

The five things to consider



WHEN THINKING ABOUT STARTING YOUR OWN PRACTICE

Q&A WITH DIRECTOR OF FRANCHISE OPERATIONS,
JASON BAXTER, DHS_c, OTR/L

We sat down with Dr. Jason Baxter to pick his brain on the 5 common questions therapists should answer when considering opening their own practice. Jason has helped open and onboard over 70 physical therapy clinics across 9 different states.



Q1

Should I do this alone? Should I have an operational or financial partner?

Going out on your own can be a scary thought. Not only will you be treating patients, but you will be paying the bills, processing payroll, contracting with the insurance companies and performing billing for your services. If that is not enough, how will you handle designing marketing collateral, marketing your practice, and stay on top of the operational metrics of the clinic to ensure that you are growing and profitable? For these simple reasons, I recommend having some type of partner, not only share in the risk and work load, but someone to ask questions to and bounce ideas off.

Q2

What systems do I need in place to manage my clinic and create balance between patient care and operations?

In order for a business to be successful, accountability is key. Accountability from your staff that they are providing exceptional services as well as being accountable for working to achieve your goals for the business. However, as the owner, you need to be accountable to yourself that you are taking the time to analyze all aspects of the business to ensure the business is moving forward. There are a number of tools and resources that can be utilized to help this be easier to manage. However, too often, I meet business owners who are struggling and would rather bury their head in the sand than to stop and take the time to see how the business is doing and make changes accordingly.

Q3

Where should I put my clinic and what space is necessary?

As they say, location, location, location. Finding a great location takes some leg work. Take a look at people and medical demographics of the area you are considering. Also, consider the competition, visibility and access to your space. New buildings are great options, but remember they come with a higher price tag that may not be worth it in the long run.

When you are considering your layout, give some thought to the services you want to provide, how you envision patients flowing through the clinic from the time they enter until they leave, and what amenities do you want to provide for your staff. Once you have a good idea, then you can better determine the size of space to initially consider. Remember, it is easier to expand than to shrink your clinic size.

Q4

How do I get patients and referrals?

New patients come from three primary sources:

1. *The reputation and relationships of the therapist.*
2. *Direct marketing to potential referral sources.*
3. *Direct marketing to consumers through print and digital media.*

We are in a mobile connected society now more than ever. If you are not marketing digitally, you are missing the boat.

Q5

How should I finance my clinic, and what other cost should I project in the first few months?

There are two primary thoughts: should I use my own money, or should I use someone else's. Before you can best answer this question, you need to take some time to determine your start-up and ongoing costs. Most businesses fail because they plan for additional cash on hand during the period transitioning from opening to collecting your first payments from the patients and insurance companies.

Consider these questions to guide your thinking.

1. *How much is the space buildout going to cost, and is the landlord willing to help out?*
2. *What equipment do I want to have in my clinic?*
3. *What is the cost of my practice management system (EMR)?*
4. *How much are the wages of my staff?*
5. *What will my continual monthly costs be?*
6. *How much cash should I have in reserve to keep the clinic afloat before payments come into the practice?*

Oftentimes, putting this cost down on paper in the form of a financial pro forma statement can help you get an idea of what your business looks like on paper. A financial pro forma statement is a document that is based on certain assumptions and projections of what your costs and revenues will be for a specified period of time. We recommend looking at a two-year period.

Once you have this information together, now you can decide how best to fund your venture. You may consider:

1. *You have enough money to fund the business on your own. That is great!*
2. *You may decide to crack open the piggy bank in addition to securing a loan for the remaining amount for unforeseen circumstances.*
3. *You may decide that you want to find partner(s) to reduce your overall risk.*



As Dr. Jason Baxter said, "Going out on your own can be a scary thought." With the help and guidance of ApexNetwork Physical Therapy Franchise, it doesn't have to be. ApexNetwork has the answers and the expertise in all things you need to consider. Our model is tried, tested, and proven to help you create the successful practice you have always dreamed of opening.

Go to ApexNetworkFranchise.com to learn more.