



PRACTICE TRANSITIONS

CLIENT CASE STUDY

'I Just Wanted to Be Fishing More and Working Less': Rural Doctor's \$2M All-Cash Deal

UNDERSTANDING TRUE PRACTICE VALUE

After 35 years practicing medicine, with the last 20 as owner of a multi-provider family medicine clinic in rural Texas, Dr. A was ready to retire. She had questions about her practice's market value and what buyer options existed for her clinic.

"Honestly, I just wanted to be fishing more and working less, but I had no idea what that would take," Dr. A explained during our initial conversation. "I had no idea what this place was worth or who would even want to buy it."

The practice had multiple revenue streams, including patient care and nursing home contracts.

Dr. A needed clarity on which elements would transfer to a buyer and how to position the practice to maximize value in the current market.

Despite generating substantial revenue through her multi-provider operation, Dr. A had limited exposure to the M&A market and needed guidance on buyer types, deal structures, and realistic valuation expectations for rural primary care practices.

STRATEGIC BUYER TARGETING FOR RURAL PRIMARY CARE

Our team recognized that Dr. A's practice had strong operational fundamentals that would be attractive to strategic buyers. The multi-provider model, established patient base, and rural location created specific value propositions that needed to be positioned correctly.

COMPREHENSIVE DUE DILIGENCE MANAGEMENT

The buyer conducted thorough reviews across clinical, regulatory, and financial areas, with particular focus on understanding the practice's revenue streams and patient management systems.

Our team coordinated multiple management presentations between Dr. A and the acquisition team to review practice operations, patient demographics, and transition planning.

A challenge emerged when the buyer disclosed they were simultaneously pursuing a larger acquisition and requested to split the purchase price in half at closing. We worked with both parties to structure a solution that provided transaction certainty while managing the timing constraints.

"Look, I just want to get this done," Dr. A said when presented with the payment timing options. "At my age, I'm not interested in dragging this out forever."

THE STRATEGIC BUYER MATCH

Despite multiple offers, one buyer emerged as the optimal fit: a private equity-backed group focused specifically on family medicine and internal medicine acquisitions in Texas.

This buyer understood rural primary care economics and had operational experience with similar practice models.

The strategic alignment was clear; they valued the established patient base, multi-provider structure, and rural healthcare reimbursement positioning. They also recognized primary care's role as a referral source and understood emerging value-based care models that provide bonus payments for population health management.

Dr. A accepted the delayed payment structure to ensure deal completion, prioritizing transaction certainty over payment timing.

STRONG FINANCIAL OUTCOME

The final transaction reached over \$2 million, approximately 100% of annual revenue, and roughly four times Dr. A's annual compensation. The deal structure provided 100% cash payment with no ongoing equity requirements or performance obligations.

"I'll be honest, I never thought I'd see numbers like this," Dr. A reflected after reviewing the final terms. "When you've been working for 20 years, you don't really think about what someone else might pay for what you've built."

The transition period was limited to six months, allowing Dr. A to step away from daily operations quickly while providing appropriate continuity for patients and staff.

The sale provided Dr. A with the financial security to pursue her retirement plans, trading her daily patient schedule for time at her lake house and travel she'd been putting off.

Practice Transitions Group prides itself on helping healthcare practice owners understand their options when it comes to a transition of their practice. Once the options are understood, we execute the transaction on the doctor's behalf in a way that achieves maximum results. We enjoy achieving our clients and our own goals while providing the best customer experience possible.

Call us at (512) 761-7101 or send us an email at info@practicetransitionsgroup.com to explore your healthcare real estate needs.

