. If you, you know, look, if you go to work at McDonald's. Right? Why is it that whether I have a Big Mac it in Baton Rouge, or I have a Big Mac in Los Angeles, it's exactly the same Big Mac because somebody wrote down, right?

This is exactly how you do every single step. And and that's the way in which ultimately you are going to grow. Because you know what? The goal here is not only that you start, but when you bring on that next provider, right, who needs another medical assistant because you now have growth, right.

Some that that medical assistant needs to know what what's the policy. All right. What happens when the patient is late. What happens with phone refills.

What happens with. So if you have that standardization then your growth becomes that much easier. If you go to a person, you get a satellite, okay. And you want to start up the satellite, you need to hire more staff.

Well, somehow or another, if you don't have that process already written down and for them, how are you going to get that satellite up and running? And it just goes on.

I mean, I can go on and on from there. I feel like you've had experience in this area just a little. You know, we've all sort of tasted the pain and we've had satellites as well.

And you're right, when I want to go from one to multiple locations, I mean, the process has to be documented. It's got to be very tight knit and otherwise it is pandemonium will occur, especially when you're trying to develop a satellite and then, a pandemic hits, which is that could happen to me.

And then you feel the taste of a blade of, of just unpreparedness of a lot of things are, are jot down. And that's absolutely true. So, you know, I think, you know, a little more on a topic of, of, of, us trying to sort of manage everything in the very beginning is that, we can't grow, we can't, scale our practices if we're the one that is doing everything.

And then, and we end up being the one doing everything, a lot of the processes are assumed and they're not written down. So from a scaling standpoint, from multiple satellites and other providers and stuff like that, I think that being turning from, like, going from, an ultimate sort of micromanager into someone who's able to delegate and is able to delegate comfortably.

How do you how do you make that switch in your, in your mindset? What does that take? It it really takes it. Well, it

takes two things. It takes comfort in the fact that you actually know every single step, you know.

And I want to come back to this, for everybody who is just starting a practice or even if you're already up and running, I would challenge you to take it doesn't even have to be a day, half a day, and actually follow each member of your staff around and make a list of what they do.

And, you know, as I said, how does that new patient get scheduled? How does that patient get checked in every so that you get to be comfortable with each part of this?

Once you're comfortable with that, and then you start to hire people who can help you like that office manager. Right? Like that front desk lead. Right?

Then it becomes easier to say, okay, I'm comfortable with you doing this piece, and you report back to me. I mean, I will tell you that you basically never stop being the micromanager on some level, but it is a you learn how to be at the 30,000ft view, dive down, be in the weeds for a little bit, and then come back up to the 30,000ft view.

Because if you can't see that there, there's always in the weeds. You Kaikoura. Reminds me that show an undercover boss is very much where you kind of go all the way down to see exactly what's going on.

You learn a lot about your business, you know, I always thought that was a sort of a funny show, but. But, it's funny because I took a lot away from that show, and I did go into the weeds.

I sat at the front desk, actually, picked up a few phone calls myself and just kind of observed, and, and see, a lot and, you know, just doing that for good.

Two days I was able to observe so much. And we created processes and procedures that's really able to over deliver for our patients. So I kind of became the undercover boss for, for a little bit.

It was it was actually a lot of fun. Well, it don't laugh because I think that you really need to be a seek what I would describe as a secret shopper.

Call your own practice. All right. From a number that's not yours, and see how some how they answer the phone. Right. The test out the systems to figure out kind of where you are.

And then one of the things that I would tell you is very important for anybody who's, you know, trying to do this is not to abdicate your role, okay? A lot of times what happens is people say, oh, I'm going to hire that, front office person, or I'm going to hire the office manager, or I'm going to hire a CPA who's going to put together my profit and loss statement.

Yes, you will ultimately have a team of people who provide different roles, but ultimately it's your business, and you actually have to understand all the pieces of the business and manage that business, because if you abdicate, you know, let's say contract negotiations, yeah, somebody else can do it for you, but you still have to be involved every month.

You need to look at your own reports, not just have somebody give you the reports and you go, oh, okay, I got money in my checking account. No, no, no, no, you need to look at the reports mean it's a matter of fact talking about micromanaging it will be very honest with you.

I'm the person who worked at our numbers. I could run my own reports. I looked at our numbers pretty much every single day. How many? How much do we put in charges today?

