

# TOP 25

## URGENT CARE STARTUP MISTAKES



Urgent Care Startup Whitepaper  
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# Top 25 Urgent Care Startup Mistakes

*Make plenty of mistakes; just don't make the big one.*  
Anonymous

**I**n the past 20 years, we (the principle partners in Practice Velocity) have started 16 urgent care centers, and we have spent hundreds of hours in discussions with many physicians on how to start urgent care centers. We have personally made many mistakes in starting our own urgent care centers, and we have tried to learn from each mistake that we have made.

Every time we have realized we made a mistake in developing our urgent care centers, we sat down and analyzed why the mistake was made, what the mistake means to the future of our urgent care centers, and how we can make sure we don't repeat the mistake. Every mistake is an opportunity to learn something more about how to start an urgent care center. In addition, we have observed many startup urgent care centers make mistakes that they have paid for dearly in the following years. With this background, we share our observations of the mistakes that can harm the development of a startup urgent care center.

We started with a top-ten list, but after ten minutes of brainstorming we already had listed over twenty important mistakes (check back as we add more mistakes on a regular basis) that we have made or have seen other physicians make in starting urgent care centers. These thoughts on how to start an urgent care center are penned from the perspective of entrepreneurial physicians, but many of the principles apply to urgent care centers started by other business partnerships or hospital systems.

Please note: these are not "rules" for how to start an urgent care center, but merely general principles to follow in starting urgent care centers. These ideas about the business of starting, developing and establishing urgent care centers are based on our own personal experience and observations. We have seen many a successful startup urgent care center violate one or more of these rules. We suspect, however, that the more mistakes you make, the more likely you are to struggle and lose sleep over the upcoming decade.



## Wasting Money on Unnecessary Expenses

*A budget tells us what we can't afford, but it doesn't keep us from buying it.*

William Feather

**D**on't make the mistake of thinking that you have to have the best of everything when starting your urgent care center. Paul Graham states this well in his article, "How to Start a Startup." In this article, which is derived from a talk at the Harvard Computer Society, Graham notes that a startup business needs to do three things:

- *Have a good idea, and it does not have to be earth shattering.* No problem here: An urgent care center is becoming a simple necessity any community of any reasonable size.
- *Add good people to your team.* Your startup urgent care center will never be better than the people on your team.
- *Don't waste good money.* Urgent care centers are not immune to failure, and the fastest way to fail is to run out of money.

When you start an urgent care center, you can easily waste an extra \$300,000 or more on unnecessarily expensive items that not even established urgent care centers deem necessary. Unnecessary expenses that we have seen include buying top-of-the-line furniture, buying an MRI or CT scanner (Early on, time share leases often make more sense), hiring nationally famous architects (Yes, we have seen this), hanging expensive artwork, purchasing a \$250,000+ completely integrated electronic medical record, purchasing a

\$100,000+ practice management system with all the bells and whistles for a hospital system, investing in the fastest and most expensive digital x-ray equipment, hiring only registered nurses to staff your urgent care center, buying only brand new (and avoiding new or refurbished) equipment, and many other exorbitant expenses in starting a new urgent care center.

These expenses rarely make a significant difference in the care of patients, and they are very unlikely to produce anywhere near \$100,000 of annual revenue.

Overspending is a big mistake in starting an urgent care center, as new urgent care centers usually underestimate the amount of investment that will be needed in the startup urgent care center. You will need this money to put out fires later on, so don't burn it up before you start.

Yes, we have seen gorgeous state-of-the-art urgent care centers spending money "like there is no tomorrow" succeed. How so? They have been lucky enough to do many other things right, AND they discover that they need to tighten their belts and start watching their pennies. Unfortunately, we have seen other startups observe their success and try to emulate them. These centers often make several other serious mistakes, so they rapidly run out of money.

There are many places on the Internet that you might consider looking for medical, computer, or office supplies for your startup urgent care center.

## Confusing a Good Doctor with a Great Entrepreneur

*By working faithfully eight hours a day you may eventually  
get to be boss and work twelve hours a day.*

Robert Frost

**Y**ou may be great at caring for patients, but that does not mean that you will inherently have the skills to strategize, lead and energize your staff in starting an urgent care center. You must become an intense student of urgent care entrepreneurship.

Read books about starting businesses. Attend seminars, read books and articles and immerse yourself in the subject of entrepreneurship and network with several successful urgent care entrepreneurs. Develop the inner entrepreneur within yourself. They don't teach you this in medical school.

If you don't have an iota of entrepreneur in you and if you have no desire or intention to develop these skills, then maybe starting an urgent care center is not the best place for you to invest your energies. You dream about financial independence, but you may come to financial ruin.

You dream about not having an administrator tell you how to practice medicine, but you may end up with a banker who owns your entire urgent care center. *If you build it, they will come* does not apply to an urgent care building; it applies to an urgent care business that you start, develop and nurture to success. Your startup urgent care is not simply a primary care medical practice with a "walk in" sign. A successful startup urgent care center is a business, requiring an entrepreneur with a vision of the future and a never-say-die drive to make a startup successful.

Most importantly, network with lots of professionals who have successfully started urgent care centers themselves. The best way to do this is to attend the National Urgent Care Conference of the Urgent Care Association of America. Those who have attended in past years have found it to be a networking extravaganza, packed with people who are experienced in and excited about the topic of starting urgent care centers.

## Confusing Your Inner Entrepreneur with an Urgent Care Business Person

*Opportunity is missed by most people because it is dressed in overalls and looks like work.*

Thomas Edison

**M**uch of running a successful startup urgent care center involves mundane business management of day-to-day operations of the center. It is not enough to have completed rigorous medical training and to have passed your boards. It is not enough to have an entrepreneurial dream for your urgent care center. You must learn the critical day-to-day management of operations in a new urgent care center. You can hire an business administrator, but you must not abdicate your responsibility for managing the business aspects of your new urgent care center. Don't confuse delegation with abdication. No one will care about the business of your startup urgent care center as much as you do.

It has been oft said, "The Devil is in the details." This is never more true than in a startup urgent care business. If you don't want to learn the business of coding, billing, hiring, firing, accounts receivable management, and reading financial reports then starting an urgent care center is not for you. Every day you must not only work in your business; you must work

every day on your business.

There are hundreds of details about your business that you will need to attend to:

- Will you contract with managed care organizations (MCOs)?
- Which MCOs will you contract with?
- What is a proper starting wage for medical receptionists in your area?
- Will you provide medical insurance for your employees?
- How will you handle the situation if ten patients sign into your urgent care center in under ten minutes?

