

ARIZONA TELEMEDICINE PROGRAM



THE BUSINESS ASPECTS OF TELEMEDICINE: Developing a Business Plan



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DISCLAIMERS

- ❖ The information presented herein does not constitute legal advice and is provided solely for educational purposes.
- ❖ Consider seeking guidance from qualified professionals as you develop your Business Plan.

Why is a Business Plan essential when starting a telemedicine program?

- 1. Clarity of Vision**
- 2. Feasibility Analysis**
- 3. Resource Allocation**
- 4. Risk Management**
- 5. Decision Making**
- 6. Funding Sources**
- 7. Communication Tool**

EXECUTIVE SUMMARY- KEY COMPONENTS

1. Business Overview

- Company name
- Logo
- Practice type

2. Market Analysis

- Market opportunity your telehealth practice is addressing
- Key trends, growth potential, and target demographic

3. Service Offerings

- What types of telehealth services will you offer?

4. Business Model

- Sustainable value
- Activities / functions

5. Competitive Advantage

- Strengths / advantages
- What sets you apart?
- Competitive edge

6. Key Team Members

- Management team
- Relevant experience

7. Financial Highlights Funding Requirements

- Financial projections & key metrics
- How much funding will you need?
- How will the funds be used?
- Expected return on investment

8. Milestones & Future Plans

- Outline key performance indicators your company aims to achieve in the short and long term.

9. Conclusion

- Summarize key points and a compelling call to action!

BUSINESS PLAN COMPONENTS

COMPANY DESCRIPTION

- Description of the company
- Mission
- Vision
- Values
- Background Information
 - Founders
 - Location
 - Legal structure

*MARKET ANALYSIS

- Analysis of telehealth trends, who uses it, and size.
- Identification of market trends, opportunities, and potential challenges.

SERVICE OFFERINGS

- Description of the services offered via telehealth.
- Explanation of how these services meet the needs of the target market.

MARKETING & SALES STRATEGY

Website Optimization

Ensure your website is user-friendly, informative, and optimized for search engines.

*Content Marketing

Create valuable content such as blog posts, articles, and videos that address common health concerns and highlights the benefits of telemedicine.

Social Media

Engage with your audience on platforms like Facebook, Twitter, and LinkedIn, sharing informative content and responding to inquiries.

Paid Advertising

Invest in targeted online advertising campaigns through platforms like Google Ads and social media ads to reach potential patients.

Sales Strategy

Position your telehealth services as convenient, accessible, and trustworthy.



COMPETITIVE ANALYSIS



ASSESSMENT

- ❖ Key competitors' strengths, weaknesses, and market positioning.

DIFFERENTIATION STRATEGY

- ❖ Establish partnerships with healthcare providers, clinics, and medical practices to drive patient referrals.
- ❖ Engage with local communities and organizations to raise awareness about your telehealth services.
- ❖ Focus on providing exceptional patient experiences to build trust and loyalty.

OPERATIONS & MANAGEMENT

● OPERATIONS

- Staffing & training
- Regulatory compliance
- Risk management
- Quality improvement & patient safety
- Strategic planning

● FACILITIES

- Office space
- Consultation rooms equipped with necessary infrastructure for virtual appointments

● EQUIPMENT

- Telemedicine platform
- Electronic Health Record
- Video conferencing equipment
- Remote monitoring hardware

● TECHNOLOGY INFRASTRUCTURE

- Internet connectivity and redundancy
- Servers
- Technical support

● MANAGEMENT

- Organizational structure
- Leadership team
- Governance and advisory boards
- Operational management
- Human Resources management
- Financial management

FINANCIAL PLAN

\$ Start-up Costs

- Technology infrastructure
- Facility setup
- Staffing
- Regulatory compliance
- Marketing and promotion
- Operational Expenses

\$ On-going Expenses

- Personnel costs
- Marketing & Outreach
- Facilities & Utilities

\$ Revenue

- Payment Models
- Fee-for-Service
 - Capitation
 - Bundled/episode-based
 - Subscription

\$ Financial Assumptions

- Patient Acquisition Rate
 - Revenue Growth Rate
 - Expense Growth Rate
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\$ Profitability

- Break-even analysis
- Net profit margin

\$ Funding Options

- Initial Capital
- Working Capital
- Growth Capital

\$ Sources of Funding

- Equity financing
 - Debt financing
 - *Grants & awards
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IMPLEMENTATION PLAN

PRE-LAUNCH PHASE

- Month 1-2: Concept Development
- Month 3-4: Legal & Regulatory Compliance
- Month 5-6: Technology Infrastructure Set-up

LAUNCH PHASE

- Month 7-8: Branding & Marketing
- Month 9-10: Pilot Testing
- Month 11-12: Official Launch

SCALING PHASE

- Year 2: Expansion & Growth
- Year 3-5: Optimization & Sustainability

MAINTAINANCE & INNOVATION

- Beyond Year 5: Continuous Improvement
- Monitoring
 - Feedback
 - Opportunities

RISK MANAGEMENT

Regulatory & Legal

Technology

Patient Engagement &
Adoption

Healthcare Provider
Resistance

Reimbursement & Financial

Other



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APPENDIX

- Additional supporting documents
- Other relevant information that supports the business plan

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RESOURCES

1. Market Analysis (slide 4): <https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-service-type-reports/medicare-telemedicine-trends>
2. Content Marketing (slide 5):
 - a. **Accessibility:** [Communication Access for Deaf, Hard of Hearing and DeafBlind Patients and their Providers](#)
 - b. **Fact Sheets:** <https://southwesttrc.org/resources/factsheets>
 - c. **For Patients:** <https://southwesttrc.org/resources/forpatients>
3. Sources of funding (slide 9): <https://telehealth.hhs.gov/funding-opportunities>;
<https://www.ruralhealthinfo.org/funding/topics/telehealth>
4. **Regional Billing Guides for AZ, NM, CO, NV / National Billing Guides (slide 9 & 11)** <https://southwesttrc.org/resources/billingguides>
5. **Regulatory Compliance (slide 8):** <https://www.cchpca.org/>