



INTERNATIONAL ASSOCIATION FOR
PHYSICIANS IN AESTHETIC MEDICINE

Presents

Practice Accelerator Series

*6 Tips to Adding
Aesthetic Medical
Procedures to your
Practice*

By Jeff Russell

Copyright, Legal Notice and Disclaimer:

This publication is protected under the US Copyright Act of 1976 and all other applicable international, federal, state and local laws, and all rights are reserved, including resale rights: you are not allowed to give or sell this e-book to anyone else. No part of this book may be reproduced in any form by any means (including electronic, photocopying, recording, scanning, or otherwise) without prior written permission of the publisher. If you received this publication from anyone other than the International Association for Physicians in Aesthetic Medicine (IAPAM), you've received a pirated copy. Please contact us via e-mail: info@theiapma.com, and notify us of the situation.

Please note that much of this publication is based on personal experience and anecdotal evidence. Although the author and publisher have made every reasonable attempt to achieve complete accuracy of the content in this e-book, they assume no responsibility for errors or omissions. Also, you should use this information as you see fit, and at your own risk. Your particular situation may not be exactly suited to the examples illustrated here; in fact, it's likely that they won't be the same, and you should adjust your use of the information and recommendations accordingly.

Any trademarks, service marks, product names or named features are assumed to be the property of their respective owners, and are used only for reference. There is no implied endorsement if we use one of these terms.

Please note that the information presented on these pages is for informational purposes only. The IAPAM (or its affiliates), shall not be liable to anyone for any loss or injury caused in whole or in part by your use of this information, or for any decision you make or action you take in reliance on information you received from this e-book. This e-book is not intended to replace legal, medical, accounting or other professional advice, and is only meant to be used as a guideline for the reader.

Notice: Duplication or distribution via e-mail, floppy/memory disk, network, printout, or other means to a person other than the original person who downloaded this e-Book is a violation of international copyright law.

© Copyright 2010, International Association for Physicians in Aesthetic Medicine. All rights reserved worldwide.

Published by:

International Association for Physicians in Aesthetic Medicine (IAPAM)

Web: www.iapam.com

e-mail: info@iapam.com

Tel: 1-800-219-5108 x704

Fax: 1-866-284-9318

Table of Contents

6 Tips to Adding Aesthetic Medical Procedures to your Practice.....	4
1. Do It Because You Want To Do It.....	6
2. Start with a Road Map	7
3. Product, Equipment, Service	11
4. Building your Dream Team	13
5. Marketing and Promotion	14
6. Don't forget about regulatory and insurance issues.....	15
Summary	16
About the International Association for Physicians in Aesthetic Medicine (IAPAM).....	16
About the Aesthetic Medicine Symposium.....	17

6 Tips to Adding Aesthetic Medical Procedures to your Practice

“The entrepreneur in us sees opportunities everywhere we look, but many people see only problems everywhere they look. The entrepreneur in us is more concerned with discriminating between opportunities than he or she is with failing to see the opportunities.” ~ Michael Gerber

With 12,000 Americans turning 50 every day, many doctors are expanding their existing practices by adding non-reimbursable medical aesthetic procedures. This is the fastest growing segment of the population; and there is no shortage of Baby Boomers who want to stop aging and look fabulous.

There is no doubt that utilization of aesthetic and cosmetic procedures has increased. To-date, over \$30 billion has been spent on anti-aging products.

According to the American Society for Aesthetic Plastic Surgery, non-surgical procedures in 2006 increased 50 percent from 2003. The big winners are: Laser skin resurfacing (up 352%), Hylaform/Restylane fillers (up 928%), and laser hair removal (up 60%).

Physicians are finding their declining incomes make it increasingly difficult to save for the future, and sound investment opportunities are difficult to find. Unfortunately, physicians frequently have little time to manage their investments.

Physicians need to find a way to utilize their skills to expand the scope of their practice. The growing demand for personal attention and service in medicine may provide opportunities for physicians who see the benefit of addressing these needs. Patients are increasingly dissatisfied with managed care medicine which makes accessing health care services difficult. Many are paying "out of pocket" to see physicians who are willing to make themselves more accessible. Plastic surgeons have long realized the need to create a more appealing, service focused environment to satisfy the demands of their clients.