Giving great patient care is important today; creating a great urgent care system is the key to the future of your new urgent care center. So give great patient care everyday, AND each and every day make at least one improvement to your urgent care business.

## Not Looking Beyond Your Hometown

*The creative is the place where no one else has ever been.  
You have to leave the city of your comfort and go into  
the wilderness of your intuition.*

Alan Alda

**M**ost physicians choose to start up an urgent care center in their hometown. Why? Because, simply stated, a hometown is where one already lives. It is what the physician knows. However, that may be a fairly poor reason to choose a locality for an urgent care center.

Is it possible that a much better community is less than thirty miles away? If so, choosing the second location could save you \$100,000 or more in reduced losses in your startup. A community that definitely

needs a new urgent care can ensure more rapid growth and success for your startup. Even better, if you really want to be successful, broaden your horizons and look to another city or even another state. Local business conditions, numbers of competing urgent care centers, state laws, and population densities can dramatically affect your success in the startup urgent care center.

As has been said many times in many circumstances, “Three factors are the keys to success: location, location, location.” Nowhere is this more true than in the startup urgent care center.

## Selecting a Site Where Adequate Urgent Care Access Already Exists

*If you see a bandwagon, it's too late.*  
James Goldsmith

**E**very community needs urgent care clinics. If your community already has successful urgent care or critical care clinics, that means there are already urgent care professionals who have the experience and savvy to be successful in starting an urgent care clinic. They have made and learned from many of the mistakes you have yet to make. They have relationships with local companies to do their occupational medicine. You will be able to market to the unsatisfied companies, but how many of these exist and how likely are you to be able to find them? The established urgent care clinics will not be glad to see another urgent care clinic competing for their patients, and they are likely to fight you tooth and nail. They may be willing to provide medical services at a loss for a year or two just to make sure that you fail.

Other urgent care clinics may try to hold up your local hospital privileges, which you may need for certain managed care contracts. They may start false rumors about you, your startup urgent care clinic, your staff, or the standards of care in the urgent care clinic you are starting. They may spend hundreds of thousands of dollars on a public relations campaign for their established urgent care clinics. The news of you are starting an urgent care clinic may be drowned out by their constant radio, television and newspaper advertisements.

Starting your city's fifth urgent care clinic is hardly news; but starting the first urgent care clinic in a small city is BIG NEWS.

Delivering outstanding medical care is a great goal. But being America's best urgent care clinic in a saturated market may still lead to a great failure in starting an urgent care clinic. Wal-Mart didn't start out competing with K-Mart, Sears or any other nationally established chain. Instead, Wal-Mart started in rural Arkansas towns with populations around 10,000. No one else expected this strategy to work. But because Wal-Mart was the only game in town and it had a simple idea (i.e., deliver the lowest prices on the most goods possible), they were able to attract large numbers of customers and rapidly grew to the largest retailer in the world. For the first ten years of developing its model, Wal-Mart was starting stores in rural America. While K-Mart slept, Wal-Mart was working hard to develop its business model—with great profits and essentially no competition. Having lots of competition is never the secret to success in any business. Why not find an under-served city (or small town) and, without any serious competition, start your urgent care center, develop your model, and prepare your urgent care staff and systems for great success?

## Not Considering the Purchase of an Existing Urgent Care

*Many an optimist has become rich by buying out a pessimist.*

Robert G. Allen

**I**n working with scores of startup urgent care centers that are clients of Practice Velocity urgent care software and billing solutions, I have found there are multiple ways to assume the ownership of or to purchase existing urgent care centers. Entrepreneurs using these techniques are generally much more successful while suffering much less financial difficulties in starting their urgent care centers.

So what are you looking for? Research the clinics and urgent care centers already existing in and around your target community. Maybe one of these types of clinics might be available for purchase. It never hurts to ask a few questions.

- *Purchase a marginal hospital urgent care center.*

What if the hospital owns a minimally successful urgent care center and you are sure you can operate it successfully? If the problem is a lack of patients, make sure that you understand why. Is it due to poor reputation, poor location, too much competition, over-staffing, overpaying staff, poor signage, or some other reason? If you are quite sure of the reason for the urgent care center's failure, then make sure you understand what it will take to turn around the urgent care center. Then be certain you can rapidly effect changes to turn it around. Of course, if the urgent care center is in a poor location, it would be unwise to make the purchase. If, however, the hospital administration is willing to meet with you, you may be pleasantly surprised. Rather than

charging you hundreds-of-thousands of dollars for the center, the hospital may be willing to give the urgent care center to you at no charge, providing that you assume the lease and allow the hospital administrators to sell the transfer to private ownership as a positive for the community. To the hospital administration, giving you the urgent care center may be an easy way to erase hundreds-of-thousands of dollars of red ink from their books. At the same time, the hospital administration will be able to avoid a public relations fiasco, as the hospital will not be seen as abandoning the community's need for urgent care services.

- *Urgent care center goes out of business.*

If an urgent care business is vacating space in a local shopping mall or some other building, the landlord may be happy to let you assume the lease on the day after the other urgent care business abandons the premises. One entrepreneurial physician jumpstarted her urgent care enterprise by assuming the lease of three centers on the same day. It was a bold undertaking to train in advance and fully staff centers with physicians, nurses, and receptionists to hit the ground running on day one. But it was a success. With significant patient flow from day one, the total investment amounted to only two months operating expenses for three centers. Compare this to the typical urgent care center that does not experience a break-even month during the initial twelve months of operation. Even better, the ur-

gent care center purchase price is free.

- *Purchase an existing urgent care center.*

If you are willing to relocate to another part of the country, starting your own urgent care center may be similar to buying a house. The seller of the urgent care center may be willing to finance the purchase and allow you to pay back the purchase price from earnings on the urgent care center. This is often a particularly good arrangement, as the seller may be willing to work with you to help ensure a successful transition. Remember, the seller only gets the purchase price of the urgent care center if you stay in business, so the seller has a vested interest in making sure you are successful.

- *Purchase an existing primary care practice and convert it into an urgent care center.*

This technique has been used very successfully in recent years. The existing patient flow of the purchased practice covers the cost of operations right from the start. The staff is already trained to handle patient flow. If you purchase the accounts receivable, you will have an ongoing source of cash flow from day one. The technique has been used to dramatically reduce the investment needed to start an urgent care center.

