



Estimated Costs of "Dr. New" Hiring

1. Complete the following worksheet to determine cash requirements: \$ _____
 - a. New doctor's annual (guaranteed) salary including \$ _____
 - o employer paid FICA, FUTA
 - o other employer paid taxes (payroll, local tax, etc.)
 - b. Cost of new doctor benefits (including health, life and disability insurances) \$ _____
 - c. New doctor's malpractice insurance cost (use 12 month cost) plus any bond or other up-front cost \$ _____
 - d. New doctor business expense costs including:
 - o licenses (annual cost) \$ _____
 - o society dues (annual cost) \$ _____
 - o hospital staff fees (annual cost) \$ _____
 - o auto reimbursement (cost for 3 months) \$ _____
 - o travel and education (allowance for 1st year) \$ _____
 - o non-owner's auto liability premium \$ _____
 - o parking costs \$ _____
 - o beeper service \$ _____
 - o other contractually agree expenses (moving, signing bonus, etc.) \$ _____
 - e. Cost of new equipment \$ _____

f. Cost of new furniture	\$ _____
g. Cost of additional clinical supplies	\$ _____
h. Cost of redesigned office supplies:	
o stationery	\$ _____
o business cards	\$ _____
o superbills or charge tickets	\$ _____
o patient account cards	\$ _____
o computer system adjustments	\$ _____
i. Promotional expenses:	
o patient announcements	\$ _____
o other announcements	\$ _____
o open house/welcoming party	\$ _____
o telephone listing	\$ _____
Total Costs	\$ _____
j. Cost of additional staff, if needed	\$ _____
k. Other anticipated costs:	
Assume marginal rate of overhead	\$ _____
_____	\$ _____
_____	\$ _____

Total Expected Associate Startup Costs	\$ _____
Estimated Annual Collections for Associate	(\$ _____)
Estimated Shortfall/Overage	\$ _____

2. Contact local banks to shop financing costs for line of credit arrangements to satisfy financing needs.

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