

— 23-POINT —

CHECKLIST

FOR STARTING A FUNCTIONAL MEDICINE PRACTICE



BY SCOTT RATTIGAN, J.D.
FUNCTIONAL LAWYER, LLC

MEET SCOTT



As the founder of Functional Lawyer, my job is to provide legal insights and education to providers just like you. I have counseled more than two thousand practice owners on their business as well. But I also draw on my experience setting up and running a thriving functional medicine practice with my wife Linda Matteoli, D.O.

So this list comes from personal experience and from my work experience getting providers set up and ready to see patients the right way legally while also being efficient with their funds. I hope this checklist helps you achieve your dream of having your own practice.

HOW TO USE THIS GUIDE

Print out the checklist on the following pages to have handy and check off items as you complete them.

All of the documents mentioned are available at [Functionallawyer.com](https://functionallawyer.com).

If you need help setting up your practice, **[book a consultation call with me here](#)**.



STEP 1



Decide on a business name (make sure it is available)

Choose whether you want to use your given name (e.g., Scott Rattigan MD, LLC) or a fictitious name (Mariner Wellness, LLC). Check to make sure you are not infringing someone else's trademark rights, even if the domain/social handles are available.

STEP 2



Choose a Business Entity

Decide between corporation, LLC, Partnership, or another entity type. Keep in mind your state or state licensing board may require you to form under a professional corporation (PC) or professional LLC (PLLC).

STEP 3



Register your Entity with your state (and city/county tax collector)

Decide between corporation, LLC, Partnership, or another entity type. Keep in mind your state or state licensing board may require you to form under a professional corporation (PC) or professional LLC (PLLC).

STEP 4



File for an EIN from the IRS

Once you have your entity registration document, the next step is to register the entity with the IRS on their website. You do this by requesting an EIN, or Employer Identification Number. Even if you don't have employees and never plan to have them, this is the correct step. It functions as an identifier so they can track taxes, somewhat like a Social Security number for your business entity.

STEP 5



Register as S-Corp (if applicable)

S-corp is a bit of a misnomer, which leads to a lot of confusion. It is not an entity type; it is a tax classification. With certain restrictions, it allows for entities to elect pass-through taxation. Pass through taxation eliminates the "double tax" problem for businesses.

STEP 6



Set up a business bank account

You will need your EIN letter and the state entity registration document to set up a business bank account. This will help you keep your business funds and personal funds separate, which is the number one way to avoid personal liability for your business operations. It also makes everything easier when it comes time to do the books and to file taxes.

STEP 7



Apply for business credit card (if applicable)

While I am not advocating you put yourself in financial trouble, many providers decide to open a business credit card when they are self-funding their startup.

STEP 8



Determine your bookkeeping method (Self vs. third party)

Are you or a family member trained in bookkeeping? Do you have the time to do it? Or do you dread it? You can keep your own books, or you can hire someone else to do it for you. Some CPAs also offer bookkeeping, but you can find a trained bookkeeper to help you with this and that might be more affordable. Check Upwork.com or ask friends for referrals.

STEP 9



Decide between brick and mortar office or 100% Virtual Practice

Does your vision include patients coming into an office to see you (and the services you offer)? Or do you envision a 100% telemedicine practice? That is completely up to you. Consider the services you wish to offer. Do they include hands-on service like IV therapy or similar modalities?

STEP 10



Decide whether you want an all-cash practice or you want to accept insurance

Most, though not all, functional medicine practices are opting to go with an all-cash approach. A number of providers want to accept insurance as a service to patients. In either case, make sure you are following your state insurance laws.

STEP 11



Determine whether you will accept Medicare (consider opting out)

Most practitioners opt out of Medicare if they are able to do so. This allows them to receive appropriate compensation for their services. They are not subject to Medicare red tape and low reimbursements. However, some licensees are not eligible to opt out and some providers need to stay so they can maintain their current job which accepts Medicare.

STEP 12



Pick a pricing business model (Membership, Programs, Fee-For-Service)

The three most common pricing structures are Membership, Program, and Fee-For-Service. Decide which one you want to use in your new practice or use a combination.

