



2015 Most Popular Articles

Starting a Practice



Review Next Steps in Derm's most read articles on getting set up with your own practice.

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From the Editor:

Welcome to Best of Next Steps in Derm! In gathering together the most popular articles by top dermatologists in these quarterly installments, we want you to benefit from their tried and tested advice on building your career and running your practice.

This issue brings you not only our most read articles on Starting a Practice, but includes exclusive content as well. Whether you are practicing solo, in a group, or in a hospital setting, an awareness of potential challenges can prevent a lot of unnecessary expense and disruption. The exclusive article for this issue by R. Sonia Batra MD, MSc, MPH provides thorough advice on how to avoid common pitfalls, such as overstaffing and understaffing, hiring uncertified employees, overpayment for services, and signing contracts without legal review.

William W. Huang, MD shares five things he did to help build his practice — with so much to offer, he encourages you to extend your services beyond the walls of your clinic to your local and medical communities. Lindsay Strowd, MD gives straightforward advice for your first year in your first “real” job, such as how to grow your patient base, train your staff, establish office policies, and create your niche. If you have not already bought your office space, you may want to consider renting instead — Manjula Jegasothy, MD extols its benefits, including the flexibility, the free decoration, and a landlord to do your repairs! And finally, Anna H. Chacon, MD shares practical advice on marketing your practice, including why marketing does not have to be either expensive or complicated.

We trust that you will find these articles both interesting and encouraging, and look forward to sharing more with you soon. To review additional practice management and career development articles, visit us at NextStepsInDerm.com.

Enjoy this issue!



Daniel M. Siegel MD, MS, FAAD, Senior Editor

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Running A Dermatology Practice



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Common Pitfalls

Dermatologists encounter many challenges whether they practice in a solo, group, or institutional/hospital setting. Knowledge and awareness of these potential issues can help practitioners prevent unnecessary expenses and disruption. While no practice runs completely smoothly at all times, avoiding some of the most common mistakes can save significant time, money, and headaches in the long run.

Overstaffing and Understaffing

Think practically about your patient volume, time commitments, and the physical space of your practice. Make a template that includes your desired schedule or patient flow and the number of exam rooms you have available. Plan staffing to facilitate care delivery in the most efficient manner. An online calendar with provider schedules or a room manager function within an Electronic Medical Record (EMR) can simplify staff assignments. Overstaffing can lead to poor communication and a phenomenon of “passing the buck” where staff idly waste time while productivity drops. Overstaffing also drives up overhead without improving revenue generation. Understaffing places an unnecessary burden on the practitioners as well as other staff members. This leads to

longer wait times, errors, poor patient and staff retention, and burnout.

Hiring Unqualified/Uncertified Employees

Spend the extra time and money to hire staff that are adequately trained and preferably have dermatology-specific experience. Check the licensing requirements in your state to ensure that employees are appropriately certified for the tasks delegated to them. While it may seem cheaper to hire inexperienced staff in the short term, it will lead to a higher rate of errors, repetition of work, and time lost. Always perform a background check on employees, as dermatology practices are excellent targets for theft, fraudulent prescriptions, and drug seekers. I once hired a seemingly sweet, young woman for my front desk who, within days, had called in numerous narcotic prescriptions for her associates under my license and DEA numbers!

Purchasing the Wrong Electronic Medical Record (EMR)

If you accept Medicare or Medicaid in your practice, prior to purchase, confirm that your EMR meets all government

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reporting requirements to prevent payment penalties and to qualify for incentive payments. These requirements currently include electronic prescribing, meaningful use, and quality reporting, but constantly evolve. Include written confirmation in any contract that the EMR will be updated and kept in compliance as requirements change. Be wary of companies that charge you for each system adjustment, and include in your contract a clause stating that features cannot be taken away with future updates. One “upgrade” to my EMR actually removed my ability to run certain marketing reports. When I asked my software company about this, they charged me to reinstate the reports since they had started to incorporate them in a separate “marketing module” that also had to be purchased! Test drive multiple EMR systems prior to selecting one to ensure it fits well with your workflow and is user-friendly. Avoid systems that will require extensive revamping or customization to fit your practice, as this is costly and time-consuming.

