



**EVERY  
DOCTOR IS A  
BUSINESS**



**DOCTOR**  
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# **7 Business Hacks for The Modern Physician**

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# You Are Small Business



The term business is defined as an organization or enterprising entity engaged in commercial, industrial, or professional activities. It can be both small and large. The term business can also be used to define the efforts and activities of individuals to sell goods and services for profit.

As a physician, your medical intellect, decision-making, and care are bundled into what is called your professional services and it is what makes you a ubiquitous small business.

A few years ago, doctors understood that they possessed this small business superpower by virtue of their profession. Thus they wisely formed professional corporations (PCs) as a business structure to support their small business purposes.

# You Are A Commodity



Your small business power is why healthcare corporations and private equity groups are interested in you. You have become a commodity to them since you are economic good used in healthcare commerce that is basically interchangeable with other goods of the same type ("providers")

This view of you as a commodity is what lies behind the massive shift in physician employment in the past 30 years. Large healthcare corporations are buying up PCs and employing doctors to fuel their economic engines and eliminate their competition. Now employed doctors are the norm, and PCs are becoming increasingly extinct. This shift has been so sharp that many of you abandoned the notion that a PC can be of any benefit to you.

But the past should inform your future.

“The philosophies of one age have become the absurdities of the next, and the foolishness of yesterday has become the wisdom of tomorrow.”

— William Osler

It's time to reconsider how PCs can innovatively benefit you in the modern healthcare matrix



# 7 Business Hacks For Doctors

## How to ignite your small business superpowers

1.

### PROFESSIONALS ARE GIVEN SPECIAL OPPORTUNITIES

You have earned a special status as a medical doctor. This stature allows you to perform professional services based on your medical license. Much like athletes, entertainers, lawyers, engineers, and accountants your unique recognition as a professional allows you to monetize your services to individuals and entities in the marketplace. Those earned dollars can either be received as an individual or as a corporation.

Past generations understood the importance of streaming this income through their PC. Your small business superpower places you in the enviable position to be able to form a Professional Corporation (PC) that uniquely houses your individual and corporate medical business assets. A professional corporation comes with certain benefits including income, tax, and business strategies that are unavailable to the employed professional. The current employment movement has obscured both the need for a PC as well as the value of a PC to many doctors.





2.

## YOU HAVE EARNED IT, SO START YOUR PC

The road to earning the right to form your own medical professional corporation is both costly and difficult. It turns out that this small business power is one of the most valuable assets associated with acquiring your medical license, board certification, and professional skills. It unlocks multiple channels to efficiently add income to your household.

As more of you choose traditional employment, you are basically proxying your small business powers to your employer in exchange for a predictable paycheck and benefits. This leads you to forgo forming a PC due to your belief that PCs are associated only with a private practice and have little utility for the employed doctor.

It turns out this is a myth, both in reference to your primary professional services as well as your side jobs. Starting a PC at the beginning of your professional life is one of the most important steps you could ever make to secure your control over this earned asset.

It is unwise to work hard to earn an asset that you so easily give up as an employed attending physician.

### 3.

## THE MODERN PC IS YOUR OWN NFT

NFTs are non-fungible, meaning that they can not be “swapped” for another since each NFT is distinctly unique. This is unlike a fungible token such as a dollar bill that can easily be exchanged for another dollar bill.

Tokenization represents how assets can be digitally combined and represented as a single token on the blockchain. This is particularly pertinent to the grouping of professional assets that you earn through your training and medical career that can be individualized into your own token. This has historically been called your brand but in reality is much broader than this.



**In numerous fields including arts, entertainment, and sports NFTs represent a new paradigm shift in how tokens are represented and used, shifting power away from central entities and allowing artists and creators more ownership, stake and control of their own creativity. As an example, college athletes can now leverage their name/image/likeness(NIL) and Creators & entrepreneurs can now go directly to their own fans and consumers eliminating expensive middlemen**

In this context, your own PC is not a bricks-and-mortar business (private practice) but rather is a virtual container for all of your earned professional assets. Your PC is uniquely yours and is unlike any other in the world due to your personal and professional skills and interests. This uniqueness is in contrast to the commoditized view that your employer has of you. They see you as an interchangeable asset that they own. The truth is that your professional services can be parsed out to them, but it doesn't have to be an all-or-nothing business relationship.

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## **Innovation**

Banks Don't Like Bitcoin  
Taxies Don't Like Uber  
Hotels Don't Like AirBnB  
Bookstores Don't Like Amazon  
Cinemas Don't Like Netflix  
Physician Employers Don't Like PCs



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## 4.

## HIRE AN AGENT

The real problem begins when you passively yield full control of your employment agreement or professional services, to your employer. If you hire your own personal agent, you now will have someone who will help you with all of your personal and professional interests.

Most doctors just don't know what they don't know about the business of medicine, personal finances, and their economic value to the system. The truth is that you do have control over it if you are willing to hire an agent to represent you and thus unlock all the possibilities based on your individual needs and preferences.

Unlike a contract reviewer, an agent is an ongoing professional relationship in which the agency uses all of its resources to ensure that your professional and personal life is maximized via the professional services contract that you have with your primary employer, but also includes a more comprehensive structure that supports every facet of your business, professional and personal life.

An agent and their business team can help build the right professional business model and negotiate the terms of an employment agreement within that business model that will still be a win-win for both parties. It just takes a bit of pro-active assertiveness to hire an agent and their business team to help represent your interests in this equation. They can help you form your own PC and explore whether a PC-employment lite agreement makes sense for you now, or even later.

