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# *Entrepreneurship: “I Want to Start a House Call Program!”*

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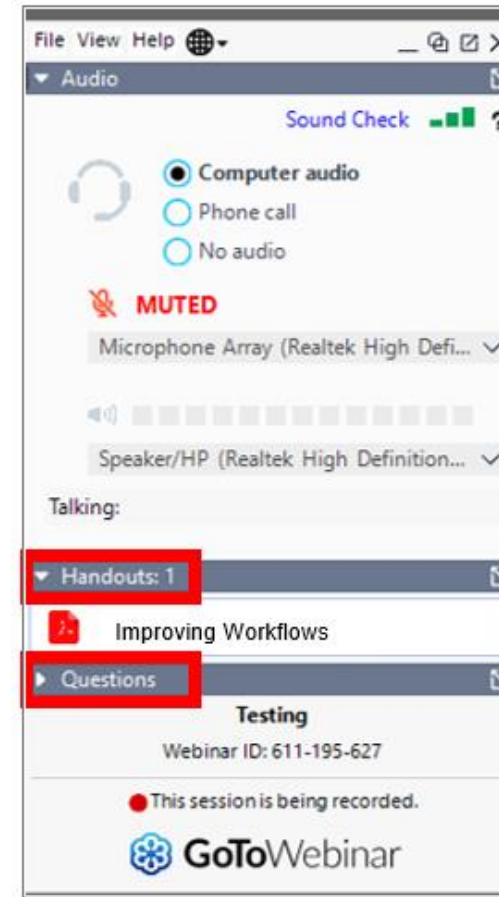
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NNPEN Co-Founders

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# Housekeeping

- ▶ The first 30 minutes of today's HCCIntelligence™ Webinar will consist of a slide presentation and all participants will be muted during this time.
- ▶ The following 30 minutes will be HCCIntelligence™ Virtual Office Hours, and all participants will be able to submit questions via the question box.
- ▶ To submit a question, click on the arrow next to Questions, type in your question, press send.
- ▶ Handouts can be accessed in the handout box.
  - ▶ **Click on the name of the file and save to your computer**
- ▶ All participants will receive a copy of the slide deck, question and responses, and a recording of the HCCIntelligence™ Webinar & Virtual Office Hours.



# Introductions



- ▶ **Lynn Rapsilber, DNP, ANP-BC, APRN, FAANP** She is the owner of NP Business Consultants, LLC providing dissemination of information regarding reimbursement for nurse practitioner and other health care provider services. She is recognized as an expert on coding and documentation for APRNs. She has presented at local, state and national forums. She is author and educator of NP students and seasoned NPs. Dr. Rapsilber also serves as the Chair of the Connecticut Coalition of Advanced Practice Nurses. Under her leadership, full practice authority for APRNs in the state of Connecticut was attained with the passage of PA 14-12. She is the Connecticut State Representative for the American Association of Nurse Practitioners. She was bestowed induction as a Fellow in the American Association of Nurse Practitioners. She currently works as a GI Nurse Practitioner for Connecticut GI in Torrington, CT.



- ▶ **Sandra L Berkowitz, RN, JD** most recently was the Practice Leader of global insurance broker Willis' robust National Managed Care Specialty Practice, retiring in June, 2014. For the 23 years previous to her joining Willis, she was with Johnson & Higgins and then Marsh, acting as an insurance and risk advisor. As a nurse and an attorney, Ms. Berkowitz built a multi-million dollar managed care practice from her strategic vision of how reimbursement of healthcare services would evolve, and the risks inherent in those business models. She is located in Philadelphia, PA.



# CTSBDC Slides Are Shared With the Permission of the Connecticut Small Business Development Center



Funded in part through a cooperative agreement with the U.S. Small Business Development Center, the Connecticut Department of Economic and Community Development, and the University of Connecticut

# Objectives

- ▶ Describe the type of individual it takes to own your own practice.
- ▶ Discuss the rewards and challenges faced in starting up a new practice and operating your own business.
- ▶ Identify key elements in achieving success and sustainability.
- ▶ Define pitfalls and how to avoid them

# Overview

- ▶ Entrepreneurship Rewards
- ▶ Readiness
- ▶ Value Proposition: What does your roadmap look like?
- ▶ Validation
- ▶ Decision & Action
- ▶ Am I ready to start my own practice?
- ▶ Prochaska's Stages of Behavior Change
- ▶ Free Start-up Resources
- ▶ Q & A

# Entrepreneurship Rewards

- ▶ Scheduling Flexibility
- ▶ YOU DECIDE...
  - ▶ Values of the practice
  - ▶ Innovative practice models
  - ▶ Site of practice
  - ▶ Community impact

# Readiness



# Evaluating Your Readiness

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## General

- Why do you want to start a business?
- What will it take to balance personal life and business demands? Do you have the necessary support?
- What education, skills, or experience do you have in this industry?
- Do you have the skills and experience necessary to manage a successful business?

