

EPISODE 5.6 | NOVEMBER 28, 2024

## INSIGHTS ON BRIDGING MEDICINE AND BUSINESS WITH CONSULTANT JESSICA JONES

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**David Mandell:**

Hello, this is David Mandell, host of the program. Thanks for joining us today. We've got a really interesting guest and I think a very relevant topic. So let me tell you about Jessica Jones and then we will get into it. So as the founder and CEO of Build Your Cash Medical Practice, Jessica Jones specializes in bridging the gap between medicine and business. She has nearly 30 years of experience as a practice consultant, clinic owner, and entrepreneur, giving her a well-rounded perspective on the financial and operational challenges that can stifle cash practice growth. Jessica is dedicated to being the business partner her client's need to overcome burnout and reach the level of success, fulfillment, and autonomy they seek. So with that, Jessica, welcome to the program.

**Jessica Jones:**

Thanks for having me.

**David Mandell:**

Excellent. I'm pleased to have you today. And I know this is, I think a topic that a lot of the folks watching or listening will be interested in. So before we get into cash race practice and what that involves and all that, why don't you first tell us just a little bit about you and how you got to where you are today and working with medical practices this way?

**Jessica Jones:**

Sure. In the interest of time, I'll gloss over my, I would guess 16 or 17 years in corporate America, but suffice it to say in 2008, like many other companies, my company went chapter seven and I reside in Philadelphia, so I had political groups that were looking for help that needed us even though the business was gone. And then I had, of course, the pharmaceutical industry. And the pharmaceutical companies were hiring

me to help them work directly with the practitioners to enroll studies that were challenged.

And so in doing so, I was really working with everybody involved in the process and doctors started referring me to doctors and I started to get this expertise in working with doctors and being referred to doctors and a reputation for helping struggling practices not only right the ship but grow, and in many cases grow beyond what they felt was possible, including I helped several struggling practices go from struggling to multiple locations. And then in 2012, one of my clients said, "Hey, you've got the business side, I've got the medical side. How about we partner in my next venture?" And that's how I came to grow a chain of 15 practices with him. We sold those practices in 2015, and then I started, one by one, six of my own clinics, and I sold those in 2017. And since 2017, I've just been helping people start their own practice, consult on challenges and struggles they're having in their practice, scale their practice, etc.

**David Mandell:**

Got it. Yeah. Well, that sounds like great experience to get into what you are doing. What do you mean by-

**Jessica Jones:**

Unique.

**David Mandell:**

What do you mean by cash-based practice? What does that mean?

**Jessica Jones:**

Sure. So, a lot of people get stuck on that. So certainly, I work with practitioners and providers who do accept insurance, and I say cash-based practice, just I help people start their solo or cash-based practice is another way to put it. But frequently when I'm working with any company, I am helping them add cash-based services. So any service that wouldn't be covered by insurance or a way to build cash programs, things that people are looking for that providers want to offer that they often can't offer in an insurance based world.

**David Mandell:**

Right. So, it sounds like based on what you said, that it's not all or nothing, meaning you could be working with a practice that at this point is primarily or exclusively being paid by insurance, but they want to add cash-based elements to it. And maybe even at some point if there's enough revenue and income there convert, but you don't have to give it all up at once and then say, "Okay, tomorrow no more insurance." And that's correct, correct?

**Jessica Jones:**

Absolutely.

**David Mandell:**

Yeah. And I imagine most of these practices, it is a transition period, and it is kind of a rolling process moving from one to other rather than black and white.

**Jessica Jones:**

Yeah, for some. I mean, a lot of times people reach out to me, and they already have a practice up and running and they're looking for help in one area or another. And even more frequently I have providers come to me who are leaving their practice for one reason or other and looking to start their own business and get out of the frustration of private equity, administration, insurance control, and all of those things. And they want to keep their passion for medicine, and they want to move into what they can be passionate about, because they're burned out.

**David Mandell:**

Right, right. Yeah. So that leads me, kind of answered something I wanted to ask, which is what kind of docs, well first, when physicians or even dentists reach out to you, what are their typical pain points? What are they complaining about? What do they need help with?

**Jessica Jones:**

It varies so greatly. So yes, I did touch on just the burnout and frustration and feeling like they're on just a roller coaster of, "I can only see patients for 10 to 15 minutes. I'm not forming a relationship. I can't really dig into the heart of the matter." And they want to return to that type of interaction with patients. Some are just burned out in

general and want to do things, like they're frustrated by the situation, and they want to do something different, and some already have their practice or they've purchased a practice and they're struggling because they've got the medical end, but they don't have the business end. And then quite uniquely, I also have entrepreneurs reach out to me and they have the business side and need to learn how to do it the right way with the medical side.

