The last big change to the dermatology practice model was incorporating cosmetic services. In the beginning, when just a few cosmetic services were offered, little change was needed to the practice structure. As more cosmetic services were added, a separate cosmetic division was often created. Finally, stand-alone medspas in a different location supervised by a dermatologist have also become common. A different practice structure for cosmetics makes sense because it is so different from general dermatology that it benefits from specialization.

After writing many articles about improving acne treatment it became obvious that the ideas I wrote about and used in practice were very beneficial to patients. However, even I can’t permanently incorporate all the tools and techniques I have developed within the structure of a typical dermatology practice, much less a high volume practice. Having realized this, I decided to run a thought experiment. What if there was a practice devoted solely to the treatment of acne and acne scars? What are all the different treatments, protocols, patient education tools, etc. that could be incorporated into a dedicated Acne Treatment Center (ATC). At this point the Bachelors in business administration that I earned and my lifelong interest in business and economics started to interact with my medical knowledge, and the concept began to take shape. After extensive conceptual work involving writing both a business plan and marketing materials, I arrived at a very intriguing plan for a type of business that, to my knowledge, doesn’t exist exactly as I’ve envisioned it: a dedicated Acne Treatment Center (ATC). Just like incorporation of cosmetic services is currently done in a spectrum from not changing the business structure at all to having a completely separate medspa, the ATC concept can be implemented along a spectrum, depending on which level of implementation makes sense for that particular practice.

The intent of this article is to provide the framework of how an ATC would operate in its most developed form, as a separate business or division. This would allow interested providers to incorporate as much of the model as would make sense for their particular practice goals. Included are key details like how a visit at an ATC would differ from a standard dermatology practice and how those differences would translate into successful marketing of this new business concept. I will also describe what a mature ATC would look like.

In the 70s, the co-creator of Retin-A, Dr. James Fulton, did open several acne treatment clinics in Florida. He is also credited as the first dermatologist to incorporate aestheticians into a dermatology practice. A nationwide search revealed a handful of aesthetician-owned acne treatment clinics. Most report a lineage that goes back to Dr. Fulton either by personal contact with him or by being inspired by his book Acne RX. One in particular certifies aestheticians as acne experts, and they go on to essentially become franchisees using the same methods and products. Because they cannot prescribe, their business model relies on monthly or bimonthly acne facials and a strict product regimen that is purchased in-house. I have also found one multi-physician practice and one nurse practitioner practice that advertise as ATCs.

**IS AN ATC A GOOD FIT FOR YOUR PRACTICE?**

Specializing in acne and increasing the number of acne patients in your practice makes sense for some practices but not others. Practices that might find it advantageous would be practices with a strong interest in acne who want to be the destination for acne patients in their area, practices in a saturated market looking for a competitive advantage, practices looking to increase aesthetician visits and increase their acne scar business, and practices with underutilized providers. It is often challenging for NPs and PAs in competitive areas to build a clientele quickly. Having an NP or PA playing a leading role in the ATC is a way for them to create their own niche treating a condition that their supervising physician may be glad to delegate to them.

The main advantages for adopting an ATC model are improved outcomes for acne patients, increased patient satisfaction, and increased revenue. Most dermatologists don’t think of acne as being a big revenue generator for their practice.
If it is compared to more lucrative activities like surgery and cosmetics, it is definitely not one of the most lucrative activities. However, from a business perspective, acne is unique because it has more revenue streams than any disease in dermatology. Without specialization, these revenue streams are only partially captured, and patients are often not getting all treatments that would benefit them. Those revenue streams are acne scar treatment, acne procedures (extractions, cortisone injections, and the occasional I&D), acne facials, and skincare products. In addition, when an office specializes in acne it has the potential to see higher volumes of acne patients while still maintaining high quality, due to the efficiencies created by specialization. An ATC will also attract patients with more severe acne who are more likely to be put on isotretinoin. The visits for these patients are usually billed at the 99214 level. Because these patients typically have more severe acne, they are more likely eventually to need acne scar treatment. The administrative burden of isotretinoin patients is significant but will be eased by the efficiencies produced by specialization.

**HOW THE ATC EXPERIENCE WOULD BE DIFFERENT**

For an ATC to be successful, the patient experience must exceed expectations and be substantially different from the average dermatology visit. Below is an outline of how a typical new patient office visit should be structured. Many of these points are covered in more detail in “Optimizing Acne Treatment”.

