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The image shows a presentation slide with a blue background on the left and a white background on the right. On the left side, there are two bullet points in white text. On the right side, there is a large QR code. In the bottom right corner, there is a small logo for 'DPC SUMMIT' with the letters 'D', 'P', and 'C' in colored squares above the word 'SUMMIT'.

- ▶ Navigate to <https://aafp1.cnf.io/> and tap the session titled "DPC Start Up Basics"
- ▶ OR just point your phone's camera at the QR code to join directly

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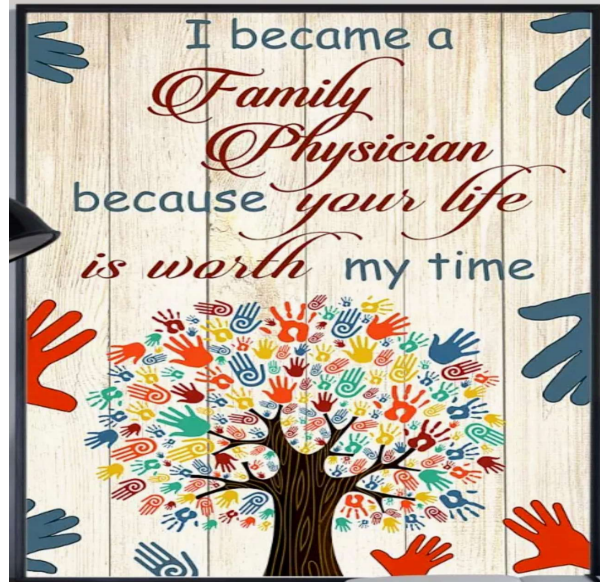
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LUDWIGS VILLAGE  
FAMILY MEDICINE

AMY CAPOOCIA, DO  
FACOFP



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## Direct Primary Care

- Accessibility
- Affordability
- Compassionate Care
- Comprehensive Coverage
- Insurance Free
- Autonomy



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## Learning Objectives

1. Identify the essential operational components required to launch a Direct Primary Care (DPC) practice, including EMR selection, membership structure, and use of group purchasing organizations (GPOs).
2. Describe key legal and administrative considerations involved in DPC start-up, including Medicare opt-out procedures and related compliance requirements.
3. Develop a practical communication and marketing plan—including a concise elevator pitch and basic outreach strategies—to articulate the value of DPC and support sustainable patient panel growth.



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## Vision & Planning– get comfortable with numbers

- **Define Your Practice Model:** Decide on the scope of services (e.g., medication dispensing, lab testing, telehealth) and your target patient demographics.
  - WHO IS YOUR IDEAL PATIENT?
- **Write a Business Plan:** Include mission and vision statements, timeline to opening (typically 3–18 months), and a financial proforma.
  - MISSION STATEMENT
  - CORE VALUES
  - HANDBOOK
- **Set Financial Goals:** Determine desired salary and fixed expenses to establish per-patient pricing and break-even point.
- **Take the Leap:** you will start scared and inexperienced, just keep learning and growing
- **Keep Learning:** Listen to Podcasts, Business and Medical, Small groups, find a community



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## ELEVATOR PITCH

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- I am the Physician Owner of Ludwigs Village Family Medicine, a Direct Primary Care practice committed to restoring the patient-physician relationship. By removing insurance barriers, I provide affordable, accessible, and comprehensive medical care that allows patients to receive the time, attention, and personalized treatment they deserve.



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## Practice model: talk to your accountant

- **High volume, low cost**
- **Low volume, high cost**
- **Mid volume, mid cost**
  - LLC – subject to different taxes, payments. Good starting place.
  - S-CORP– potential tax savings once profitable
  - Can start as LLC and convert



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## Pricing exercise, ai assisted

- Desired Salary
  - Estimated Overhead
    - + 25-35% for wiggle room
  - Estimated Panel Size
    - Geriatrics 400
    - Primary Care 350-600
    - Pediatrics 600
  - Salary + Overhead + 30% = \$/yr
    - Divided by 12 = \$/mo
    - Divided by Panel size = Avg Fee
- To net \$300,000 take-home with 30% overhead and a panel of 350 patients:
1. Your practice needs to collect enough revenue so that 70% remaining after overhead equals \$300,000.
 
$$0.70 \times \text{Revenue} = 300,000$$

$$0.70R = 300,000$$
  2. Solve for total annual revenue needed:
 
$$R = \frac{300,000}{0.70} \approx 428,571 \text{ per year}$$
  3. Per Month: \$35,714 per month
  4. How many members :  $\frac{35,714}{350} \approx \$102.00 \text{ pmpm}$



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## What overhead you need to start

- Active Medical License
- Stethoscope
- Phone
- Pad of paper
- Energy
- Highly Suggested:  
malpractice coverage



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## Just Start, add as you go:

### Expense

Office rent or mortgage	<i>Often largest fixed cost</i>
Utilities	<i>Electric, water, trash</i>
Internet/phone	<i>VOIP, fax, Wi-Fi</i>
Medical Equipment	<i>Furniture and supplies</i>
Repairs/maintenance	<i>HVAC, plumbing, upkeep</i>
Property insurance	<i>If owning building</i>
Security systems	<i>Cameras, alarms</i>