Adding medical aesthetics is a natural progression of medical practice expansion, having a medical doctor run them gives them the credibility and public confidence needed for their long-term success.

Don't try and re-invent the wheel, learn from our experience, here are 6 tips that will help you successful add medical aesthetics to your practice.

What are Aesthetic Medicine and Ancillary (non-surgical) Medical Procedures?

Definition of Aesthetic Medicine:

"A branch of medicine focused on satisfying the aesthetic desires and goals of patients. This specialty is primarily focused on the pathophysiology of aging skin, and adheres to scientific based procedures. Physicians practicing Aesthetic Medicine are trained in both invasive and non-invasive treatment modalities, and typically utilize a combination to meet the needs of the patient."

~ **International Association for Physicians in Aesthetic Medicine**

The following is a representative list of ancillary (non-surgical) medical procedures according to American Society for Aesthetic Plastic Surgery (ASAPS):

Chemical skin peels, including:

- Alpha Hydroxy Acid (AHA)
- Trichloroacetic Acid (TCA)
- Phenol

Injectable treatments, including:

- Botox™
- Collagen
- Fat
- Sclerotherapy (treatment of leg veins)

Laser hair removal

Laser treatment of leg veins

Skin resurfacing, including:

- Ablative Lasers (Carbon Dioxide, Erbium)
- Nonablative Lasers (N-Lite, Cool Touch and others)
- Intense Pulsed Light
- Dermabrasion
- Microdermabrasion

1. Do It Because You Want To Do It

“A business has to be involving, it has to be fun, and it has to exercise your creative instincts.”

~ **Richard Branson**

Adding medical aesthetic procedures is going to add another dimension to your practice. Adding a cash-based revenue center to your practice should yield great returns. However, if you are not doing what you truly enjoy, it will show on your bottom-line. As you will probably be spending more time and money than you originally planned, you need to make sure adding aesthetic medical procedures is what you really want to do.

You should also talk with other doctors who have successfully added medical aesthetic procedures. Ask them what they would do the same, and what they would do differently. We are starting to see some established medical aesthetic practices out there, try and learn from their experiences and best practices.

Why are more and more physicians looking at adding these cash-based aesthetic medicine procedures? One reason is fees are much higher than those for reimbursable procedures.

Here is an example of what seeing one client per week in the first month, and growing it to an additional 3 clients in the third month can do for your practice:

Aesthetic Practice Revenue Scenario

	Month 1			Month 3		
Revenues	# of clients/week	per/treatment	total revenue	# of clients/week	total revenue	
Botox Injections	1	\$ 250	\$ 1,000	4	\$ 4,000	
IPL Photofacial	1	\$ 300	\$ 1,200	8	\$ 9,600	
Hair Removal	1	\$ 125	\$ 500	8	\$ 4,000	
Leg Veins (1064)	1	\$ 250	\$ 1,000	8	\$ 8,000	
Chemical Peels	1	\$ 125	\$ 500	4	\$ 2,000	
Skin Care	1	\$ 100	\$ 400	4	\$ 1,600	
Monthly Total:	24		\$ 4,600	144	\$ 29,200	
Expenses						
Laser/Startup Financing*			\$ -			\$ -
Payroll (\$25/hr)			\$ 200			\$ 1,000
Skin Care commissions (10%)			\$ 40			\$ 160
Advertising			\$ 2,500			\$ 4,500
Botox cost (40% retail)			\$ 400			\$ 1,600
Chemical Peel Product (\$5)			\$ 20			\$ 80
Skin care cost (50% retail)			\$ 200			\$ 800
misc. expenses			\$ 750			\$ 750
Total:			\$ 4,110			\$ 8,890
		Gross Profit	\$ 490	Gross Profit	\$	20,310

* \$0 for first 3 months

2. Start with a Road Map

“Begin with the end in mind” ~ Steven Covey

A business plan is critical for business success, and it’s especially important when deviating from a traditional practice. Not only is it necessary if you are going to require financing, but it will act as a blueprint for building a successful medical aesthetics practice.