- *Assume the management of or purchase an occupational medicine clinic.*

Once again the principle of existing patient flow and revenues helps you avoid big losses in the startup. Many occupational medicine clinics that are privately owned or owned by hospitals have suffered significant financial hardships as states have implemented stingy fee schedules and workplace injuries have been significantly reduced. Thus, an occupational medicine clinic may be available for you to assume. One point to recognize is that you are not bound to the location of the occupational medicine clinic, as companies are more tied to relationships and levels of service than they are to a location. Thus, if the clinic is located in a less-than-ideal location for an urgent care, you can simply move it to the new location. Make sure, however, that you take great pains to clearly communicate with the companies and let them know how they will benefit from the additional hours that your services will be available in the urgent care center.

One resource to find urgent care centers for sale are the classified advertisements on the website of the Urgent Care Association of America.

## Picking a Small, Declining Community

*I hate small towns because once you've seen the cannon  
in the park there's nothing else to do.*

Lenny Bruce

**W**hen you open an urgent care center, population density and industrial growth are important for success. Every community in America needs access to convenient, extended-hours, walk-in, medical care, i.e. an urgent care center. Thus, even communities that have declining population and business environments will support urgent care centers. Before you open an urgent care center, decide if your community can support a startup urgent care center. Ask yourself a few questions:

- *What if someone else opens another urgent care center in the community? Can my urgent care center still survive and thrive?*

If your answer is “No, my center is likely to limp along if it has to compete with another urgent care center,” then it may be best to find another community.

- *What is the community population?*

As a general rule, a community with less than 25,000 residents is not adequate to open an urgent care center. Of course, you should also look to the sur-

rounding county or counties, as many times people who live outside of a town consider that town to be the hub of their community life for meeting their retail, service, and healthcare needs.

- *How many McDonalds are in the community (or within a 10-minute drive in urban areas)?*

If the answer is two (or even better three), then you probably have found a community that is a good place to open an urgent care center. Of course, this rule of thumb assumes that the community is not already well served for urgent care services.

- *Am I willing to incorporate primary care medicine when I open an urgent care center?*

If you deliver primary care services, even a community of 10,000 people may be able to support your startup urgent care center.

Thus, this guideline has a true exception: if you are in a community that is truly underserved for access to medical care in general and urgent care in particular, then you may have success when you open an urgent care center in a small community.

## Choosing a Purely Residential Community

*A neighborhood is a residential area that is changing for the worse.*

John Ciardi

**S**ome communities deliver much more significant amounts of occupational medicine patients, so the community you pick for opening an urgent care will make a significant impact on how much growth you can expect in occupational medicine services.

I believe an ideal location for opening an urgent care center is on a busy intersection on the border between an industrial area and a residential community. This location for opening your urgent care center gives both corporations and residential communities ready access to your services. These corporate services can be the difference between a struggling and a thriving urgent care center and account for twenty to fifty percent of visits in many successful urgent care centers.

To be honest, many startup urgent care centers do break this rule, and still reach modest success. Purely residential communities, however, have a smaller corporate base to support occupational medicine services. Office workers are much less likely to require services for workers compensation injuries than dock workers and factory workers.

If you are dead set on opening an urgent care center in a particular residential community, don't ignore occupational medicine. If you decide to break this rule, remember that occupational medicine can still account for ten to twenty percent of your business. Purely residential communities always have somewhat less obvious sources of occupational medicine, including retail stores, school district employees, bus drivers, fire departments, police department, public works employees, construction crews and many other businesses. Make sure you let these employers know about your services, as they can quickly get you from zero to five patients daily. Even five daily occupational medicine visits can get you to financial break even six months earlier. Ignoring occupational medicine at the outset can mean \$100,000 to \$200,000 of additional losses soon after the opening of your startup urgent care center.

If you start off marketing your services to local corporations, you may pay off your startup loan five years earlier—just when your first child gets accepted to that elite private college or just when it is time to plan the opening of a second urgent care center.

## Not Writing a Business Plan

*Planning without action is futile; action without planning is fatal.*  
Unknown

**A** wise person once said, “He who fails to plan, plans to fail.” Putting pen to paper forces you to start to think of many of the issues, purchases and obstacles that you must take on in order to be successful. Much of what you write will need to be altered or scrapped in the real-life development of your new urgent care center, but the business plan will give you a framework for success.

Your business plan should answer many questions:

- Where will you get your financing?
- How much will you invest?
- Why choose a specific state, town, or street intersection?
- How will you market your new urgent care center?
- Will you rent or buy your urgent care facility?

You will need to answer these questions in order to succeed.

Even if you don't need a bank loan and you don't need to convince any other investors, write your urgent care center business plan to convince yourself. After you have written it, come back in one week with the mindset of a skeptical investor. See if you would invest your hard-earned dollars if someone else were trying to convince you to invest in the new startup urgent care center.

Better yet, take the plan to business persons who have started one or more successful businesses. Take it, also, to several successful urgent care entrepreneurs. But don't go asking for approval. Tell them to expose the business plan like a bucket on a post and then level a machine gun at the plan. After the plan has every possible hole shot into it, see if the plan still holds any water. If your bucket has been shot to bits, and you realize that the concept is not yet right, don't be discouraged. It is much better to have your plan shot to pieces in a virtual world, rather than to decimate your finances and future with a plan than never had a real chance of success. It is better to wait a year and rethink your plan, rather to rush into a plan that never had any real chance for success and then pay for your hastiness for the next decade.

## Blindly Sticking to Your Business Plan

*Everybody's got plans...until they get hit.*  
Mike Tyson

**I**t is a big mistake to blindly follow your urgent care business plan. You will never plan for every contingency that will arise in your startup urgent care center. Before you begin there will be delays in construction, the city will balk at your zoning, a partner will back out, a vendor will fail to deliver furniture, a managed care organization won't see the importance of your startup urgent care center, and one hundred other minor or major unforeseen problems will arise.

How will you respond to unforeseen adversity? It will not be in your business plan. Every time you trip on an obstacle you will need to step lively and avoid crashing to the pavement with a nimble sidestep from your preconceived business plan. Planning the future is necessary, but you can never anticipate every eventuality. Expecting the unexpected and making rapid adjustments will be absolutely critical to your success.

Your business will succeed because you take a positive attitude, even when the whole plan seems headed into an abyss. When things look blackest, your staff will look to you for the light of leadership. Your energy and can-do attitude will be the key to sidestepping the obstacle and illuminating a completely new way to the path of success.

