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- Email customerservice@OccupationalTherapy.com



Private Practice in Occupational Therapy

Following your occupational therapy dream Part 2

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Learning Outcomes

1. After this course, participants will be able to identify 10 steps to take to start an occupational therapy practice or business.
2. After this course, participants will be able to explain the purpose of a business plan, its key features, and its role in developing an occupational therapy practice.
3. After this course, participants will be able to describe the role of and sources of mentors and other online available resources in developing an occupational therapy practice.

continued

Definition of Private Practice

- According to Merriam-Webster:
 - a professional business (such as that of a lawyer or doctor) that is not controlled or paid for by the government or a larger company (such as a hospital);
 - practice of a profession (as medicine) independently and not as an employee

Private Practice [Def. 1 & 2]. (n.d.). In Merriam Webster Online, Retrieved from <https://www.merriam-webster.com/dictionary/private%20practice>.

continued

Idea
Plan
Action

continued

Why private practice?

- A 1992 survey with 74 Occupational Therapists in private practice who responded found:
 - Autonomy: most important reason to go into private practice
 - Incomes increased
 - Having a Master's Degree did not appear to provide a financial benefit, while substantial work experience did
 - Respondents often moved from full-time employment to part-time private practice
 - Reported a high degree of satisfaction
 - Those who reported their decision to go into private practice was a good one cited the reasons as
 - "flexibility of hours, personal satisfaction, independence with decisions, an increased income, the opportunity to specialize, and more control for quality care"

McClain, L., McKinney, J., & Ralston, J. (January 01, 1992). Occupational therapists in private practice. The American Journal of Occupational Therapy : Official Publication of the American Occupational Therapy Association, 46, 7, 613-8.

How do we learn business skills?

- Australian Qualitative study – interviewed 26 self-employed occupational therapists on experience
 - "A narrative analysis built an understanding about how these therapists developed their business competencies."
 - Business competencies developed through both formal learning before starting their businesses, and informal learning after their businesses were in operation
 - Conclusion: the transition to successful business person in occupational therapy includes "management learning that includes elements of self-reflection, identifying environmental opportunities and risks, developing capabilities, and strategic planning for growth and development."

Millstead, J., Redmond, J., & Walker, E. (2017). Learning management by self-employed occupational therapists in private practice. Australian Occupational Therapy Journal, 64(2), 113-120. <https://doi.org/10.1111/1440-1630.12331>

Start Out Small

- Especially if you don't have a lot of financing behind you
- Test the waters
- Grow over time
- Learn more about business

Private Practice = A Business

- How do you know if you are in business already?
- Are you an independent contractor (Self-employed)?
 - Do you do work for someone else, and get paid for your work, and get a 1099?
 - Do you get paid by the hour?
 - Do you work without receiving benefits?
 - Do you supply your own tools and equipment?

Mentoring

- Mentors are critical to success in business
- Sources for free mentors and business advice:
 - Uncommon Individuals Foundation
www.uif.org
 - Entrepreneur Mentoring Program (EMP)
 - Small Business Administration (SBA)
www.sba.gov
 - To find local offices for the following:
 - SCORE Business Mentors
 - Small Business Development Centers
 - Veteran' Business Outreach Centers
 - Women's Business Centers
 - Go to:
 - <https://www.sba.gov/local-assistance/find>

A Timeline.....

- Make a timeline with all of the steps you will plan.
- Excellent resource for this

Schwab E. F. (2016). Surviving and Thriving Your First Year in Private Practice. Seminars in hearing, 37(4), 293–300. doi:10.1055/s-0036-1594001

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5179603/>



SBA 10 Steps to Start a Business

1. Market research to see if there is a need for your idea
2. Write your business plan
3. Fund your business
4. Choose your business location
5. Choose your business structure
6. Chose your business name
7. Register your business
8. Get federal and state tax ID numbers
9. Apply for licenses and permits
10. Open a business bank account

Small Business Administration. (n.d.). 10 steps to start your business.
Retrieved from <https://www.sba.gov/business-guide/10-steps-start-your-business/>



1. Market Research? Evidence?

2. Write Your Business Plan

Why a Business Plan?