How much do we collect today? That way, when Blue Cross had a hiccup and didn't pay us because they had a computer glitch, we knew long before we got to the end of the month that Blue Cross was not on track to be where they were supposed to be.

Similarly, you know, everybody talks about, oh my God, and I have so many denials. All right, look, you should know whether you're getting denials. You should know what you're getting denied for.

They the rules change, okay. Whether it's the local carrier determination for Medicare changes or, you know, one of the commercials says it's no longer medically necessary.

If you are constantly looking at your own reports, you will know and be able to modify your practice long before it gets to be a problem. So that was a really good example.

These, quote unquote glitches, in a computer where all of a sudden you're not on someone for a short change of about $0.07, sometimes $2. They actually happen pretty often.

And I would say that, out of a lot of the people that I talk to, probably less than 1%, they will even pick that up in a revenue cycle before like six months is up.

Well, there's a there's a really good reason that that is a problem. And I want to point that out because I talked to so many physicians who do not have their contracted fee schedules loaded into their practice management software.

Okay. You cannot just look at the EOB and like, for example, you you are supposed to be paid $95 by Blue Cross. Okay? You can't look at the EOB and see that they paid you X amount and have your biller or whoever go, oh that's fine.

All right. If you're if in your practice management software, you have the blue Cross fee schedule loaded and it says $95, then it automatically kicks it out and tells you that you are that $0.07 short in your example.

Delegation, Oversight, and Revenue Cycle Management

Okay, in some sense may not seem like a lot, but if you have, you know, hundreds of people that are $0.07 off over the course of months or years, that turns into a lot of money and there's no reason to lose that.

You know, I think one of the things is two things, and this is probably switching gears on you to to growth and scale. And in a way, I think that there is a tendency for people to think, you know what, I just need to grow.

I need to add docs, I need to add mid-levels, I need to add satellites, I need to add other services. You can do that efficiently or effectively until you have all of the the foundation, all those processes in place and until your revenue cycle management is as tight as it can be, you want to make sure that you get paid every penny that you're entitled to be paid.

I don't think I'm going to make more money by doing more work. That's not the right way to think about this. It really is. I need to get paid the most for the work that I'm actually doing, and then I can figure out how do I grow from there.

Yeah. But how do you know your revenue cycle management is tight? Like what? What should the gauge actually be? Well, there are multiple components okay.

So number one, how long does it take you to actually drop the charge. So from the time you, you know, finish the note to when that charge actually gets to the insurance company is is often a problem because we think to ourselves, oh, I saw this patient today and I should get my money in X amount of time.

Well, first of all, if you don't finish your notes today and the charge doesn't get dropped today, it doesn't get dropped for a week. The clock doesn't start until the insurance company actually gets the money.

And this becomes a real problem when you have multiple providers, right? Because if you are the only one and you're not finishing your notes and shame on you, but when you have other docs or other people who are dropping charges, you have to babysit them to make sure that they're dropping their charges.

You want to look at your accounts receivable, basically Medicare. If you submit your charges electronically, is supposed to pay you in 15 days, right?

Most states in the in the country, the commercial insurers are are by, according to the, insurance commissioner supposed to pay you within 30 days. So basically 90% of your accounts receivable should be collected in the first 90 days.

And the vast majority of it in in the first 30 days. So people who have money that's out there, you know, 100 and 2050 days or more for a your chance of actually collecting it is pretty small.

Okay. And then the big question is why? So how long does it take for you to drop your charges? What are your accounts receivable? What are your percent clean claims that'll tell you how well you're billing.

People are actually getting your claims out. Right. Because if if you are constantly having to go back, not you, who's ever doing the billing right has to go back and resubmit a claim either because it it's not a clean claim or it's denied, or they're asking for more medical records that only delays how long it's going to take you to actually collect your money.

So those are some of the metrics just to start. You know, that's a lot. And I think that, some of the people kind of listening to this is kind of going, oh my gosh, I haven't done this yet, but but trust, rest assured, for those listening to this, you're not the only one.

Probably most people listening to this are kind of thinking along that lines as well. But, I mean, that's why we have this summit is always sort of this room, that, we always want to grow on.

And even if the most buttoned up practice still has, areas of improvement in these specific areas that it's really. Yeah. Right. So so let me tell you that this is an ongoing every day struggle, okay?