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*"Doctors are a lot like professional athletes. You are both an individual and a small business that generates downstream income for larger corporations who want to use both your professional services as well as your influence. This is why you are seeing progressive changes in the athletic and entertainment market-place that are allowing individuals to monetize the power of their name, image, or likeness (NIL). Previously these non-fungible assets were exploited for the profits of big corporations"*



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## 5.

## CHOOSE EMPLOYMENT

Employment is a sensible response to today's marketplace that is controlled by large corporations. The benefits are many and include:

- Quickstart without financial risk
- Predictable paychecks
- Robust benefit packages
- Term limits that allow for job changes
- Time away from work
- Remedy for your business illiteracy

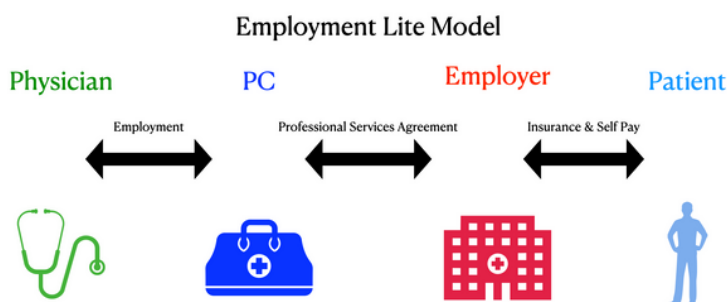
With the rising competition for your services, it's no surprise that according to Texas-based physicians recruiters Merritt Hawkins, the employed-physician model is gaining ground. As a young doctor, you are aware of this marketplace change and don't have to be convinced to wisely join it. This is why more than 90% of new physicians said they would rather be employed than on their own in independent practice. Of those seeking employment, 43% said they'd prefer to work with a hospital. Two percent said they want to work as a solo practitioner.

"The days of new doctors hanging out a shingle in an independent solo practice are over," MH EVP said. "Most new doctors prefer to be employed rather than deal with the financial uncertainty and time demands of private practice."

## 6.

## USE YOUR PC TO FORM EMPLOYMENT LITE CONTRACT

“Employment Lite” is a progressive employment model that mirrors most of the components of employment without full integration. It is a better version of employment for the modern doctor because it uses your own PC in what is called a professional services agreement (PSA). Visually it looks like this:



The benefits of an employment lite agreement include:

- Gain greater control of your life with enhanced professional autonomy that is associated with running your own professional corporation-small business
- Grow your household income without working harder, via retained earnings strategies that are unique to small businesses and increasingly limited to W-2 traditional employees.
- Individualize your fringe benefit programs to those that benefit you most- including unrestricted international CME, private school reimbursement, and automobile leasing just to name a few
- Access substantially larger tax-advantaged retirement plans in comparison to traditional employment
- Lower your effective tax rate
- No job change or moving is needed with this transition, so your family is not disrupted by this change
- Seamless and invisible implementation within your existing employment structure in a manner that is not recognizable by your peers
- Burnout risks are lower due to enhanced professional satisfaction



# 7.

## DIVERSIFY YOUR INCOME CHANNELS

When you fully align your professional services to a single employer via a traditional contract, you are making a mistake. This is because you underestimate your full marketplace value in regards to the large number of professional side jobs that will come your way. Your income will flow into your home in one of three ways. There is active income (main job & side work), passive income, and retained income. The first two are by far the most common sources for doctors to “earn” more money. There are many experts and professionals who are dedicated to helping you grow your household income in these ways. They are worth exploring, but please be mindful that each will require more of your time and energy. Rather, I want to illuminate to you the most important and most neglected option, which is retained income. This option will actually preserve your time and energy, which is an important distinction.

Receiving your primary income, side income, or both through your PC multiplies your options for income retention in comparison to receiving it as an individual (W-2) which significantly reduces your options by relegating your money to a shrinking menu of tax-advantaged individual programs.

Owning a small business PC opens the door for forming tax-wise individualized benefits, tax-advantaged retirement accounts with larger ceilings, and combined individual and business cash-flow strategies.

Streaming my income through my PC helped me retain over \$70,000 of income annually in comparison to receiving it as a traditional W-2 earner. . As you seek to grow your income, working smarter is much better for you than working harder.





*Reminder*

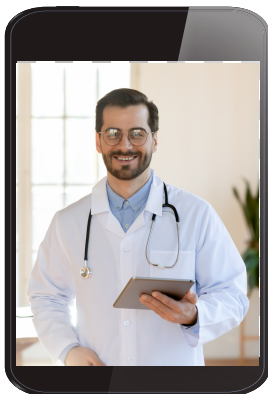
**"IF YOU WANT  
SOMETHING NEW, YOU  
HAVE TO STOP DOING  
SOMETHING OLD"**

**PETER DRUCKER**

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For information find a physician agent who can help you form your own PC and professional business structure contact SimpliMD at [SimpliMD.com](http://SimpliMD.com)



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Tod Stillson MD is a practicing family doctor in the midwest who loves his job. He operates his own PC through an employment lite agreement with his local hospital. You can follow him at [www.doctorincorporated.com](http://www.doctorincorporated.com) and subscribe to his regular YouTube and podcast episodes. You can also join his employed physician community on Facebook at "Every Doctor Is A Business". He has been published on multiple physician-centric sites including KevinMD, Financial Success MD, and the Physician Philosopher.