- Why a business plan?
 - Transforms your dream into a concrete reality
 - Operationalizes your vision
 - Forms the foundation and direction of your business – the roadmap
 - Convinces others you are serious – including banks etc.
 - Allows for growth if you are already “in business.”
- Resources for business plans?
 - The same resources as for mentoring

Components of a Business Plan

- The SBA describes 2 kinds of business plans:
 - “Traditional” – detailed, takes time to write and comprehensive – investors and lenders prefer this kind
 - “Lean Start-up” short, focused, to the point, quick to write, contains only key elements – Banks may want more

Lean Start-up Business Plan

Wooden Grain Toy Company	
Identity Wooden Grain Toys manufactures high-quality hardwood toys for children aged 3-10.	Problem Parents and grandparents are looking for high-quality, durable toys that will entertain kids and foster creativity.
Our solution Our handcrafted toys are made from solid hardwoods, and are designed with sufficient moving parts to engage young children without limiting imagination.	Target market The target audience is adults, specifically parents and grandparents who wish to give toys to their children or grandchildren.
The competition Wooden toys are part of a niche market with companies of all sizes. Large companies include Elastique Toys and Metal Happy Toys, which sell internationally. Smaller companies sell locally in shops, craft fairs, or online.	Revenue streams Wooden Grain Toys will sell directly to customers at craft fairs and online.
Marketing activities Wooden Grain Toys will communicate with customers with an email newsletter, targeted Google and Facebook ads, social media, and in person at craft fairs.	Expenses <ul style="list-style-type: none"> • Materials for toys including wood, steel, and rubber • Craft fair fees and travel costs • Inventory space for products
Team and key roles Currently, the only team member is the owner, Andrew Robertson. As profits increase, Wooden Grain Toys will look to add an employee to assist with social media and online marketing.	Milestones As business grows, Wooden Grain Toys will advertise in target markets—especially in advance of the holiday season.

<https://www.sba.gov/sites/default/files/2017-12/Sample%20Lean%20Business%20Plan%20-%20Wooden%20Grain%20Toy%20Company.doc>

Lean Start-up Business Plan

Autistic Transitions	
Identity Autistic Transitions supports autistic teens & adults in their transition from high school to college and the world of work	Problem Autistic children become autistic adults. Few services are available to support this transition, despite executive function, and social skills issues and unemployed
Our solution We provide social skills training, and support for executive functioning and work skills for teens and adults to ease the transition from high school to college and the world of work	Target market The target audience includes parents of autistic teens and young adults, and working age autistic adults, who want or need support to transition to college or the world of work
The competition No one is currently serving this population.	Revenue streams Autistic Transition will provide services directly to clients in their homes, via Skype, and in bowling alley, & bill for cash.
Marketing activities Autistic Transitions will communicate with parents of autistic youth and autistic adults with an email newsletter, targeted Facebook groups, social media, & PTA meetings	Expenses <ul style="list-style-type: none"> • Computer and Internet Expenses • Bowling Alley Expenses • Workbooks
Team and key roles Currently, the only team member is the owner, Octavia Occupational Therapist. As referrals increase, Autistic Transitions will look to add a part-timer employee to assist with social media and online marketing.	Milestones As business grows, Autistic Transitions will hire additional occupational therapists and reach out to partner with employers who are federal contractors seeking to hire autistic adults.

Traditional Business Plan

Community Tool Box

- Cover page/table of contents
- Executive summary
- Company description
- Who are you? Organization
- Describe leadership team
- Describe product/services
- Info about your market & your competition
- Operating plan & timelines
- Financial info
- Appendices

Small Business Administration

- Executive summary
- Company description
- Market analysis
- Organization and management
- Funding request
- Financial projections
- Appendix

Small Business Administration. (n.d.) <https://www.sba.gov/business-guide/plan-your-business/write-your-business-plan>

Center for Community Health and Development at the University of Kansas. (2018) Community tool box. Chapter 42, Section 2. Creating a Business Plan. Retrieved from <https://ctb.ku.edu/en/table-of-contents/finances/grants-and-financial-resources/business-plan/main>



SBA's Business Plan Tool



"The SBA's Business Plan Tool provides you with a step-by-step guide to create Your business plan. You can save your plan online and update it any time, or download it as a PDF file." <https://www.sba.gov/tools/business-plan/1>

<https://www.sba.gov/business-guide/plan-your-business/write-your-business-plan>



✓ Build Your Business Plan

Feedback

Build Your Business Plan

Are you interested in starting a business? Creating a business plan is one of the most important steps you will take because the plan serves as your road map for the early years of your business. The business plan generally projects 3-5 years ahead and outlines the route a company intends to take to reach its yearly milestones, including revenue projections. A well thought out plan also helps you to step-back and think objectively about the key elements of your business venture and informs your decision-making on a regular basis.