## Business Idea

- Specifically, what kind of business do you want to start?
- What problem is this business solving for others?
- Why do you believe this type of business is sustainable?
- How much and what kind of research have you done around your idea?

## Personal Considerations

- What is the goal you hope to accomplish with this business?
- What is the financial goal you are seeking to achieve?
- If you need financing, have you saved the necessary 10-20% to put down, and do you have the credit worthiness required from potential lenders?

# Readiness: Personal

- ▶ Psychology Today test yourself link
  - i. Psychology Today online \$12 survey [<https://www.psychologytoday.com/tests/personality/can-you-be-entrepreneur>]
- ▶ Measures:
  - ▶ Go-getter
  - ▶ Conscientious
  - ▶ Self-confidence
  - ▶ People Orientation
- ▶ What measures would you pick?

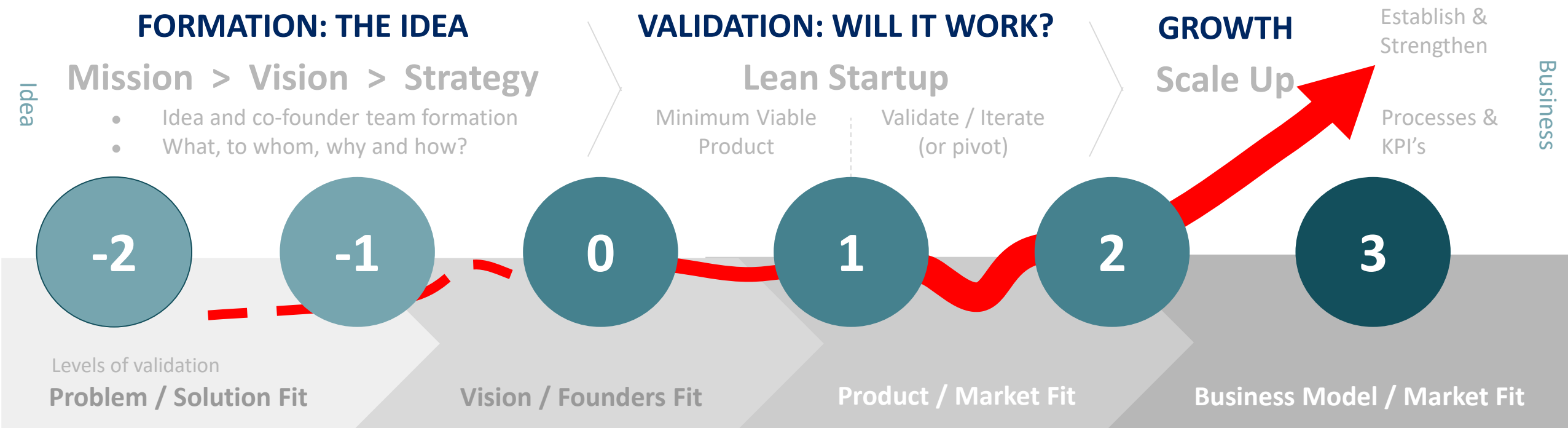
# Value Proposition:

What Does Your Roadmap Look Like?