I mean, and when I tell you this is something that I worked on pretty much every day in my own practice, because as I said, you want to get paid for the work you do, right?

You want to know if you're getting denials? Why am I getting denials? How do I you know, if I'm getting a denial, then it's not oh, I got a denial. It's do I change?

Do I change what my notes says? Right? Do I need to rethink what's medically necessary according to this insurance company? You know, how how do I, I might have how do I modify this?

I think one of the things that is a mistake is this idea that I'm going to set it and go. Managing your practice is completely dynamic. Every day is a new day, and you have to work on it every day, right?

Absolutely. So, let's shift the gears a little bit to, to practice start up. Probably because as we're as you're talking, one of my friends is actually starting pediatric practice, just texting me about what printers and ink we actually use.

So, instead of giving, instead of addressing that, let's, let's, let's address, from a startup perspective, there's a lot of people we're listening to who either just started off, has been in practice in the earlier years or thinking about doing private startup.

Right. Like like my friend here. Besides printer ink, what do you think is really the most important thing to think about when you're first starting out?

Well, it's certainly not printer ink. Okay. And. You know, we it it really is space. And personnel. And I think that there are two parts to that. Number one, you need to think about how much space do I need now and how much space do I need in the next three years?

I would strongly encourage people not to rush out and buy a building or buy a space. Because a that takes on a

whole bunch of costs and risks that you don't need in the beginning, but be you have really no sense of wait your ramp up and what your needs are going to be.

Right. So you could end up with too much space and too much expense. Or if you're like me, you can end up with too little space and then run out of space and need to move.

So if you buy something, you're stuck. Okay, I would tell you that most private practitioners need three rooms to start. One to put the check the patient in, one to see the patient, and one for the patient who's leaving.

About three rooms, like per practitioner. Per practitioner. Okay. And so, you know, if you are first starting out and you think that, you know, I'm signing a five year lease, I would tell you to get probably closer to five exam rooms so that if you decide that you want to hire either a mid-level or another doc, you have a little bit of wiggle room.

I'm a big fan of subletting initially, if you can. Because it gives you more flexibility and less risk. I think the other thing that people, you know, kind of don't think about is personnel.

I have talked to so many docs who want to do this on the cheap, okay? And they're like, oh, I'm going to do this myself, and I'm going to do that myself.

Okay. Let me tell you that a Medicare follow up, right, nationwide is, you know, like A9921399214 is probably in the $90 range, right. And most of us can see four of those in and out.

Three if you hire a medical assistant for $15. Right. And that medical assistant can help you see one extra patient an hour, it should not take you long to figure out that it is cost effective for you to actually have enough staff, so that you are not the chief cook and bottle washer doing everything.

And I think that's something that when people are first starting out, they're so afraid of of the, you know, personnel cost because in most practices, personnel really makes up the largest part of your overhead.

And that's where people try to get away with less. But if you think about it, it's actually the one thing that makes you more productive. You know, personnel and square footage are really high up there.

Yeah, absolutely. But yeah, but printer ink is I think is also relatively important. Unless you're like me and want to go digital for everything because we've spent way too much on ink the first year.

But you, you bring up a good point. Is the personal cost, right? Is really understanding what is your fixed and variable costs and how you can drive some of them down.

And the personnel is probably the most expensive thing, if not the second most expensive thing that's really on your, on your list. And so, how how do you think?

And, you know, I talk to people who are just starting out and, one of the first questions that I have for them, always throws them off a little bit. And, I'm asking, well, what is your exit strategy in the next few years?

So, and what do you mean? It's funny that you said that because that was actually what I was thinking when you said to me, what's the most important thing when you start?

And that is the most important thing when you start? As a matter of fact, I made myself notes of what I wanted to make sure not to forget. And exit strategy is on my list.

Yeah, I mean, the point you you cannot decide that. Hey, I'm tired and I want to retire. And so I'm closing up shop without and. Okay, so now what are you selling your practice?

Are you selling it to your associates or are you, you know, what are you doing right? You have this book of business. You have this group of patients.

You have to have a plan. Absolutely. I it takes time. I think that, you know, people were just like, hey, I'm just going to start the practice and just figure it out later.

And I really encourage a lot of my colleagues that and when you do in practice start up, you know, designed with the exit strategy in, in mind in the first place.

