

Practice Development Opportunities

Model	Initial Investment	Expense	Commitment	Considerations
FMEC	\$1,200	15% of Platform Revenue	<ul style="list-style-type: none"> • Successive 1-year terms but can be terminated at any time. • Annual \$1,200 expense to access required resources. 	<ul style="list-style-type: none"> • Practice can't participate in another similar model without release from FMEC. • Practice chooses how to align with FMEC.
Concierge Development Companies (CDC)	Typically charges a percentage of revenue from patients who enroll as conversion fee.	Practice typically pays the CDC fees, (management, marketing) that may be a percentage of revenue.	<ul style="list-style-type: none"> • Initial terms can be 5-8 years. • Noncompete clauses up to two years are included with some CDC agreements. 	<ul style="list-style-type: none"> • Requires patients to commit to significant fee (\$1,500+). • May alienate existing patients. • Practice has obligation to adhere to CDC marketing and practice approach.
Private Equity Opportunities (PEO)	PEOs typically advance funds in exchange for guarantees and security positions.	PEOs may charge a management fee or percentage of practice revenue plus return on investment.	<ul style="list-style-type: none"> • For early termination, practice may have an unwind clause to repay investment. • Practices can be committed to PEO until investment and return is paid. 	<ul style="list-style-type: none"> • Providers most likely have to personally guarantee investment. • Practices often required to pledge assets, (A/R, equipment, etc.). • PEO may not be well versed in practice management.
Direct Primary Care (DPC)	Minimal investment to purchase turn-key model or have contracts created.	DPCs typically do not require ongoing expenses unless consulting services are provided.	DPCs typically do not require on on-going commitment.	<ul style="list-style-type: none"> • Practice may have to terminate agreements with private insurance companies, Medicare and other government payers. • Patients may be alienated by the termination of participation with insurance.
Coaching, Guides, Program Models	From up to \$10,000 and beyond in upfront costs.	From no additional expense to on-going fees and/or percentage of revenue.	May require annual fee to access required resources or be affiliated with model.	<ul style="list-style-type: none"> • Practices may have to terminate insurance contracts. • Practices alienate patients. • Models may be limited in applicability.