# Value Proposition: Your Idea

- ▶ A Problem **You** Can Solve
- ▶ **That People Will Pay For**
- ▶ That You Love Doing
- ▶ **Why Choose You?**
  - ▶ Benefits, not Attributes

# Starting Point: Building A Roadmap



# Validation

# VALIDATION: WILL IT WORK?

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## MARKET FEASIBILITY

Research:

- Industry
- Market
- Customers
- Competition



## FINANCIAL FEASIBILITY

Start-up Cost Analysis:

- Identify location
- List needs & costs
- Identify resources needed
- Take stock of available resources & financing needs

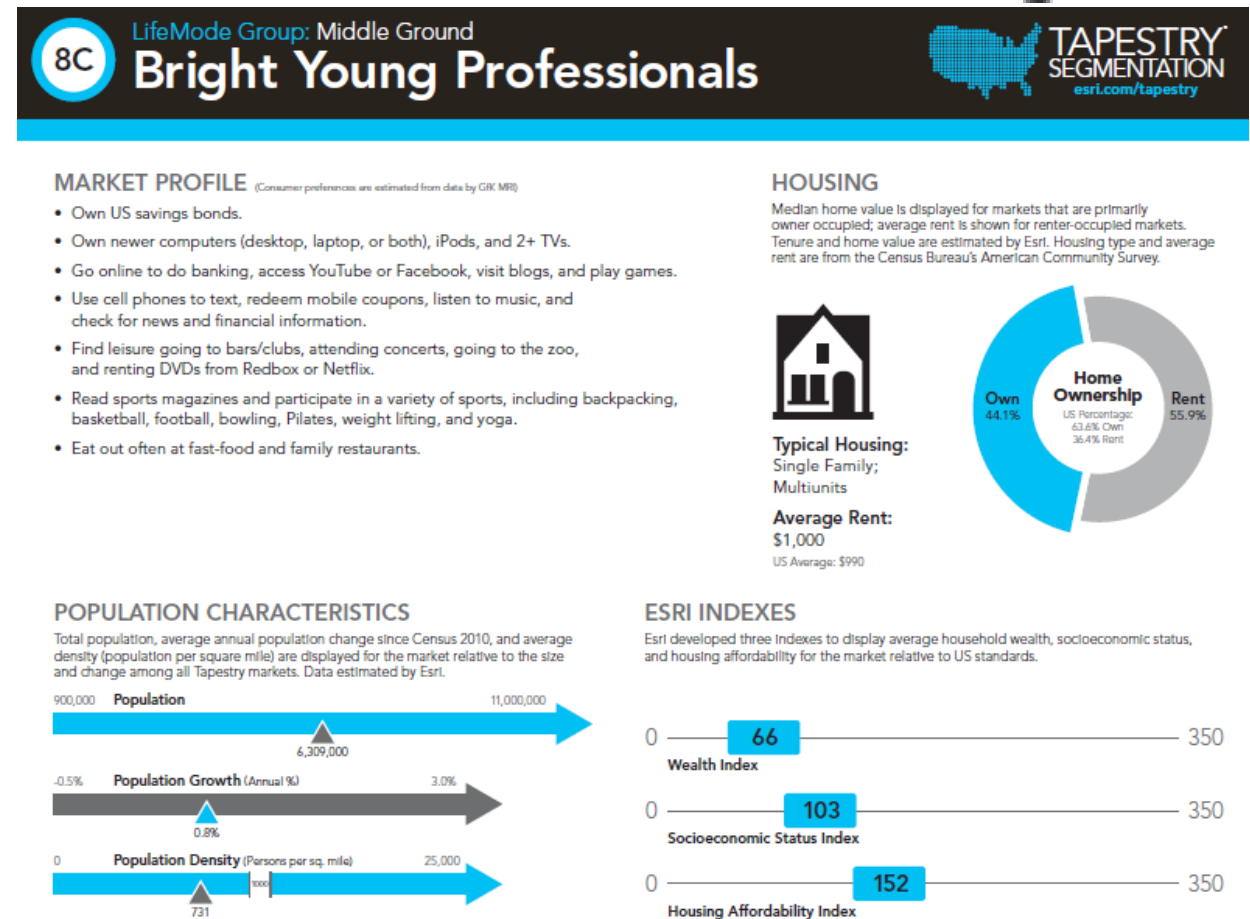


RE-EVALUATE & REFINE

# MARKET FEASIBILITY: Customers



- Who is my Ideal Customer?
- How many households are in my area?
- How many of these buy the type of products/services I provide, and how often?
- How much are they likely to purchase in a year?