**David Mandell:**

Interesting. Okay. And what type of docs are reaching out to you in terms of, can you say certain specialties are more represented, certain age groups? Are people coming to you, certain practice types, meaning they were employed before at a large institution, they're leaving, or they were part of a small practice where a couple of them, they're still working together or they're solo and they want you to come in. Is there any trend there or things that you've seen?

**Jessica Jones:**

Yeah. Oh, I'm sorry. I wish I could say that it's very niche, but it's not. I have everything from chiropractors to dentists to surgeons to cardiac physiologists, it really runs the gamut. I have nurse practitioners, physicians, surgeons, so it really is functional medicine. So it really has a wide range of various specialties. I think the one commonality is either a frustration with what they're doing where they want to come out and start their practice, or somebody who has a practice and they're struggling for one reason or another. And people are referred to me also from various different areas as well. So that doesn't necessarily answer your question, but it's a very wide-

**David Mandell:**

No, well, it answers it, just the answer is no, really, there isn't a demographic or practice type that people are coming to you on. That it's pretty wide-ranging, which is good and bad. There's a lot of [inaudible 00:09:00] but as a business owner yourself, if you knew it was coming from a particular specialty, you could market to that or a spurt in age group, you could market to that. The good and bad is it's all over the place.

So now let's say you're talking to somebody who, I guess let's first start, we can talk about two different things. One is maybe a practice from scratch, meaning

somebody is like, "I'm burned out as being employed X, and I'm thinking about doing a new practice with Y." We'll come to that in a second, but first let's think what I think probably there's more, my instinct is, without any really data on this that people watching or listening are probably going to be more of the second type. And we'll come back to the first, which is they already have a practice. They may be burned out, they may be frustrated, they may be annoyed, they may know they want to change, but they're in the more traditional payer world, but they'd like to explore getting out of that or gradually adding to that. When that happens, where do you start? What do you start with and what are the things you're trying to figure out with them as they potentially transition the practice?

**Jessica Jones:**

So, you're talking about somebody who comes to me who already has a practice of their own?

**David Mandell:**

Right. We'll come back to that.

**Jessica Jones:**

And so, in those cases, there's a couple of different kind of backgrounds. One, they need to diversify, they need to figure out how to make it work or so either their practice is struggling because, maybe it's marketing, often it's marketing, almost across the board, ubiquitously [inaudible 00:10:52] working, it's marketing.

**David Mandell:**

Is that what you're saying, they're not getting enough patients?

**Jessica Jones:**

Yeah, not getting enough patients, not knowing when they get a patient, how to convert it to somebody who's coming into the practice. It can often be that they need to add to their practice. So, they need to add a revenue stream to their practice to grow it. And so that's very common. Frequently people reach out to me to help add a revenue stream. And that's really fascinating for me because of course I help people add revenue streams, it's not like I've got a hat of here's the five revenue streams you can add, I add revenue streams based on what that practitioner can be passionate

about. And so those are kind of the challenges, or sometimes, even in their own practice, they started their own practice thinking that they would escape the burnout, but they find themselves not able to delegate, in that same situation where they're overworked and trading their time for money. And so, in those cases, I'm helping them to learn to hire staff, delegate, and start to pull themselves out so that the practice is not solely identified as them. So, separate them from their business.

**David Mandell:**

I mean, that to me is something we've heard quite often on this podcast over the last five seasons, and that as an entrepreneur myself that I've been a big proponent of, which is the E-Myth, the entrepreneur myth, the idea that you're not the business that you want to create processes and workflows and delegation in a way that it kind of runs without you other than your highest and best use, which is probably seeing patients or doing what it is you're trying to do as a physician or dentist not doing all the other things. So I mean, the most extreme example of this would be a physician who answered the phones at their practice to set up, I mean, I don't think many docs do that, and it's obvious why, but you start to scale back from that, then there's probably plenty of practices where the doc's doing a lot of things they shouldn't be doing.

**Jessica Jones:**

Yeah, absolutely. And of course, you come across this where people only want to see the doctor because they've set up the practice that it's so dependent upon them. And so, we've got to unravel that and introduce new people and help them start to earn based on not just what they do but based on what the practice does.

