MCS Advisory

FRACTIONAL CFO · GROWTH PLANNING

A Business Plan *for Growth*

Expanding your practice on purpose

A new provider, a new location, a new service line — each is a capital decision. This is the framework that models growth before you commit: cost, ramp, break-even, cash impact, and what has to be true.

Cost
Capital required

Ramp
Time to full

Break-even
When it turns

Prepared by MCS Advisory · Med Consulting Solutions LLC · 2026

THE PREMISE · GROWTH WITHOUT A PLAN IS A GAMBLE

More revenue shouldn't mean more stress

Every practice wants to grow. Few grow on purpose. A new location, a new provider, a new service line — each is a capital decision, and without a plan modeled in advance, growth is a leap of faith that can strain cash before it ever pays off.

The pattern is familiar: a practice adds a provider or opens a second location because it feels like the right move, then spends 18 months discovering whether the numbers worked. A growth plan flips that — you model the decision *before* you commit the capital, so you know which moves are safe now, which should wait, and what has to be true for each to succeed.

GROWTH BY INSTINCT

The default

Add capacity when it feels busy; hope the margin follows. Works until a mistimed hire or a slow-ramping location drains cash the practice needed elsewhere.

GROWTH BY PLAN

The alternative

Each move modeled: capital required, ramp time, break-even, and cash impact. The same growth, made deliberate — funded, sequenced, and stress-tested.

The goal isn't to grow slower. It's to grow **deliberately** — so that expansion is funded from a position of strength, not financed by a cash-flow scare.

Source: MCS Advisory. Growth-planning framework for medical practices. Educational use.

THE FRAMEWORK · WHAT A REAL GROWTH PLAN CONTAINS

The five questions every growth plan answers

A growth plan isn't a document you write once and file. It's a model that answers five questions for any expansion move — and updates as the numbers come in.

- **1 · What does it cost?** — Total capital required: build-out, equipment, working capital to fund the ramp, and the cash cushion before break-even.
- **2 · How long to ramp?** — New providers and locations don't produce at full capacity on day one. The ramp curve determines how much cash you burn before it turns.
- **3 · When does it break even?** — The month cumulative contribution covers the investment. Everything before it is cash out; everything after is return.
- **4 · What's the cash impact?** — Overlaid on your existing cash forecast: can the practice fund this move and still make payroll through the ramp?
- **5 · What has to be true?** — The assumptions the plan depends on — volume, payer mix, staffing — made explicit, so you can watch them and course-correct.

Most growth mistakes aren't strategic — they're **timing and cash** mistakes. A good plan doesn't just say 'this is a good idea'; it says 'here is when you can afford it and what has to hold true.'

Source: MCS Advisory. Educational framework. Illustrative use.

WORKED EXAMPLE · ADDING A PROVIDER

Modeling one growth decision

An illustrative look at the most common growth move — adding a provider — run through the framework. Hypothetical figures, for teaching only.

$180K
Year-1 investment (comp + ramp + setup)

7 mo
Ramp to full productivity

Month 11
Cumulative break-even

Quarter	Provider net revenue	Fully-loaded cost	Contribution	Cumulative
Q1 (ramp)	$78,000	$120,000	**($42,000)**	**($42,000)**
Q2	$132,000	$126,000	**$6,000**	**($36,000)**
Q3	$168,000	$129,000	**$39,000**	**$3,000**
Q4	**$174,000**	**$131,000**	**$43,000**	**$46,000**

The provider is **margin-negative for two quarters** before turning. That's not a bad hire — it's a normal ramp. But a practice that didn't model it might panic at the Q1 loss, or worse, not have the cash cushion to fund it. The plan makes the dip expected instead of alarming.

Illustrative figures for education only. Not a projection for any specific practice. MCS Advisory, 2026.

BEYOND THE MODEL · GROWTH THAT COMPOUNDS

Sequencing, capital, and the exit lens

One growth move is a model. A growth strategy is a sequence — and the smartest owners plan it with an eye on where the practice is ultimately headed.

What separates a plan from a strategy

- **Sequencing** — which move first? Cash-generative additions (ancillaries, high-margin service lines) often fund the capital-intensive ones (a second location).
- **Capital strategy** — self-fund, debt, or bring in a partner? Each has a different cost and a different implication for control and future value.
- **The value lens** — the same moves that grow the practice (ancillaries, provider depth, clean reporting) also raise its valuation multiple. Growth and exit-readiness are the same work.
- **Scenario planning** — model the upside, base, and downside case for each move, so a slow ramp is a planned-for scenario, not a crisis.

THE CONNECTION TO TRANSACTION VALUE

Growth builds the multiple

Every discipline that makes growth safe — segmented reporting, provider depth, ancillary revenue, reduced owner dependence — is also exactly what raises the multiple a buyer will pay. A well-run growth plan is exit-preparation whether or not you ever sell.

Build a growth plan you can fund.

MCS Advisory builds business plans and growth models for practices, ASCs, and healthcare ventures — capital, ramp, break-even, and sequencing, modeled before you commit. Free clarity call. Veteran-owned, senior-led.

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