### Expense

EHR subscription	<i>Monthly provider fees</i>
Scheduling software	<i>Sometimes bundled</i>
Employee	<i>Salary/benefit</i>
HIPAA-compliant messaging	<i>Secure texting/email</i>
Credit card processing fees	<i>Usually 2–3%</i>
Website hosting	<i>Practice website</i>
Cybersecurity/IT support	<i>Backups, antivirus</i>
Computers/printers	<i>Hardware replacement</i>



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## Insurance and Professional fees

### Expense

Malpractice insurance	Physician Coverage
General liability insurance	Slip/fall, office liability
Workers compensation	Required if employees
Licensing fees	State license, DEA
Credentialing fees	Federal, State, CLIA
CME expenses	Conferences, courses
Professional memberships	AAFP, AOA, ACOFP, AMA, DPC groups
Legal/accounting	CPA, attorney



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## Administrative

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### Expense

Office supplies	Paper, toner, postage
Banking fees	Merchant processing
Answering service (? If needed)	After-hours calls
Marketing/advertising	Google ads, Social Media, local outreach
Patient acquisition costs	Events, mailers
Membership software	DPC billing platforms (may come with EHR)



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## You are in charge of your overhead. Example Financials if 350 patient panel

Monthly Fee	Annual Gross Revenue	Approx Take-Home After 30% Overhead
\$100	\$420,000	\$294,000
\$105	\$441,000	\$308,700
\$110	\$462,000	\$323,400
\$125	\$525,000	\$367,500



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Charge approximately **\$102 per member per month (PMPM) to hit \$300k.**

- Round upward for cushion and churn.
- A safer operational target **\$110–125/month average revenue per patient.**
- If you plan to charge for labs, wholesale meds, procedures, or employer contracts, that changes the math favorably.
- If you expect only 85–90% panel occupancy consistently, you should price higher.



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## Legal & Compliance

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- **Choose a Legal Structure:** Form a Limited Liability Company (LLC) or Professional Corporation (P.C./S-CORP) based on state regulations.
  - Consult Accountant or Business Lawyer
- **Opt Out of Medicare (if applicable):** Ensure compliance with Medicare opt-out requirements to enter into private agreements with Medicare beneficiaries.
  - Varies by state
- **Draft a Patient Agreement:** Clearly outline services provided, fees, and disclaimers that the agreement is not health insurance. Privacy policy. (DPC FRONTEIR)
- **Obtain Necessary Licenses:** Ensure up-to-date state medical licenses and other required certifications



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## Location & Operations

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- **Select a Practice Location:** Choose a site with high visibility and accessibility, considering lease terms and space requirements.
  - SHORT TERM VS LONG TERM
- **Design the Office Layout:** Plan for patient flow, exam rooms, and administrative areas.
- **Set Up Office Systems:** Implement scheduling, billing, and patient communication systems.



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## Opting Out of Medicare:

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- Takes Effect QUARTERLY: Opt out through State.
  - Physicians must submit a signed affidavit to their Medicare Administrative Contractor (MAC) expressing his/her decision to opt-out of the Medicare program
  - The Centers for Medicare & Medicaid Services (CMS) does not have a standard opt-out affidavit form,
  - Many MACs have a form available on their website
- CAN maintain ordering and prescribing status through your Pecos #
  - Medicare Provider Enrollment, Chain, and Ownership System (PECOS), need NPI
- [Medicare Fee-for-Service Provider Enrollment Contact List](#)
- CAN charge Medicare patients a membership
- <https://data.cms.gov/provider-characteristics/medicare-provider-supplier-enrollment/opt-out-affidavits>



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That's overwhelming, why are we doing this?

## Autonomy and The Power of Communication



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## Technology & Tools

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- **Select an Electronic Health Record (EHR) System:**
  - Choose a user-friendly, cloud-based EHR that integrates with other practice management tools.
  - Check out DPC Docs FB page, search "EHR" for suggestions.
- **Implement Practice Management Software:** Ensure it supports scheduling, billing, and patient communication.
- **Establish a Website:** Create an informative site with online scheduling and patient resources.
- **GET COMFORTABLE WITH AI (Grok, Claude, Chatgpt, etc) Integrated into many EMR**



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## Phones

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- **Or just Google Voice? Doximity?**
- **Professional Communication:** Dedicated Office Phone number directly to your cell phone, or landline?
- **Dedicated Business Number:** Multiple users can have app on their phone (drawback-- cell phone)
- **Call Forwarding:** Route calls to your mobile, office phone, or desktop
- **Voicemail Transcription:** Automatically transcribe voicemails into text, allowing you to quickly review messages and respond promptly.



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## HIPAA-compliant texting services commonly used in Direct Primary Care (DPC) practices:

1. OhMD
2. TigerConnect
3. Spruce Health
4. Klara
5. QliqSOFT
6. Notifyd
7. Spok
8. Providertech
9. Luma Health
10. Updox



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## Technology : Leverage the AI

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### Integrate AI Tools:

• **AI-Powered Note-Taking:** Utilize AI scribes to automate clinical documentation, reducing time spent on administrative tasks and improving patient interaction.

