

# A strategic plan for starting a new practice

[Get started](#)



# 1. Things to consider when starting a practice

- Create a financial plan in advance, including a method for putting it into action.
- Tend to all details during construction, renovation or remodeling. Use a checklist to make certain that all your needs are met.
- Commission a thorough demographics study early on to help ensure that you have a large enough patient base.
- Hire experienced staff to make sure your recall program is satisfactory.
- Review your fee schedule yearly to keep your fees in line with other practices in your area. (Ask your representative for further details.)
- Research insurance plans to see which ones you'll accept for payments.
- Explore options for third-party financing that can help your patients pay for services.
- To avoid having excess overhead, be sure you need all the space you have planned on using for your practice location.
- Have your marketing plan in place well before you open for business.
- Consider purchasing computer software to assist with scheduling, online storage of charts, etc.
- Set up a merchant processing account so you can accept customer payments via Visa, Mastercard, etc.



## 2. Defining your target market

Outline the target market portion of your plan on this form.

### Market description

1. Number of potential patients — area population:
2. ZIP code or county breakdown of potential patient base (social, economic, age, etc.):
3. Number of similar practices in the area, age of practices and number of doctors:

### Market size and trends

1. Population of area that practice will draw from (draw population):
2. Number of practitioners per total population (e.g., 1 doctor to 1,500 – 2,000):
3. Commercial or residential development or redevelopment taking place:
4. Employment group(s) that make up draw population:
5. Economic and social trends (local and national) that could affect the draw area:

### Strategic opportunities

Examples: A new school or business being built in the community, a new insurance provider, large businesses in the area, etc.



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# 3. Staffing

Use this form to identify the core staff of employees that you ultimately want to represent your practice.

## Staffing goals

Describe the number and types of staffing positions that you estimate your practice will need in order to meet your short- to long-range goals. Also consider whether you will offer a bonus program at the outset or in the future.

Year One:

Year Two:

Year Three:

Year Four:

Year Five:

Year Ten:

## Staff experience

What background, years of experience and salary are you looking for in each staff position? (Develop written job descriptions for each staff member along with a performance appraisal system.)

Front desk:	Hourly wage:	Years of experience:	Benefits:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Background:

Licensed staff:	Hourly wage:	Years of experience:	Benefits:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Background:

Licensed staff:	Hourly wage:	Years of experience:	Benefits:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Background:

Associate:	Hourly wage:	Years of experience:	Benefits:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Background:

Other:	Hourly wage:	Years of experience:	Benefits:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Background:



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# 4. Establishing a marketing plan

Use this worksheet to outline your marketing schedule. List each type of marketing vehicle, the frequency with which you plan to use it and what you expect it to cost you annually. This will be the basis of your marketing budget and will be used in the projections section of your business plan.

Marketing channel	Expected frequency	Expected date of implementation	Expected cost per year
Marketing consultants			
Signage			
Phone directory ads			
Brochures			
Rotary, Lions Club, etc.			
Newspaper ads			
Thank-you cards			
Post-treatment care cards			
Referral cards			

Marketing channel	Expected frequency	Expected date of implementation	Expected cost per year
Direct mail			
Flyers			
Magazine ads			
Ads in specialty publications			
Television/cable ads			
Special amenities/services			
Refreshments/catering			
Other			
<b>Total estimated marketing costs</b>			



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# 5. Business budget

Monthly administration expenses	Monthly payment	Annual payment
Facility expenses		
Insurance		
Legal and accounting		
Office expenses		
Outside services		
Phone and internet		
Postage		
Repairs and equipment leases		
Taxes and licenses		
Utilities		
Business loan payment		
Continuing education		
Advertising and marketing		
Meals and entertainment		
<b>Total administrative expenses</b>		

Monthly staff expenses	Monthly payment	Annual payment
Assistant salaries		
Licensed staff salaries		
Office staff salaries		
Health insurance/Employee benefits		
Laundry and uniforms		
Payroll taxes		
<b>Total staff expenses</b>		

Monthly variable expenses	Monthly payment	Annual payment
Supplies		
Part-time doctors/associates		
Dues		
<b>Total variable expenses</b>		

<b>Total business overhead expenses</b>		
<b>Total personal overhead expenses</b>		
<b>Total business and personal overhead expenses</b>		
<b>Projected Year One gross revenue</b>		



# 6. Personal budget

Monthly household expenses	Monthly payment	Annual payment
Mortgage or rent		
2nd mortgage, if applicable		
Property taxes		
Utilities (electricity, gas, water)		
Internet, cable and telephone		
Groceries		
K-12 education and college debt		
Health/life/disability insurance		
Malpractice insurance		
Other		
<b>Total household expenses</b>		

Monthly auto expenses	Monthly payment	Annual payment
Automobile loan		
Gasoline		
Repairs and maintenance		
License and registration		
Insurance		
<b>Total auto expenses</b>		

Monthly personal expenses	Monthly payment	Annual payment
Clothing		
Medical, dental and prescriptions		
Entertainment and gifts		
Vacation		
Dues, clubs		
Alimony		
Miscellaneous/insurance		
<b>Total personal expenses</b>		

Miscellaneous monthly expenses	Monthly payment	Annual payment
Student loans		
Unsecured loans		
Credit cards		
Other		
<b>Total misc. expenses</b>		
Association income (after taxes)		
Spouse income (after taxes)		
Interest, dividends and other investment income		
Other recurring monthly income		
<b>Total other income</b>		



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# 7. First-year business projections

Itemization of Expenses	Setup Month	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month
1. Advertising and marketing													
2. Fees: bookkeeping/accounting/legal													
3. Medical supplies													
4. Insurance: casualty and malpractice													
5. Janitorial and maintenance													
6. Laboratory expenses													
7. Misc. dues, office supplies, etc.													
8. Medical equipment and supplies													
9. Remodeling, furniture, etc.													
10. Working capital													
11. Payroll — doctor(s)													
12. Payroll — staff													
13. Payroll — benefits and other costs													
14. Rent													
15. Telephone and utilities													
16. Expenditures subtotal (#1 thru #15)													
17. Cash collected													
18. Less expenditures (#16)													
19. NET CASH surplus (deficit)													
20. Year-to-date surplus (deficit)													
Comments: (specify line or item)													





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 Let's talk



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