You should have a clear strategy of what services, procedures and products you will offer. Don't try to be everything to everyone. Adding medical aesthetics typically combines medical and aesthetic procedures along with complementary skin care products.

One thing I strongly advocate is having a plan. You should have a business plan that outlines what you want to accomplish (goals), and a road map on how you are going to get there. You should have a marketing plan to clearly outline what you are going to do in order to get the best return on your investment (*time*).

Common Components of a Business Plan:

Executive Summary

- Business Overview
- Market Growth
- Marketing Model
- Management Team
- Finances

Company & Management

- Overview
- Vision and Mission
- Objectives
- Structure
- Management Team
- Consulting Advisors

Products & Services

Market Assessment

- Market Trends
- Market Segmentation
- Target Market
- Competitors

Strategic Approach

Marketing Plan

- Positioning
- Awareness
- Pricing Strategy

Infrastructure & Implementation

- Implementation Plan
- Personnel
- Operating Schedule

Financial Analysis

- Financial Plan
- Sales Forecast
- Expenses
- Break-even Analysis

Appendix

- Physician CV

A very good primer on business plan writing can be found on the SBA’s website:
www.sba.gov/starting_business/planning/basic.html

As with any successful business, you need to meet a consumer demand. With 12,000 people joining the over 50 crowd every day, you have a great potential market. Fortunately, one of the common places baby boomers go is their family physician's office!

A very important part of your business plan is to clearly understand what the top minimally invasive procedures are, and who is having them done. According to the ASAPS, these are the most current statistics on the top procedures and demographic information.

TRENDS AND DEMOGRAPHIC DATA

Top non-surgical cosmetic procedures among ALL AMERICANS in 2009:

Procedure	# procedures
Botox®	2,557,068
Hyaluronic acid (Hylaform, Restylane®)	1,313,038
Laser hair removal	1,280,031
Microdermabrasion	621,943
Chemical Peels	529,285

Top non-surgical cosmetic procedures for WOMEN:

Nonsurgical	# procedures
Botox®	2,299,282
Hyaluronic acid (Hylaform, Restylane)	1,221,820
Laser hair removal	1,113,996
Microdermabrasion	565,031
Chemical Peels	492,335

Women had 90.6 percent of non-surgical cosmetic procedures.

Top cosmetic procedures for MEN:

Nonsurgical	# procedures
Botox®	257,786
Laser hair removal	166,035
Hyaluronic acid (Hylaform, Restylane)	91,218
Microdermabrasion	56,912
Laser Skin Resurfacing	48,980

Men had 9.4 percent of non-surgical cosmetic procedures.

Frequency of cosmetic procedures by AGE GROUP:

Age	Top non-surgical procedure
65 and over	Botox®
51-64	Botox®
35-50	Botox®
19-34	Botox®
18 and under	Laser Hair Removal

Racial and Ethnic Distribution

Racial and ethnic minorities accounted for 20 percent of all cosmetic procedures in 2009. Hispanics, 9 percent; African-Americans, 6 percent; Asians, 4 percent; and other non-Caucasians, 3 percent.

Source: American Society for Aesthetic Plastic Surgery (ASAPS)

3. Product, Equipment, Service

“No matter what your product is, you are ultimately in the education business. Your customers need to be constantly educated about the many advantages of doing business with you, trained to use your products more effectively, and taught how to make never-ending improvement in their lives.” ~ Robert G Allen

Before you purchase any equipment, you should know which procedures you are going to perform in your practice. Hair removal, although popular, is very commoditized. You may want to focus on vascular and pigmented lesions, skin tightening, wrinkles and acne scars, and skin rejuvenation. It is also important that your equipment can be easily upgraded as new technologies become available, and not need to be replaced.

Don't forget about ensuring each room has sufficient space to highlight the skin care line you will also carry. When choosing your skin care products, choose the ones you really believe in. Otherwise, you are missing a huge profit opportunity.