And you may want to practice that 50 years. Go ahead and do it. Power to you. But there's, there's always, things that come up and we have to really maintain our setting.

That's for ourselves. You know what I think there are? I think the other reason to think about the exit strategy is this because exit strategy and growth and leverage are all part and parcel of the same thing.

Okay. When you were starting the practice, it's all you. But at some point you're going to want to take a vacation and you're going to want to take a vacation that lasts for more than a week, right?

At some point, you want to be able to leave early so that you can go to your kid's soccer practice at some point. God forbid somebody in your family is going to get sick, right?

And you may need to take some time off. If you are the only person who's generating revenue very, then you will have enormous anxiety. Any time there's any kind of a glitch, you know, and you know, if you and what happens if you become disabled, what happens if you die?

What happens to this practice. Right. And and so you basically have to be thinking to yourself even from the beginning, what are what are other ways for me to leverage this?

Can I bring on other revenue streams that make money when I'm not physically seeing that patient?

Startup Planning: Space, Staffing, and Profitability

Can I bring on other dots? Can I bring on mid-levels that will generate income? Can I bring on, you know, psychologists, massage therapists, in your case, the health coach.

Who else other than me, you know, can generate revenue. So it's not always about me. Right. And so another, another common thing that I get, especially, in the startup world in medical practices is, this concept of, when am I going to hit profit?

Like, how on how long does it take for me to start and be profitable? And then when do I actually bring in another provider? So these are probably the two most common things that the I get.

So I kind of want to touch have you touch on those two points. Yeah. So I would tell you it's going to take you six months to a year to be profitable.

There, no matter how you slice it, there is some amount of startup cost and you will have some amount of operating cost every month. And as I alluded to in terms of accounts receivable, right.

You see patients today and you are you may or may not get paid for some amount of time unless you're entirely cash pay practice, which has its own set of issues.

All right. Realistically, there's going to be probably a 30 day delay. So you have to add in on day one. No matter how magnificent a physician you are, you are not going to have a full practice right.

You're there is a ramp up period. And even if you have a back load, you know, of referrals, every every patient that first week, that first month is a new patient.

So you're not seeing them at follow up pace. You're seeing them at new patient pace because they have to be

entered into the system. They have to be entered into your EMR, etc..

So realistically, it's going to take you probably about six months to turn a profit, meaning that you've paid off what you had in your startup, and initial operating expenses and are now bringing in more than it's costing you every month and six months.

I think is an optimistic number. So so let's get to defined profit for a second, because, there's two groups of people, that I, that I've seen, the, the one group is they start their practice, and they consider the salary to themselves part of the overhead.

And the other group is that they just don't pay themselves, until they forcing themselves to be to be profitable. Should your own salary be part of the overhead calculation? Yes.

And the reason for that is, unless you're independently wealthy, you need to make some amount of money while you're working for those six months. Right?

Unless you have stored up that much of a nest egg. And actually anybody who's ever gone to the bank for a startup loan for a medical practice, the bank assumes that you're going if you're if you come to them with a business plan and your business plan does not include a salary for yourself, they're going to laugh at you because they know that you have to have some amount of money. You're not going to start for those six months.

So yes, the salary absolutely has to be part of that calculation. And then to come back to answer, when do you need another physician or when do you need another provider.

Right. So this again, may not be politically correct. I'm personally a big fan of mid-levels as an extender. Two things about that. I think mid-level should always see follow ups and not, new patients.

I think patients want to see physicians. That's better patient care. But I think if you have a stable patient who has a routine follow up and you have spent the time and energy to really educate that mid-level in your policies in and it is really an extension of you, there's no issue with that.

The other thing is, I think the mid-level needs to be in clinic with you. There are two reasons for that. Number one, it's better patient care. You can answer any questions that they have in real time.

But the other reason is because you can build incident two and the mid-level gets paid in 100%. If the mid-level it sees the patient alone and you're not in clinic, then if they get paid 85% to, why in the world would you take a 15% haircut when you don't need to?

Okay, so most mid-levels, basically generate three, 2 to 3 times the revenue that they cost you just as a kind of ballpark. And they're easier to come by than physicians.

Okay. If you're going to hire a physician, unless you happen to know somebody, it's really going to take you six months to a year to find that physician and bring them on.