Let your urgent care business plan be a launching pad and a general guide, but get ready to think on your feet and make changes as needed. Your business plan can help you think through many issues that will otherwise end up rearing their ugly heads as unwanted surprises. A good business plan may determine the speed of your launch, but the height of your trajectory will be determined by your ability to respond to problems with the business plan and to find opportunities to improve it.

## Underestimating the Finances Required

*Money often costs too much.*  
Ralph Waldo Emerson

**A**fter you write a business plan for starting your urgent care center, I suggest you arrange access to financial assets that will allow you to invest double the amount (i.e., sustain double the losses) that you had projected in your initial business plan. When it comes to starting an urgent care center almost everyone is more financially optimistic in prospect than in retrospect. Financial setbacks in starting an urgent care are very common. You cannot predict what surprising financial surprises will come up, but you should expect financial surprises. I have seen urgent care centers suffer the following financial setbacks:

- A major local healthcare payer refused to credential physicians until the urgent care center had been open at least six months
- Another center found that major payers were controlled by hospital financial interests and would not allow the urgent care center physicians to become participating providers
- When one urgent care center planned an opening, a large hospital healthcare system opened another urgent care center just across the street three months before the urgent care center was scheduled to open. Growth in patient visits grew at about half the projected rate, and consequently billings and collections were far below financial projections
- One urgent care center found that the billing company they had engaged for contracting, credentialing and billing had no expertise or strong interest in urgent care billing. Four months after opening, very little contracting or billing had been completed
- An urgent care center engaged a management company to manage all finances. After being open for eight months the urgent care center learned that no bills had been paid. They had to endure disconnections of electric, phone and gas. They had a rude awakening when they found their actual financial losses were several hundred-thousand more dollars than they had calculated
- One small group of urgent care entrepreneurs discovered they were out of money and would not be able to meet payroll. They had used the equity in their homes to secure the loans to start the urgent care center; and just six months into the startup, they were faced with the prospect of outright bankruptcy

If you have arranged for access to financial assets that will allow you to survive a cash shortfall, you are far more likely to survive the financial challenges of the first few years.

## Thinking Hospitals or Other Physicians Hold the Keys to Success

*There is only one boss. The customer. And he can fire everybody in the company from the chairman on down, simply by spending his money somewhere else.*

Sam Walton

**H**ospitals are unlikely to refer significant numbers of patients to your clinic. Other physicians will rarely see you as an ally. No matter how untrue it is, other physicians (even those with completely jam-packed waiting rooms, who really need the services of your urgent care clinic to help with their patient overflow) will tend to see your startup urgent care clinic as competition. It is always a great idea to cultivate friendships with other physicians.

The key to your success, however, is unlikely to be referrals from local physicians. It's the healthcare consumer. The person who decides not to wait several days for an appointment with the family physician and not to utilize the hospital ED—this is the person whose decision will make or break you every day.

The injured employee shows up in the office of the corporate human resources director and asks, "Where

do I go now?" If the answer is, "Who is your doctor?" or "Just go to the ER," you will have failed; but if the answer is, "Superdoc Urgent Care Clinic will take care of you; here is a flier with directions to the new urgent care clinic," you will succeed. When little Johnny has a sore ear and mom decides to wait three days to see the pediatrician or sit three hours in the hospital emergency department, you will have failed. But if mom remembers that her neighbor mentioned how convenient and friendly the staff was at Superdoc Urgent Care Clinic, then you will have succeeded.

Success depends upon thousands of people making similar decisions to use your urgent care clinic. The public at large in your community is your target. This is where you need to focus your relational capital and your marketing dollars.

## Ignoring Coding

*There is nothing more frightful than ignorance in action.*  
Goethe

If you perform services, you should get paid for them. But if your urgent care doesn't code for it, you will not get paid. Coding is the lifeblood of your new urgent care center. Ignore coding and you will hemorrhage potential revenue from your urgent care center.

There are scores of significant coding issues with which few physicians are fully familiar. Many of these issues are unique to an urgent care setting. Every day Practice Velocity fields questions about coding from coding experts.

Unique coding issues to your urgent care include:

1. When can you append an evaluation and management (E&M) code to a procedure?
2. What modifiers must be added to an E&M code in order to assure payment?
3. How can you successfully appeal when a payer consistently denies payment for the E&M code?
4. What is the definition of an established versus a new patient in urgent care? How and when does it differ from a primary care practice? With what payers and in what circumstances do the definitions differ?
5. When can you code for an intermediate laceration repair even if you have not performed a layered repair?
6. How do you code for multiple procedures performed on the same visit?
7. When can you get credit for a complete history even though a complete history was not performed?
8. What is the difference between the CMS definition of body areas and organ systems for E&M coding?

I am a certified professional coder and write a monthly column in the Journal of Urgent Care Medicine (JUCM). Every month you can read more information about coding issues that are specific to urgent care. I encourage urgent care physicians to go to the JUCM website and sign up for a free subscription.

You can spend years studying coding, or you can work with an expert in urgent care coding. There are software and services that can help you with:

- Automated E&M coding
- Audit trail for each E&M code
- Use 1997 guidelines and/or 1995 guidelines for E&M coding
- Checkbox CLIA-waved test CPT coding
- Automated ICD-9 coding
- Automated modifiers related to global periods
- Automatic code import into Practice Velocity Management billing software

## Ignoring Urgent Care Billing

*An investment in knowledge pays the best interest.*  
Benjamin Franklin

A common theme in struggling and failing startup urgent care centers is a disregard of urgent care billing and revenue cycle management. In order to be successful in urgent care, you must have access to outstanding experts in the seven C's of urgent care billing:

- Contract negotiations
- Credentialing
- Coding
- Compliance
- Claim submission
- Claim formatting
- Collections

You are the proud owner of a new business—an urgent care center. If you owned a McDonalds or a Laser Quest franchise, you would have to master the ins and outs of pricing, expenses, and credit card billing. The business side of urgent care is coding, billing, and collections.

- So how do you learn all the particulars of urgent care billing? The answer is simple; you can't. You have to focus on a business plan, pro forma, floor plan, building codes, signage, marketing, lines of service, patient complaints and

a hundred other business items.

- You will never succeed, however, if you fail in the critical aspects of urgent care billing. So how should you handle billing in your urgent care?

