



The **Business** of Orthopaedics

Kamran S. Hamid MD MPH

What do you want in life?

What do you **want** in 10 years?

What are the fundamental **employment models** for orthopaedic surgeons?



Physician-Owned

- Paid By Profit
- ↑ Risk



Hospital

- Paid For Work
- ↑↓ Risk



University

- Paid To Create
- ↓ Risk

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- Can I make **passive income**?
 - Group ownership of ancillary services
 - Ambulatory Surgery Center (ASC) ownership

Ambulatory Surgical Center

Why do they want *you*?

Ambulatory Surgical Center

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2. They need your capital to help keep the lights on (win-maybe lose)
3. They are going to leave **you** (win-lose)

How do you negotiate a contract?

How do you **set up** practice in your 1st year?

Private Equity



Amateur Investments

- Self-Finance
- Bank Loan
- Angel Investor

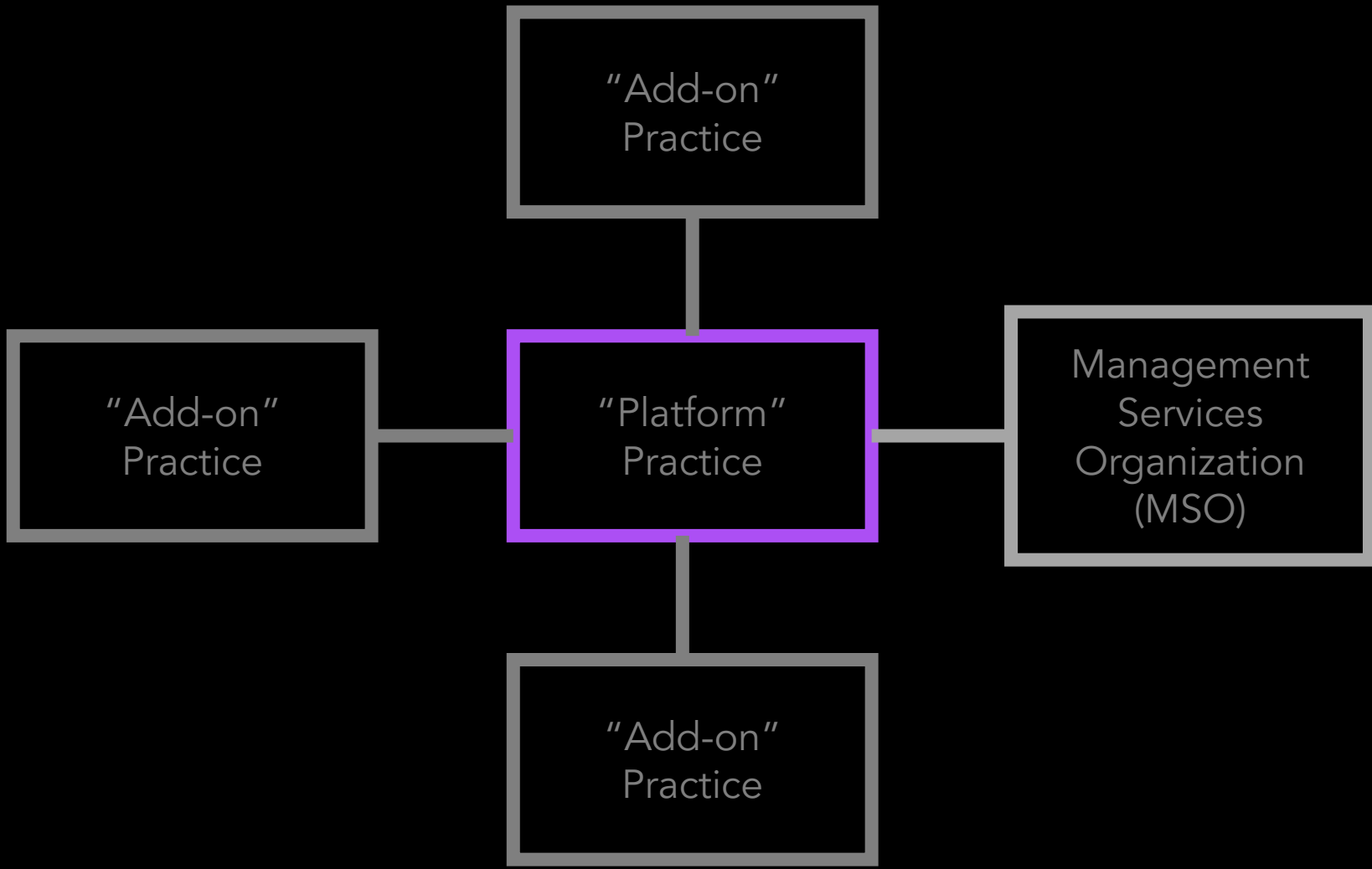
Professional Investments

- Angel Investor
- Venture Capital
- Private Equity

Why do ortho groups want private equity involved?

- Need help competing
- Would prefer cash upfront in case practice doesn't do well in future
- Leaders planning on retiring and it's part of exit strategy





Private Equity

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