



XYZ MEDICAL, LLC

BUSINESS PLAN

MONTH YEAR



TABLE OF CONTENTS

1. EXECUTIVE SUMMARY	3	6. OPERATIONAL PLAN	12
2. COMPANY OVERVIEW	4	6.2. LEGAL STRUCTURE	12
2.1. MISSION STATEMENT	4	6.3. LEGAL & INSURANCE	12
2.2. COMPANY DESCRIPTION	4	6.4. ACCOUNTING	12
2.3. DESIGN & LAYOUT	4	6.5. EQUIPMENT	12
2.4. GROWTH STRATEGY	4	6.6. FURNITURE	12
3. THE SERVICES	5	6.7. FIXTURES	12
3.1. OVERVIEW	5	6.8. COMPUTER SOFTWARE	12
3.2. PREVENTATIVE HEALTH SCREENING	5	6.9. LICENSES & PERMITS	12
3.3. ILLNESS TREATMENT	5	7. THE MANAGEMENT	13
3.4. INFECTION TREATMENT	5	7.1. EXECUTIVE MANAGEMENT	13
3.5. INJURY & PAIN TREATMENT	6	7.1.1. JANE DOE, OWNER/FAMILY NURSE PRACTICIONER	13
3.6. TESTS, SCREENING, & PHYSICALS	6	7.1.2. JOHN DOE, EXECUTIVE OFFICE MANAGER	13
3.7. SKIN, HAIR, & NAIL TREATMENT	6	8. FINANCING	14
3.8. CHRONIC CONDITION MANAGEMENT	6	8.1. CAPITAL REQUIREMENTS	14
3.9. TELEHEALTH & DIGITAL EVALUATION & MANAGEMENT	6	8.2. RISK ANALYSIS	14
4. THE MARKET	7	9. FINANCIALS	15
4.1. TARGET CONSUMER PROFILE	7	9.1. SALES	15
4.2. U.S. PRIMARY CARE DOCTORS MARKET	7	9.1.1. SALES ASSUMPTIONS	15
4.3. DEMOGRAPHIC STATS	8	9.1.2. SALES FORECAST	17
4.3.1. ABC, ABC	8	9.2. EXPENSES	17
4.3.2. ABC COUNTY, ABC	9	9.2.1. GENERAL & ADMINISTRATIVE EXPENSES	17
4.4. PROFILE OF DIRECT COMPETITORS	9	9.2.2. MARKETING EXPENSES	18
4.4.1. XYZ: PRIMARY CARE AT ABC	9	9.2.3. STAFF HEADCOUNT & SALARIES	18
4.4.2. XYZ PRIMARY CARE	9	9.3. PRO-FORMA ANNUAL FINANCIAL STATEMENT SUMMARIES	18
4.4.3. XYZ PRIMARY CARE & WELLNESS ...	9	9.3.1. INCOME STATEMENT	18
4.4.4. XYZ WELLNESS HEALTHCARE CLINIC	9	9.3.2. CASH FLOWS STATEMENT	19
4.4.5. XYZ MEDICAL CENTER	10	9.3.3. BALANCE SHEET	19
4.4.6. DR. JOHN DOE, MD, MPH	10		
4.4.7. DR. JANE DOE, MD, MPH	10		
4.4.8. DR. JOHN DOE, MD	10		
4.4.9. DR. JANE DOE, MD	10		
4.5. COMPETITIVE ANALYSIS	10		
5. MARKETING PLAN	11		
5.1. MARKETING OVERVIEW & STRATEGY	11		
5.2. BRANDING STRATEGY	11		
5.3. SIGNAGE	11		
5.4. INTERNET MARKETING	11		
5.5. PRINT ADVERTISING	11		
5.6. PUBLIC RELATIONS	11		
6.1. HOURS OF OPERATION	12		

1. EXECUTIVE SUMMARY

THE COMPANY

- XYZ Medical, LLC
- Registered as an ABC limited liability
- Family primary care medical clinic
- Will lease an 1100 sf medical office
- Will be located at 12345 ABC Street, Suite 1, ABC, ABC 12345



THE MANAGEMENT

- Jane Doe, Family Nurse Practitioner
- John Doe, Executive Office Manager

SERVICES

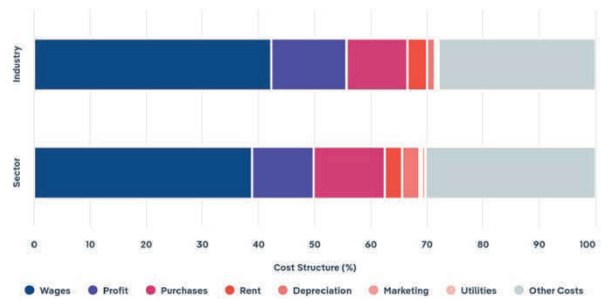
- Preventative health screening
- Illness treatment
- Infection treatment
- Injury & pain treatment
- Skin, hair, & nail treatment
- Tests, screening, & physicals
- Chronic condition management
- Telehealth evaluation & management
- Digital evaluation & management

TARGET CONSUMERS

- Seeking affordable, and high-quality medical care
- Aged 2 and older
- Adults aged 35-64 focused on prevention and wellness

U.S. PRIMARY CARE DOCTORS MARKET

Revenue \$302.2bn 19-24 ↑0.3% 24-29 ↑2.6%	Employees 995k 19-24 ↑0.9% 24-29 ↑2.1%	Businesses 124k 19-24 ↑1.5% 24-29 ↑0.8%
Profit \$40.5bn 19-24 ↓0.3%	Profit Margin 13.4% 19-24 ↓0.4 pp	Wages \$127.7bn 19-24 ↑0.9% 24-29 ↑2.2%



MARKETING

- Marketing materials
- Signage
- Internet marketing
- Print advertising
- Public relations

FINANCING

- **Amount** = \$200,000
 - Capex = \$83,000
 - Leasehold improvements
 - Signage
 - Furniture, fixtures, & equipment
 - Computer hardware
 - Working capital = \$117,000
 - Marketing
 - G & A expenses
- **Type** = Debt
 - SBA 7(a) loan

2. COMPANY DESCRIPTION

2.1. MISSION STATEMENT

XYZ Medical, LLC will provide premium medical services to enable patients to lead healthy and active lifestyles.