**David Mandell:**

So, I would consider that, and this isn't a negative, but sort of traditional business consulting. On the revenue stream side, you'd be sitting with the doc or dentist and then understanding what it is they're interested in, what it is they're competent to provide and licensed to provide, what it is that their patient base would be interested in. Because I imagine you've got to have sort of overlapping concentric circles on that. The doc could be very interested in something, and if nobody wants it, that's great.

**Jessica Jones:**

It's important that it meshes with the practice. You can't just kind of put together two completely separate things that have no relevance to the current patient population. The good news is it's unlikely that that's going to be the case and still be within a doctor's or nurse practitioner or chiropractor, whatever the case may be, interest range. If they started a practice based in one area, usually the things they're passionate about are going to work with the rest of the patient population. But sometimes people do put things together that seem like, huh, that's an odd combination, but it works, right? It always has to work and be something that can be marketed first to the patient population before you can take it outside of the practice.

**David Mandell:**

Right. And that's the way you would sort of test things a bit and see, are we getting a certain rate of return, certain response rate on your existing patients, and before we would invest more to go outside?

**Jessica Jones:**

Yeah, absolutely. You'd want to know, okay, first you'd want to make sure that you're working through it. Everything makes sense financially, right? How much is it going to cost to add this in? What is it going to be able to bring in? How long is it going to take to pay off any investment and how does it fit with my current patient population?

**David Mandell:**

Some financial modeling, some basic marketing.

**Jessica Jones:**

All of it is important. It's not just is there an interest, and does it fit, you really have to look at everything, because even if it fits, if it's not going to add revenue in a viable way, then we've got to pass on it and move on to something that makes sense from a revenue stream standpoint.

**David Mandell:**

Right. And sometimes the things you don't do are the best decisions you make. I mean, not every idea is one that's going to be profitable. And so, being able to look at

something and early on, even if you've invested some time and money and say, "You know what? We should pull the plug on this." That is important.

**Jessica Jones:**

Yeah, I frequently, I mean, I often talk people out of things as much as I help them talk themselves into something. I mean, there's so many times that somebody's looking at bringing in a device or a piece of equipment to add a revenue stream or protocol and it seems great, and salespeople are really great at saying, "Oh, it only takes one or two patients to pay for this device." And then when we really work through it and talk through it and look at the population and the patients that are in their practice and who they'll have to bring in, it really quickly fizzles out and you realize it's not as easy as they make it seem.

And that needs to be talked through. Sometimes it's, do you have the space for this? Right? I mean, there's so many things to consider. Do you have the space? Do you have the staffing? What does it really look like if a patient comes in? How long is the treatment? How much time is it going to take for you or your staff? All of those things need to be taken into account. And that's something I help people walk through. And then if you add this, we also think ahead and say, what is your capacity to add other things? If you find something that you absolutely love and want to add, will you be able to add it once you've brought this in, right?

**David Mandell:**

I like it. Yeah, it makes sense.

**Jessica Jones:**

There's so much to think about and that's what I do, like oh, I didn't think about it.

**David Mandell:**

It's basically a mini business plan for that whatever service or product. I mean, it's a bit of marketing. It's a financial model. It's a staffing organizational chart. It's like a business plan for the new service or product or whatever we can add. So, speaking of business plan, I want to go back to the other type of doc that might come to you which is not existing, adding something new or adding a cash-based thing onto basically a practice that at this point is more traditional and payer based. But now



let's talk about either, I want to start a new practice, I'm kind of burned out with this. I still want to treat patients, but I'm kind of a blank slate, I have some ideas. Or you also mentioned, I just bought a practice, but it's still sort of a blank slate in that it has existing elements to it, but I'm new and I'm open to new ideas. How do you approach that process?

**Jessica Jones:**

Yeah, so that's always a joy because it's kind of like, why are you looking at doing this? Is it going to be right for you? And then it's talking about what you're passionate about, and then it's really helping to solidify the concept, make sure it's viable, show how to look at putting together, what are the costs going to be, what is the timeline going to be? It's everything from at what point do I really lock in a space and start working on the space so that I'm not having a space for a year that I'm paying for before I'm ready to open the practice.

To what am I going to offer? How's it going to be priced? What is this staffing going to need to look like? Does it really work? There's so many times there's these great ideas and you got to talk it through to say, oh, for example, I want to offer if it's, let's say it's a membership model and I want to have patients coming in to work with me about this or that, and I want to offer yoga as part of my services and I want to hire a yoga instructor, great. How are you going to make that work if you've got all of these different patients coming in and now you have to have a yoga studio 10 hours a day serving the patient population? Oh, I didn't think about that. Do you want to really offer yoga? If so, do you want to consider more of a group thing once a day as just an add-on versus something that you're really making a part of your services? And so that's a real conversation that happened last week. So, it was fresh off the top of my head.

