OPERATIONS, MODULE 5

Compliance and the medical director

Medspas sit where medicine, business and state law meet, and the rules are different in every state. After this module you know the seven areas every clinic has to have covered, the questions to ask about each, and why a gap here is not a leak but a hole.

> **This is not legal advice.** The rules below vary by state, change often, and depend on your facts. Everything here is a checklist of questions for your healthcare attorney and your state board, not an answer to them. Our state map is a starting point for what your state requires; the American Med Spa Association publishes state by state legal summaries and is the reference we check against.

The seven areas

Area	The question	What a gap looks like
1. Who may own the practice	Does your state require a licensed physician (or other clinician) to own the medical practice? If so, is the business side in a separate management company under a written agreement?	A non physician owning a medical practice in a strict state, or an agreement that pays the management company a share of collections
2. The medical director	Is there a written agreement? How often is the physician on site, and what does the state require? Are protocols signed and reviewed? Is the physician actually reachable?	A name on a certificate who has never visited, or an agreement with no duties in it
3. Who may perform which treatment	For each treatment on your menu, which license may perform it, under what supervision, with what training on file? Injectables, lasers, microneedling, IV therapy and weight loss medications all have different answers.	An aesthetician injecting, an RN performing a treatment the state reserves for NPs, training certificates missing from the file
4. The good faith exam	Before the first treatment (and on a schedule after), who examines the patient, in person or by telehealth, and where is it documented?	Treatments started with no exam on file, or exams performed by someone the state does not allow
5. Consent and charting	Is there a signed consent for each treatment type, and a chart entry for every visit with product, units, lot number, site and photos?	A consent signed once in 2023 for everything since; units missing from charts (Operations 1)

6. Patient information	Are the booking, texting, email and AI tools you use covered by business associate agreements? Is clinical detail kept out of texts and marketing?	Before and after photos posted without written consent; a texting tool with no agreement
7. Advertising, pricing and products	Are claims and before and afters compliant with your state's rules? Are prescription products sourced from licensed suppliers? Is the pharmacy relationship for compounded products documented?	Discount platform offers that break fee splitting rules; product bought from an unlicensed source

What a buyer's lawyer does with this list

Reads every agreement in week one of diligence (Advanced 6). A missing medical director agreement, an aesthetician performing a reserved treatment, or a management fee set as a percentage of collections is not a discount; it is a deal that stops until it is fixed, and sometimes a deal that does not close. The file that answers the seven questions above, with the documents behind each, is worth more than any marketing you will ever buy.

The compliance file

1. Medical director agreement, signed, with duties, visit frequency and compensation.
2. A license and training record for every clinician, with renewal dates.
3. Written protocols for every treatment, signed by the medical director, reviewed annually.
4. Consent templates by treatment, dated, with the version history.
5. The good faith exam policy: who, when, how documented.
6. Business associate agreements for every tool that touches patient information.
7. Supplier and pharmacy documentation for every product.
8. The state's rules for your treatments, printed, with the date checked.

> **Where Benchmark comes in.** The compliance check in the sprint walks the seven areas against your state's rules and flags every gap for your attorney to confirm. It is not legal advice; it is the list your attorney wishes you had brought. The file is kept current on the monthly plans, and it is the first folder in the data room when the time comes.

Try it yourself

- [ ] Find your medical director agreement. Check that it names duties and visit frequency, not just a fee.
- [ ] For each treatment on the menu, write who performs it and which license they hold. Look up your state on the map.
- [ ] List every tool that sends texts or emails to patients. Confirm a business associate agreement is on file for each.

Check yourself: Operations 5

A medical director agreement that names a fee and nothing else is

- Fine, the fee is what matters
- A gap; duties, visit frequency and protocol review need to be in it
- Only a problem at sale

A name on a certificate is what regulators and buyers look for first.

Who may perform a given treatment is decided by

- The clinic owner
- Your state's rules, by license and supervision level
- The device manufacturer

Different in every state, and different for each treatment.

A text saying "your filler touch up is due" is a problem because

- It is too short
- Clinical detail is leaving through a channel that may not be covered
- It is not

Keep clinical detail out of texts and use tools with a business associate agreement.

In diligence, a missing good faith exam policy is usually

- A small discount
- A stop until it is fixed, and sometimes the end of the deal
- Ignored

Compliance gaps are holes, not leaks.

The compliance check in the sprint is

- Legal advice
- A checklist against your state's rules, with gaps flagged for your attorney
- A guarantee

We find the questions; your attorney gives the answers.

Pick an answer for each question.

Want this done, not just explained?

The 10-Day Sprint finds the leaks for $1,000, one time. After that, on the plan, the scorecard keeps coming and at least one growth initiative is executed with you every month. Plans from $2,299 a month. Everything in this module is part of that work.

See the sprint and pricing | Text Nate

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