And the reason for that is because they need a license in your state. They need to go through the credentialing process. And that can take, you know, months.

And so when you when do you start to think, oh, I better look for somebody. Well, you know, if you're looking for a another provider, come back to a generic provider for a second.

When you are seeing more, follow ups and don't have room for your new patients, when you have a wait, a waiting list, you know your next available appointment is more than two weeks.

I would tell you you need to be looking for that next provider. And if you're at that point, I would encourage you to look for that mid-level because that's going to solve your problem within a month to two months.

Whereas if you're at that point and you're looking for a physician, you still have probably ten months of to a year of treading water. And until that person arrives now, I'll tell you two things.

Number one, in order for a practice to grow. So if you think about it like a funnel, right. Basically you have new patients coming in, but if you, depending on your specialty for most specialties, people keep following up.

So if you're a good doc, you have relatively few people who are coming out the bottom of the funnel. Right? So once you fill up this bowl, right, you don't have the ability to keep seeing new patients because you're so your schedule so full of these follow ups, and then you end up saying, I'm sorry, we don't have any availability for a new patient.

Oh, it'll be two weeks. It'll be four weeks. You know what? That's a great opportunity for me. As soon as that happens, I'm hiring that new doc and saying, hey, I can get that patient in tomorrow, right?

Because nobody wants it. Nobody wants to hear that it's six months for the next appointment to see a neurologist or rheumatologist that you know, a routine.

I want to establish care with a family practice or an internist. It's going to be three months for me to be able to see them. That's an opportunity for your competition to scoop those patients up.

Speaking of competition, you know, so there's some people who are listening to this are in relative competitive fields. I personally am not. So I have the luxury of being one of the more unique practitioners.

So let's talk about, especially in the beginning, how should how should they be finding their, their niche? How is some of these practitioners be, growing through marketing or marketing their niche? What is it? What does that look like?

So I think a couple of things. First of all, I'm a big fan of actually doc to doc referrals. I think that that is a much more effective manner of getting patients than trying to get them through social media, like trying to get a patient at a time. Right?

If you have, depending on your specialty. I mean, like as a pain specialist, if you happen to, you know, hit it off with an orthopedist who sends you 20 patients a month, right?

That's a whole lot easier than if I have to go find 20 individual patients. It is about, you know, in terms of your niche. So, you know, if you speak a language like, for example, I, worked with a, pulmonologist in Houston who is one of the few Spanish speaking physicians in Houston, has a whole lot of Spanish speaking people.

Right. I know a urologist, who is a woman in, Texas who speaks Chinese. Right. And and so, you know, if you have something that's unique, certainly go into the community and tell people I have that strength.

But at the end of the day, it is really about that, that personal interaction. Right. Your best marketing tool, your best way of creating, you know, an opportunity for yourself is make an appointment and go talk to the doctors.

Give them your cell phone number, tell them that you have ready availability, right, and just be a real person. That will get you further than anything else, because at the end of the day, if I refer a patient to you, I want to know that you're going to send me a copy of the note, that you're going to treat my patient with respect, that you're going to communicate with me, that you saw the patient, you know, send me a text, send me some kind of acknowledgment that you and I are part of the team together.

Right? I think that's really a lost art. I mean, we can talk about ads and Google ads and Facebook ads and TV and radio and all of those have a role, but none of them have as much impact as that personal relationship that you can establish with your referral sources.

100% agree with you. So, you know, I see people trying to run Facebook ads and all this stuff like that. And then, in

this day and age, especially, in 2021, I think, I think the general public can, can sort of sniff through bullshit, if you will, when it comes to, to ads and stuff like that.

So what's converting? Converting means basically having someone see your ad and then, them any money or them being your patient and gives you money. So I call it a conversion.

So the conversion is significantly less when it comes to medical this year, ever since the pandemic hit than ever before. But you're right. I think the referral side is massive.

And, what people don't understand is that in 2020, hit, there's actually, reimbursable codes for if you're a consultant, you write up this report to send to the person who referred to you.

That's called an insert, interprofessional console CPT code that you can actually pull out. And then if you pick up the phone or text, text, the other providers for five minutes or more, that's another code that can be generated.

So I think that the CPT committee, federally has, incentive for docs to talk to each other.