Hire an urgent care biller: If you can find and hire an experienced expert urgent care biller, this may be a good option. From our experience, finding this expert is difficult and risky for the following reasons:

- Scarcity: There are very few experts in urgent care billing, so finding an employee with true expertise in every area of urgent care billing listed above is next to impossible for a startup urgent care center. Even established, multi-site urgent care centers struggle to find these experts.
- Cost: In addition, if you do find a true expert urgent care biller, that person will likely demand a salary outside the range of the typical urgent care startup budget.
- Risk: Another problem with hiring your own biller is that it fails the hit-by-a-bus test. Of course, no one wishes for a staffer to have an accident, but the truth is that many urgent care startups that hire their own biller end up losing that biller, due to illness, injury, termina-

tion or resignation. What happens then is ugly. The center usually gets months behind in revenue cycle management. In recent years, we are aware of several otherwise-successful urgent care centers that have failed or almost failed due to losing this critical link in the financial chain of an urgent care center.

So what is your other option?

Outsource to an Expert Urgent Care Biller: Now, you may suspect that answer is self-serving; after all, our sister company PV Billing uses Practice Velocity software exclusively and is the largest urgent care biller in the United States. Even knowing that, maybe you should consider the following reasons to consider outsourcing your urgent care billing?

- **Simplicity:** You need to focus on all of the thousands of details that cannot be outsourced. Finding an urgent care billing company will allow you to focus on attracting and treating patients with excellence.
- **Cost:** By outsourcing your billing, you can access experts with great experience in urgent care billing at a fraction of the cost of a full-time employee.
- **Expertise:** Rarely can an urgent care center find a single urgent care billing specialist (let alone the more than 85 billers at PV Billing) with an adequate fund of knowledge to avoid critical mistakes that may cost your startup tens or even hundreds-of-thousands of dollars.
- **Stability:** Yes, a biller at PV Billing may leave, but that's a completely different situation than if your own single employee biller resigns. From your end, you may not even notice, as an equally-expert urgent care biller can simply step up and take over your billing.
- **Contracting:** Other billers may have some experience in contracting with payers. But how much experience do they have in urgent care contract negotiations? At PV Billing, for example, we don't just have some people with some experience; we have the only staffers in the country that work full-time on contracting and credentialing for urgent care. They negotiated more than 100 contracts just last year. Chances are they have already negotiated a contract with the regional managed care representatives, and most likely they will be able to negotiate a better contract with those representatives because of that relationship and that experience.
- **Success:** Practice Velocity never initially planned to get into the business of providing urgent care billing services. We quickly found, however, that for all the reasons above, startup urgent care centers were struggling and even failing unnecessarily because they did not have an expert biller. They had a great tool (PV software) but they did not have a great skilled biller. In response to their need, we converted our billing department (using our staff that was already expert billing for Physicians Immediate Care) into our billing company PV Billing.

## Choosing an Inexperienced Person to do Billing

*If you think it's expensive to hire a professional to do the job,  
wait until you hire an amateur.*

Red Adair

**V**ery rarely can one afford to hire an experienced biller for the new startup. In the past, I often recommended hiring a good staffer and together learning the ins and outs of billing. Over the years, however, I have seen new urgent care centers struggle and lose substantial revenue; the new centers seemed more likely to be tangled in the ropes of medical billing than to have learned the ropes of medical billing.

Doing billing yourself is a difficult and risky business. By the time you and/or your staffer realize you cannot do urgent care billing effectively, you are likely to have lost more money than you can afford. Medical billing is extraordinarily complex and gets more complex with every passing year. What's more, urgent care is one of the most difficult specialties to bill. To start, someone in your new urgent care will need to know (or learn) all of the generic billing rules, such as where each payer wants the physician number, the practice number and which point-of-service code the payer will recognize. This by itself usually takes two to

three months to sort out. Meanwhile you are not getting paid a penny for your services. Beyond the generic billing rules are the extraordinarily complex issues of billing for the multiple specialties covered in an urgent care practice. These specialties include primary care, orthopedics, occupational medicine, sports medicine, emergency medicine, neurology, and others.

What's more, the critical nature of billing and its effect on cash flow will distract you early on from what you should be focusing on—growing your new urgent care center. Early on, you will need to concentrate on hiring staff, marketing your new center, convincing the local hospital you are not the enemy, educating the public about the value of your center, developing relationships with executives in local corporations, and—most importantly—delivering excellent patient care. If you are a typical new urgent care entrepreneur, you may be too busy to learn the ins and outs of urgent care billing. Maybe finding a billing company with urgent care expertise makes sense.

## Using an ED or Primary Care Billing Company

*Believe one who has proved it. Believe an expert.*  
Virgil

**I**n Mistake #38, we already covered the mistake of choosing a spouse or an inexperienced biller to do urgent care billing. So let's assume you will not make that mistake, and you will look to outsource your billing to an expert biller.

Even so, you don't want just any billing company, you want one that does excellent work and is expert at urgent care billing. We have helped many centers clean up the mess created by a competent billing company that did not really understand the unique aspects of urgent care billing. Choosing a billing company with specific expertise in urgent care coding and billing can be a key to the financial success of your new urgent care center. If you outsource, choosing the right company to do your billing, may be the most important decision that you make in starting your new urgent care center.

- Does the biller really understand the codes (and modifiers) that are critical to urgent care reimbursement? Urgent care coding is quite complex. It can take six months to a year for an experienced biller to learn the basics. Meanwhile your revenue cycle management will suffer delays, and even a 30-day delay in your cycle can mean you will have to borrow an additional \$100,000 to keep your urgent care center open.
- Will the biller really understand and chase difficult past due accounts? Some accounts (espe-

cially workers compensation cases) may take very long to collect.

- Is the biller really an expert in urgent care services? There are only a handful of experts in billing and coding for urgent care centers.
- How has the biller served other urgent care centers? Ask for several references. Make sure the references are urgent care centers that have been with the billing company for at least a year. Find out what their average days of accounts receivable ("average days in AR")\* have been. Find out what percentage of billings are written off as bad debt.
- What rate will the biller charge? You don't want the rate to be too high, and you don't want the rate to be too low. You are not buying a commodity where price is the major determining factor. You need a combination of outstanding quality and reasonable fees. A biller will need substantial resources to do an excellent job billing for your urgent care center. Is the biller's fee very low? If so, choosing the "cheapest" biller may be a very costly decision. A biller who collects 3% more than another biller, is always worth 1 or even 2 percent more than the cheapest biller.

## Being Cash Only, Not Credentialing

*Business is the art of extracting money from another man's pocket  
without resorting to violence.*

Max Amsterdam

**U**rgent care clinic receptionist to potential patient: “Sorry. We don’t take your insurance. You will need to pay cash today.”