1. **Questionnaire.** This crucial first step gathers important information that will be key in shaping the treatment program and does so much more quickly and more efficiently than just a verbal interview. Are acne scars a concern? Does the patient not want to take pills or Accutane? What type of skin do they have? What medications have they tried in the past and what were the results?

2. **The Exam.** Many acne exams are done at a distance as we are interviewing the patient. Patients who come to an ATC will expect more. A close exam even with magnification in all the areas a patient has acne should be done for every patient.

3. **Photos and Lesion Counts.** Along with the questionnaire, this is one of the most important steps. You have to be the expert in how much better the patient’s acne is getting. While their perception is important, you are the expert, and just like in an acne study, you need objective measures. Before and after pictures are great for patients to have so they can show their friends. And, with patient release, you can put images on your website as a powerful marketing tool.

4. **Multimedia Patient Education.** While the questionnaire and your in-person interview increase your knowledge of the patient’s history and expectations, you also need to increase the patient’s knowledge about acne and acne treatment. This is where a short video comes in. This can be viewed on your website before the appointment or while the patient is in the exam room.

5. **Make a Written Treatment Plan During the Visit.** A written treatment plan for every patient is a great patient education tool. It also makes a big impact with the patient, proving that you are an expert with a plan and reinforcing an important message: “We have a plan for you; you are going to get better!”

6. **Doing a Superior Job Getting Patients the Best Medications At The Lowest Cost.** For a number of reasons, patients don’t always get their medications. These reasons include costs, deductibles, and medications being out of stock at the pharmacy, just to name a few. Studies also show that the more prescriptions written, the lower the chance the patient will get them all. There is no perfect solution for every patient’s budget and insurance coverage, but an ATC must do a better job getting patients the best medications at the lowest cost. An ATC should be fully stocked up on samples and coupons. Having a good relationship with a local pharmacy that understands your patient’s needs, keeps commonly prescribed medications in stock, and has coupons can be a huge help. If they can deliver the medication, that’s even better. Using a compounding pharmacy and/or selling compounded acne medications has great potential. You can customize the active ingredients, create once-a-day formulas with multiple active ingredients to increase compliance, and even customize the vehicle for the patient’s skin type. You can even sell these formulations directly out of your office (state laws permitting).

Compounded custom medications fit perfectly with the ATC concept, because patients are expecting you to have something different and better and many have already tried several commercially available acne medications. An ATC should also be much more proficient in managing the complexities of isotretinoin prescribing.

7. **Evaluate Acne Scars and Discoloration at the First Visit.** All patients want to improve their acne, but acne scars and discoloration are also a major concern, sometimes the primary concern. Although it usually makes the most sense to get acne under control first, an analysis and discussion of scars and discoloration is an excellent idea on the first visit and important when promising a “360 degree” approach to acne treatment.

8. **Improve Their Skin Now with Extractions and Injections.** One thing that makes acne frustrating to treat is that it takes one month or more to see results from most medical treatments. This is demoralizing for patients and contributes to the high dropout rate in the first month of acne treatment. Most acne patients have acne lesions like milia and blackheads that can be extracted or inflamed nodules that would benefit from cortisone injections. The staffing and structure of an ATC should allow time and personnel to do these procedures on the spot. It is definitely worthwhile financially, as insurance pays for...
these treatments but most importantly the patient leaves with their acne improved, not just the promise of improvement.

9. The Product Room. Having patients using the wrong skincare products is a serious problem. To best facilitate finding the right products, I envision a patient walking into a product sampling room with our recommendations in hand. There they will find testers so they can try multiple products.

WHAT A MATURE ATC WOULD LOOK LIKE

Now that you can envision the patient experience, it is time to look at what a typical week could look like in a mature ATC. Specializing only in acne provides the ability to see a high volume of patients, doing the maximum number of extractions and injections while still providing great patient care. Specialization will increase the efficiency and speed of most basic practice functions like charting, prescribing, and patient education. Your staff will be much more knowledgeable since the practice is specialized only in acne. A typical single provider dermatology practice can usually employ one part time aesthetician. However at an ATC, since all patients are acne patients, having at least two full time aestheticians is feasible. Finally, depending on the need for acne scar treatment, a part time or even full time practitioner (mid-level, MD or RN) would be needed for acne scar procedures. When you take into account the ability to see a high volume of patients, an emphasis on extractions and injections, aesthetician visits, scar treatment and product sales, treating acne all of a sudden starts to look like a lucrative business.

