The 5 Pillars of Building a Successful Practice

Presented by Dr. Daniel Kalish, DC
INTRODUCTION

- 24 years of patient experience, with thousands of patients worldwide

- Trained over 1,000 practitioners in The Kalish Method of Functional Medicine

- Principle investigator in a research study conducted with the Integrative Medicine Dept., Mayo Clinic on The Kalish Method
KEY CONCEPTS

• How to meet your business goals without burning out

• Discover where to start and how to apply a clear clinical model

• How to avoid the most common pitfalls in running a practice
BUSINESS CHALLENGES

Biggest Business Challenges

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percent</th>
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<tbody>
<tr>
<td>Finding new patients</td>
<td>37.2</td>
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<tr>
<td>Patient compliance &amp; retention</td>
<td>29.3</td>
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<tr>
<td>Understanding online marketing &amp; techn…</td>
<td>29.3</td>
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<tr>
<td>Establishing my brand/ niche</td>
<td>26.6</td>
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<tr>
<td>Overcoming a fear of selling to patients</td>
<td>25.5</td>
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<tr>
<td>Finding a work-life balance</td>
<td>23.9</td>
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<tr>
<td>Time/ Task Management</td>
<td>23.4</td>
</tr>
<tr>
<td>Transitioning beyond one to one visits</td>
<td>22.3</td>
</tr>
<tr>
<td>Getting referrals</td>
<td>20.2</td>
</tr>
<tr>
<td>Streamlining daily operations</td>
<td>16.0</td>
</tr>
<tr>
<td>Financial planning and budgeting</td>
<td>11.7</td>
</tr>
<tr>
<td>Scaling my business</td>
<td>11.2</td>
</tr>
<tr>
<td>Staffing: hiring, firing, training</td>
<td>9.6</td>
</tr>
<tr>
<td>Other</td>
<td>7.4</td>
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Selected Top 3 Challenges

Provided by The Kalish Institute [www.kalishinstitute.com](http://www.kalishinstitute.com)

Data Collected by Emerson Ecologics

For more information contact: [https://www.emersonecologics.com/](https://www.emersonecologics.com/)
Physician Burnout

The Three Symptoms

- Exhaustion
- Cynicism
- Doubt

What To Do

- Determine what you can be the BEST at! (and can’t be)
- Determine what drives your economic engine
- Determine what you are deeply passionate about

81% of physicians are overextended or at full capacity
44% will reduce hours, patients seen, or leave clinical role
71% feel there is a shortage of physicians and a need to train more
39% will accelerate retirement plans
13% no longer accept Medicare... up 49% in 2014 from 2012

Source: The Physicians Foundation 2014 Survey of America’s Physicians: Practice Patterns and Perspectives. Data based responses from 28,000 physicians, for further information, see www.physiciansfoundation.org or www.merrillveterans.com
# Practice Objectives

<table>
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<th>BUILD</th>
<th>GROW</th>
<th>Transition</th>
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<tbody>
<tr>
<td><strong>0-5 Years</strong></td>
<td>• Trial &amp; error phase</td>
<td>• 5-10 Years</td>
<td>• 15-20+ Years</td>
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<tr>
<td></td>
<td>• Learning &amp; developing skill set</td>
<td>• Refining foundation</td>
<td>• New goals or interests</td>
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<td></td>
<td>• Pressure for revenue</td>
<td>• Adding additional specialties</td>
<td>• Work/Life Balance</td>
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<td>• Solid revenue base but looking to increase</td>
<td>• Decrease hours but keep income steady</td>
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WHAT CREATES A SUCCESSFUL PRACTICE

- Focused approach / target market
  - Big 5

- Reproducible model (methodology and education/selling process)
  - Condition / Description Technique

- New referrals from consistent results rather than higher volume
  - Mining the install base
THE 5 PILLARS OF BUILDING A SUCCESSFUL PRACTICE

- Defining Your Niche
- Forecasting Financial Success
- Patient Communication Skills
- Operations
- Bringing It All Together - The Three P’s
PILLAR 1: DEFINING YOUR NICHE

• Pick a niche or area to emphasize to base your business around

• Focus on the right patients to ask for referrals to build up your practice

• See your practice as a business and your patients as customers, freeing you from the idea that you have to treat everyone for every condition and be an expert at everything
FINDING YOUR NICHE- CHOOSE THE RIGHT PATIENTS

Start Your Practice Focusing on A Target Patient Population

Weight gain

Female hormone imbalances

Fatigue

GI problems

Depression
ERRORS MOST COMMON

• Only using functional medicine with hardest patients

• Not choosing any population specifically “just letting it happen to you”

• Having a niche you love but not pursuing it
  – love working with kids or pregnant moms but not focusing on that
HOW YOU CREATE YOUR NICHE
ONCE YOU CHOOSE IT

• Find groups to do talks for: my example of female hormones lectures

• Update your website

• Focus a blog on this niche

• Ask the right patients for referrals (if you ask a patient with Crohn’s disease for referrals you’ll get…)

