

Acquisition Business Plan

ENTER



Life's better when we're connected[®]

1 Things to consider when buying a practice

- ☐ Did you conduct a thorough due diligence of the practice, including a review of the patient charts?
- ☐ Have you considered your hours of operation and will they remain the same as the prior owner or change?
- ☐ What types of insurances will you accept and are they the same as the prior owner?
- ☐ Will you provide the same services and benefits as the previous owner?
- ☐ Have you reviewed your fee structure against the current structure to determine specific charges?
- ☐ Are there Non-Competition and Non-Solicitation agreements in place when purchasing the practice?
- ☐ Do you plan on being an associate at another practice while maintaining your own practice?
- ☐ Are there any existing staffing issues that could affect the way you run your practice?
- ☐ Remember to stay focused on your vision for practice post-transition.
- ☐ Will your marketing plan be in place prior to opening for business?
- ☐ Is your philosophy of treatment similar to that of the departing doctor?
- ☐ Will your skill level match that of the existing doctor?
- ☐ Have you met with and discussed the practice with any associates already in place to help avoid any potential personality clashes?
- ☐ Did you check to see if the lease space is assignable?
- ☐ Have you made sure that the broker has given you full disclosure and that your loan structure is what you agreed to?
- ☐ Do the repayment plans mirror your transition plans?

This is a tool furnished courtesy of Bank of America Practice Solutions. It is only intended to help you begin the development of a Business Plan.



Life's better when we're connected[®]

2 Target Market

Outline the Target Market portion of your plan on this form.

Market Description

1. Number of potential patients — area population:
2. Zip code or county breakdown on social, economic, age, etc.:
3. Competition — number of similar practices in area, age of practices and doctors:

Market Size and Trends

1. Population of area that practice will draw from:
2. Number of active practitioners per total draw population (e.g., 1,500–2,000 to 1 doctor):
3. Commercial or residential development or redevelopment taking place:
4. Employment group(s) that make up draw population:
5. Economic, social, national trends that could affect draw area:

Strategic Opportunities

Examples: A new school or business being built in the community, a new insurance provider, large businesses in the area, etc.

This is a tool furnished courtesy of Bank of America Practice Solutions. It is only intended to help you begin the development of a Business Plan.

Life's better when we're connected[®]

3 Staffing

Use this form to identify the core staff of employees that you ultimately want to represent your practice and where to locate them.

Staffing Goals

Describe the number and types of staffing positions, if any, that you estimate your practice will need in order to meet your short-, medium-, and long-range goals. Also consider whether you will offer a bonus program in the future or at all.)

Year One:

Year Two:

Year Three:

Year Four:

Year Five:

Year Ten:

This is a tool furnished courtesy of Bank of America Practice Solutions. It is only intended to help you begin the development of a Business Plan.

Staff Experience

What background, years of experience, and salary are you looking for in a staff member? (Develop written job descriptions for each staff member along with a performance appraisal system.)

Front Desk:

Hourly Wage:

Years, Experience:

Benefits:

Background:

Licensed Staff:

Hourly Wage:

Years, Experience:

Benefits:

Background:

Licensed Staff:

Hourly Wage:

Years, Experience:

Benefits:

Background:

Associate:

Hourly Wage:

Years, Experience:

Benefits:

Background:

Other:

Hourly Wage:

Years, Experience:

Benefits:

Background:

Life's better when we're connected[®]

4 Internal and External

Use this worksheet to outline your marketing schedule. List each type of marketing vehicle, the frequency with which you plan to use it, and what you expect it to cost you annually. This will be the basis of your marketing budget and will be used in the projections section of your business plan.