Intense Pulse Light (IPL) Photo Rejuvenation

Photo rejuvenation is a minimally-invasive procedure that treats broken capillaries, sun damage, rosacea, facial vascular disorders, and photo-aged skin by significantly reducing spots, redness, flushing and blushing. It provides the patient with smoother, healthier, younger-looking skin. Pulses of intense light are delivered to the skin through very specific filters. The level of energy is delivered in specific settings to maximize the results. The tissues absorb the light energy which stimulates the production of collagen. With new collagen forming, the patient's aging skin begins to soften. Fine lines and wrinkles are decreased and the redness with rosacea can be dramatically reduced.

This procedure is repeated in a series of six treatments, every three to four weeks, in order to achieve optimal results. The number of treatments can vary depending on the area and the skin's condition. Even after one treatment, most patients notice a smoother look and feel to their skin. Improvements will become more evident with every treatment.

Laser Hair Removal

Laser hair removal is referred to as “permanent hair reduction”. Every person is different, but most experience 50-90% permanent hair reduction. There are many different technologies available to perform hair removal. There are machines that use: Nd:YAG, Diode (laser), IPL (Intense Pulsed Light), and RF Electrical Energy. Laser hair removal is typically performed on the face, legs, arms and bikini area.

Microdermabrasion

The ASPS defines Microdermabrasion as a skin-freshening technique that helps repair facial skin that takes a beating from the sun and the effects of aging. This device is like a fine sandblaster to spray tiny crystals across the face, mixing gentle abrasion with suction to remove the dead, outer layer of skin. As with other skin rejuvenation techniques, more than one treatment may be needed to reduce or remove fine wrinkles and unwanted pigmentation. There are usually two versions of microdermabrasion, one for aestheticians, and a more powerful version for physicians.

BOTOX®

According to the American Society of Plastic Surgeons (ASPS): The cosmetic form of botulinum toxin, often referred to by its product name Botox®, is a popular non-surgical injection that temporarily reduces or eliminates frown lines, forehead creases, crows feet near the eyes and thick bands in the neck. The toxin blocks the nerve impulses, temporarily paralyzing the muscles that cause wrinkles while giving the skin a smoother, more refreshed appearance. Studies have also suggested that Botox is effective in relieving migraine headaches, excessive sweating and muscle spasms in the neck and eyes. This is a medical procedure and should be completed in a surgical center environment.

Hyaluronic Acid (i.e. Restylane)

According to ASAPS, Hyaluronic acid is a natural polysaccharide, that in appropriate form, is a versatile soft tissue filler. Currently available as the product name Restylane (also Restylane Fine Line and Perlane) distributed by the Medicis company, and Hylaform distributed by a company named Inamed. Hyaluronic acid is being widely used for the management of wrinkles, fine lines, contour deformities, and volumetric deficiencies of face, cheeks, and lips associated with aging, developmental anomalies, and certain diseases. Restylane/Hylaform does not represent the final answer in the search for an ideal tissue filler but provides a predictable, safe, user-friendly approach.

The results can last up to six months. It is especially effective for the nasolabial folds, lip augmentation, and areas of contour deformities. It is also an ideal adjunct for Botox treatment and is frequently used in conjunction with Botox to correct lines and creases that persist.

Chemical Peels

Chemical peels use salicylic acid and/or glycolic acids to remove the dead skin cells, improve skin texture, fine lines and overall appearance of the skin. These treatments can be particularly helpful for severe or moderate acne, facial blemishes, wrinkles and uneven skin pigmentation. Each patient will have a different formula, depending on the condition of their skin.

Skin Care Products

In addition to medical aesthetic procedures, you will generate considerable revenue from cosmeceuticals and other pre- and post-treatment regimen products that can only be distributed by licensed medical professionals. All skin care treatments and products need to be strategically chosen to improve results for your clients and maximize the profitability of the practice.

4. Building your Dream Team

“Dealing with people is probably the biggest problem you face, especially if you are in business.”

~ Dale Carnegie

Since you will not want to be tied down to the day to day operations of the medical aesthetic portion of the practice, you may consider hiring a medical aesthetics director. This person needs to have exceptional customer service values, and be talented enough to choose and develop the right team to perform your medical aesthetics procedures.

The nice thing about offering medical aesthetic procedures is that in most States you do not have to do the actual procedures, you can hire an experienced aesthetician, RN, PA, or NP to do them. This allows that part of your practice to generate revenue whether you are there or not.