2.2. COMPANY DESCRIPTION

XYZ Medical, LLC (herein also referred to as “the Company”) is a limited liability company that was registered in ABC on January 17, 2024.

The medical clinic will be located at 12345 XYZ Street Suite A, ABC, ABC 20072.



The Company will operate a family practice medical clinic in ABC, ABC, which will offer a dedicated approach to healthcare, focusing on affordable and accessible care for all ages.

The Company will provide:

- Primary care evaluation & management
- Digital health evaluation & management
- Telehealth evaluation & management

The Company will be committed to:

- Fostering long-term health
- Emphasizing personalized treatment plans
- Providing preventative health screenings
- Providing compassionate patient support

The Company will be owned by Jane Doe and led by:

- Jane Doe
 - Family Nurse Practitioner
 - Over 9 years of clinical nursing experience
- John Doe
 - Executive Office Manager
 - Over 7 years of pharmacist experience

A Triage Nurse will review medical history, vitals, and insurance.

The clinic will operate Monday to Friday from 9AM to 5PM.

2.3. DESIGN & LAYOUT

- 1100 sf
- Reception area
- Waiting room
- Conference area
- Examination room



2.4. GROWTH STRATEGY

Ramp-up Phase

- Secure \$200,000 of SBA debt financing
- Secure office space lease
- Secure a business license
- Implement leasehold improvements
- Hire Triage Nurse
- Develop marketing materials, website, and social media profiles
- Purchase and install signage, equipment, furniture, and fixtures
- Purchase medical and office supplies

Start-up Phase (Months 1-12):

- Implement marketing
- Train Triage Nurse
- Promote social media profiles
- Establish efficient operations
- Garner positive reviews

Growth Phase (Months 13-36):

- Identify new forms of marketing
- Improve marketing
- Improve operational efficiency
- Garner more positive reviews

The Company's infection treatment procedures include:

- XYZ
- XYZ
- XYZ

3.5. INJURY & PAIN TREATMENT

The Company will treat injuries and wounds, including:



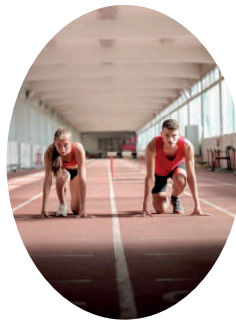
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ

The Company's injury & pain treatment procedures include:

- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ

3.6. TESTS, SCREENING, & PHYSICALS

The Company will provide physicals to evaluate the physical conditions and bolster safety of sports patients, including:



- XYZ
- XYZ
- XYZ
- XYZ
- XYZ

3.7. SKIN, HAIR, & NAIL TREATMENT

The Company will provide evaluation and treatment of skin, hair, and nail conditions including:



- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ

3.8. CHRONIC CONDITION MANAGEMENT

The Company will provide evaluation, treatment, and management of chronic conditions in patients with the following type of conditions:



- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ

The Company's chronic condition management procedures include:

- XYZ
- XYZ
- XYZ
- XYZ

3.9. TELEHEALTH & DIGITAL EVALUATION & MANAGEMENT

The Company will provide telehealth & digital evaluation and management services including:



- XYZ
- XYZ

4. THE MARKET

4.1. TARGET CONSUMER PROFILE

The Company's patients will primarily be individuals within its geographic market seeking primary care services. Some of the common characteristics among patients will include:

- Seeking affordable, and high-quality medical care
- Aged 2 and older
- Adults aged 35-64 focused on prevention and wellness (largest segment)

