

Preparing for Practice

[Making the right choice—assessing practice options and demographic locations](#)4

Selecting a geographical location.....	7
Lifestyle, financial and community resources.....	7
State-specific information	8

[Entering into a physician employment agreement](#).....8

Annotated Model Physician Employment Agreement.....	8
Annotated Model Physician-Group Practice Employment Agreement.....	9

[Credentialing, privileges and authorization numbers](#) .10

Hospital and health plan credentialing	10
Physician authorization numbers.....	11
Hospital privileges	11
Continuing medical education	12

[Disability insurance planning for professionals](#) 13

How policies are offered	13
Cost of disability insurance.....	13
What to look for in a disability policy	13
Recovery benefits	15
Group long-term disability insurance.....	17
Disability insurance protection for retirement plan contributions	17
Protecting professional practices and professionals....	17
Planning options	18

[Medical professional liability insurance](#) 19

Insurance—what is it?	19
Types of coverage.....	20
Coverage and liability limits	21
Exclusions	21
Other exclusions	22
Settlement clauses	23
Types of insurance carriers.....	23
The bottom line.....	26

[Physician profiling](#)26

How to challenge your profile or placement in a tiered or narrow network	26
--	----

[Weighing options: Medical practice startup, purchase or buy-in](#)27

Starting a practice— 12 basic tips	27
Considering your options.....	28
Where is the right location?	29
Start or buy an existing practice?.....	30
Forming or joining a partnership.....	30
Resources for starting a practice.....	31

[Medical practice valuation for purchase or buy-in](#)32

Why value a medical practice?	32
The question of value.....	32
Assumptions are essential	32
Pitfalls of self-valuation.....	32
The competence of appraisers.....	32
The competence of the other party	33
Using medical practice benchmarks	33
Scientific method	33

Reality check	34	Establishing a marketing budget	50
Buy-in, purchase or startup— which is the best value?	34	Sample marketing plan timeline	50
Practice startup: Corporate structure and asset protection	35	Four months before opening	50
Corporations	35	Three months before opening	50
Limiting personal liability	35	Two months before opening	50
Effect of personal guarantees	36	One month before opening	50
Double taxation	36	Two weeks before opening	50
Maintaining the integrity of a corporation	37	Practice-building guidelines for the future.....	51
Protecting assets	38	Building patient satisfaction	53
Additional resources	39	Standards of patient service for medical staff	54
Raising capital	40	Yellow Pages advertising	55
Capital requirements	40	Creating a medical practice brochure.....	56
Advisors	40	How to create a brochure	56
The business plan	40	Brochure contents.....	56
Sources of capital	41	Employment law: Questions to ask and avoid when hiring.....	58
Banks and other financial institutions	41	Medical billing, claims management and patient collections	59
Nontraditional sources	41	Claims management process	59
Financing for specific acquisitions.....	42	Electronic claims submissions and selecting a billing software vendor	60
Writing your business plan	43	Third-party companies that process and submit claims.....	60
Table of contents	43	Receiving the correct payment.....	61
The executive summary	43	Appeal a delayed, unpaid or inappropriately denied claim.....	62
A sample plan	44	Billing and audits	63
Equipment, supplies and services	49	Helping patients understand payment responsibilities.....	63
Building your practice through marketing	49	Claims management letters and templates	64
Developing marketing strategies	49	Physician Profiling.....	64

Data Security65
Selecting Practice Management Software65
Patient Satisfaction Assessment Tools.....65
Additional Practice Resources.....65

Referral form66
Request for billing information.....66
Returned-check letter66
Medicare authorization66

Negotiating and contracting with health insurance

carriers65
AMA Model Managed Care Contract,
fourth edition.....65
15 questions to ask before signing a managed care
contract.....66
A guide to working with health p
lan representatives.....66

Health information technology resources.....67
Overview of HIT67
Key players and initiatives67
Understanding HIT.....67
Tools.....67

Downloadable practice forms and information.....66

Job description template66
Orientation session checklist—new employees66
Front office training schedule—new employees66
Answering the telephone66
Appointment scheduling: General guidelines66
Confirming appointments66
Patient daily sign-in sheet.....66
New patient registration.....66
Insurance benefits and information release.....66
New patient registration and medical health history
questionnaire66
Authorization of treatment66
Authorization to treat minor66
Authorization to release medical information
Patient relations survey.....66
Preparing and posting physicians’ schedule (if no
electronic scheduler)66

**Federal tax workshops and information for businesses
(links to Web seminars).....67**