Solo Strategies: The Future is Still Bright

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Financial Disclosure

- No relevant financial disclosure
Going Solo: What is your personality?

- Do you think of yourself as an entrepreneur?
- Do you “think outside the box”?
- Are you willing to work harder & longer hours?
- Do you like being told what to do? Leader? Follower?
Going Solo: What is your personality?

- What is your comfort level with financial risk?
- Are you comfortable delegating tasks?
- Do you enjoy teaching? New employees? How good are you at managing an employee?
- Remember: YOUR TEAM = YOU in your patient’s eyes
Going Solo: What’s Your Personality?

- Be a nice doctor.
- Introduce yourself.
- Shake hands.
- Make eye contact.
- Listen to the whole story: faster than interrupting.
- Understand the patient doesn’t usually care what the name of the rash or tumor is, but is often totally concerned about:
  1) How quickly it can be cured
  2) Whether it can be cured or managed
  3) How it will affect social and business events in their near future.
- Manage these 3 items and you’ll have a patient for life.
Going Solo: What is your personality?

- Do you have “Santa Claus” syndrome, ie want everyone to be happy?
- Do you avoid conflict at all costs?
- How attached do you become to staff?
- Healthy distance is actually a really good thing
- There’s a reason Santa Clause doesn’t give presents to his elves.
- Keeping interpersonal boundaries is critical to success.
- Be honest with yourself.
- If you’re not firm but fair, hire someone who is.
I really wanted to “steer my own ship” after residency so working for someone else really and truly wasn’t an option for me.

The following is simply my vision of where the future of dermatology is headed and how solo practices can still not only exist but run at a profit.

My greatest downfall was Santa Claus Syndrome, so I simply hired an office manager who was “The Anti-Claus”

Dramatic pause.....
The Anti Claus
Important decisions in going solo

- Location, location, location
- Lease or purchase?
- Bank: Business Plan
- Buy existing practice or start from scratch?
- Type of practice: General? Cosmetic?
- Procedure heavy or light?
- EHR system - which one?
- Embracing new technologies?
- To Lase or not to Lase?
- Choosing an office manager
Location

- My personal experience
- Purchased an existing practice in Austin, Texas in 2004.
- Most Derms prefer metropolitan, plenty to do, culture, events etc.
- Metropolitan = Extremely high competition, low $$$
- Opened a rural satellite in 2006 and growth skyrocketed.
- Farmers and ranchers = major skin cancer population.
- Major skin cancer population means more procedures = more $$$
- You can have both! However, starting with Rural makes sense.
Location: Buildout

- Waiting room
- 3 exam rooms, Lab, autoclave
- Does every room need a sink?
- Procedure room, Office, Nurses station
- If you lease there is often a restroom by the elevators or in a common space.
- Keep costs low but remember waiting area is the patient’s “First Impression” of YOU.
- EHR: Modernizing Medicine: EMA is derm-centric and it is very helpful in successfully maneuvering Meaningful Use, ICD-10, PQRS, E-Rx etc.
Lease or purchase?

- Leasing is all I’ve ever done
- Advantages:
  - Quick start up. Very important to generate revenue quickly.
  - Less expensive than purchasing in the short run (at start up)
  - LEAN & MEAN is a great way to start any business plan.
  - Repairs are landlord’s responsibility
  - Every few years you get updated: leasehold improvements
  - Recommend having any lease reviewed by an attorney
- Disadvantages:
  - Rent doesn’t build equity. Renting doesn’t build a retirement plan.
Lease or purchase?

- Purchase is a good option to build value over the years.
- May want to arrange locum tenens work to tide you over during the months and months and months of construction.
- Remember that construction deadlines are often inaccurate.
- Often things “come up” that delay your construction and make choosing an opening day difficult.
- Whether you go lease or purchase join the local Chamber of Commerce and have a grand opening event. Helps introduce you to the community.
Bank: Business Plan

- This is a very helpful exercise. Allows you to:
- Put it on paper: like a “to do” list
- Allows you to estimate start up costs
- Start visualizing how you’d like your practice to grow
- SWOT
- Strengths, Weaknesses, Opportunities, Threats
- Plenty of studies demonstrate high demand for dermatology services
- Forces you to think like a business person rather than a physician
- (Also allows you to borrow money to start your practice)
Bank: Business Plan

- Once you get your loan & the build out begins:
- Shop around for affordable/used medical supplies & equipment
- Hiring/Recruitment: consider outsourcing
- Really need to hire as good a manager as you can find for admin/front office
- YOU MUST MANAGE THIS EMPLOYEE
- Hire as good an MA as you can find for back office/clinic
“Watch costs and the profits take care of themselves”
Visit every local doctor in your area in person. Bring donuts or kolaches.