Many have found this to be a fatal error in starting an urgent care. Hundreds have tried; all (that I am aware of) have failed. To my knowledge not a single truly successful urgent care center in the country operates on a cash-only basis. (Note: Please send me an email if you are aware of an exception. I know of one urgent care in California that sees a little over twenty patients per day on a cash-only basis.) Even the Minute Clinics, staffed with only a registered nurse in a Target Store, found that patients would not pay cash for their care. Now, they have credentialed their providers and bill insurance for ninety-five percent of their patients. If a cash-only model did not work in the big box store, it is very unlikely to work in a full-service urgent care center.

Over and over again, I hear startup urgent care entrepreneurs say their situation is unique. They have surveyed the community, and they are perfectly happy to write a check for \$180 for a visit. Or they have a personal conviction that health care is a “privilege” that has “value” and “people should pay for it out of their pocket,” then they “will value their healthcare.” This all sounds great. We even agree with much of this. If, however, the urgent care entrepreneur decides to go cash only, only the school of hard knocks can and will

change his or her mind. Her situation rapidly turns out to not be all that unique. She finds out the public really sees most healthcare as a prepaid right of employment. Her patients’ first words to the front desk almost always phrase the same question, “Do you take my insurance?” If the answer in your startup urgent care clinic is, “No. We take cash, check or credit card,” most patients will never see more of your facility than the reception area. If even one-quarter of your potential patients walk out the door because you are cash only, you are likely to take years longer until your new urgent care center reaches break even.

What generally happens when a startup tries to go cash only? After two or three months of staring at empty waiting rooms, the clinic realizes their situation is not that unique. They will scramble to sign contracts with managed care organizations (MCOs) and credential their urgent care providers. It takes at least three to four months to get the contracts signed. It takes three months to credential the urgent care physicians. It takes another year until the providers are listed in MCO publication, listing credentialed urgent care centers. The urgent care hemorrhages several hundred thousand dollars. All of this could have been prevented if the contracting and credentialing process had begun several months before the opening date of the urgent care.

If you need a concrete example, you may be inter-

ested in a 2003 BizJournals article on Night Owl Pediatrics in the San Francisco Bay area. The paper noted that the owners took some “calculated risks.” They decided “not to wrangle with insurance companies [i.e., not to contract with insurers].... [They charged] a flat \$100 fee for basic procedures, and [never] more than \$200 for more complicated cases such as lacerations that require sedation.... They wanted to focus on quality rather than on volume.” But, notes BizJournals, the “consumers weren’t ready” for this model. Four months after opening the owner is quoted as saying, “Where are all the patients?”

As with most successful entrepreneurs, they realized their mistake and began “negotiating with insurance carriers.” Today their website clearly states, “We now accept most insurance plans. If we are not enrolled in your program, we will bill your carrier as an

out-of-plan provider.” Yes, the cash-only urgent care rarely works, and it has been tried many times. Entrepreneurs who try it either fail or end up losing hundreds-of-thousands-of-dollars more than necessary. It seems a lot less painful to learn from the mistakes of others rather than think your situation is unique and risk being another object lesson of the futility of the cash-only model.

The lesson here seems quite clear. Find the important managed care organizations in your area, negotiate contracts, and get your physicians credentialed as fast as you can. When should you start? It will take at least five months (often more) for almost all plans to complete this process. Although I have worked with scores of startup urgent care clinics, I have never seen a startup complete the credentialing process in time for opening day at the urgent care clinic.

## Thinking Compliance is Not Important

*It's not wise to violate rules until you know how to observe them.*

T.S. Elliot

If you don't think you have to worry about coding compliance in the first few months after opening, you are correct in thinking that no payer or regulatory agency is likely to audit your charts for compliance in the first few months after opening. You are correct that hospital systems are much more prone to big audits and big fines. You are correct that so-called compliance experts often make compliance into a complex quagmire? *But* ignoring coding compliance can lead to serious issues as your practice grows. Just a few real-life examples of urgent care centers show the importance of coding compliance:

- A national managed care organization (MCO) asked a four-center urgent care to refund \$1.5 million for what they interpreted as inaccurate documentation and coding. Much of the MCO's claims were spurious and based on inaccurate information, but the initial legal bills for this urgent care practice went over \$100,000 before the case even got off the ground. That same practice implemented Practice Velocity solutions and subsequently passed audit after audit with flying colors.
- An urgent care practice settled with Medicare for five figures (certainly with six figures of legal expenses) for not strictly following the "new patient" vs. "established patient" rules established by Medicare. This occurred, even though many

argue these rules actually should not apply to true urgent care centers.

- Some centers have threatened national boycotts of urgent care centers if a national MCO does not agree to treat urgent care centers differently from primary care physician practices. Of course it is perfectly legitimate to make these types of requests for your urgent care center, but a national collusion of urgent care centers would violate anti-trust statutes; and even threatening such a boycott could result in an extremely expensive legal case.

Build a culture of compliance in your startup urgent care center from day one. You will never see the problems that never arise because you have built a culture of compliance. However, you will reap the benefit of sleeping soundly every night in the assurance that your center is in full compliance with every known rule and regulation.

The good news for Practice Velocity customers is that Practice Velocity solutions have taken coding compliance to the next level for new urgent care centers. From day one, Practice Velocity customers have every patient visit electronically audited for coding compliance for the evaluation and management (E/M) code. This takes the guesswork out of determining the level of the code.

## Referring Basic Procedures to Specialists

*I will not refuse to do something that I can do.*  
Edward Everett

**A**lmost every startup urgent care center struggles for adequate revenue. Nevertheless, many urgent care centers literally send thousands of dollars out the door to specialists, who render nothing more than supportive care. No matter what their training, most doctors in the urgent care center can learn to care for simple lacerations, fractures and perform other minor procedures. Many of these procedures are simple to perform and carry a low morbidity. The National Convention of the Urgent Care Center Association of America offers a full day Urgent Care Procedure Workshop that will benefit any urgent care physician.

Procedures that you can easily perform in your new urgent care center include:

- Laceration repairs
- Simple fracture care (including finger tuft fractures, radius buckle fractures, ankle avulsion fractures, and others)
- Abscess incision and drainage
- Joint aspirations and injections
- Ganglion cyst aspirations and injections
- Thrombosed hemorrhoid excision

DVDs demonstrating many of these procedures can be obtained online from NMN Consultants.