4.2. U.S. PRIMARY CARE DOCTORS MARKET¹

Revenue

\$302.2bn

'19-'24 ↑ 0.3 %
'24-'29 ↑ 2.6 %

Employees

995k

'19-'24 ↑ 0.9 %
'24-'29 ↑ 2.1 %

Businesses

124k

'19-'24 ↓ 1.5 %
'24-'29 ↑ 0.8 %

Profit

\$40.5bn

'19-'24 ↓ 0.3 %

Profit Margin

13.4%

'19-'24 ↓ 0.4 pp

Wages

\$127.7bn

'19-'24 ↑ 0.9 %
'24-'29 ↑ 2.2 %

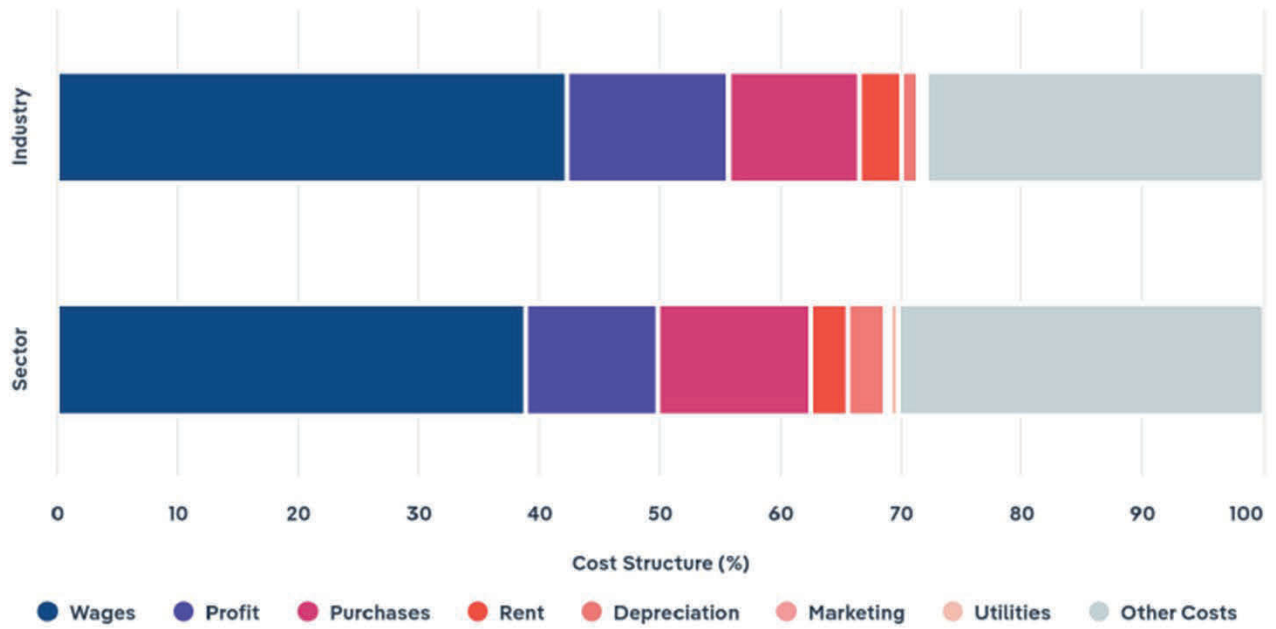
Performance

- The country faces a physician shortage, which threatens healthcare access and quality. This shortage is particularly concerning for the growing older adult demographic that requires more medical care.
- Telehealth provides an alternative to in-person physician visits. Its convenience and accessibility have made it a popular option for many patients. This mode of healthcare delivery is now a crucial component of the healthcare sector.

External Environment

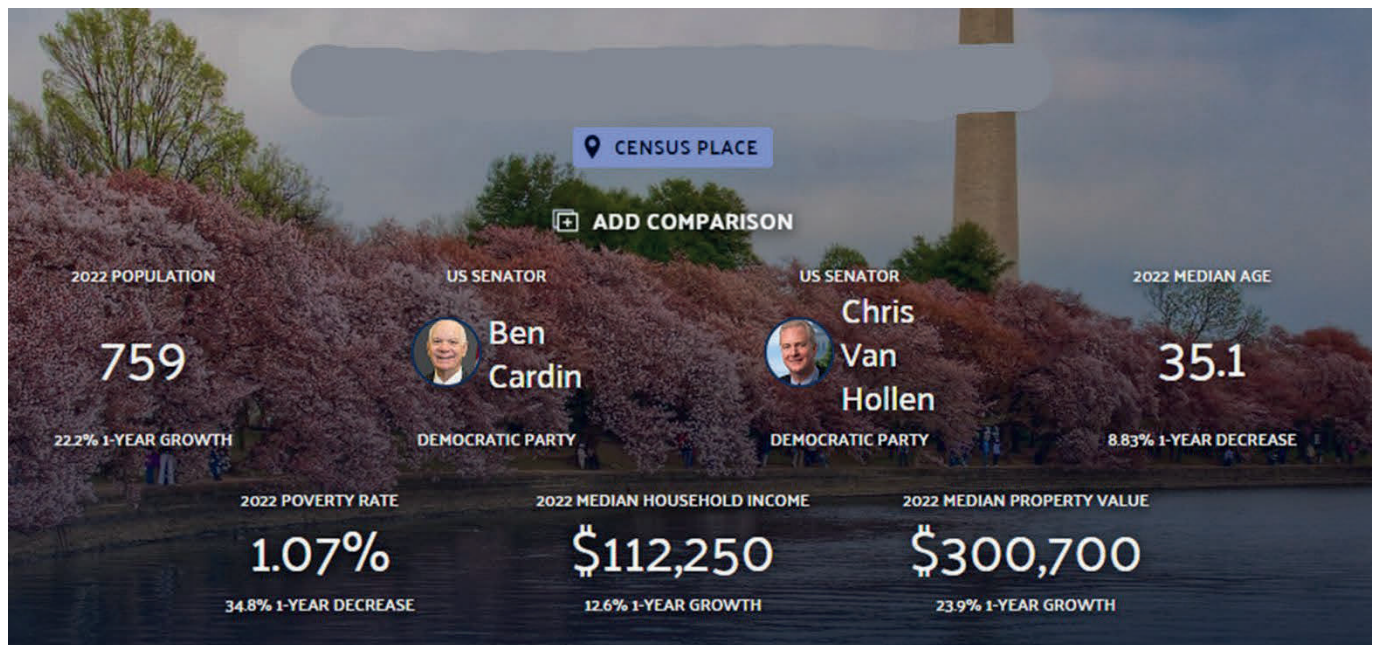
- Physicians must meet education requirements and obtain a state-specific license to practice in the US. They can also become board-certified through the American Board of Medical Specialties, with certifications needing renewal every six to ten years.
- Changes in the economy, unemployment rates or disposable income will impact primary care doctor revenue. When disposable income rises or population employment increases, households are more likely to purchase private health insurance and afford out-of-pocket costs.