Let them know you are brand new and have minimal wait times to get patients in and seen.

Bring Business Cards with you everywhere you go!!!!

Get to know the doctors.

Making a connection is more important than “selling” them on anything.

Be genuine, be yourself.

Be well groomed. Firm handshake. Eye contact.

Once you see a referred patient send a note to PCP. I think this is a great use of dictation services. Sending long EHR notes is actually harder on your referring doc than a personalized dictated note.
Changing Landscape: Expanding Cancer Burden

- Remember that the baby boomers will create a huge demand for skin cancer services.
- Mohs surgery is a great revenue generator and a nice thing to offer patients if you are so inclined.
- Maybe you’d really rather not do Mohs....
- Surface Radiation is also a nice thing to offer patients: Allows you to treat skin cancers you would normally send out for Mohs. Keeps revenues under your roof. Patients love it. Excellent cosmetic results.
- I offer patients Mohs or Surface Radiation = happy patients.
- Highest cure rates: surgical and non-invasive.
- I chose to focus on cancer treatment because it is rewarding & profitable.
Changing Landscape: Expanding Cancer Burden

- The number of Americans over 65 will double from 40.2 million in 2010 to 88.5 million in 2050.
- The number of Americans over 85 will triple from 6.3 million in 2015 to 17.9 million in 2050.
- Reference: Census Bureau, 2012
- GENERAL DERM WILL MOVE CLOSER TO GERIATRIC DERM
Changing Landscape: Expanding Cancer Burden

- Between 40 and 50 percent of Americans who live to age 65 will have either BCC or SCC at least once.


- Based on these facts we can estimate that by 2050 dermatologists will be treating double the number of skin cancers we treat now, around 10 million cases a year.
Changing Landscape: Expanding Cancer Burden

- We can also estimate that 1 in 4 or about 2.5 million of those NMSCs will be difficult and complex enough in nature to be treated with Mohs micrographic surgery.

- Since we have no plan in place to double the number of Mohs surgeons we have, nor do we have a plan to add another 8 hours to our work day, it seems unlikely that we’ll be able to supply adequate access to the highest quality of care for the American elderly population that suffers from difficult or complex BCC and SCC cases on our current trajectory.
# Rates of Comorbidity by Age

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<th>%</th>
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NSLTCP - National Study of Long Term Care Providers  
CDC - Centers for Disease Control  
AHA - American Heart Association  
Profile, AOA - A Profile of Older Americans: 2012  
NHANES - National Health and Nutrition Examination Survey 2009-2010
Surface Radiation

- Can treat most anatomic sites that we currently use for Mohs
- You don’t have to be a Mohs surgeon to perform it
- Patients don’t have to interrupt anticoagulation medications
- Excellent cosmesis especially on the nose
- Below the knee (circulation) hands (utility)
- Works very well as an alternative to Mohs surgery, not as a replacement.
- Mohs surgeons can only do a finite number of cases per day
- Problem: Knowledge Gap: radiation therapy hasn’t been widely used in dermatology for many years. Mohs cure rates were excellent and our specialty expanded surgically to adapt to this new technique
Surface Radiation

- Educational push is already underway
- ASCO - American Cutaneous Oncology Society
- Mark Nestor, MD, Clay Cockerell, MD
- Excellent organization, however, we need RTTs!
- RADIATION THERAPY TECHNOLOGIST
- These professionals are well versed in the safe and effective delivery of radiation. Rad Oncs use them as a matter of course to help them deliver their prescribed regimens.
Surface Radiation

How does this work?
You create the “Radiation Prescription”
Includes size of lesion plus the clinical margin
Lead shield size (protects normal surrounding skin)
Applicator size (delivers the radiation)
Special shielding (thyroid, mastoid, corneal, intranasal, concavities, eye)
Patient position, photographs
Indications/medical necessity, number of fractions
Usual total dose is between 4000-5000 cGy
How is surface radiation a Solo Strategy?

