Private Practice Start-up Guide

Written By: Jessica Cody, MA LPC

Owner of Redeeming Lives Counseling and Consulting Services, LLC

Disclaimer:

This document is not intended for legal advice. You will need to contact a legal professional to determine what is the best fit for you. This is only to educate you on options.

About the Author:

Jessica Cody holds a license in Oklahoma and Texas as a Licensed Professional Counselor. She is an Oklahoma Board-approved LPC and EMDRIA-approved CEU provider. Jessica offers Oklahoma Board LPC-approved and EMDRIA-approved CEUS in the Spring and Fall. Her hope is to make it more accessible and affordable by offering the courses online.

Jessica obtained a bachelor's degree in psychology and a master's degree in Clinical Mental Health Counseling from Regent University in Virginia. She began her career in the mental health field working with a mental health non-profit organization in Choctaw Oklahoma, in 2018, where she taught addiction relapse prevention and parenting classes as well as providing counseling for individuals and families.

Jessica is the owner of Redeeming Lives Counseling and Consulting Services, LLC. More recently, she partnered with Jen Trompeter and Kirsty Vaughn to establish Superior Counseling In Moore, which is based in Moore Oklahoma. Through Superior Counseling In Moore, they hope to continue to share their passion for the treatment of mental health by providing training and mentorship to other mental health providers.

Jessica has a passion for those who have experienced trauma. She views therapy through a trauma lens which proves to aid in the motivation and readiness of her clients. Jessica is a certified EMDR therapist. Currently, she is being supervised by Jen Trompeter, LPC to become an EMDRIA-approved EMDR Consultant. Jessica markets herself as an EMDR-certified therapist because of the efficacy it provides. She has been using EMDR therapy in her therapeutic processes since 2021 and has seen an increase in her client success rate. Her clients are able to stabilize more quickly and complete therapeutic treatments in less time than those who utilize talk therapy alone.

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LLC or PLLC?

Forms to file are found at Oklahoma Secretary of State - Business Forms

Select: Limited Liability Company (LLC) Domestic (Oklahoma. You can choose either LLC or LLC-professional.

You will need to have your entity name registered before you can register it as an LLC.

LLC

You do not have to have a professional license. The cost to apply is $100.00 and you have the option to apply online. An LLC protects the owner from being sued personally. The LLC is responsible for the taxes, not the owner. The owner's personal assets and resources are protected from lawsuits.

PLLC

You must be a licensed professional in the state of Oklahoma. There is not an option to apply online. You will need to get a statement from your board stating you are licensed. You will find the downloadable form at the link above. The main difference between having a PLLC and an LLC is that you must be a licensed professional. This is mainly for doctors, therapists, lawyers, and accountants. The main benefit of this is that the owner is protected from any lawsuits that may come against any professionals working for them. The PLLC has all of the same benefits as the LLC.

Annual Certificate

You will need to renew your LLC yearly. The cost to do this is $25.00. You can do this online at the above link. Some companies will send you a letter to offer to do this for you. However, this is a 3rd party and much more expensive. You can do this on your own. You can apply online or download the PDF and send it in the mail.

Choosing the Structure of Your Business or Organization (Oklahoma Secretary of State, 2023).

You may operate your business or organization under any one of several organizational structures. Each type of structure has certain advantages and disadvantages that should be considered. You should contact an attorney, accountant, financial advisor, banker, or other business or legal advisors to determine which form is most suitable for your business or organization.

A **Sole Proprietorship** is one individual or married couple in business alone. Sole proprietorships are the most common form of business structure. This type of business is simple to form and operate and may enjoy greater flexibility of management and fewer legal controls. However, the business owner is personally liable for all debts incurred by the business.

A **General Partnership** is composed of two or more persons (usually not a married couple) who agree to contribute money, labor, and/or skill to a business. Each partner shares the profits, losses, and management of the business, and each partner is personally and equally liable for debts of the partnership. Formal terms of the partnership are usually contained in a written partnership agreement.

A **Limited Partnership*** is composed of one or more general partners and one or more limited partners. The general partners manage the business and share full in its profits and losses. Limited partners share in the profits of the business, but their losses are limited to the extent of their investment. Limited partners are usually not involved in the day-to-day operations of the business.

A **Limited Liability Partnership*** is similar to a General Partnership except that normally a partner does not have personal liability for the negligence of another partner. This business structure is used most commonly by professionals such as accountants and lawyers.

A **Corporation*** is a more complex business structure. As a chartered legal entity, a corporation has certain rights, privileges, and liabilities beyond those of an individual. Doing business as a corporation may yield tax or financial benefits, but these can be offset by other considerations, such as increased licensing fees or decreased personal control. Corporations may be formed for profit or nonprofit purposes.

The **Limited Liability Company (LLC)*** and the Limited Liability Partnership (LLP)* are the newest forms of business structure in Oklahoma. An LLC or LLP is formed by one or more individuals or entities through a special written agreement. The agreement details the organization of the LLC or LLP, including: provisions for management, assignability of interests, and distribution of profits or losses. Limited liability companies and limited liability partnerships are permitted to engage in any lawful, for profit business or activity other than banking or insurance.

*Registers with the Secretary of State

Business Location

You will need to submit **articles of organization**. You can find this online at the link:

Oklahoma Secretary of State - Business Forms

The articles of organization are a part of the LLC/PLLC documents.

In the state of Oklahoma, you will need a physical address for your business location before you can file for an LLC. You will not be able to use a PO BOX. You must have a registered business location and registered agent in the state of Oklahoma.