PILLAR 2: FORECASTING FINANCIAL SUCCESS

- Learn how to build a reproducible clinical model
- Most common mistake is highly successful clinic with high overhead
- Key is low overhead
Body System One: Stress hormone increase

Usually precipitated by the three main Initiators of illness:
- Emotional Stress
- Dietary Stress
- Inflammation

Decreased immune response

Body System Two: GI pathogen acquired, food intolerances, leaky gut

Body System Three: Detox system overwhelmed

TOXINS
MOST COMMON MISTAKES - HIGH OVERHEAD

- Successful practitioner, high overhead business
  - Serves large number of patients
  - Employs large number of staff
  - Delivers the doctor low dollar amount given hours put in
  - Often times, oriented around chronic illness
KEY IS LOW OVERHEAD

- Low overhead means low overhead
- Margins between 40-60%
- Use reproducible systems, follow-up systems and technology, online scheduling
- Small inventory
- Limit types of lab tests available refer when necessary
PILLAR 3: PATIENT COMMUNICATION SKILLS

• Discover the keys to motivating patients to buy lab test kits despite having a wide variety of chief complaints

• Learn how to sell longer more complete three or six month supplement protocols

• See how patient education leads to better compliance, better clinical results and ultimately drives referrals
COMMUNICATION SKILLS DEVELOPMENT

• Some people naturally have excellent communication skills

• For the rest of us we need to practice and learn how to do this intentionally, it’s a skill you can learn!

• Patient communication skills are the main driver of income and sales
Patient communication is the first key skill set in mastering the fundamentals of efficient and effective medicine. Here are the first of three steps required in the new patient interview:

1. Developing rapport with your patient
2. Explaining patient complaints using condition-description technique
3. Explaining your ability to test and correct their problems
• Relate the need for a 3 to 6 month protocol to the symptoms and that a 1 month program won’t change anything

• Tell the patient....
  -What each supplement is for
  -How it will help them
  -Why the specific lab values indicate they need this specific protocol

• Explain the need for diet and lifestyle changes
  -This is the real core of what we’re doing
PILLAR 4: OPERATIONS- THE KEY TO SUCCESSFUL PATIENT FOLLOW-UP

- Learn where patient follow up and patient sales decline

- Create a system for catching these predicable drop out points and reversing the trend, keeping your existing patients in your business for longer

- See how better follow up leads to increased sales and how it improves long term patient outcomes by supporting people past that initial phase of improving their chief complaints
PATIENT PROCESS FLOW

1. Inquiry
2. New Patient Consult
3. Purchase Labs
4. Lab Review Consult
5. Purchase Program
6. Follow Up Consult
7. Program Reorder
8. Follow Up Consult
9. Retest Labs
10. On-going Program
BETTER FOLLOW UP LEADS TO SALES

Sell to your install base
• Your best customers are your current patients and when properly educated they will drive increased sales by staying with you for longer and buying more products

GOOD CLINICAL RESULTS = REFERRALS
PILLAR 5: BRINGING IT ALL TOGETHER- THREE P’s

• Learn how your health and vitality reign supreme as the #1 issue to address

• See how patient education naturally translates into sales and clinical success, which therefore becomes financial success

• Start to analyze your own operations and logistical systems to find any holes that need to be addressed
3 P’S TO BUILDING A SUCCESSFUL PRACTICE

**Practitioner**
- Lives healthy life
- Does meaningful work
- Contributes to society

**Practice**
- Supports practitioner goals
- Provides sustainability

**Patient**
- Predictable process
- Life changing results
BUSINESS PRACTICE TIPS

- Keep your “NET” margins between 40-60%
- Hire the right staff: putting the right person in the right job
- Robust IT Systems: online scheduling, patient management software, VPN for remote access, wordpress-based website for easy updating, EMR MD-HQ
- Business coach and business seminars: putting as much energy into educating yourself about business as you have done educating yourself about patients
- Putting same amount of energy into making your business healthy as you do into making your patients healthy
EVERYONE **WANTS** THE SAME THING…

#1 stated need from prospective students:

“*I don’t need a whole new practice system, I just need help marketing and advertising.*”

WE FIND MARKETING & ADVERTISING ARE JUST **ONE PIECE OF THE PUZZLE!**
EVERYONE **NEEDS** MUCH MORE…

**Good Marketing** must permeate every aspect of your practice:

- A message that differentiates you
- A clear model that identifies the best patients to target
- Confidence in your communication approach
- Streamlined, easily repeatable, system
- Repetition and practice to become an expert
YOUR BUSINESS MODEL IS AS IMPORTANT AS YOUR CLINICAL MODEL

The clinical process of getting people well is paired with the business operations that make your practice work

CLINICAL MODEL

+  
BUSINESS OPERATIONS

=  
GOOD PATIENT OUTCOMES AND PROFITABILITY
• Any practitioner can absolutely have a thriving successful practice

• It takes an equally divided focus on clinical results and business operations to deliver long term patient results and profitability