Dreaming of Private Practice?

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Why are you here?

• What is it that you really want?
  □
  □

• What is driving you to consider private practice?
  □
  □
Understanding personal goals and aspirations

• Are you a self-starter?
• Am I able to dedicate many hours a week to my business? Do I have a 24/7 attitude?
• Do I get along with people well?
• How much experience do I have?
• Do I have excellent organization?
• Can I make decisions quickly with confidence?
• What is the main reason I want to be a private practice owner?

Feasibility

• Can you meet an unfulfilled need?
  – Patients
  – Services
  – Location
  – Population demographics
  – Competition
  – economy

Need: Patients

• Are there patients who need your services and or products
• Are there enough patients?
• Adults vs. children or both
Need: Services/Products

- Is there a need for your service or product?
- Will you offer a service or product that is currently not available?
- Is the demand for your product/service high in the community

Need: Location and Equipment

- Where will you open your practice?
  - Population demographics
  - Convenience/travel time for patients
- What equipment do you need?
  - Very different for SLP vs. AuD
- Expenses?
- Research will save time and money

Desirable Characteristics of the Space

- Professional
- Adequate work space
- Simple and uncluttered
- Within accordance with Americans with Disabilities Act
- Comfortable, adequate seating, age appropriate items
- Test environment-tested for ambient noise
- Meet safety codes
- Clean!
Need: Competition

- What is the competition in your geographical location?
- Are they really competition or will you offer something different?

Economy

- What is the economy like in the area you are planning to open your business?
- Is it growing, steady, or declining?

Resources for this information

- Professional services
- Working in the community before starting your own practice
- Use checklists
- Chamber of commerce-census information
  - Area growing, static, declining?
Statistics
• 50% of new businesses fail within 1 year
• Fewer than 10% exist after 10 years
• Most businesses fail because of poor business management and not from lack of knowledge of the profession
• Our professions have a very low failure rate (>5%)

Why do businesses fail?
• Michael Ames Small Business Management (1983)
  – Lack of experience
  – Insufficient capital
  – Poor location
  – Poor inventory management
  – Overinvestment in fixed assets
  – Poor credit
  – Unexpected growth
  – Competition
  – Low sales

Mission statement
• Write this after thinking about the business description.
• A short (may be 1 sentence) description of your business answering the following questions:
  – 1. what product/service?
  – 2. describe quality and pricing approach
  – 3. what are the geographical boundaries
  – 4. what niche are you filling?
Mission Statement Tips

• Be clear and concise
• Description of your overall approach
• A statement you can refer to often
  – Use in your Handbook
  – How you would briefly describe your business and goals to others

Mission Statement Example

• Audiology Associates is a clinic that provides the highest quality hearing health care to children and adults.

Vision Statement

• Vision: (example)
• By 2022, Talking and Hearing, Inc. will be a highly visible company known as a leader in speech pathology rehabilitation for adults with neurological disorders. We will have developed a marketed the treatment protocols in the rehabilitation community, becoming a leader in adult communication rehabilitation. Sales will exceed $200,000.00 per year.
Business Structure

- Company Overview
- Corporation
  - C-Corp
  - S-Corp
  - LLC
- Sole Proprietor
- Partnership

Business Plan

Tells you how you are going to get to your financial or personal goal
- Company direction
- Company Overview
- Product Strategy
- Service Strategy
- Market Analysis
- Marketing Plan
- Financial Plan

Budget, Budget, Budget $$$$$

- Sample budget
- How will services be paid to you?
  - Private Pay
  - Insurance billing
  - Medicare/Medicaid
  - Contracts
References

• ASHA, Considerations for Establishing a Private Practice in Audiology and/or Speech-Language Pathology
• ASHA, Private Practice, Committee on Private Practice
• ASHA (2008). Salary Survey
• ASHA (2008). Private Practice survey

References

• BusinessPlans.com Your Resource for Business Plans: Glossary of terms for Your Business Plans
• Develop a Business Plan Worksheet
**Resources for Professionals Considering Private Practice**

These resources are provided by the American Academy of Private Practice in Speech Pathology and Audiology (AAPPSPA)

- **Research Prior to Starting a Business**
- **Webinars**
  - "Private Practice 101: Getting Started," Mindy Newhouse, on-demand webinar, [www.aappspa.org](http://www.aappspa.org)
  - "Developing a Business Plan," Denise Dougherty, live and on-demand webinar, [www.aappspa.org](http://www.aappspa.org)
  - "Thinking Outside the Box: Developing New Ways to Make Your Private Practice Profitable," Janet Krebs, on-demand webinar, [www.aappspa.org](http://www.aappspa.org)
- **Private Practice Basics: Developing Referral Sources and Pricing Services," Denise Dougherty, [www.speechpathology.com](http://www.speechpathology.com)

**Books and Other Resources to Get Started**

- Business Matters: A Guide for SLPs, ASHA
- Guide to Successful Private Practice in Speech Pathology, ASHA
- Building Your Ideal Private Practice, Lynn Grodzki

**Other ASHA resources**

- ASHA Private Practice Resources, [www.asha.org/slp/ppressources.htm](http://www.asha.org/slp/ppressources.htm)
- Scope of Practice in Speech-Language Pathology, [www.asha.org/policy](http://www.asha.org/policy)
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- Chamber of Commerce
- Small Business Administration, www.sba.gov
- "Follow These Steps to Starting a Business"
- "20 Questions Before Starting a Business"
- "Use Our Starting Up Assessment Tool"
- "Is Entrepreneurship for You?"
- "Preparing for an Emergency Can Determine Your Success"
- "Understand Your Market and Economic Conditions"

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- www.business.gov/register/business-name/dba.html, to research available business names
- www.irs.gov/businesses/small/article/0, id-99921,00.html, independent contractor (self-employed) or employee? (Also, consult your attorney.)
- SCORE, Senior Corp of Retired Executives
- Local colleges' business departments may have free workshops on how to start a business or assistance with writing a business plan; graduate students may be required to do projects with businesses in the area and can assist with writing business plans, marketing plans, etc.
- Small Business Development Center
- Women's Business Centers
- Minority Business Development Centers
- Women Owned Businesses Office, state government

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- National Provider Identifier – NPI
- https://nppes.cms.hhs.gov/NPPES/Welcome.do, click on National Provider Identifier to apply
- www.asha.org/Practice/reimbursement/hipaa/NPI
- Medicare Enrollment Process
- www.asha.org/practice/reimbursement/medicare/SLPmedicareenroll.htm
• Insurance Provider Applications
  • Council for Affordable Quality Health Care, www.caqh.org: credentialing application
database for health insurance
companies/providers
  • Also check with the insurance providers in your
area about application process to become a
provider
• Telepractice
  • www.asha.org/practice/telepractice/

• Coding Resources
  • Health Plan Coding and Claims Guide, ASHA,
mainpage
  • ASHA’s Coding, Reimbursement, and Advocacy Modules,
www.asha.org/practice/reimbursement/modules/
  • Documentation in Health Care Settings, templates:
www.asha.org/slp/healthcare/documentation.htm;
www.asha.org/members/issues/reimbursement/
reimbursement@asha.org
  • Medicare Reimbursement of SLP Services:
www.asha.org/practice/reimbursement/medicare/SLPMcar
eReimbursement/

• HIPAA
  • HiPAA Resources,
www.asha.org/practice/reimbursement/hipaa
  • Practice Management Tools for SLPs (contains
templates, including a HIPAA privacy notice
and other HIPAA forms),
%20for%20SLPs&webcode=olsdetails