External and Internal Marketing	Expected Frequency	Expected Date of Implementation	Expected Cost Per Year
Marketing Consultants			
Signage			
Phone Directories			
Brochures			
Rotary, Lions Club, etc.			
Newspaper			
Thank-You Cards			
Post-Treatment Care Calls			
Referral Cards			

External and Internal Marketing	Expected Frequency	Expected Date of Implementation	Expected Cost Per Year
Direct Mail (Val Pak)			
Flyers			
Magazines			
Specialty Publications			
Television/Cable			
Special Amenities/Services			
Refreshments			
Other			
Total Estimated Marketing Costs:			

This is a tool furnished courtesy of Bank of America Practice Solutions. It is only intended to help you begin the development of a Business Plan.

Life's better when we're connected[®]

5 Business Budget

Monthly Administration Expenses	Monthly Payment	Annual Payment
Facility Expense		
Insurance		
Legal and Accounting		
Office Expenses		
Outside Services		
Phone		
Postage		
Repairs & Equip Lease		
Taxes & License		
Utilities		
Business Loan Payment		
Continuing Education		
Advertisement		
Meals and Entertainment		
Total Administrative Expenses		

Monthly Staff Expenses	Monthly Payment	Annual Payment
Assistant Salaries		
Licensed Staff Salaries		
Office Staff Salaries		
Health Ins/Employee Benefit		
Laundry/Uniforms		
Payroll Taxes		
Total Staff Expenses		

Monthly Variable Expenses	Monthly Payment	Annual Payment
Supplies		
Part-Time Dr./Associates		
Dues		
Total Variable Expenses		

Total Business Overhead Expenses		
Total Personal Overhead Expenses		
Total Business and Personal Overhead Expenses		
Projected Year 1 Gross Revenue		

This is a tool furnished courtesy of Bank of America Practice Solutions. It is only intended to help you begin the development of a Business Plan.



Life's better when we're connected[®]

6 Personal Budget

Monthly Household Expenses	Monthly Payment	Annual Payment
Mortgage/Rent		
2nd Mortgage, if applicable		
Property Taxes		
Utilities (Electricity, Gas, Water)		
Telephone		
Groceries		
Cable		
Health/Life/Disability Insurance		
Malpractice Insurance		
Other:		
Total Household Expenses		

Monthly Auto Expenses	Monthly Payment	Annual Payment
Automobile Loan		
Gasoline		
Repairs/Maintenance		
License/Registration		
Insurance		
Total Auto Expenses		

This is a tool furnished courtesy of Bank of America Practice Solutions. It is only intended to help you begin the development of a Business Plan.

Monthly Personal Expenses	Monthly Payment	Annual Payment
Clothing		
Medical/Dental/Prescriptions		
Entertainment		
Vacation		
Dues, Clubs		
Alimony		
Miscellaneous/Insurance		
Total Personal Expenses		

Misc. Monthly Expenses	Monthly Payment	Annual Payment
Student Loans		
Unsecured Loans		
Credit Cards		
Other:		
Total Misc. Expenses		
Association Income (After Tax)		
Spouse Income (After Tax)		
Interest, Dividend, or Other Investment Income		
Other Recurring Monthly Income		
Total Other Income		

Life’s better when we’re connected®

7

First-year Business Projections

Itemization of Expenses	Setup Month	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	
1. Advertising & Marketing														
2. Bookkeeping, accounting & legal fees														
3. Medical Supplies														
4. Insurance: Casualty & Malpractice														
5. Janitorial & Maintenance														
6. Laboratory Expenses														
7. Misc.: Dues, Office Supplies, etc.														
8. Payment: Medical Equip/Supplies														
9. Payment: Remodeling, Furniture, etc.														
10. Payment: Working Capital														
11. Payroll: Doctor														
12. Payroll: Staff														
13. Payroll: Benefits & Other Costs														
14. Rent: per Month														
15. Telephone & Utilities														
16. Expenditure Subtotal (#1 thru #15)														
17. Cash Collected														
18. LESS: Expenditures (#16)														
19. EQUALS Net Cash Surplus/(Deficit)														
20. Year to Date Surplus (Deficit)														
Comments: (Specify line or item)														

Life's better when we're connected® 

 Let's talk