**David Mandell:**

Well, there's so much, I mean, that is out there that's cash based that's sort of medical adjacent. I mean, personally, I, my wife, we go, she's gone quite often over the years for certain sort of injury recovery, but I do it really more preventive, which is like hyperbaric oxygen. And my father was actually the medical director at this facility years ago, not anymore. And it's helped with certain recovery. She got, my wife had some headaches around COVID and she went to the oxygen a number of

times and got rid of it, never came back. And that's a pretty big investment. Those tanks are, I'm sure, not inexpensive. They do a pretty bearish business and that also has, they also do some kind of more cosmetic stuff in there. And I think there's some, what do you call it? Hydrotherapy, sort of injection.

**Jessica Jones:**

IV therapy.

**David Mandell:**

IV Therapy. So, they do a bunch of things that we don't do, we haven't used yet, but there's a lot of potential for that. And to your point, I don't know if that's a separate business, if I come to you and I'm like a gastroenterologist, am I really going for my colonoscopy at the same place I'm getting my oxygen therapy? Probably not.

**David Mandell:**

But I'd be interested in both as say a gastro and say, I am going to be an investor in this and run this and have somebody run this business and I have ideas, but it's not really going to be part of my practice.

**Jessica Jones:**

No, but you might take something, so for example, somebody who has an interest in, I've worked with several different areas of cardiology, let's say. And so you can take that into multiple, you can take that in multiple directions based solely on the, now I'm going to say business owner, because now we're shifting to business owner, their ideas around what they really are interested in doing for their patients. Is it longevity? In which case, what are we going to look at that impacts lifespan? And it can be weight loss, it can be exercise, it can be a number of areas that you can take that into, or you can take it into various other directions. It's really kind of unique to each practitioner and where they want to go with it. But there's so many different things you can do that are cash-based that we wouldn't get through the insurance world, right?

Insurance doesn't pay for prevention. They pay for the urgent need. And so when you think about that and you think as a practitioner, "Wow, I really wish that I could have seen this patient five years ago." Even erectile dysfunction, which was a huge cash business model in 2010 to 2020, usually erectile dysfunction precedes a heart attack

by five years because it's talking about blood flow, but everybody focused on this is what the problem is, and we don't really worry about that versus, "Well, what other things should we be thinking about if that's going on?" And so not to get off-topic, but this is where the conversation goes. Like, oh, I wish I would've seen this person five years ago, because I could have tested to see is this a heart issue or is this a prostate cancer issue? And all of those types of questions.

**David Mandell:**

Yeah. Yeah. No, I see. And just to your point, just to relate back, so I know on this oxygen therapy that we do, hyperbaric, insurance only reimburses regarding a specific wound care, right?

**Jessica Jones:**

Yes, exactly.

**David Mandell:**

Which is not something that either my wife and I have gone to and we spent a fair amount of money over the years out of our pocket for.

**Jessica Jones:**

But the benefits of what you're talking about are so big, and I do have people who are looking at adding this and who have it. You're talking about the impact on concussion, healing concussion, the impact on healing post-surgery, how it can speed everything up. I mean, there are some really strong benefits, but again, insurance isn't going to pay for that.

**David Mandell:**

Right, right.

**Jessica Jones:**

And so often I see those in more of a med spa type of model versus a medical practice. Although, again, if you're dealing with head trauma and TBI and things like that, which by the way are also in that cash-based model because insurance only pays for standard of care, they're not paying for things that can actually really impact somebody with a long-term concussion, right?

**David Mandell:**

Yeah. There's a tremendous amount of opportunity. So, what are some of the pitfalls that you are trying to get docs to avoid when they're adding this? We've kind of talked about it a bit in terms of the business plan and things you need to think through, but what are some common mistakes you see people do or things just like, I wish they had talked to me because I would've had them avoid X, Y or Z.

**Jessica Jones:**

Yeah. So, I do see a lot of practices finding me when they've gotten themselves into trouble either by, I see people bring on a ton of equipment all at one time thinking, "Oh, I just need to." And they went from a practice that was doing okay, they wanted to improve it, and they end up underwater because they've put these long leases into these pieces of equipment without really going through the process of, is this going to work? Can I monetize this? Can I really bring in the patients and charge them enough money to pay for the lease on the equipment? And then they find themselves either going under or trying to figure out how do I get rid of this without losing my shirt, right? Because the contract is secure, so I've got to pay for it.