Overpayment for Services or Devices

Before entering into any contract, compare at least two to three bids. You will be astounded at times by the cost difference for comparable services or devices! One hazardous waste removal company quoted me six times what another company did for removing my sharps containers. A laser salesman once had me write a paragraph to earn a so-called “Key Opinion Leader” quote, which was still thousands more than the price advertised on a postcard I received directly from the company. Suffice to say, it is worth the extra time to get multiple bids for items you may think are “standard.” Try to avoid being locked into long-term contracts for services or utilities. Many companies realize that young physicians

lack business experience and will try to take advantage.

Signing Contracts Without Legal or Experienced Review

Whenever possible, have an experienced attorney and/or accountant review business contracts. Contracts often include clauses that allow for renegotiation, termination by the physician, and other protective measures that less suspecting practitioners may not consider prior to signing. The added expense of professional review usually pays for itself. In addition, it may increase negotiating power in business relationships and provide a buffer for physician comfort and professionalism when dealing with third parties.

Failure to Mind the Books/ Understand Business

Regardless of your practice setting, spend time to learn and understand the business side of practice. A basic familiarity with accounting software and business instruments such as a profit and loss sheet will help you understand your financial productivity as well as help improve your profitability. It can also protect you from misrepresentations by an office manager or administrator that can directly or indirectly impact your income. Familiarize yourself with legal, human resource, and regulatory requirements. While a good accountant and attorney are necessary allies, the practice is ultimately your responsibility. Physicians appropriately tend to focus mostly on the medical aspect of the practice. Running a successful practice relies on the same three areas as any small business: sales and marketing, finance and administration, and operations.

These are but a few of the common pitfalls in running a dermatology practice. While all scenarios cannot be accounted for,

being prepared for ones that affect most practices can help in running your practice smoothly. Most importantly, realize that despite the best preparation, issues will arise. Try to remain rational and don't become emotionally overwhelmed. Remember, Will Rogers said, "Good judgment comes from experience, and a lot of that comes from bad judgment."

Five Things I Did to Help Build My Practice

By WILLIAM HUANG, MD, MPH,FAAD
"Best Of" Next Steps Online
from February 10, 2015

When I first started my clinical practice, I joined an academic department with many very established providers. Most of them had worked there for 20+ years. Fresh out of residency, I was the "new kid on the block" and was unknown to any referring provider. It was intimidating to say the least. In order to help build my practice, I did several things.

1. For any new patient or patient that was referred, I sent letters to their primary care provider and/or referring provider to update them on the patient.
2. I gave presentations at Grand Rounds in other departments and at regional/state meetings. I performed inpatient hospital consults weekly.
3. I taught courses in the medical school and served on hospital committees.
4. I gave presentations to community groups and volunteered in free clinics.
5. I was interviewed by the media as a medical expert on issues such as sunscreen labeling changes, acne, hyperhidrosis, wintertime skincare, skin cancer risk factors, and tanning legislation.

Now that my practice is more established, I continue to do these things, as I find them incredibly rewarding. The nationwide shortage of dermatologists, long wait times for clinic appointments, and the changing role of dermatologists in the "house of medicine" have been well-documented. As you begin your own career, I encourage you to make yourself visible beyond the walls of your clinic. You have so much to offer not only to your patients, but to your local community and medical community. In this way, your daily job truly becomes a lifelong career.

Four Things to Consider Your First Year of Private Practice

By LINDSAY STROWD, MD
"Best Of" Next Steps Online
from June 4, 2015

Congrats! You have made it through years of hard training, passed the Boards, and landed your first "real" job! For the majority of new dermatologists, their first job after residency will be in a private practice setting with a one-year or two-year guaranteed salary. Below are some key areas to focus on in those early years in order to build a successful practice.

1. Grow Your Patient Base

While you are salaried, patient volume is less important, but once you transition to an RVU-based or revenue-generating payment model, the amount of time that you are busy on a daily basis will become the main income-determining factor.

A specialist will need roughly 20 primary care physicians referring to them on a regular basis to maintain adequate patient volume. Consider the first years of your job

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as a time to meet face to face with referring physicians and ramp up your referral basis. Make a handout that includes highlights from your CV, your areas of interest and a professional headshot, and bring these and plenty of business cards with you.

Additional advertising via local newspaper ads, community bulletins, medical association websites, and social media can go a long way to increase patient volume and are relatively inexpensive.

Develop habits that will ensure referring physicians will continue to send patients your way. Send patient visit notes or summary letters in a timely manner. Include copies of pathology reports and lab tests if ordered. If you are able to work in same-day urgent patients, physicians will refer to you time and time again.