SBA's Business Plan Tool provides you with a step-by-step guide to help you get started. All of your information entered into this tool can only be viewed by accessing your account using the password you have specified. Not only can you save your plan as a PDF file, you can also update it at any time, making this a living plan to which you can often refer. You can also use your completed business plan to discuss next steps with a mentor or counselor from an SBA resource partner such as SCORE, a Small Business Development Center (SBDC) or a Women's Business Center (WBC).

Complete each section of SBA's Business Plan Tool at your own pace. Save your work at any time and pick up where you left off the next time you log into the tool. Your information will be saved for up to six months after your last login date.

During the step-by-step process, this tool will update the status of your business plan. Once you save your information and move to a new section in the business plan, a checkmark will appear in the numbered section menu at the top of the screen denoting when each section is complete.

Get started now by logging in or registering for a new account.

Login or Register

Get started now by logging in or registering for a new account.

Login

Register

Forgot your username or password?

<https://www.sba.gov/tools/business-plan/1>



3. Fund Your Business

- Calculate your start-up costs
 - Examples:
 - Will you need office or clinic space? (Utilities)
 - Supplies or equipment?
 - Phone – Internet- Website?
- Calculate operating/ongoing expenses
 - Direct Costs- Salary, Insurance, Travel
 - Indirect Costs – Overhead, taxes, support staff, billing co., rent
 - Fixed expenses
 - Variable expenses
- Consider your capital (money)
 - What do you have on hand? What do you need? Resources? Banks, SBA, Family, etc.



Butkus, S. (1/1/2018). Use your numbers. The ASHA Leader. 23.(1). 42-49. doi: 10.1044/leader.FTR1.23012018.42

4. Choose your business location

Example: Moving Forward Now

5. Chose your business structure

Business structure	Ownership	Liability	Taxes
Sole proprietorship	One person	Unlimited personal liability	Personal tax only
Partnerships	Two or more people	Unlimited personal liability unless structured as a limited partnership	Self-employment tax (except for limited partners) Personal tax
Limited liability company (LLC)	One or more people	Owners are not personally liable	Self-employment tax Personal tax or corporate tax
Corporation - C corp	One or more people	Owners are not personally liable	Corporate tax
Corporation - S corp	One or more people, but no more than 100, and all must be U.S. citizens	Owners are not personally liable	Personal tax
Corporation - B corp	One or more people	Owners are not personally liable	Corporate tax
Corporation - Nonprofit	One or more people	Owners are not personally liable	Tax-exempt, but corporate profits can't be distributed

Small Business Administration. (n.d.). Choose a business structure <https://www.sba.gov/business-guide/launch-your-business/choose-business-structure>

continued

6. Chose your business name & 7. Register your business

- Business names
 - What is a fictitious name?
 - What are your state's requirements?
- Where do you need to register?
 - Secretary of State's office?
 - City? County? etc

continued

8. Get federal & state tax ID #'s

- Will depend on your form of business
- Sales tax ?

continued

continued

9. Apply for licenses and permits

- More than your occupational therapy license.....
- Your town/city and/or county may require an occupational license or business license
- You may need permits for waste disposal or parking

continued

10. Open a business bank account

continued

Marketing: Reaching your market...

- Who are your customers?
- Update your resume or CV.
- Tell everyone you meet what you do
- Get business cards
- Go out there and find customers
- Publish somewhere – anywhere
- Keep up on business news

Marketing

Web Presence Is Important – online marketing is free
But you have to do it right

Reaching your market...