¹ "Primary Care Doctors in the U.S."; IBISWorld; November 2024



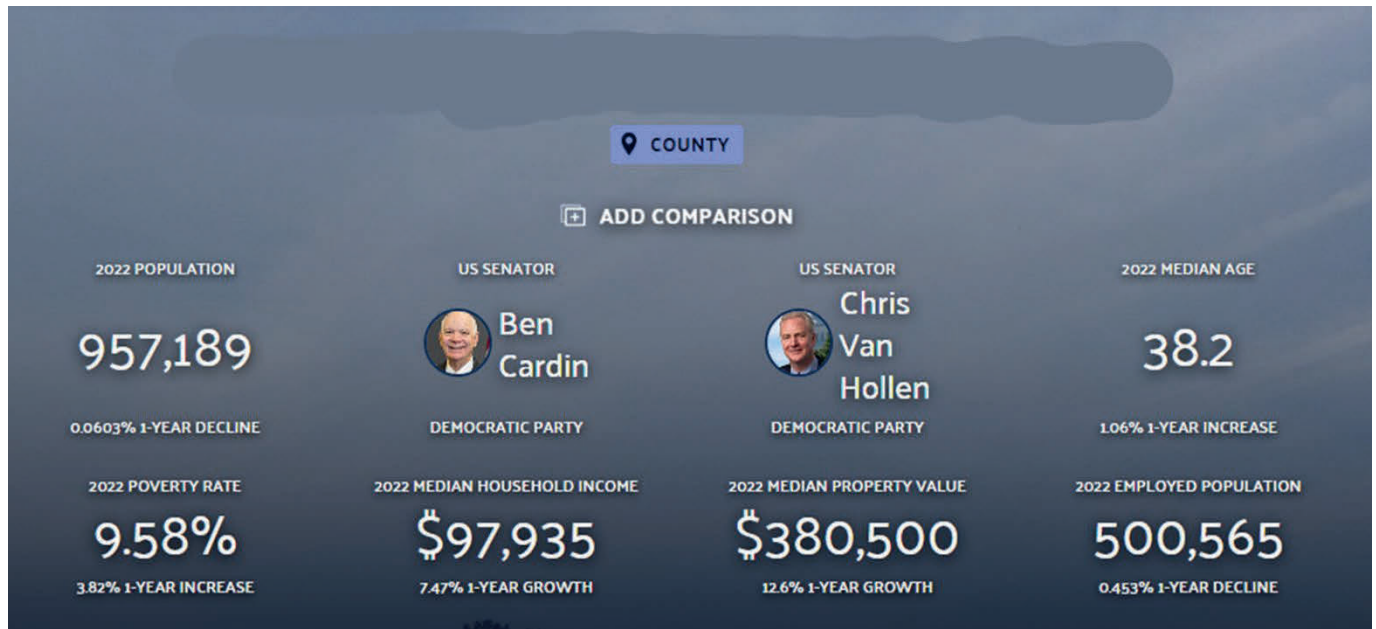
4.3. DEMOGRAPHIC STATS

4.3.1. ABC, ABC²



² "ABC, ABC"; Data USA; December 2024

4.3.2. ABC COUNTY, ABC³



4.4. PROFILE OF DIRECT COMPETITORS

4.4.1. XYZ: PRIMARY CARE AT ABC

Address	1234 ABC Street, ABC, ABC 12345
Founded	2019
Services	Family primary care medicine, women's health
Overview	4 doctors: Jane Doe, MD, John Doe, MD, John Doe, MD, Jane Doe, MD

4.4.2. XYZ PRIMARY CARE

Address	123 ABC Street, ABC, ABC 12345
Founded	≈1944
Services	Family primary care medicine
Overview	3 doctors: John Doe, MD, Jane Doe, MD, John Doe, MD

4.4.3. XYZ PRIMARY CARE & WELLNESS


Address	123 ABC Street, ABC, ABC 12345
Founded	≈1944
Services	Family primary care medicine
Overview	1 doctor: John Doe

4.4.4. XYZ WELLNESS HEALTHCARE CLINIC


Address	1234 ABC Drive, Unit 12, ABC, ABC 20772
Founded	2017
Services	Family primary care medicine, weight loss
Overview	1 doctor: John Doe, MD

³ "ABC County, ABC"; DataUSA; December 2024


4.4.5. XYZ MEDICAL CENTER

Address	1234 ABC Street, ABC, ABC 12345	
Founded	2001	
Services	Family primary care medicine	
Overview	1 doctor: John Doe, MD	


4.4.6. DR. JOHN DOE, MD, MPH

Address	12345 ABC, ABC, ABC 12345	
Founded	2016	
Services	Family primary care medicine	

4.4.7. DR. JANE DOE, MD, MPH

Address	1234 ABC Drive, ABC 12345	
Founded	2023	
Services	Family primary care medicine	

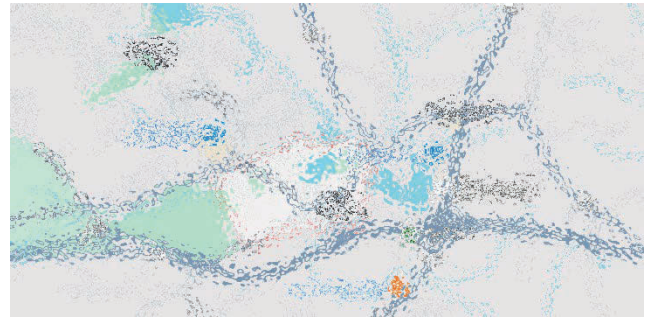
4.4.8. DR. JOHN DOE, MD

Address	123 ABC Street, Unit #12, ABC, ABC 12345	
Founded	2019	
Services	Family primary care medicine	

4.4.9. DR. JANE DOE, MD

Address	123 ABC Drive, Suite 12, ABC, ABC 12345	
Founded	2022	
Services	Family primary care medicine, pediatric medicine	

4.5. COMPETITIVE ANALYSIS



XYZ Health: Primary Care at ABC, XYZ Healthcare Clinic, XYZ Primary, XYZ Primary Care & Wellness, XYZ Medical Center, Dr. John Doe, Dr. Jane Doe, and Dr. John Doe, MD are all medical clinics in ABC, ABC that provide primary care within 5 miles of the Company's proposed medical clinic.

XYZ Health: Primary Care at ABC has 4 doctors operating within their clinics.

XYZ Primary Care has 3 doctors operating within its clinic.

XYZ Wellness Healthcare Clinic (Dr. John Doe) and Gateway Medical Center (Dr. Jane Doe) each have one doctor that provides primary care.

Dr. John Doe MD, MPH, Dr. Jane Doe, MD, MPH Dr. John Doe, MD, and Dr. Jane Doe, MD are independent family primary care practices, which operate under the doctors' names in ABC, ABC.

Dr. Jane Doe, MD provides specialty pediatric medicine, as well as primary care medicine.

5. MARKETING PLAN

5.1. MARKETING OVERVIEW & STRATEGY

- Signage
- Internet marketing
- Print advertising
- Public relations

5.2. BRANDING STRATEGY

- Committed to high quality
- Specialize in family primary medical care

5.3. SIGNAGE

- Prominent company signage visible by walk-by and drive-by traffic.

5.4. INTERNET MARKETING

- PPC advertising
- Search engine optimization
 - Link building
 - Blog commenting
 - Social network marketing
 - Article marketing
- Online directories
 - *Yelp*
 - *Google*
 - *Bing*
 - *Healthgrades*
 - *Zocdoc*
 - *Castle Connolly*
 - *RateMDs*
 - *RealSelf*
 - *Vitals.*
- Social media
 - *LinkedIn*
 - *Facebook*
 - *Instagram*
 - *Doximity*
 - *Sermo*

5.5. PRINT ADVERTISING

- *XYZ Gazette*
- *ABC Enquirer & Advertiser*
- *ABC Post*
- *XYZ*
- *XYZ*
- *ABC Post*

5.6. PUBLIC RELATIONS

- Magazine press
- Newspaper press
- Television news press
- Radio press
- Online articles
- Online video press

6. OPERATIONAL PLAN

6.1. HOURS OF OPERATION

- Monday to Friday from 9AM - 5PM

6.2. LEGAL STRUCTURE

- XYZ limited liability company established in ABC on January 1, 1234.