The hype and claims of over-the-counter products vastly overshadow the specialty’s comparatively low-key message about acne. Many over-the-counter products promise fast, complete clearance and provide dramatic before and after pictures. Patients respond to these claims with Proactive having $800 million in sales in 2016 (celebrity endorsement doesn’t hurt either). We know these claims are exaggerated and that salicylic acid and benzoyl peroxide will only get limited results in most people. If you look at dermatology practice websites, the message about acne is understated and low key, with textbook language and an informational tone. In one way this speaks well of our specialty but I think we underplay the effectiveness of our treatments. Since 1982 we have had a medication (isotretinoin) that can treat or cure acne in nearly all people. The other non-isotretinoin treatments are very effective as well. Therefore making a marketing claim like “Acne is treatable and curable” or “Every patient can have clear skin” is something we can back up. OTC products should not be the only ones making those claims. After all, we are the experts with the tools to treat and cure nearly any case of acne and we should not be shy about saying so.

Marketing Overview: Establish Expertise, Provide The Proof, and Make a Bold (But True) Claim

What is an acne treatment center, and why is it better than just going to a general dermatologist, getting facials, or buying OTC products? These are the questions that potential patients will be asking themselves and that an effective marketing program will answer. First you need to establish expertise. If you are a dermatologist you are already viewed as an acne expert without a single publication about acne. To establish additional expertise and differentiate yourself from your peers, writing a short patient guidebook makes sense. Self-publishing an e-book that can be printed out in hard copy goes a long way to set you apart from your competitors. It is also a great patient education and marketing tool.

Nothing will prove that you are an expert more than before and after pictures of your own patients—the more the better (100 would be an impressive number). If you look at most dermatology websites, there are few before and after picture for acne patients. By incorporating consistent branded photography there will be little doubt that your patients are getting great results. This is the highest level of proof you can provide for prospective patients and a powerful marketing tool.

ADVERTISING AND REFERRALS

Dermatology practices gain patients primarily from word-of-mouth recommendations and referrals (both through independent physicians, HMO/IPAs, and insurance networks), plus some advertising. Medspas are primarily advertising based. An ATC would be advertising based, as well, but because treatment is aimed at a medical condition, referrals can still be obtained. All health practitioners from PCPs to pediatricians to alternative medicine practitioners and even local aestheticians and other skin care businesses should be marketed to as referral sources. Mail is a good place to start. It is even possible that dermatologists with long wait times would gladly refer their acne patients to make more room for other patients they view as more desirable. Producing videos for YouTube would be vital, and they can also appear on your website and serve as patient education tools.

ADDITIONAL MARKETING TOOLS

An in-office “open house” type event would be a great way to introduce yourself to prospective patients. These events are usually best held on evenings or weekends. As this would be a novel business, exposure through local news media would be a great form of free advertising. Most patients with acne are
teens or working adults. Evening and weekend hours would be a major advantage for an ATC to offer.

An ATC is a subspecialty medical practice, which means it would need a larger population base to support it than a general dermatology practice. Integrating teledermatology would be a good fit for an ATC especially for routine follow-ups. It could expand your potential market by allowing patients who do not live in close proximity and normally would not consider being patients to gain access to care.

A strong case can be made that large scale advertising for an ATC would be cost effective. This type of advertising may work well because there are many people with untreated or poorly treated acne and the only advertising they see is for OTC products. Take a look in your community. Most likely there is no dermatology group advertising their practice as “the” place to have your acne treated. This creates a tremendous opportunity to the first practice to become known as the “acne experts” of their market.

According to a recent acne survey by Allergan, patients grade their experience having acne treated at their dermatologist as a C. Dr. Baldwin also quotes a statistic in her April 18 lecture that appears on dermcast.tv that only 1 in 100 patients with severe acne seek help from a dermatologist. Combine this with the large number of untreated acne patients or patients getting poor results, and you have an enormous underserved market waiting to be tapped. Either by incorporating aspects of an acne clinic into your current practice or by setting up a separate acne clinic, a dermatologist can become the premier acne destination in his/her market. In addition to the revenue an ATC would generate, which is significant on its own, it would also generate new medical and cosmetic patients for your existing practice and become an engine for practice growth. If you have multiple offices, the ATC model can be incorporated into each office. If you want to think big an ATC could easily be a local or even national franchise.

All my medical and business instincts and analysis have convinced me that there is an amazing opportunity to improve acne care, generate substantial revenue, and gain a competitive advantage by adopting the ATC model.

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