- After you create the prescription an RTT can deliver the fractions to 30 or so patients per day as long as you (or in some states a mid level) are on site.
- This creates an ancillary revenue stream while you are seeing General Derm patients or performing Mohs or Botox/Fillers, whatever
- 20-30 patients generating revenue for 8-13 treatments in 1 exam room using 1 extra employee (RTT)
- You can market this to your community and colleagues as a Pain Free, Scalpel Free, Non-Invasive skin cancer treatment!
- Patients love it!
- Ethically a good thing to offer elderly patients with multiple co-morbidities
- Excellent cosmesis means more word of mouth referrals
Solo Strategies: Passive Revenue Streams

- Slide Prep: hire a histotech to prep slides.
- Up front cost is not unreasonable, can purchase used equipment.
- Solo Strategy wise this is another passive revenue stream.
- Research: better pay for doing what you do already. Time, yes, planning yes, but a nice pay off.
- Remember: there are only so many hours in the day. Any way you can generate revenue without taking away those hours from patient care is a prudent financial strategy.
Solo Strategies: Billing, Discussing money with patients

- Know your top 10 minor procedure codes like the back of your hand
- Know how to accurately choose surgical codes
- Modernizing Medicine’s EMA helps, but you must still know the underlying codes to make sure you are documenting accurately. Otherwise fear of the machine will likely cause you to undercode.
- Large deductibles: means biopsies, cryo and surgeries will be OUT OF POCKET.
- Patients need to understand OUT OF POCKET before the procedure occurs.
- Cheat sheet “fee schedules” for top 20 codes inside exam room cabinet doors is a smart, fast way to LEVEL with patients.
- Keeps everyone aware. Nobody likes surprises at the front desk. Helps create a plan of care that the patient can adhere to.
Solo Strategies: Extending Your Reach

- Hiring and training mid level providers
- Adding additional clinics in rural (high demand) areas.
- Hair transplantation, Leg Vein ablation
- Lasers, Mini-Facelifts
- Nurse Cosmetic Injectors (or mid levels) esp if you’re not the “cosmetic” type
- Research: Pharmaceutical companies are paying you to diagnose and treat (which you are already doing)
- Private label skin care products
- Body Sculpting Technologies
- Chemical Peels/Aesthetician for IPL etc.
Solo Strategies: Overarching Principles

- HAVE FUN, HAVE A SENSE OF HUMOR
- More procedures = more revenue
- More locations = more revenue
- More providers = more revenue
- More ancillary passive revenue streams = more revenue
- More revenue = insulates you from reimbursement changes
- Choose some sort of cosmetic endeavor to add to your practice and learn it well: Educate, Publish, Lead
- Balance revenue with patient care, both are equally important
Solo Strategies: Overarching Principles

- Join leadership of AOCD, attend AOCD meetings
- Learn “the real deal” from your colleagues.
- There are a ton of decisions to make in these changing times.
- In hard times it is important to stick together.
- Pay attention to your Online Reputation: eMerit
- Collect patient emails for an eNewsletter with regular discounts.
- Keep Cancer as a priority in your practice: it matters most to people.
- KEEP CRACKER JACKS, FIRE WING NUTS
Solo Strategies: Hiring/Firing Employees

- CRACKER JACKS:
  - These are keepers.
  - They make your life easy.
  - Don’t complain
  - Anticipate your needs
  - Team players.
Solo Strategies: Hiring/Firing Employees

- WINGNUTS:
- These people must be fired
- as soon as they declare
- themselves (which they always do)
- They make your life miserable.
- They complain
- Fail to complete tasks
- Not team players.
Conclusion

General Dermatologists still have a wealth of opportunities to take advantage of in the pursuit of a solo practice.

Insight into your true personality is the key.

Entrepreneur is not right or wrong, it is just who you are (or are not)

Entrepreneurs must manage their office manager.

Entrepreneurs must hire cracker jacks and fire wing nuts.

Entrepreneurs must understand billing very clearly.

Entrepreneurs must be able to successfully marry good patient care with profitability in an ethical and logical manner.

Avoid “Santa Claus Syndrome”

YOU ARE THE ASSET. EVEN IF YOU FAIL, YOU’LL BE ABLE TO RECOVER.
Live Long and Prosper....