

To sell or not to sell your practice...

As an unabashed proponent of private practice and the concept of owning your own future, it strikes me as odd to write about why thoughtful dermatologists might want to consider and reconsider the idea of selling their practices to a corporation. Nevertheless, let me add my voice to the many who have already graced several outlets of this type. Perhaps another view will save one person who is wavering from making a permanent and unfortunate choice.

There are clearly instances where selling to a group or company may be advisable, especially if a practitioner has no one to take over his/her practice or must sell quickly. Many people who are smarter than I am have sold their practices and are currently happy, which clearly points to a diversity of opinion and opportunity with regard to this subject. This editorial is in no way trying to convince dermatologists to avoid profiting from an appropriately timed exit from their practice or by any means casting aspersions on every company in this business. Some companies are clearly better than others, and it behooves the dermatologist who is selling to explore this area thoroughly to find the best partner possible. I am writing primarily for the younger (in practice life-cycle) dermatologist or group of dermatologists who may be frustrated or starting to wonder if the ennui of everyday practice, also known as burnout, is worth it.

I understand that there are times that private practice may be inconvenient and potentially even demoralizing. Burnout does happen, and, in the right circumstances, it may seem appealing to be “bought out.” On the other hand, the ability to find ways to circumvent burnout is part of the benefit of having your own test tube science experiment otherwise known as a medical business.

Since this is your test tube, if burnout occurs, you have the freedom (might I say obligation) to try to fix it. Therefore, I would strongly urge you to take a step back (and a deep breath) and consider changes that would lead to greater happiness with the practice and lifestyle in place before selling to a company that would likely complicate it, if not make it worse. Change could be as simple as letting go of a toxic employee; changing work hours; exchanging coat and tie for scrubs; hiring another person to assist; or canceling a type of procedure or a particular insurance. The same changes are likely what the new owner of your practice might make (along with adjusting your hours upward, not downward!). Or maybe, consider taking a longer lunch, or asking your front desk staff to avoid scheduling new patients at 4:30 or to avoid scheduling hair loss patients at any time slot. If you run short on ideas, check with the AAD or other venues for thoughts on quick fixes to turn moments of unhappiness into

moments of delight. There are many ways to alleviate burnout, some of which are incredibly simple and obvious, but I don't recall a single one that entails selling your personal freedom/practice and working for a corporate master.

If the problem is the stress of being a business owner, consider what exactly the VCs and corporations want to purchase from you: your freedom of choice and ability to determine your own future—the same freedom of choice that steered you over the years to painstakingly direct your profits into generating goodwill and helping employ many good people. The corporation to whom you sell your practice will, instead, take those profits to feed shareholders. Will it be any less stressful, considering that the corporate buyer will never be as fair or imaginative as you are? Perhaps the initial buyer will be, but who knows what the second or third “bite of the apple” purchaser will do to wring out a profit? Imagine the consequences of being forced to deal with those you have grown to know and love as friends and colleagues in an inappropriate or miserly way. This is just one of the possibilities when a corporation purchases your practice. The ultimate insult would be that this same corporation (or the corporation they sell your practice to in the future) may, at some point, dispense with *your* services.

If the problems are financial decisions, and you truly believe that corporations are smarter business people than you are, look at the stories of ToysRUs, Sears, Snapple, and multiple other storied brands who put their faith in a corporate takeover. Where are they now and was it a good idea for them? Consider that, once your practice has been purchased, profitability will be ensured via the laboratory component (pathology, in particular) and the ability to replace highly compensated dermatologists with PAs or NPs. Look no further than the November 2017 *New York Times* exposé for the awful details: 20 biopsies, missed melanomas, and loose supervision from hundreds, if not thousands, of miles away. Is this where you want your efforts over many years to lead?

In my mind, there is no doubt that corporate entities will treat you worse than you will ever treat yourself. Also, your staff is better off with you at the helm. Maintaining your private practice, I believe, will lead to a happier result than a temporary and ultimately unsatisfying cash payout.

Lastly, for those of you who are considering selling the practice to a corporate entity and are not particularly worried about the future of the practice: please think about the legacy that you worked to build. Can the practice live on in a truer form than what normally happens with a corporate takeover? Consider all the possibilities! ■

—Joel Schlessinger, MD
Chief Cosmetic Surgery Editor