Here is a list of items you will need to fill out the articles of organization:

1. Name of business
2. Street address of its principal place of business
3. E-MAIL address of the primary contact for the registered business
4. Name and street address of the registered agent for service of process in the state of Oklahoma
   (this does not have to be an owner of the company, it is only if the company is sued, they need to have someone to serve the papers to on behalf of the company).
5. Term of existence – you can write in perpetual here for an indefinite time frame.

EIN

The EIN (employer identification number) or tax identification number. You can apply for this once your LLC has been established. Go to irs.usa-taxid.com. Select your entity type. You will need to know the legal mane of the LLC, how many members are in the LLC, and the tax classification of the LLC. There is no cost to apply for this number.

Business Bank Account

You will want to open a business checking account for your company. This is so that you can keep your business expenses separate from your personal expenses. It will make it easier for tax purposes. You will need an LLC **operating agreement** for this purpose. Banks need this document to show them who is legally able to deposit and withdraw money from the account. You can get this document from an attorney, paralegal, or accountant. You can find free templates online, however, you may want to consult with an attorney or account to determine what suits your company's needs the best.

NPPES

NPPES (hhs.gov)

You will need an individual NPI (National Provider Number). Go to the above link to apply for this number if you do not already have one. It is free to apply for this.

There are two types of NPI numbers. An individual or group.

You only need a group NPI number if you intend to have a group practice. Most agencies require interns to have an individual NPI in order to see clients. However, some do not. However, everyone is required to have NPI at the candidate level. You will need to have access to your NPPES account so that you can update the locations you practice at.

The group NPI is for the agency you are billing under. If you intend to have a group practice, you will need a group NPI and an individual NPI number.

CAQH

The CAQH application is a lengthy process. You can download the Oklahoma uniform application here OKLAHOMA STATE DEPARTMENT OF HEALTH Completing this document will ensure you have all of the information you need for the CAQH application. Here is a link to the guide to help answer questions you may have. CAQH ProView Provider User Guide.

There are two different types of CAQH profiles. You will want to have an individual CAQH profile. This is where the above application will be helpful. You only need a group CAQH if you have a group practice or you have clinicians working under your NPI number.

Kaitlyn Lake is our credentialing expert. She is consistently offering discounts and specials, so check with our office to see what the current rate is. You can call 405-319-0119.

EHR Billing System

You will need a billing system where you can submit your insurance bills electronically and enter case notes. There are several different billing systems to consider. This can be overwhelming.

Things to consider or questions to ask yourself when looking for a Billing System are below.

Will you be offering online intake services only?

Do you prefer hard copies of your intake paperwork?

Do you want to submit claims electronically? If so, which plans do you want to be insured with, and is the system compatible with those insurance panels?

Is the cost in your price range?

I have experience with Therapy Notes, Theranest, Simple Practice, and Milan. If you need help setting up your billing system, you can sign up for consultation sessions and I can help you with that. Contact me at redeemingtherapy.com or email me at jessica@redeemingtherapy.com.

Client Paperwork

You will need intake paperwork for your client to sign. The following is a list of forms you should have ready for your clients to sign. You could have separate paperwork for your minor clients or add a signature page to accommodate clients of all ages. You can add a minor signature line for those who are between 12-17 years old. Medicaid has specific qualifications you will need to meet if you plan to bill through them. This list is not exhaustive, however, can give you a starting point. You will need to consult with your state to determine which documents are required. You can find this information on your licensing board website.

1. Billing Initiation Form
2. Good Faith Estimate
3. Consent to treatment form
4. Consent to telehealth treatment
5. Privacy Practices
6. HIPPA practices
7. Appointment Agreement
8. Fee Schedule Agreement
9. Court Fee Agreement
10. Release of Information
11. Client Rights

Paneling with Insurance

Paneling with insurance can be daunting. Having a CAQH in place will be helpful in this process. Most insurance companies have an application online. The top insurances in Oklahoma are:

1. Blue Cross Blue Shield
2. Optum
    a. United Health Care
    b. UMR
    c. UHC
3. Evernorth (Cigna)
4. WebTPA
5. Health Choice
6. TriCare

You can fill out the application online or hire someone to do that for you. I typically see most fees between $80-100. Kaitlyn also does this and has offered several discounts that were much less.

Medicare is allowing licensed therapists to bill for mental health services as of January 1st, 2024. This could be another avenue of bringing clients in.

Medicaid. You can panel with Medicaid as a solo practitioner. However, they do require you to get your agency certified with the state department. You will not get paid as much as you would if you contracted with an agency.

Marketing and Networking

Most people say they do not know how to market or sell things. You don't need to be a seasoned salesman to market your services. Have you ever watched a really good movie and told someone about it and then they ended up watching it? Marketing yourself can be that easy. Do you believe in what you do? Have you been successful with clients in the past? Are you passionate about your niche? Those are your "selling points".

Places to market:

Psychology Today- this platform offers many client referrals and pretty much pays for itself.

There are other platforms that you can put your

Alignable – this is an app that you can download. They have free and paid options. You can connect with other business owners, people in the medical field, and other agencies that may consider sending you clients.

Google Business- you can add your business for free on Google.

Network with other therapists. You can consider calling other therapists who see clients out of your experience and training. Ask them if they would be willing to send you clients in your niche and you can send them clients in theirs.

Doctor offices: go to local doctor offices and let them know you are open for business and what types of clients you see. You can leave a brochure or business card and some goodies.

Churches or other organizations: you may be able to connect with local churches or organizations to let them know about your services. Some agencies offer a list of local services in the area on their website. You can search for those and see how to partner with them.

References

Oklahoma Secretary of State. (2023). Business Services: Starting a new business. Retrieved from Oklahoma Secretary of State - Steps to Start your Business.