Growth, Referrals, and Finding Your Niche

And you don't have to be like a primary care doc referring to the specialists. You can be a specialist referral, another specialist, and use the same codes from the referral provider and the specialist provider as well, which is, which is fabulous.

It's not really talked about enough, but it's something that we sort of engineered into our practice. For example, Monday I have, a zoom call with the neurologists in Philadelphia for one of my patients, and I'm here in Houston, patients not on, but it's actually a case discussion.

But that's actually, reimbursable events and people don't really understand that. So I do feel very passionately about this topic of of communicating with the other practitioners that you work with and then knowing what their, their niche is and referring patients there, and then they'll refer back to you as well.

So that's, I'm so happy you said that instead of just kind of, you know, spend money on Google AdWords and stuff like that. So and I think the other thing is that helps you develop longevity and that there's nothing like a referred patient because, you know, whenever we get refer patients about 40% of our patients refer from other practitioners.

And the majority of us actually refer from other patients, family members within the practice that refer patients is more likely to give you a five star review.

They're more likely to, to to really work with you and be really involved in their health and their process, which is a really rewarding thing. It definitely leads to a whole lot less burnout of, just kind of getting, people who have a specific condition from Google AdWords, and then they come in with a bit of a distrust already.

And we're starting to see a lot of us, especially in 2021. So I'm super glad you you kind of pointed that out. So but it can I come back and say one thing about absolutely work firms you you must keep a referral log okay.

And now in most of the EMR practice management software there is a there are two cells. There's the cell for the PCP and then there's the cell for the referring doctor.

You want to make sure that your staff is meticulous. And yeah putting in who the referring physician is. If there's referring physician, if it's referral from a friend, it should say referral friend.

If it's a referral from Facebook, it should say referral from Facebook so that you can actually track where your efforts are basically being rewarded.

Okay. So let's say you go see Doctor Smith, with donuts to tell him about what an amazing physician you are.

Okay, if all of a sudden the next month, doctor Smith start sending you patients, you know, hey, wait, it really paid to go see Doctor Smith right now.

The other part of that is you should be able to run a report in your practice management software of Doctor Smith or actually all of your referrals and how much they generated and charges and how much they generated in payments, because, for example, you may discover that going to see Doctor Smith.

Yes, he sent you a bunch of patients, but he's only sending you low paying patients. But if you go see Doctor Jones, Doctor Jones is sending you fewer patients, but that he has better commercial insurers.

And therefore, maybe you should go talk to Doctor Jones again, see if you could get some more referrals for them. And that's where actually using your data to make decisions can get you a whole lot further down the line.

Yeah, that's a really good point. You know, we call that KPI key performance indicator within our practice, we're able to to look at these things. And it's not just on the referral side.

It's about also about, who are the patients that you want to see? Because I feel like a lot of, practitioners first starting out, just like I just want to see everyone under the sun.

I'm going to help everyone, which is great. But don't feel guilty when you're sitting there and say, hey, I really rather see these type of patients and, and you can be kind of develop your, your niche there.

And then you realize that these patients are being referred by like 2 or 3 people. And tops. And then working with that population, feels really good.

And that's kind of like what happened to me. I, I dedicated, most of my focus right now to, neurodegenerative diseases, which I didn't know I was even interested in.

And so I started working with combat veterans. So it's, and it's something that I started, to look at. Where are these people coming from? Oh, my gosh, wounded warriors, let's talk to these people. Right.

And then all of a sudden I'm getting, getting referrals from, military base in Aberdeen. And so I'm like, well, this is interesting. So I like seeing these patients really help me, create sort of a profit center, on its own.

And that's something that's one of the most rewarding things I've ever done. And so, but I agree with you, keeping a referral list where people coming from is just absolutely crucial.

It helps you, maintain and curate your niche and helps you develop fantastic relationship with your patients and the other professionals. And they do really good service.

And that's the thing you're passionate about these people, you do really good service. And, and that's the things that you really want to scale. You really want to be juiced up on scaling the things that you're truly passionate about.

So I'm so glad you you really mentioned that. And so, so I want to kind of close up a little bit and, and I ask a lot of the, the people this, this question is, what are some things that you wish you knew when you first started private practice?

I, I think I probably some. How how to scale faster. You know, I think, you know, in terms of things that I knew. Well, let me restate that. I think I would have done a better job with the initial doc or, actually in the initial two doctors that I hired because I was so desperate for help.