6.3. LEGAL & INSURANCE

- John Doe, ABC Law Firm
- Liability insurance

6.4. ACCOUNTING

- John Doe, CPA

6.5. EQUIPMENT

Equipment	Cost	Qty.	Total Cost
Examination room:			
1 XYZ	\$200	1	\$200
1 XYZ	\$65	1	\$65
1 XYZ	\$20	1	\$20
1 XYZ	\$40	1	\$40
1 XYZ	\$540	1	\$540
1 XYZ	\$4,800	1	\$4,800
1 XYZ	\$4,850	1	\$4,850
1 XYZ	\$600	1	\$600
1 XYZ	\$5,000	1	\$5,000
1 XYZ	\$1,500	1	\$1,500
2 XYZs	\$250	1	\$250
1 XYZ	\$1,200	1	\$1,200
1 XYZ	\$225	1	\$225
1 XYZ	\$300	1	\$300
1 XYZ	\$1,400	1	\$1,400
Reception area:			
1 XYZ	\$525	1	\$525
1 XYZ	\$120	1	\$120
Storage room:			
1 XYZ	\$600	1	\$600
Administrative Office:			
1 XYZ	\$1,200	1	\$1,200
1 XYZ	\$145	1	\$145
1 XYZ	\$50	1	\$50
1 XYZ	\$225	1	\$225

6.6. FURNITURE

Furniture	Cost	Qty.	Total Cost
Examination room:			
1 XYZ	\$168	1	\$168
1 XYZ	\$186	1	\$186
1 XYZ	\$100	2	\$200
Reception area:			
1 XYZ	\$750	2	\$1,500
1 XYZ	\$50	1	\$50
1 XYZ	\$120	1	\$120
Storage room:			
1 XYZ	\$120	1	\$120
1 XYZ	\$200	1	\$200
1 XYZ	\$250	1	\$250
Administrative Office:			
1 XYZ	\$1,200	1	\$1,200
1 XYZ	\$186	1	\$186
1 XYZ	\$360	2	\$720

6.7. FIXTURES

Fixtures	Cost	Qty.	Total Cost
Reception area:			
1 XYZ	\$1,500	1	\$1,500
1 XYZ	\$100	1	\$100
Storage room:			
1 XYZ	\$100	1	\$100
1 XYZ	\$145	1	\$145
Administrative Office:			
1 XYZ	\$250	1	\$250
1 XYZ	\$200	1	\$200

6.8. COMPUTER SOFTWARE

- XYZ
- XYZ
- XYZ
- XYZ
- XYZ

6.9. LICENSES & PERMITS

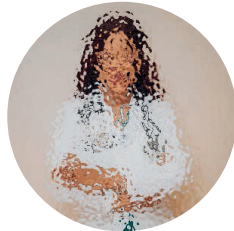
- ABC, ABC business license

7. THE MANAGEMENT

7.1. EXECUTIVE MANAGEMENT

7.1.1. JANE DOE, OWNER/FAMILY NURSE PRACTITIONER

Removed info.



7.1.2. JOHN DOE, EXECUTIVE OFFICE MANAGER

Removed info



Jane holds the following professional certificates:

- Certified Registered Nurse Practitioner (CRNP) in the state of ABC
- Licensed Registered Nurse in the state of ABC
- Licensed Registered Nurse in ABC
- Advanced Cardiac Life Support (ACLS) Certified
- Cardio-pulmonary Resuscitation (CPR)/ Basic life Support (BLS) Instructor
- Member of American Association of Nurse Practitioners (AANP)

8. FINANCING

8.1. CAPITAL REQUIREMENTS

XYZ Medical, LLC has estimated capital requirements of \$200,000, which include \$83,200 for capital expenditures (including \$40,150 for leasehold improvements, \$5,000 for signage, \$23,855 for equipment, \$4,900 for furniture, \$2,295 for fixtures, and \$7,000 for computer hardware & software); the remaining \$116,800 will be available for working capital to support marketing and general & administrative expenses.

Capital Requirements	
Capital expenditures:	
Leasehold improvements (1100 sf x \$36.50/sf)	\$40,150
Signage	\$5,000
Equipment	\$23,855
Furniture	\$4,900
Fixtures	\$2,295
Computer hardware & software	\$7,000
Total capital expenditures	\$83,200
Working capital:	
Marketing expenses	\$35,000
G & A expenses	\$81,800
Total working capital	\$116,800
Total capital requirements	\$200,000
\$200,000 SBA 7(a) loan - 10% downpayment	\$180,000
Owner contribution (20% SBA loan requirement)	\$20,000

The Company will garner an SBA 7(A) loan for \$200,000; the owner will contribute a \$20,000, 10% downpayment for the SBA loan.

The Company has estimated that this SBA loan will include a 10.5% interest rate and 10-year duration.

8.2. RISK ANALYSIS

- **Economic/industry downturn:** If there is an economic and/or industry downturn, then the Company will minimize costs including cost of advertising and labor costs.
- **Environmental & regulatory changes:** The management will monitor the environment to effectively manage changes in taxes, politics, industry laws, society, and internal operations.
- **Legal issues:** The Company will abate risks such as fraud, liability risk, injury, and lawsuits by adhering to rigid operational procedures, thorough staff training, operational policies, and operational manuals, as well as obtaining legal counsel and liability insurance.
- **Increased competition:** If XYZ Medical, LLC is unable to penetrate the market at a maximal level due to new competitors and/or existing players providing similar offerings, the Company will increase marketing efforts.
- **Higher customer acquisition costs:** If the Company incurs higher than expected customer acquisition costs, the Company will explore new forms of marketing and lower operational costs.