## Not Investing in Adequate Practice Management Software

*Good order is the foundation of all things.*  
Edmund Burke

**W**hy not buy the cheapest practice management software you can find? The answer is quite simple. At the beginning you are building the foundation for the future of your urgent care clinic. If you build a weak foundation, you will suffer for years. If you build on a solid foundation, your urgent care will benefit for years.

Your IT foundation is critical. Buy cheap software and within a few years, you will spend tens of thousands of dollars on new software and retraining your entire staff on new adequate urgent care software. Meanwhile you will have lost thousands of dollars in lost efficiencies. Being cheap when it comes to software can be very costly. Almost every week I hear about an urgent care center that realized it made a big mistake using another software program, and they are wanting to switch to a system made just for urgent care. What is included in your software payment? Often new urgent care entrepreneurs don't carefully read the software contract, only to be surprised later by what was missing in the contract.

- Will you want training? Will it cost \$10,000 or even more?
- Do you need a scheduler? Probably not; but if you do, how much will that cost?

- Will you want an electronic billing module? How much will that cost?
- Will you want an occupational medicine module? Does the software even have an occupational medicine module? Does the software have customizable protocols for each corporate client? How much will that cost?
- Will you need to purchase a server to host on-site? If the software is not served up on the Internet, you will need a computer server. How much will that cost? How much will server set-up and installation cost?
- How will you pay for server maintenance? Whenever the server goes down or has problems, you will need a computer consultant to work on the system. How much will the consultant charge? \$100/hour? \$150/hour? How many thousands of dollars will computer consultant charges add up to in a year?
- Will you need software support and upgrades? How much do they cost?

Why not simply purchase a pure occupational medicine software system? First of all, these systems tend to be very expensive. Second, occupational medicine systems rarely have adequate functionality for billing

and collections of walk-in patients, who are covered by HMOs, PPOs, and other types of insurance.

Why not buy the “best” family practice billing software? If you do so, you will have bought a practice management system focused around scheduled patient visits. It will probably have little functionality for workers compensation and employer-paid services. It will require you to buy loads of functionality that you will never use. Suffice it to say, you will have the wrong tool for the right job. That means you will pay staffers to constantly work inefficient processes into the system to jerry rig it for your urgent care center.

Why not use the computer software system of your local hospital system? Hospital systems are rarely designed to work in the high-paced, high-volume, low-dollar ticket atmosphere of an urgent care center. You will be duck hunting with a cannon; you are unlikely to hit the duck, and if you do, you won't have much duck to eat.

We have outlined these points to highlight the fact that Practice Velocity Management (PVM) is the only practice management system designed by urgent care professionals, tested by urgent care professionals, and used every day in urgent care centers all over the country. Additionally, PVM is responsible for purchasing the servers, keeping the system functional and online, updating the system, and providing IT support with IT professionals right next to the computer servers. At a special startup price, your startup urgent care center is sharing the same computer servers with the same IT support that some of the largest and most successful urgent care businesses in the U.S. also use. Within a few years, you plan to be another success story in the development of the urgent care industry. Adding a second and third site will be a snap, because all you will need is high-speed Internet access and you will be up and running in the new site. Because of the scalability of the Practice Velocity internet-based system, right from the start of your urgent care center (and as you grow), you can tap into the premium services and state-of-the-art efficiencies of Practice Velocity.

## Overstaffing the Startup

*It is more rewarding to be complicit with scarcity than excess.*  
Will Oldham

**W**hen it comes to staffing your startup urgent care, being a minimalist at the start makes sense. Why hire several urgent care receptionists, an x-ray technologist, a registered nurse, a physician assistant, and other ancillary staff up front? Before you get very busy, you the physician will be intimately involved with the care of each and every urgent care patient.

See if your state requires a certified radiology technician; if not, maybe a nurse or medical assistant can become certified to shoot the x-rays for your startup urgent care. If you are only seeing five patients per day for a few months, you may want to install a buzzer at the front desk and use an MA to double as the receptionist. Many startup urgent care centers find that this bare-bones arrangement works fine at an average of one (or less) patient per hour.

But what if you don't have enough staff to handle the patients rushing into your doors? Fantastic! You don't have a problem. You have a great opportunity. It's

not a problem if a football team scores over one hundred points, but the scoreboard only holds two-digit scores. It is not much of a problem for Bill Gates if his bank statement can't handle enough zeros to print out his account balance. In the same way, it is no big deal if your patient volume overwhelms your initial staffing model. It only takes a few weeks to hire and train more staff.

But what if growth early on is relatively modest—as it is with most startup businesses? Paying staff to sit around waiting for patients is very expensive. Letting staff go is even more demoralizing, as staff are always looking over their shoulders to see if they might be next. But firing staff early on is painful for you, puts a pall on staff emotions, and gives the staff a feeling that the center is a failing endeavor.

Hedge your bets. Start with a bare-bones staff to minimize your up-front expenses and maximize the chance for your startup urgent care to succeed. You can always hire more staff later.

## Ignoring Ancillary Income Sources

*When you're finished changing, you're finished.*  
Benjamin Franklin

**A**ncillary income can account for up to twenty-five percent of the income of your startup urgent care center. Early on, it is unlikely to make the difference between financial success and failure, but finding appropriate ancillary sources can improve profitability and provide improved patient care and customer service in urgent care. Here are a few ancillary services, offered by some urgent care centers:

- **Pre-packaged Medication Dispensing:** Some states (for example, New York) have such severe restrictions on medication dispensing that restricts the feasibility of offering this service to patients. In states that allow an urgent care center to dispense medication, however, you can increase center revenue and improve convenience for the patient by stocking basic generic medications in your startup urgent care. Practice Velocity has integrated its software with the online eDRx software to provide a single point of patient demographic entry at urgent care registration. This software integration significantly increases the efficiency of medication dispensing for urgent care and

occupational medicine patients. NMN Consultants has negotiated excellent prices for urgent care purchasing of pre-packaged medications. A side benefit is that providers will be less likely to prescribe expensive brand name medications when they are not indicated.

- **Physical Therapy:** Once your urgent care builds a significant amount of workers compensation business, many of these patients will benefit from physical therapy. If you offer physical therapy within your urgent care center, you will be able to coordinate the recovery and return to work of these patients.