CUSTOMERS x FREQUENCY x PRICE = MARKET POTENTIAL



# Validation: SWOT Analysis

**Case for a Home-Based Primary Care (HBPC) practice**

Strength [internal]	Weakness [internal]
Opportunity [external]	Threat [external]

# Validation: SWOT Analysis

## Case for a Nurse led HBPC practice

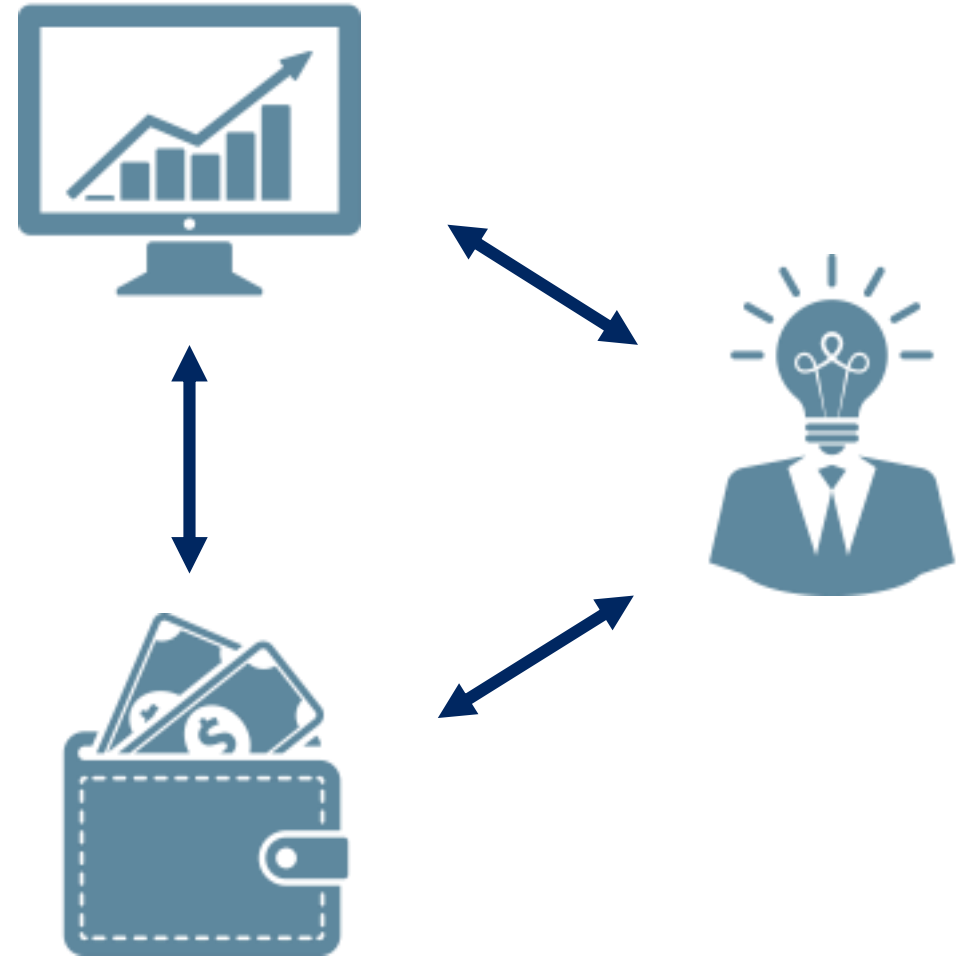
Strength [internal]	Weakness [internal]
Mission; Nursing Engagement Model generates Quality Outcomes; Lower Overall Costs; Consumer Trust	No biz skillsets nor support network; Disconnect between Margin and Mission; Fear of competing;
# of Doc PCPs Shrinking/ # of NPs Growing; Payer Shift to P4P; Consumer Convenience; Legislation Shift to FPA ; Consumerism demands holistic view of patient	Scope of mission as the underserved limits growth; Seen as "Second Class Medicine"; Refusal of payers to recognize NPs as independent PCPs ; Who can own a PC? Expensive Collab Agreements in Many States. Licensing in every practice jurisdiction if crossing state lines
Opportunity [external]	Threat [external]

# FINANCIAL FEASIBILITY

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## AVOID COMMON PITFALLS

- Insufficient estimate of the true cost
- Unrealistic expectations about resources you might tap into
- Misconception about how quickly money will start coming in



# Validation: Financial Feasibility

## Insight From A Failed Effort at an NP-led Work-site Clinics Start-up

Profit & Loss Projections	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Total Revenue (one new client/yr)	0	\$244,183	\$333,469	\$841,733	\$1,015,904
Less: Total Operator Costs	<b>\$225,225</b>	\$225,225	\$299,240	\$301,308	\$308,073
<b>Net Income (loss) 25% penetration</b>	<b>(\$225,225)</b>	\$18,958	\$34,229	\$540,425	<b>\$707,831</b>
# Employers	0	1	2	3	4
# Clinics	0	7	8.45	23	26.5

Is there a funder who will invest ½ of \$225,000 (\$112,613) in Year One for a return of ½ of \$707,831 (~\$354,000) in Year Five??