Revenues:						
New MC/MA acute/chronic illness reimbursements						
# MC/MA New Level 2 - E/M visits	\$69	\$71	\$73	\$75	\$77	per visit
# MC/MA New Level 3 - E/M visits						per visit
# MC/MA New Level 4 - E/M visits						per visit
# MC/MA New Level 5 - E/M visits	\$223	\$229	\$235	\$240	\$246	per visit
Total new MC/MA acute/chronic illness reimbursements						
Old Medicare reimbursements						
# MC/MA Established Level 1 - E/M visits	\$22	\$22	\$23	\$24	\$24	per visit
# MC/MA Established Level 2 - E/M visits	\$53	\$55	\$56	\$57	\$59	per visit
# MC/MA Established Level 3 - E/M visits						per visit
# MC/MA Established Level 4 - E/M visits						per visit
# MC/MA Established Level 5 - E/M visits	\$171	\$175	\$180	\$184	\$189	per visit
Total old Medicare reimbursements						
Total MC acute/chronic illness reimbursements						
MC/MA Physical therapy visit reimbursements						
	\$108	\$111	\$113	\$116	\$119	per visit
# MC/MA annual wellness visits - Initial	\$190	\$195	\$200	\$205	\$210	per visit
# MC/MA annual wellness visits - Subsequent	\$102	\$104	\$107	\$109	\$112	per visit
Total MC/MA annual wellness reimbursements						
# MC/MA Phone E/M 5-10 min visits	\$53	\$55	\$56	\$57	\$59	per visit
# MC/MA Phone E/M 11-20 min visits						per visit
# MC/MA Phone E/M 21-30 min visits	\$105	\$107	\$110	\$113	\$115	per visit
Total MC/MA phone E/M reimbursements						
# MC/MA Digital E/M 5-10 min visits	\$14	\$15	\$15	\$15	\$16	per visit
# MC/MA Digital E/M 11-20 min visits						per visit
# MC/MA Digital E/M 21+ min visits	\$45	\$46	\$47	\$48	\$49	per visit
Total MC/MA digital E/M reimbursements						
# MC/MA Procedures						
Steroid joint injections	\$62	\$63	\$65	\$66	\$68	per procedure
Pulse oximetry	\$19	\$19	\$20	\$20	\$21	per procedure
IV hydration therapy	\$43	\$44	\$45	\$46	\$47	per procedure
X-ray services						per procedure
Medication administrations						per procedure
Stitch/staple removals						per procedure
Physical therapy						per procedure
Respiratory therapy						per procedure
Insulin injections						per procedure
Continuous glucose monitoring						per procedure
Speech therapy	\$73	\$75	\$77	\$79	\$81	per procedure
Cognitive behavioral therapy	\$99	\$101	\$104	\$106	\$109	per procedure
Multi-layer compressions	\$81	\$83	\$85	\$87	\$89	per procedure
Infusion therapy	\$41	\$42	\$43	\$44	\$45	per procedure
Total MC/MA reimbursements						
Private insurance/out-of-pocket reimbursements						
Acute & chronic illnesses						
New PI/OOP acute/chronic illness visits						
PI/OOP new Level 2 - E/M visits	\$104	\$107	\$110	\$112	\$115	per visit
PI/OOP new Level 3 - E/M visits						per visit
PI/OOP new Level 4 - E/M visits						per visit
PI/OOP new Level 5 - E/M visits	\$336	\$344	\$353	\$362	\$371	per visit
Total new PI/OOP acute/chronic illness reimbursements						
Established PI/OOP acute/chronic illness visits						
PI/OOP established Level 1 - E/M visits	\$22	\$22	\$23	\$24	\$24	per visit
PI/OOP established Level 2 - E/M visits	\$53	\$55	\$56	\$57	\$59	per visit
PI/OOP established Level 3 - E/M visits						per visit
PI/OOP established Level 4 - E/M visits						per visit
PI/OOP established Level 5 - E/M visits	\$171	\$175	\$180	\$184	\$189	per visit
Total old PI/OOP acute/chronic illness reimbursements						
Total PI/OOP acute/chronic illness reimbursements						
PI/OOP physical therapy visit reimbursements						
	\$155	\$159	\$163	\$167	\$171	per visit
PI/OOP annual wellness visits - Initial						
	\$286	\$293	\$300	\$308	\$316	per visit
PI/OOP annual wellness visits - Subsequent						
	\$153	\$157	\$161	\$165	\$169	per visit
Total PI/OOP annual wellness exam reimbursements						
PI/OOP phone E/M 5-10 min visits	\$80	\$82	\$82	\$82	\$82	per visit
PI/OOP phone E/M 11-20 min visits						per visit
PI/OOP phone E/M 21-30 min visits	\$157	\$161	\$161	\$161	\$161	per visit
Total PI/OOP phone E/M reimbursements						
PI/OOP digital E/M 5-10 min visits	\$21	\$22	\$23	\$23	\$24	per visit
PI/OOP digital E/M 11-20 min visits						per visit
PI/OOP digital E/M 21+ min visits	\$67	\$69	\$71	\$72	\$74	per visit
Total PI/OOP digital E/M reimbursements						
Procedures						
Steroid joint injections	\$93	\$95	\$98	\$100	\$103	per procedure
Pulse oximetry	\$29	\$29	\$30	\$31	\$32	per procedure
IV hydration therapy	\$65	\$66	\$68	\$70	\$71	per procedure
X-ray services						per procedure
Medication administrations						per procedure
Stitch/staple removals						per procedure
Physical therapy						per procedure
Respiratory therapy						per procedure
Insulin injections						per procedure
Continuous glucose monitoring						per procedure
Speech therapy	\$110	\$113	\$116	\$119	\$122	per procedure
Cognitive behavioral therapy	\$149	\$152	\$156	\$160	\$164	per procedure
Multi-layer compressions	\$122	\$125	\$128	\$131	\$134	per procedure
Infusion therapy	\$61	\$63	\$65	\$66	\$68	per procedure

For physician services, private insurance paid 143% of Medicare rates, on average, ranging from 118% to 179% of Medicare rates across studies.⁴

Cost of revenues:						
Cost of medical supplies - Acute/chronic illness	4%	4%	3.5%	3.5%	3.5%	of acute/chronic illness visit revenues
Cost of medical supplies - Physical therapy	4%	4%	3.5%	3.5%	3.5%	of physical therapy visit revenues
Cost of medical supplies - Wellness exam	4%	4%	3.5%	3.5%	3.5%	of wellness exam revenues
Cost of sales - Phone E/M	12.5%	12.5%	12.5%	12.5%	12.5%	of phone E/M revenues
Cost of sales - Digital E/M	12.5%	12.5%	12.5%	12.5%	12.5%	of digital E/M revenues
Cost of medical supplies - Procedures	5%	4.5%	4.5%	4.5%	4.5%	of procedures revenues
Cost of sales - Billing & collections	4%	4%	3.5%	3.5%	3.5%	% of total reimbursements