Hiring Tips:

- Don't hire family and friends, they may be able to provide you with valuable assistance during the startup phase, but they most likely will not be able to get you to that next level. This is where having an experienced medical aesthetics director is very important. Not only are they going to hire and train your employees, but they also will be responsible for the day-to-day operations of the medical aesthetics area.
- Don't ever, ever hire somebody just like yourself! You need to know where your weaknesses are and hire someone who has those strengths.
- Choose the right attitude and aptitude. It is much easier to teach someone how to perform the procedures, than to change someone's attitude. Remember, your staff is going to be the key to your success. You are going to have to depend on them to build a relationship with your patients so they choose your practice to have the procedures performed. With MedSpas, Day Spas, and laser clinic popping up all over the country, it's important to have personable, consultative team members.
- Give them a hands-on test. Don't be satisfied with references, many are given for people others want to dump. During the interview process, try to include examples of situations and see how they react. If possible, bring the top candidates back and have them perform the job for a half a day. If they will be performing treatments, have them perform them on other staff, and get their feedback on the prospective employee.

5. Marketing and Promotion

“If you do build a great experience, customers tell each other about that. Word of mouth is very powerful.” ~ Jeff Bezos

First of all you need to let all your current patients know about your new aesthetic medicine procedures, but do not think this is enough! You will need to have a comprehensive marketing plan prior to your grand opening. You may want to offer free informational sessions on popular topics (i.e. wellness) or a special promotional treatment package.

Are you marketing to the right customer?

First and foremost, you need to look at your current customers and ensure you're operating at capacity. If your IPL room is sitting empty half the day, it may be time to create a marketing campaign specifically designed to increase your hair removal clients. There are many articles written about baby boomers and their perfect fit for the treatments performed in a medical spa, but don't leave out the Generation X's and Y's, they make very good customers as well.

Get to know your neighbors

Do you know all the businesses surrounding yours? You may need to take another walk around the neighborhood and re-evaluate what new business building opportunities are available. As you are walking around, ask yourself these questions: Do they compliment my services? Can we help each other increase business by referring customers between us? Specifically look for complimentary businesses that share the same target demographic as you. It may be a women's fitness center, jewelry store, or a natural foods store. No one has too many customers, and they are most likely small business owners just like you!

Network within your community

Many people associate networking with schmoozing. You should always be networking. In its simplest form, it's connecting with people to exchange ideas, information, and resources. Where to network? There are many places from the local chamber of commerce, community groups, industry associations, or you can join a board or peer group. Not only will you gain great ideas to help you with your aesthetic medicine practice, but you are sure to get some new clients out of it as well.

6. Don't forget about regulatory and insurance issues

"In life and business, there are two cardinal sins. The first is to act precipitously without thought and the second is to not act at all." ~ **Carl Icahn**

Since you will be incorporating medical procedures in your practice you need to ensure you have the proper liability coverage for the procedures you will be performing. While you may already have malpractice insurance, it may not cross-over to your medical aesthetic practice. Many insurers are now requiring offices adding or expanding cosmetic-aesthetic procedures to their practice to document clinical and/or accredited training on all non-ablative modalities before a policy of coverage will be extended. Please consult your insurance provider and your legal advisor to ensure you are accurately covered.

According to David R. Shaffer of Scanlon, Guerra, Jacobsen & Burke Insurance Brokers, a list of insurance needs may include:

- Coverage for medical professional liability (claims arising from direct patient treatment, such as making diagnoses, rendering opinions, providing advise or referral to another physician; and--for physicians on staff at a hospital--professional committee activities as a member of an accredited hospital staff or any professional medical association/society committee);
- Medical partnership (or corporation) liability (claims against medical partnerships or corporations and covered salaried employees for professional or business exposures);
- General business liability (bodily injury, property damage, personal injury or advertising injury arising from the operation of the practice), which runs from \$500-\$1,000 annually;
- Employee benefits liability (claims for errors arising from the administration of employee benefits programs);
- Group health insurance (coverage for work-related injuries and illnesses suffered by employees).
- Healthcare billing errors and omissions (False Claims Act issues);
- Directors and officers (claims arising from errors in judgment, breaches of duty, and wrongful acts related to organizational activities);
- Employment practices (claims arising from discrimination in employment, wrongful discharge and sexual harassment);
- Workers compensation (work-related injuries and illnesses suffered by your employees).