STEP 13



Set your price structure

Now that you have decided how and when patients will pay, you have to determine how much your services are worth. Most practitioners undervalue themselves or the services they offer or both. They can charge a bit more and still be reasonably priced for the value they give. Make sure to value yourself appropriately. You give the gift of health. You're worth it!

STEP 14



Get professional malpractice insurance (Make sure it includes telemedicine coverage)

Get a malpractice insurance plan. Make sure to tell them everything you are going to be doing, including telemedicine, if applicable.

STEP 15



Create your marketing strategy

- Find and define your brand story
- Identify your Ideal Client Avatar
- Build your website
- Set up social media accounts

STEP 16



Choose an EMR and connect it to your website

You will need an Electronic Medical Record (EMR). Narrow it down to two, then pick one and move forward. They all will connect it to your website for you as part of the onboarding process. There are many options. We use CERBO by MDHQ at my wife's practice.

STEP 17



Connect payment processor to your website and EMR

How will you collect payments? Through your EMR? Through your website? In person? In all three scenarios, there is a background merchant (like Paypal) that processes the payments securely. Stripe and BlueFin are two popular choices.

STEP 18



Create your Supplement account with Kaerwell (or another dispensary)

Contact Kaerwell or Fullscript or others to set up your supplement dispensary for the convenience of your patients. (We use Kaerwell.)

STEP 19



Set up your workspace (office or home office furnishings)

If you are 100% virtual, you need a computer, good lighting, a good internet connection, a quiet private place, and an appealing background for your video visits. If you have an office, you'll likely need all of that, plus traditional office furnishings.

STEP 20



Prepare your Informed Consent document

Perhaps the most important thing you can do to protect yourself, your license, and your business is having a solid informed consent process in your practice. It makes sure everybody, especially the patient, is on the same page and understands the treatment plan. This alone prevents a lot of unmet

expectations. But the Informed Consent document, which memorializes the conversation, can be a powerful defense to any allegations of malpractice before it ever gets to your insurance company. You can get an Informed Consent template, written and reviewed by qualified healthcare attorneys at Functional Lawyer.

STEP 21



Prepare Your Telehealth Consent document

Every state now requires some form of patient consent to telemedicine treatment. Some require oral consent only, hopefully you note it in the patient chart. But it is a better idea to use a written consent form for several reasons: Most states require it in writing; It can serve as a checklist for you so you do not forget to obtain consent and you cover all the important items in it; and it proves that the patient saw it and consented to it in the event of a dispute. You can get a Telemedicine Consent template, written and reviewed by qualified healthcare attorneys at Functional Lawyer.

STEP 22



Finalize your HIPAA Policies and Procedures manual

You are required to have a written policies and procedures manual, according to federal regulations. But most new practice owners are unaware of this important step. You are now the HIPAA compliance "department" so you had better have your ducks in a row. "I didn't know" is never a valid defense. Most providers think a Notice of Privacy Practices is sufficient. No, but it's a good start. You need the entire manual that prescribes the actions you are taking to comply with HIPAA. The template available from Functional Lawyer serves the dual purpose of educating you on all your responsibilities while you fill out and customize the manual for your unique situation.

STEP 23



Prepare your Patient agreement

Whether you use a Patient Membership Agreement, Patient Program Agreement, or Fee-For-Service Agreement, you need a written understanding of the relationship. This not only covers the fees and when the patient is agreeing to pay them, but it also helps clarify potential disputes before they occur. Are refunds available? What about a cancellation policy? What happens if you can't agree to a solution? It is better to have all your bases covered with an agreement drafted and reviewed by lawyers that do this for a living. Yep, they are available at Functional Lawyer as well.



YOU DID IT!

You made it through this checklist and now you are ready to build your practice and achieve your vision.

Be sure to take a moment to celebrate!

Want more information about building your practice safely and efficiently? I post weekly YouTube videos to help you with your legal needs and practice building. I'll see you there!

Visit the Functional Lawyer YouTube channel

And until next time, from one practice owner to another:

You can do it!

Have more questions?

TALK TO SCOTT