⁴ "How Much More than Medicare do Private Insurers Pay"; KFF.org; April 15, 2020

9.1.2. SALES FORECAST

Table 2 XYZ Medical, LLC Sales & Revenue Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
# Patient visits	2,404	3,483	4,385	4,910	5,046
# Patient services	2,885	4,180	5,262	5,892	6,055
# Acute/chronic illness visits	1,154	1,672	2,105	2,357	2,422
# Physical therapy visits	144	209	263	295	303
# Annual wellness exams	721	1,045	1,315	1,473	1,514
# MC/MA Phone E/M visits	288	418	526	589	606
# MC/MA Digital E/M visits	144	209	263	295	303
# Procedures	433	627	789	884	908
Revenues:					
Medicare/Medicaid reimbursements:					
Acute/chronic illness visit revenues - MC/MA	\$89,161	\$130,907	\$166,999	\$189,466	\$197,245
Physical therapy visit revenues - MC/MA	\$8,568	\$12,724	\$16,419	\$18,845	\$19,851
Annual wellness visit revenues - MC/MA	\$60,296	\$72,883	\$94,050	\$107,948	\$113,707
Phone E/M revenues - MC/MA	\$10,702	\$15,893	\$20,508	\$23,539	\$24,795
Digital E/M revenues - MC/MA	\$2,382	\$3,537	\$4,564	\$5,238	\$5,518
Procedure revenues - MC/MA	\$961	\$1,427	\$1,841	\$2,114	\$2,226
Total medicare reimbursements	\$172,070	\$237,370	\$304,381	\$347,150	\$363,341
Private insurance/Out-of-pocket reimbursements:					
E/M visit revenues - PI/OOP	\$115,732	\$166,896	\$208,963	\$232,494	\$237,156
E/M visit revenues - PI/OOP	\$10,061	\$14,941	\$19,280	\$22,129	\$23,309
Annual wellness visit revenues - PI/OOP	\$74,259	\$89,761	\$115,829	\$132,946	\$140,039
Phone E/M revenues - PI/OOP	\$13,181	\$19,573	\$24,642	\$27,593	\$28,356
Digital E/M revenues - PI/OOP	\$2,933	\$4,356	\$5,621	\$6,451	\$6,796
Procedure revenues - PI/OOP	\$12,692	\$18,847	\$24,321	\$27,915	\$29,404
Total PI/OOP reimbursements	\$228,859	\$314,374	\$398,656	\$449,529	\$465,061
Total reimbursements	\$400,928	\$551,744	\$703,036	\$796,678	\$828,402
Cost of Sales:					
Cost of medical supplies - Acute/chronic illness	\$8,196	\$11,912	\$13,159	\$14,769	\$15,204
Cost of medical supplies - Physical therapy	\$745	\$1,107	\$1,249	\$1,434	\$1,511
Cost of medical supplies - Wellness exam	\$5,382	\$6,506	\$7,346	\$8,431	\$8,881
Cost of sales - Phone E/M	\$2,985	\$4,433	\$5,644	\$6,392	\$6,644
Cost of sales - Digital E/M	\$664	\$987	\$1,273	\$1,461	\$1,539
Cost of medical supplies - Procedures	\$683	\$912	\$1,177	\$1,351	\$1,423
Cost of sales - Billing & collections	\$15,292	\$20,963	\$23,357	\$26,450	\$27,483
Total cost of revenues	\$33,947	\$46,820	\$53,205	\$60,288	\$62,686
Gross margin	\$366,981	\$504,925	\$649,832	\$736,391	\$765,716

9.2. EXPENSES

9.2.1. GENERAL & ADMINISTRATIVE EXPENSES

Table 3 XYZ Medical, LLC General & Administrative Expenses					
	Year 1	Year 2	Year 3	Year 4	Year 5
Wages & salaries	\$165,000	\$171,875	\$178,797	\$183,267	\$187,848
Payroll expense	\$16,500	\$17,188	\$17,880	\$18,327	\$18,785
Benefits	\$6,600	\$6,875	\$7,152	\$7,331	\$7,514
Rent	\$42,000	\$46,200	\$48,510	\$49,723	\$50,966
Liability insurance	\$600	\$660	\$693	\$710	\$728
Internet	\$2,400	\$2,640	\$2,772	\$2,841	\$2,912
Telephone	\$3,600	\$3,960	\$4,158	\$4,262	\$4,368
Licenses & accreditation	\$2,800	\$0	\$300	\$0	\$300
Office supplies	\$3,000	\$3,300	\$3,465	\$3,552	\$3,640
Travel	\$3,000	\$3,300	\$3,465	\$3,552	\$3,640
Meals & entertainment	\$3,000	\$3,300	\$3,465	\$3,552	\$3,640
Utilities	\$4,800	\$5,280	\$5,544	\$5,683	\$5,825
Dues & subscriptions	\$3,600	\$4,320	\$4,536	\$4,649	\$4,766
Miscellaneous expenses	\$2,400	\$2,880	\$3,024	\$3,100	\$3,177
Total general & administrative expenses	\$259,300	\$271,778	\$283,760	\$290,547	\$298,111

9.2.2. MARKETING EXPENSES

Table 4 XYZ Medical, LLC Marketing Expenses					
	Year 1	Year 2	Year 3	Year 4	Year 5
Marketing materials	\$10,500	\$6,600	\$6,765	\$6,934	\$7,107
Internet marketing	\$13,800	\$15,180	\$15,560	\$15,948	\$16,347
Print advertising	\$16,200	\$9,000	\$9,225	\$9,456	\$9,692
Public relations	\$9,000	\$10,800	\$11,070	\$11,347	\$11,630
Total marketing expenses	\$49,500	\$41,580	\$42,620	\$43,685	\$44,777

