Practice Ownership 101

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Speaker Introduction

• Dr. Jo Ann Serota has been co-owner of Ambler Pediatrics, a private, primary care pediatric practice, for more than 35 years. She is a past president of NAPNAP, past president of the NAPNAP Foundation, former editorial board member of the Journal of Pediatric Health Care and currently the journal's corresponding editor for primary care case studies. She is adjunct clinical faculty and preceptors for the University of Pennsylvania, Drexel University, Gwynedd Mercy University, Villanova University and Thomas Jefferson University. Dr. Serota was the recipient of the American Academy of Nurse Practitioners’ Nurse Practitioner Award of Excellence for the state of Pennsylvania, North Penn Community Health Foundation and Gwynedd Mercy College's Nursing Excellent Award and Outstanding NAPNAP Fellow Volunteer Award. Dr. Serota has presented at NAPNAP and AANP national conferences on such topics as practice ownership, technology in practice, ICD-10 coding, leadership, preceptin, and clinical issues in primary care. Also, she has presented a general session at the PA Coalition of Nurse Practitioner’s practice ownership. She has lectured on several issues for her local NAPNAP chapter – Delaware Valley.

Financial Disclosure

I have no relevant financial relationships to disclose.

OBJECTIVES

- Recognize the pros and cons of practice ownership
- Identify and explore successful business practices
- Describe the steps necessary to open a practice and work to the fullest potential of your full practice authority

How to Decide

Career Objectives
Family Considerations
Practice Requirements
State Nurse Practice Act
Practice entity in the State
Collaboration and supervision requirements
Location
City, suburban, rural
Assess the community’s current health care needs
Competition
Economic factors
Available office space
Payer mix

Pros and Cons of Practice Ownership

Pros
- Ground up establishment
  • Type of Practice
    - Sole proprietorship, partnership, LLC, corporation
    - Federally qualified health center
    - Academic health center
  • Develop your personal business plan
  • Choosing your specialty niche
  • Logical decisions
**Pros**

- Complete responsibility for the business
- Controls quality of care and referrals
- Chooses employees
- Flexible work hours
- Personal involvement
- Individual freedom and autonomy
- On-call coverage
- Control over business decisions and expenses
- Growth patterns of practice
- Keep profits

**Cons of Business Ownership**

- Business risks
  - Financial
  - Insurance
  - Malpractice
- Complete responsibility for all practice issues
- State laws governing NP practice
- Hospital privileges
- Credentialing with Medicare, Medicaid, HMO's and private payers
- Reimbursement
- Resistance from medical community
- Collaborating physician

**Business Plan**

**How to get there:**

- Sets goals and mission statement
- Collaborative agreement – if necessary
- Determine financial resources and expenses
- Organizational plan
- List of services provided
- Day to day management plan

**Business Plan**

- Investment needs
- Accounting projections: income versus expenses
- Insurance
- Quality measures – HEDIS
  - Compares quality among providers
- Marketing
- Management
- Problems and risks identified

**Getting Started**

- Location
- Financing and tax identification numbers
- Credentialing
  - NP license and prescriptive authority
  - NPI (National Physician Identifier) number
  - DEA license
  - Health Insurers
- Consultants
  - Attorney, accountant, and practice management firm

**Office Requirements**

- Computer system
- EMR
- Communication System
- Employees
  - Nurse
  - Receptionist
  - Medical Biller
- Laboratory
- Vaccines
- Marketing
Boutique services to enhance the practice

- Lactation consultation
- Nutrition
- Psychology
- Weight management
- Expanded office hours
- House calls
- Increase time with patients and families
- Holistic medicine
- Yoga and infant massage classes
- Educational sessions for families

In thirty years of practice….

- What have we learned?
- Where are we going?
- Who will be providing primary care in the future?
- Why do we want to continue to do this?

References


“You must do the thing you think you cannot do” - Eleanor Roosevelt

Thank You!