# Decision & Action

# DECISION POINT

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- Weigh the facts and make decisions based on what you KNOW, not what you “think” or “feel”.
- Is there a need in the marketplace for your product or service?
- Can you generate enough sales to achieve your personal and business goals?
- Can you justify the investment and risk?
- What is your value proposition? (why will someone choose **you** over a competing service?)

# START-UP CHECKLIST

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Select A Business Name



Select Your Legal Entity Type  
Register

Form **SS-4**

Apply for An EIN



Apply for A CT Tax Registration Number



Do You Need Any Licenses or Permits?



You May Need to Register with  
the Department of Labor



Consider Your Need for Patent and/or  
Trademark Protection



Branding & Business Image



Business Insurance



Register for Assistance!

# Am I Ready to Start My Own Practice?

Before Opening the Doors

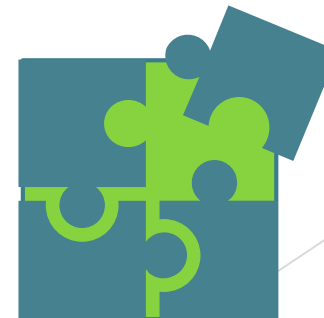


# Am I Ready to Start My Own Practice?

## Penny Wise and Pound Foolish

- ▶ **Credentialing** with commercial carriers/CMS: allow six (6) months.
- ▶ **Hire someone**—little things like not signing in BLUE ink for CMS applications can delay credentialing for MONTHS! Or big things like caving on payment denials.
- ▶ Use of **probation periods** to minimize risk of bad hires.
- ▶ Hiring family and friends—a **recipe for disaster**.

Source: David Unkle, NP, NNPEN Conference 2017

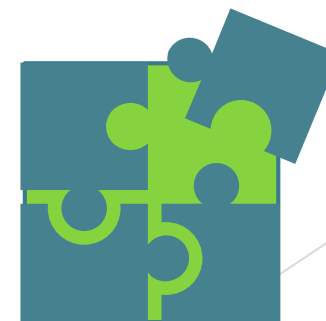


# Am I Ready to Start My Own Practice?

## Capital, Insurance and Other Boring Money Things

- ▶ **Small Business Loan**
- ▶ **Equipment Leases:** Some require a physician to lease?
- ▶ **Accountant:** Find one before you open. Study your P&L
- ▶ **Billing:/Revenue Cycle Management:** This will make or break your practice—must be up-to-date and they educate YOU.
- ▶ **Line of credit:** \$\$ flow will be slow for at least six months
- ▶ **ATM card is your credit card**

Source: David Unkle, NP, NNPEN Conference 2017

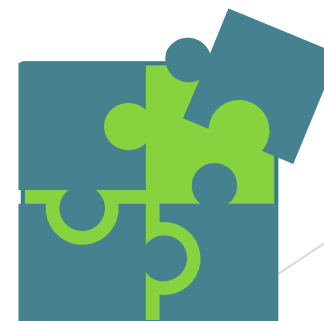


# Am I Ready to Start My Own Practice?

## Forever Caveats

- ▶ **Evaluating the practice:** it's more than profit or loss.
- ▶ **HIRE** someone to do this...
- ▶ **Make changes** based on trends over time.
- ▶ **Expect** to lose money in Year 1 and perhaps Year 2.
- ▶ **Expect** headaches, heartaches, and heartbreaks.