- **MRI/CT Scans/Ultrasound:** Leasing facilities to perform studies on your patients will allow you to schedule prompt appointments for your patients and to ensure high quality studies and radiology readings. One example of a company that specializes in mobile imaging leasing is Mobile Leasing. Recent changes in interpretation of state laws and other regulations may make leasing for imaging studies more difficult. Make sure you invest in legal reviews of your contracts by lawyers with full knowledge of Stark laws, state laws, and any other applicable laws or regulations.

## Marketing Without Using Free Press

*Nothing draws a crowd like a crowd.*

P.T. Barnum

**N**ot much is free in this world, and free press doesn't come easy. You will need to work hard to make sure that the opening of your urgent care center gets free press. Free public relations is often much more effective than thousands of dollars of paid advertising. Your urgent care center can't buy a two-inch advertisement on the front page of your local newspaper, but you may be able to have a full-color photo and be the headline story for a day. Memories in your community of this story will last for years. Money can't buy that. In a small market, the opening of your urgent care center can dominate the local news (television and newspaper) for the week. Even in a large market you can find a way to get free press.

- Ask the local town mayor to cut the ribbon on opening day.
- Send out a press release to your local newspapers, radio stations, and TV stations.
- Give free medical care (not including supplies, x-rays, and medications) on opening day. Paying your staff to see lots of patients costs no more than paying them to sit and wait for patients to show up. Expect to see more than eighty patients on opening day. Give a coupon to return, if you have to turn people away. You are not losing anything, because almost every person you see is likely to return (or refer a friend) at least once in the next six months. Let local report-

ers know about the event. Make it a symbol that you are bringing a cost-effective alternative to the hospital emergency department.

- Set up a tent and do drive-through flu shots in the parking lot of your urgent care center.
- Write an article about the role of urgent care for your local paper.
- Volunteer to write a weekly health column for the local paper. This is a big job. Make sure you are willing to put in the time.
- Call a local newspaper or TV reporter as soon as a big medical story hits the news. Offer an interview on a hot medical topic:
  - Preventing heat exhaustion, flu shots, steroid abuse, weight control

TV reporters are often looking for an interview at 7 p.m. Give the local TV reporters your card, and let them know you are available for interviews at that time. It takes less than twenty minutes, and you will be astounded to find out how many people have seen you on the news. Make only one request—the name of your startup urgent care center is placed in text under your name at the beginning of your interview.

Another idea method to get free visibility for your urgent care center is to get your website listed on free or low-priced directories on the Internet.

## Not Marketing Occupational Medicine

*Growth is never by mere chance; it is the result of forces working together.*  
James Cash Penney

**E**very month I meet another aspiring urgent care entrepreneur who wants to focus on marketing only to walk-in patients. Although the pure walk-in clinic model can work, without any significant marketing toward occupational medicine, you may double the initial investment (i.e., startup clinic losses) you will make in your startup urgent care center. There are plenty of reasons to focus on occupational medicine in urgent care marketing:

- The human resources person not only directs drug screens, post-offer exams, and workers compensation injury care, but often is the same person who suggests to a sick employee, “You can’t get in to see your doctor today? Why don’t you just go to Acme Urgent Care Center? They are doing our occupational medicine. In fact, I just met the doctor, and she is really nice...” Can your urgent care center really afford to ignore this powerful marketing ally—the local company human resource person?

- Often employees who first visit your urgent care center for a drug screen or a workers compensation injury will think of you when they come down with the flu, cut a finger, or sprain a back. If they can’t get right in to their primary care doctor, what will they think of first? Why not—your startup urgent care cen-

ter? A drug screen becomes the marketing tool that produces a walk-in urgent care visit for a medical problem. New patients are the key to measuring marketing success in starting an urgent care center. In this case, it is fantastic to realize urgent care marketing success at almost no cost. In fact, the company marketed your urgent care for you—and they even paid you (the cost of a drug screen) to market your urgent care center for you!

Urgent care centers offer an excellent alternative to the hospital emergency department for care of workers compensation injuries. In fact, many if not most workplace injuries are now seen in America’s urgent care centers. This can easily amount to half of the visits to your urgent care center. Because the state often heavily regulates workers compensation care, payments are often prompt and required by state statute.

So if you want to learn the ins and outs of marketing occupational medicine, how do you do that? The best way to learn how to start an urgent care center and implement occupational medicine services is to attend a full-day Pre-Conference at the Annual Convention of the Urgent Care Association of America on “Occupational Medicine in the Urgent Care Center.”

## Starting a Second Urgent Care Too Soon

*Wisely, and slow. They stumble that run fast.*  
William Shakespeare

**R**ecently, I have seen enthusiastic entrepreneurs planning a second urgent care center before even starting a first clinic. The business plan for the first clinic includes a second and maybe even a third clinic within the first twelve months of operation. These entrepreneurs see other successful urgent care businesses operating three to ten centers, and seek to emulate that success. There is nothing wrong with having a big vision, but you must develop a solid foundation before building a multi-site urgent care business.

Make sure you have a solid, working prototype before you multiply the number of operating clinics. With any prototype, there are always problems to be worked out. You must make certain you first work out the flaws and problems before you open a second clinic. If not, your second clinic will double the mistakes in your model. Fixing problems will be even more difficult while you are trying to operate two centers. Your second clinic will double your problems, double your staff issues, and double your financial losses.

On the first month your new urgent care center turns a profit, you are ready to start thinking about a new urgent care center. Too many people see other multi-center urgent care businesses and think the key to success is opening several centers. The truth, however, is that opening a second urgent care center prematurely can drain your focus, energy, and checkbook when you need to be single-mindedly working and

investing in your new urgent care center. When your first center is profitable, you have a working prototype that can help fund a second center, and you know how much personal and financial sacrifice it takes to get an urgent care center off the ground.

Practice Velocity was once visited by a founder/owner of a well-known national fast food chain. He was investigating whether his vast experience in multi-site restaurant chains might help him succeed in developing a chain of urgent care centers. He told us that when his team opened the first restaurant, designed to be a prototype for a new chain, they made so many mistakes they closed down the restaurant. Then they immediately opened the first three wildly-successful restaurants in the new chain. When I asked, "Why three?" He answered, "We had learned what **not** to do." Since he had hundreds-of-millions of dollars, he could afford this brashness. Since a millionaire with decades of experience can fail miserably in setting up a prototype, how much more important is a prototype urgent care for someone just entering the business?

Make big plans, dream big dreams, and work hard on perfecting your model. Don't be afraid to think about operating a multi-site urgent care and serving your entire community. But wait until your first center is a success before buying land, writing a business plan or spending time investigating other sites for an urgent care center.