• **AI for Letter Writing:** Employ AI tools like ChatGPT or Letters.app to draft patient letters, referral notes, and prior authorization requests, enhancing efficiency and consistency.

• **AI in Prior Authorization:** Implement AI solutions to streamline the prior authorization process, reducing administrative burden and expediting approvals.

• Automated scheduling services?



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## Staffing & Operations

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- **To hire or not? Build as you grow vs Have structure already set up?**

- Can you go solo (does not have to be permanent)?
- How quickly do you want to grow?
- Can you afford staff at the start?

- **Hire Essential Staff:** Consider hiring an office manager or medical assistant to handle administrative tasks.

- **Develop Operational Protocols:** Standardize procedures for patient intake, billing, and communication.

- WRITE IT DOWN FROM THE BEGINNING
- CONFIDENTIALITY AGREEMENTS
- HOLIDAY/SICK PAY/VACATION/BENEFITS

- **Ensure Compliance with Regulations:** Adhere to OSHA, CLIA, and HIPAA requirements.



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## Marketing & Growth

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- **THE BEST BUSINESSES FAIL BECAUSE NO ONE KNOWS THEY EXIST**
- **CREATE YOUR BRAND:** Choose a memorable name and logo that reflects your mission.
- **NEWSLETTERS– BE CONSISTENT!**
- **DEVELOP A MARKETING PLAN:**
  - **Social Media:** Leverage platforms like Instagram, Twitter, LinkedIn to share health tips, patient success stories, and practice updates.
  - **Facebook Community Groups:** Create or join local health-focused Facebook groups to engage with the community, answer health-related questions, and promote your services.
  - **Local Advertising:** Utilize flyers, local newspapers, and community events to increase visibility.
    - LIBRARY LECTURES
    - FITNESS GROUPS
  - **Corporate Wellness Programs:** Offer wellness initiatives to local businesses to expand your patient base



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## Monitoring & Improvement

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- **Track Key Performance Indicators (KPIs):** Monitor metrics like patient panel size, visit frequency, and patient satisfaction. WEEKLY, MONTHLY, SET REMINDERS
  - When do you need to recall pts, there will be some that do not schedule F/U at time of appt
  - When do sharps get picked up
- **Solicit Patient Feedback:** Regularly gather input to improve services.
  - Not listening to patient needs is fastest way to lose business
- **Adjust Operations as Needed:** Be flexible and willing to make changes to enhance efficiency and patient care.
- **PRICING:** Adjust pricing as business grows. Do not undersell yourself



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## RESOURCES:

### Education & Support

- **DPC Alliance:** Access educational programs, mentorship, and advocacy tailored for DPC physicians.
- Utilize startup checklists and support services for transitioning to a DPC model.
- **DPC Frontier:** Explore a comprehensive resource hub with articles, toolkits, and vendor listings. [Direct Primary Care Frontier](#)



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## MORE Resources for DPC

***Startup DPC: How to Start and Grow Your Direct Primary Care Practice* by Paul Thomas, MD**

A comprehensive, step-by-step guide based on real-world experience, offering practical advice for launching and expanding a DPC practice.

***The Official Guide to Starting Your Own Direct Primary Care Practice* by Doug Farrago, MD**

A detailed manual covering the essentials of setting up a DPC practice, from legal considerations to patient management strategies.

***Sparks Start Fires* by Julie Gunther, MD**

A blend of memoir and practical guide, this book shares the author's journey of establishing her own DPC clinic, providing insights and inspiration for prospective DPC physicians.



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## Operational and Strategic Insights

***Slowing the Churn in Direct Primary Care (While Also Keeping Your Sanity)***

**by Doug Farrago, MD**

A reflective workbook designed to help DPC providers understand patient retention dynamics and maintain a balanced practice.

***Magic, Pixie Dust, and Miracles: A Guide for Direct Primary Care and Employers***

**by Shane Purcell, MD**

Focuses on integrating DPC with employer-sponsored healthcare plans, offering strategies for collaboration and mutual benefit.

***Medical Answers Now!***

**by Troy A. Burns, MD**

Explores how DPC ensures timely access to healthcare providers, emphasizing the model's efficiency and patient satisfaction.



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## Perspectives

***Direct Primary Care: The Cure for Our Broken Healthcare System*** by Paul Thomas, MD

An exploration of how DPC addresses systemic issues in healthcare, advocating for a patient-centered approach.

***Private Practice Solution: Reclaiming Physician Autonomy and Restoring the Doctor-Patient Relationship*** by Grace Torres-Hodges, DPM, MBA

Discusses the benefits of private practice and how DPC can restore meaningful doctor-patient relationships.

***Living and Practicing by Design: Saving the Hearts That Care for Our Lives*** by John Hayes Jr., MD

Offers insights into creating a fulfilling medical practice that aligns with personal values and professional goals.



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*Live Content Slide*

*When playing as a slideshow, this slide will display live content*

## Social Q&A for DPC Start Up Basics



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# QUESTIONS?



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