Source: David Unkle, NP, NNPEN Conference 2017



# Am I Ready to Start My Own Practice?

## Unkle's Monday Morning Conclusion

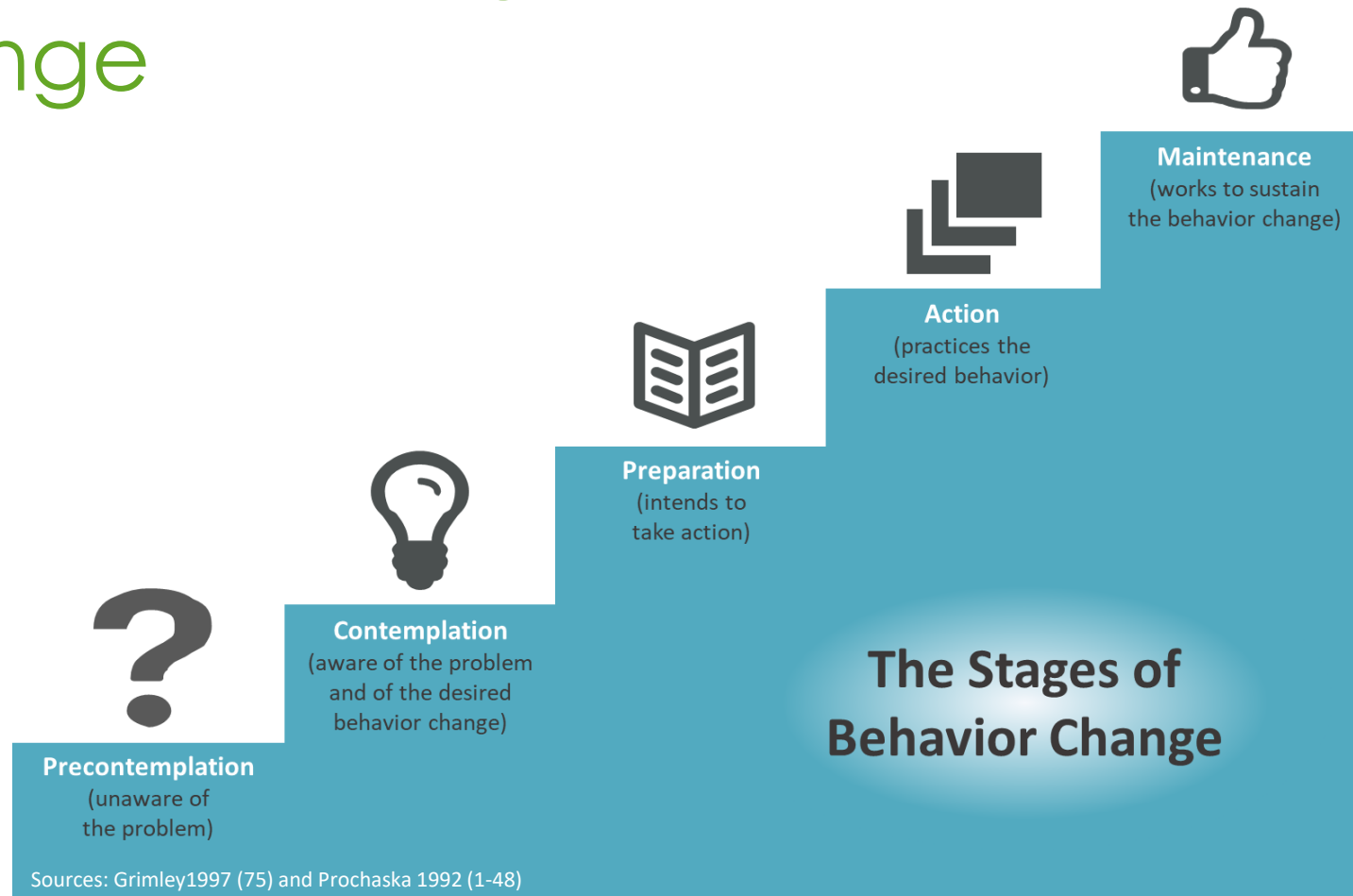
- ▶ Would I do it over again...YES. But I'd do it differently