Satisfied patients are a great source of referrals. Oftentimes, if a patient likes you, he/she will refer their family members and friends to you. Have business cards available in your exam rooms and reception area for patients.

2. Train Your Staff

Take the time to properly train your staff. Your staff members should learn how you like to perform procedures, inform patients of results, schedule appointments, etc. Taking the time upfront to train your staff will pay dividends by increasing efficiency. Be as specific as possible during the training process to minimize confusion and ambiguity. Give positive and constructive feedback to your staff.

3. Establish Office Policies

In residency, you were often at the mercy of established clinic policies whether or not you personally agreed with them. Now you have the opportunity to create policies that will help you provide the best patient care.

Written policies will give your staff concrete expectations to relay to patients. Some policies to consider include: self-pay patients, late arrivals and no-shows, meeting with drug representatives, abusive patients, dispensing narcotics, and prescription refill requests.

4. Create Your Niche

A good time to cultivate your specific dermatologic interests is early in practice, when your time is more protected. If you are interested in cosmetics, obtain additional training, attend conferences pertinent to your niche, and give discounts to initial patients to help build your cosmetic patient base.

Consider developing interests in areas of dermatology that may be locally underrepresented, such as patch testing, sclerotherapy, dermoscopy, or phototherapy.

Marketing Your Dermatology Practice

By ANNA H. CHACON, MD
 “Best Of” Next Steps Online
 from March 18, 2015

Marketing does not have to be expensive or complicated. Regardless of what route you choose to implement in your practice, the best way to market yourself as a physician is to provide excellent care and service to your patients.

To understand how marketing works and how it can help your practice, you must begin by understanding patient choice. You can capture business by influencing a patient's choice if they have a choice to make.

When patients have a choice, they use a variety of factors including quality or proxy measures to help determine where and whom will provide their dermatologic care. Outdated magazines in a waiting room may clue a patient in to perceiving skills are out of date. Cleanliness in an office can reinforce patient safety measures. Despite these perceptions, a dermatology practice's reputation has to be backed up with real quality.

Your patients are the most powerful marketing tool you have, so focus your initial efforts on them. Ask them what services you could add that are important to them. If you treat them right, word-of-mouth recommendations can do more to build your practice than you could do on your own.

Marketing also begins with patient education to help others understand the skills and services a dermatologist can provide. To get the message across about your full range of services, you can use any number of tools: develop an online presence through Facebook, Twitter, or YouTube; use factsheets; air a segment on community cable television; or create take-away items like mugs, pens, or soaps that expose your practice and its logo. Expand your services by offering extended or more convenient hours.

When initially starting your practice, consider sending welcome letters or investing in advertising to welcome others into your practice. Last but not least, "Happy Birthday" notes are small acts of kindness that show you really go the extra mile for patients. Appointment reminders are a must, not only to enhance office efficiency and production, but also as a marketing tool. Patients perceive your practice is more organized when they are reminded of their appointments, which is another quality measure.

Marketing influences a patient's choice by showing the real value of a product or service that you offer at your dermatology practice. In today's competitive market, dermatologists need to embrace marketing methods that other industries implement and should not be hesitant to do so.

Seven Reasons to Rent Your Office Space (Rather Than Buy It)

By S. MANJULA JEGASOTHY, MD
"Best Of" Next Steps Online
from January 5, 2015

1. You'll have better flexibility to change size as you expand/employ more providers.
2. Commercial landlords often provide a "renovation budget" every five years; if you shop/design/spend wisely, you could redecorate your office every five years for free.
3. It's much easier to improve/change office location quickly as your patient demographic evolves.
4. You can move your practice to a brand-new building every 10 years.
5. You never have to deal with major/minor repairs, as you can refer all of them to your landlord or his management company.
6. You are not a slave to real estate fluctuations, which can be volatile.
7. Dermatologists are great tenants; because of this, landlords are always anxious to keep them and will negotiate lower/better pricing if you choose to stay in the same space over several leasing periods.

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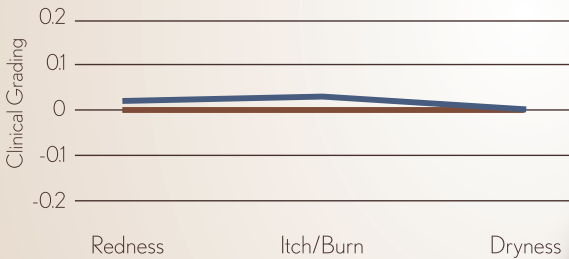
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