And so, I often say to people, I help people scale back sometimes to grow, and that is just off boarding things that are bringing the practice down and not adding to it. And once we work through that, which can take time, it is a huge weight off the provider's shoulders and they've learned from it. But now we can thoughtfully look at what can I do to monetize what I have? What do I need to get rid of? And those types of processes. So, I see that.

I see people who've bought a practice and there's nothing in the practice unfortunately that really covers what's the responsibility of the person selling the practice to transition to the new owner, right? Things like that. And that's a real issue. You've got somebody who's purchased this practice in good faith, but there's no real transition and the patients aren't part of the process. And so they're either trying to work out how can I still work with the other, with the provider who sold or where else can I go because I feel uncomfortable with the way this happened. So ideally, I mean, I'd love to talk to people before they make a purchase so that we can talk about making sure those types of things are included in the process. But I am unfortunately

helping people after that's happened and trying to figure out where do I go from here?

**David Mandell:**

Yeah, I mean, your first point about sometimes you've got to shrink to grow, I think is a really important one. And I can see, like you said, I speak at enough of these conferences and there's these booths and all the different great equipment, and it seems so fun and it could do so much and all this. And then before you know it, you have three pieces of equipment and you're envisioning this great new world, and then all of a sudden, you've bit off more than you can chew and you realize, okay, I got to go back one step back to move forward. And I imagine that is pretty common, and then yeah, to your point, yeah, I mean in our business, there's a lot of mergers and acquisitions in the financial world. Nobody's buying a business without a transition plan, clawbacks, requirements of the seller to be there for a number of years, transition the clients and all of that, that just would never fly.

**Jessica Jones:**

Nobody working with you. But unfortunately...

**David Mandell:**

No, no, I know, exactly.

**Jessica Jones:**

I mean, it's like, "Oh, well, who was your lawyer?"

**David Mandell:**

Yeah, not as thought through. We're pretty much at the time. So, any last comments, sort of big picture thoughts you want to end with?

**Jessica Jones:**

Sure. I would also say scaling back to grow doesn't always have to be just equipment. It can be offloading just things you've put into your practice that you feel like you have to do, responsibilities that you're taking on. So just kind of working through, what can I give to somebody else versus what I need to do, which we talked

about originally, but that is looped into scaling back. Delegating is scaling. There's things that you just don't need to be taking on your own.

But I would say whether you're starting a practice or whether you find yourself struggling, don't let the overwhelm hold you back. Kind of take a step back, and the big picture thing I would say is so many times people are so stuck in the practice that they don't take the step back. And if you can just get away from the practice over the weekend or whatever and take the external view of it, it can really help you take a deep breath, identify what's really going on while you're away from the trials and tribulations of the day-to-day, and that's when you're going to get your best viewpoint of what really is going on and what direction you need to go in. So many times people are so stuck in the minutia of the day to day, that they can't see the big picture, right?

**David Mandell:**

Yes, it's a good thing to end with, I think always being able to take, it's the reason businesses, law firm, in our firm do you know off-sites, we get away, we think strategically, we think way far out, we brainstorm. You give yourself the ability to just step out and think big picture. Even if 8, 9, even 10 of 10 brainstorming ideas, they're like, "You know what? We thought about it and that doesn't really work." But the whole point of doing it is because there may be one or two that does work, and you would never come up with those if you're just on the mouse wheel during the week. So I totally agree with that.

Jessica, thank you so much for being on. Very helpful. I think a lot of good stuff for people in lots of different scenarios who either are in the process or now it's sort of in their mind, they listened to this and maybe there is something I could do to change my career, change my life a bit around my practice, and have it be more the way I would like it. So, thank you for being on.

**Jessica Jones:**

I hope so. Thank you so much for having me, and yes, I hope people are encouraged to think about it because just like providers need to be able to offer a service like this, never before have more people been looking for these services.

**David Mandell:**

And I'm living proof of that. And we'll put all Jessica's contact information in the show notes so you'll be able to get ahold of her and check out her website and do all of that. Thank you all for watching and listening. Again, if you're so inclined, give us a five-star review, subscribe on the various whatever network or platform you're watching or listening to us, and then tune in for in another two weeks because we'll have another episode on Thursday as we always do. So, thank you for joining us, Jessica. Thanks for being on.

**Jessica Jones:**

Thanks for having me.