- Support groups
- Speak at service and civic organizations
 - Parent groups? Etc.
- Reach the purse string holders
- Partner with other groups
- Bake brownies

Other Important Concerns

- Lawyer, Accountants, and Billing, Oh My!
 - Contracts – an attorney?
 - Finances and Books – Virtual bookkeeper? Accountant?
 - Insurance
 - Billing
 - Cash practice?
 - Billing company?
 - HIPPA



“Dream Builder” Online Business Course
SBA Office of Women's Business Ownership

Course Name and Number	Course Name and Number
<u>1. Start your Dream</u> (Starting or growing a business)	<u>8. Managing Your Dream</u> (Business management—employees, money etc.)
<u>2. Exploring your Dream</u> (Getting Feedback)	<u>9. Profiting from your Dream</u> (Keeping track of \$\$--Profit/loss statements, etc.)
<u>3. Planning your Dream</u> (Business plans)	<u>10. Keeping Track of your Dream</u> (Bookkeeping, accounting terms, Projections)
<u>4. Making your Dream</u> (Practical steps required to run a business)	<u>11. Funding your Dream</u> (sources of funding available to fund your business)
<u>5. Marketing Your Dream</u> (Marketing)	<u>12. Formalizing your Dream</u> (Contracts, agreements, and business legal structures)
<u>6. Pricing Your Dream</u> (Pricing your services)	<u>13. Turning your Dreams into Reality</u> (create an Action Plan, goals and timelines)
<u>7. Selling Your Dream</u> (Selling your services – making projections)	https://www.sba.gov/offices/headquarters/wbo <u>under Tools for Entrepreneurs</u>



SBA Learning Center

- Online Courses to
 - Plan your Business
 - Launch your Business
 - Manage your Business
 - Grow your Business
 - <https://www.sba.gov/learning-center> Examples:

Photos from
<https://www.sba.gov/learning-center>



How to write a business plan

Learn the importance of business planning, the components of a business plan, and see sample plans and resources.

[View course](#)



Legal requirements

An overview of legal requirements for small businesses and how they can impact you.

[View course](#)



Introduction to accounting

An overview of accounting concepts and terminology.

[View course](#)



Marketing 101

An overview of marketing for small business owners who are looking to reach a broader customer base and expand their markets.

[View course](#)



continued

SBA Videos

<https://www.sba.gov/videos>

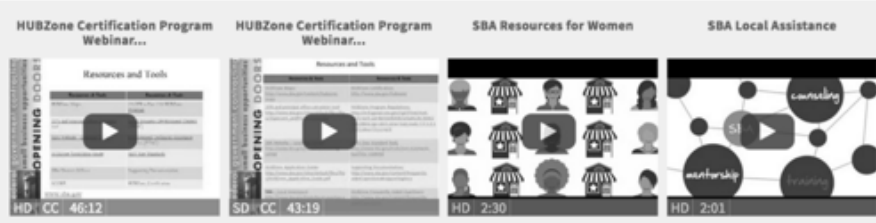
2 Minute Video Series

SHOW MORE



Starting a Business

SHOW MORE



continued

SCORE Business Learning Center

- Interactive, Online Learning Programs
<https://www.score.org/biz-learning-center>:
 - Online Marketing for Small Business Owners
 - Simple Steps for Starting Your Business
 - Startup Basics
 - Marketing Basics
 - Finance Basics
 - Management Basics

continued

Other resources:

- Facebook groups:
 - Women Helping Women Entrepreneurs
 - Entrepreneurship4ot
- Organizations
 - Awesome Women Entrepreneurs
 - <https://awesomewomen.org>
 - Toastmasters
 - Rotary

Work with a Consultant

- Scott Harmon OT – Start a Therapy Practice Webpage & Academy of Private Practice
 - <https://startatherapypractice.com/academy>
 - One on one consultation and monthly calls with a community of private practitioners, mentoring
 - Lots of resources for business plans, courses, etc.
- Iris Kimberg MS PT, OTR <https://nytherapyguide.com/>
 - offers short and ongoing consultations on all aspects of starting, growing and selling a private practice
 - KimbergTherapy Guide
 - Sells books and other helpful business-related materials on her website,

So now.... Do Something Great

References and Resources

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Questions?

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