Summary

If you want to be successful in a particular field of endeavor, I think perseverance is one of the key qualities. It's very important that you find something that you care about, that you have a deep passion for, because you're going to have to devote a lot of your life to it. ~ George Lucas

The underlying theme here is –

Be Prepared!

The key to any business success, including expanding your practice, is having clinical expertise and to be constantly cross-marketing your available medical aesthetic treatments to your regular patient base.

Don't think that you must open a separate aesthetic practice or medical spa. The costs associated with opening another location can be staggering, since they will include substantial construction costs, additional equipment, not to mention the issues with managing staff at a different location. You should first consider expanding your existing practice with the most common aesthetic medical procedures, then after several months of operating successfully, you can start planning your expansion.

As you develop and grow your aesthetic practice, you are going to experience the same growing pains common to any new business, the key is identifying them and responding to them.

This information has been taken from part of the course curriculum that will be taught at the International Association for Physicians in Aesthetic Medicine's 2-day Aesthetic Medicine Symposium. For more information on the Symposium, please go to www.aestheticmedicinesymposium.com or call the association at 1-800-219-5108.

About the International Association for Physicians in Aesthetic Medicine (IAPAM)

The International Association for Physicians in Aesthetic Medicine is a voluntary association of physicians and supporters which sets standards for the aesthetic medical profession. The goal of the association is to offer education, ethical standards, credentialing, and member benefits. IAPAM membership is open to licensed medical doctors (MDs) and doctors of osteopathic medicine (DOs).

For more information, visit: www.iapam.com or call 1-800-219-5108

About the Aesthetic Medicine Symposium

Presented by the International Association for Physicians in Aesthetic Medicine (IAPAM), the Symposium provides the most current, comprehensive aesthetic medical training program for today's leading physicians. This 2-day Symposium will combine clinical hands-on training of the most profitable advanced skin care procedures with proven strategies to successfully integrate aesthetic medicine procedures into your practice or medical spa.

This program will cover all aspects of starting and operating an aesthetic medicine practice or medical spa, including:

- The business of aesthetic medicine.
- Steps on how to integrated aesthetic medicine procedures into your practice.
- Incorporating your existing patients within your aesthetic practice.
- Finding new patients.
- Choosing the right patient.
- How to perform patient consultations.
- Performing the most profitable Laser/Light treatments.
- Maximizing profits by offering Chemical Peels.
- Choosing Physician-grade Cosmeceutical Skin Care lines.

Leverage our faculty's decades of experience, and learn the keys to building a successful aesthetic medicine practice.

Key Learning Objectives:

Upon completion of this program, participants should be able to:

- Outline the steps needed to integrate Aesthetic Medicine procedures to your existing practice or opening a stand-alone medical spa.
- Understand skin physiological and anatomy associated with many aesthetic medicine procedures.
- Understand the patient selection criteria, risks and benefits of the following Aesthetic Medicine procedures:
 - Botox® injections
 - Dermal fillers, including: Hyaluronic acids (Restylane®, Hylaform®, and Hylaform® plus), Collagens (Cosmoderm™, Cosmoplast™), and Sculptra™
 - Chemical Peels for each skin type
 - Laser and Intense Pulsed Light modalities for facial rejuvenation and hair reduction
- Principles and safety of lasers and IPL devices, including Laser Safety according to ANSI.
- Perform soft tissue coagulation and non-ablative skin resurfacing for dermal remodeling and skin resurfacing using the latest fractional technology.
- Utilize 1064nm nd:YAG technology to treat leg veins.
- Understand how to perform many of the most profitable IPL and Laser procedures, including common complications.
- Identify the best practices for building a referral base for your practice.
- Identify the most effective marketing opportunities needed to increase your revenues by converting your existing patients to aesthetic medicine patients, and attracting new patients.
- Describe the target demographic for the top Aesthetic Medicine procedures.

For more information, visit:

www.aestheticmedicinesymposium.com or Call 1-800-219-5108