9.2.3. STAFF HEADCOUNT & SALARIES

Table 5 XYZ Medical, LLC Staff Headcount					
	Year 1	Year 2	Year 3	Year 4	Year 5
Family Nurse Practitioner	1	1	1	1	1
Triage Nurse	1	1	1	1	1
Executive Office Manager	1	1	1	1	1
Total Headcount	3	3	3	3	3

Table 6 XYZ Medical, LLC Staff Salaries					
	Year 1	Year 2	Year 3	Year 4	Year 5
Family Nurse Practitioner	\$0	\$0	\$0	\$0	\$0
Triage Nurse	\$75,000	\$76,875	\$78,797	\$80,767	\$82,786
Executive Office Manager	\$90,000	\$95,000	\$100,000	\$102,500	\$105,063

9.3. PRO-FORMA ANNUAL FINANCIAL STATEMENT SUMMARIES

9.3.1. INCOME STATEMENT

Schedule 1 XYZ Medical, LLC Pro-Forma Income Statement					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues	\$382,299	\$524,080	\$667,338	\$755,704	\$785,242
Cost of revenues	\$33,947	\$46,820	\$53,205	\$60,288	\$62,686
Marketing expense	\$49,500	\$41,580	\$42,620	\$43,685	\$44,777
General & administrative	\$259,300	\$271,778	\$283,760	\$290,547	\$298,111
Net operating income	\$39,551	\$163,903	\$287,753	\$361,185	\$379,668
Depreciation	\$8,846	\$8,846	\$8,846	\$9,446	\$9,446
Interest expense	\$9,607	\$9,398	\$9,179	\$8,949	\$8,707
Income before taxes	\$21,098	\$145,659	\$269,729	\$342,790	\$361,516
Income taxes	\$0	\$0	\$0	\$0	\$0
Net income	\$21,098	\$145,659	\$269,729	\$342,790	\$361,516

9.3.2. CASH FLOWS STATEMENT

Schedule 2 XYZ Medical, LLC Pro-Forma Statements of Cash Flows					
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash flows from operations:					
Net Income:	\$21,098	\$145,659	\$269,729	\$342,790	\$361,516
Depreciation & amortization	\$8,846	\$8,846	\$8,846	\$9,446	\$9,446
Increase (decrease) in accrued liabilities	\$7,838	(\$5,116)	\$110	\$71	\$73
Increase (decrease) in accrued taxes	\$0	\$0	\$0	\$0	\$0
Increase (decrease) in accounts payable	\$3,033	\$303	\$167	\$88	\$90
Increase (decrease) in accounts receivable	(\$39,168)	\$25,531	(\$6,456)	(\$1,373)	(\$347)
Net cash flows from operations	\$1,647	\$175,223	\$272,395	\$351,022	\$370,777
Cash flows from investing:					
Capital expenditures	\$83,200	\$0	\$0	\$3,000	\$0
Prepaid expenses	(\$5,500)	(\$715)	(\$244)	(\$161)	(\$166)
Net cash flows from investing	\$77,700	(\$715)	(\$244)	\$2,839	(\$166)
Cash flows from financing:					
Proceeds from issuance of stock	\$0	\$0	\$0	\$0	\$0
Proceeds from issuance of debt	\$200,000	\$0	\$0	\$0	\$0
Debt service payments	(\$4,214)	(\$4,423)	(\$4,642)	(\$4,873)	(\$5,114)
Net cash flows from financing	\$195,786	(\$4,423)	(\$4,642)	(\$4,873)	(\$5,114)
Net increase (decrease) in cash	\$119,733	\$171,515	\$267,996	\$343,311	\$365,828
Beginning cash balance	\$0	\$119,733	\$291,248	\$559,244	\$902,555
Ending cash balance	\$119,733	\$291,248	\$559,244	\$902,555	\$1,268,383

9.3.3. BALANCE SHEET

Schedule 3 XYZ Medical, LLC Pro-Forma Balance Sheet					
	Year 1	Year 2	Year 3	Year 4	Year 5
Assets:					
Current assets:					
Cash & marketable items	\$119,733	\$291,248	\$559,244	\$902,555	\$1,268,383
Prepaid expenses	(\$5,500)	(\$6,215)	(\$6,459)	(\$6,620)	(\$6,786)
Accounts receivable	\$39,168	\$13,637	\$20,092	\$21,465	\$21,812
Total current assets	\$153,401	\$298,669	\$572,878	\$917,400	\$1,283,409
Non-current assets:					
Leasehold improvements	\$40,150	\$40,150	\$40,150	\$40,150	\$40,150
Signage	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Equipment	\$23,855	\$23,855	\$23,855	\$23,855	\$23,855
Furniture	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900
Fixtures	\$2,295	\$2,295	\$2,295	\$2,295	\$2,295
Computer hardware & software	\$7,000	\$7,000	\$7,000	\$10,000	\$10,000
Total non-current assets	\$83,200	\$83,200	\$83,200	\$86,200	\$86,200
Accumulated depreciation	\$8,846	\$17,691	\$26,537	\$35,983	\$45,429
Net non-current assets:	\$74,354	\$65,509	\$56,663	\$50,217	\$40,771
Total assets	\$227,755	\$364,178	\$629,541	\$967,617	\$1,324,181
Liabilities & Shareholders' Equity:					
Current liabilities:					
Accounts payable	\$3,033	\$3,337	\$3,504	\$3,591	\$3,681
Accrued liabilities	\$7,838	\$2,721	\$2,831	\$2,902	\$2,974
Accrued taxes	\$0	\$0	\$0	\$0	\$0
Total current liabilities	\$10,871	\$6,058	\$6,334	\$6,493	\$6,655
Total long-term liabilities	\$195,786	\$191,363	\$186,720	\$181,848	\$176,734
Total liabilities	\$206,657	\$197,421	\$193,055	\$188,341	\$183,389
Shareholders' equity:					
Common stock	\$0	\$0	\$0	\$0	\$0
Retained earnings	\$21,098	\$166,757	\$436,486	\$779,276	\$1,140,792
Total shareholders' equity	\$21,098	\$166,757	\$436,486	\$779,276	\$1,140,792
Total liabilities & equity	\$227,755	\$364,178	\$629,541	\$967,617	\$1,324,181