Yeah. That I probably did not pay as much attention to making sure that they were a phenomenal fit. As I did with later on. And so, one of them came actually from the East Coast and joined my practice and then left because he wanted to be, he wanted to go surfing.

And had I realized that he went surfing every single weekend, I would have told him, there is no surfing in Louisiana. Right. So after about a year and a half, that was the end of that.

So I, you know, I think I think really understanding the model, understanding how to scale, understanding how to figure out the people who you need, who will help you do that and make sure that they are actually really a fit for your model rather than just filling spaces.

Yeah, but you learn so much from those experiences, Oh yeah. You know, you do learn so much from the from the both about other people, but really about yourself and about you know, trusting your judgment.

I have to tell you that by the end of hiring all these docs, I, I spend I have spent hours and hours interviewing people, talking to people before we would ever bring somebody down to interview.

I would talk to them 2 or 3 times on the phone for an hour. This was before zoom, right. And you know, then we'd have each of the other physicians talk to that person and so that.

But if if I got done with those conversations and my gut told me you're not if you never came for the interview. Yeah, it's almost sounds like you're adopting a child into the family.

How it is. I mean, I think that's the thing, right? Is that when you, decide to bring on another provider and, you know, especially a physician as well, let me say this.

If you bring in another physician, most of them want to be a partner in your practice. Okay.

Hiring, Partnership, and Final Advice

I have never found that employed physicians make for long term, you know, relationships. Because at some point, you want everybody to be rowing in the same direction.

And when you're an employed physician, you never have that sense of ownership. Even if we have give you a great, you know, salary in a bonus structure, you still don't have that same sense of accountability.

So basically, all physicians that I have hired were on a partnership track with the idea that they would become a partner at the end of two years, assuming that they met a set of predetermined criteria.

It is really like dating in marriage. You know, and and before you decide you even want to go on that first date, you, you, you know, talk to somebody a whole bunch of times.

Right. That's that whole interview process. But then once you hire them it's still like dating. You're still trying to figure out, is this really going to be a long term fit, before you make them a partner?

Yeah, absolutely. So, I actually heard that part in, in your podcast. So if you haven't yet, click on a link. That's what this description, the video, there's a podcast link in there as well.

And, and you have a couple of gifts for, for audience as well. Right? Absolutely. There is a, a, handout on how to start your own practice. It is literally a blueprint of every step you need to take.

There's a handout on how to leverage your practice into multiple revenue streams. And then there is a third which is having negotiate your best contract regardless of what contract you want to negotiate.

Great. I wish I had this earlier on. And and also you have a brand new, is it a, is it a coaching, webinar or what is it you have? A it's a membership.

So it's the private medical practice academy membership. And basically it takes you on this journey where we really cover all of the things that you and I have talked about on a monthly basis, everything from Foundation.

How do you come up with those processes to profit? How do you figure out the revenue cycle? The team, human resources, training, etc., how to grow and then ultimately how to scale and indeed that exit strategy.

That's amazing. Yeah. The link is with this video as well. Go ahead and click on that. I mean, that is a priceless amount of information, things I really wish we, I had in the beginning from May, I've made probably over seven figures and mistakes just in the categories that you just talked about.

But it's a well, yeah, but we got to learn from each other. Right. And that's what this whole thing is, is all about. And so. And I would call that the million dollar package.

Right there. And if I had all the information, there would have been, would have been wonderful. So thanks for coming on. Really appreciate you having I really enjoyed it.

These are, this these are such golden nuggets for especially for people who are starting out and, and for the people who've already started and made the mistakes just like myself.

And I'm, like, nodding along of everything that you just said. Because I've taste that pain point. For those of you who are in that boat, make sure you hop on to this membership, because it is so crucial for us to not just learn from each other, but not to make, I call it dumb taxes.

If you will be kind of taxing yourself unnecessarily, I'm doomed to doing different things. Where it could be, made a whole lot easier. Really got to learn from each other.

That's the way that we keep practitioners in private practice. That's the way that we know how to skill and design and to do medicine. The way that we feel like it should be for us and advocate for for practitioners.

Thanks, everyone for coming back on. And thank you. Sandra, this has been absolutely wonderful. So thank you very much. Thank you.