Source: David Unkle, NP, NNPEN Conference 2017

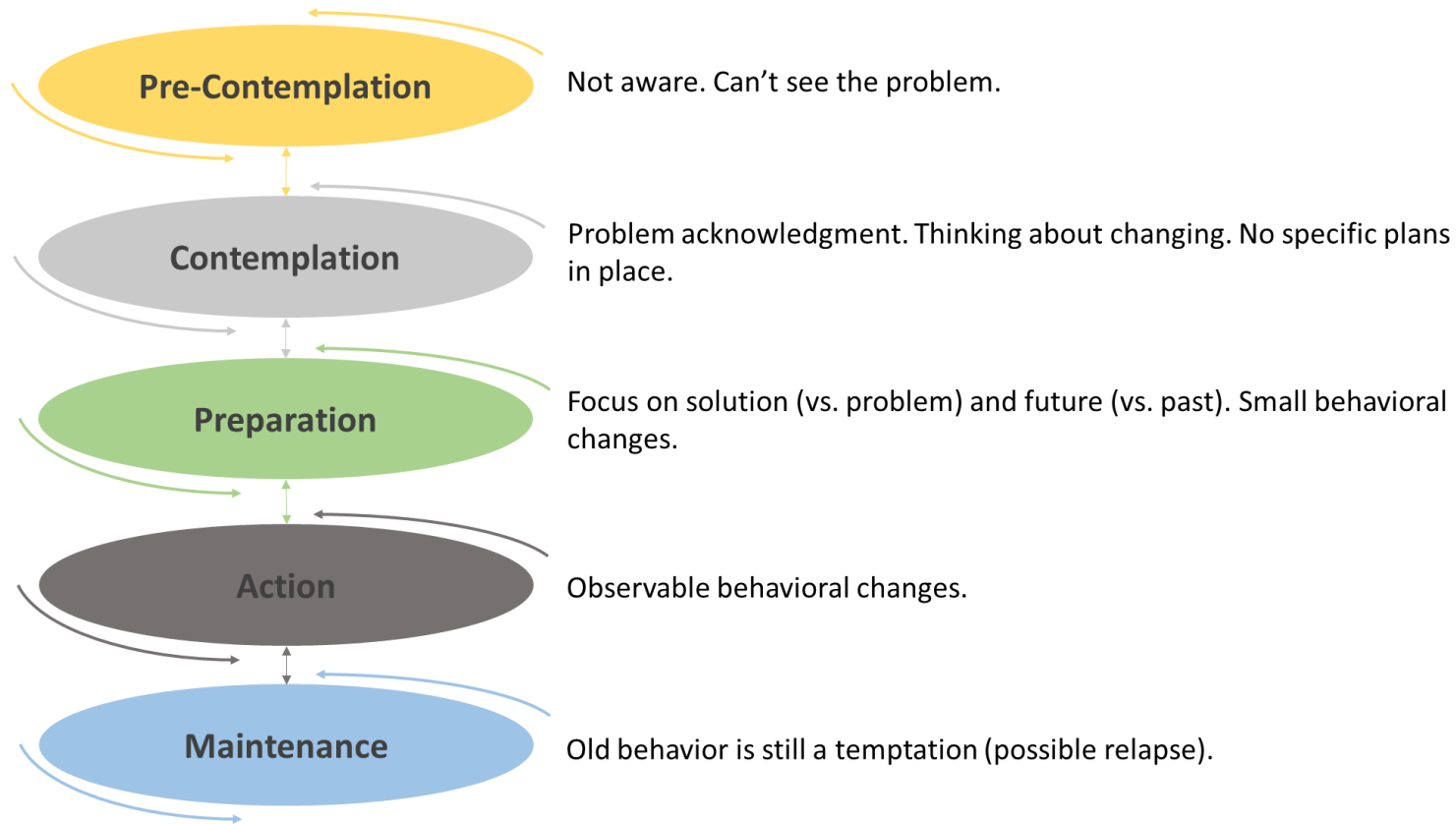


# Prochaska's Stages of Behavior Change

# Prochaska's Stages of Behavior Change



# Prochaska's Stages of Behavior Change



***Change is a nonlinear process that sometimes requires you to take a step back before you move forward.***

Sources: Grimley1997 (75) and Prochaska 1992 (1-48)

# Free startup resources



# CHANGE MANAGEMENT: Resources

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- Free Business Advisor Services from SBDC [Small Business Development Centers] IN EVERY STATE!
- Huge libraries online
  - <https://ctsfdc.com/training>
- CTSBDC will be your traffic controller throughout the 50 states:
  - Valeria Bisceglia email: [valeria.bisceglia@uconn.edu](mailto:valeria.bisceglia@uconn.edu)



There are 62 Small Business Development Centers across the US and its territories. You can find yours at SBA.gov:

