



The First 6 Months: A Private Practice Launch Guide

Ashley Osio, MSW, LICSW

****Disclaimer: This guide is based on my personal experience starting a solo psychotherapy practice in Minnesota and is intended for general educational purposes only. It is not an exhaustive list of everything you may need to do when starting or operating a private practice. Requirements vary by state, license, business structure, and payer. This is not legal, tax, accounting, billing, or regulatory advice. Always verify current requirements with your licensing board, appropriate state and federal agencies, and/or qualified professionals.*

Month 1: Foundation

The goal this month is simple: become a legitimate business and get your basic financial and legal pieces in place. Don't worry about making everything pretty yet!

- **Decide on your niche.**
 - Don't overthink it-you can refine it later, and you most likely WILL! Think about who you enjoy working with, what problems you feel confident treating, and who you want to become known for helping.
- **Choose a business name.**
 - This part is fun! Some clinicians practice under their own name, while others create a separate practice name. Either can work. Before you fall completely in love with a name, check that it isn't already being used and look for available website domains and social media handles.
 - **Minnesota clinicians:** You can search existing business names through the Minnesota Secretary of State.
- **Form your LLC (or other appropriate business entity).**
 - **In Minnesota,** you can register your business through the Minnesota Secretary of State: sos.mn.gov
 - You'll pay a filing fee and provide basic information about your business.



- **Save copies of your formation documents somewhere safe-** you'll need your business information again and again.
- **Important: Business structures and tax situations vary.** I'm a therapist, not an attorney or accountant, so talk with a qualified professional if you're unsure which structure is appropriate for you.
- **Apply for an EIN (Employer Identification Number).** An EIN is essentially your business's federal tax ID number, issued by the IRS. You do not need employees to have one.
 - **Apply directly through the IRS:** irs.gov/ein
 - It's FREE! You do not need to pay a third-party company to obtain an EIN for you.
 - **Save your EIN confirmation letter.** You will likely need it for banking, taxes, credentialing, payment processors, and other business accounts.
- **Minnesota Providers: Complete applicable Minnesota tax registrations.** Depending on your practice, you may need to register with the Minnesota Department of Revenue for a Minnesota Tax ID and/or applicable state taxes. Mental health providers should also determine whether they are subject to Minnesota's Provider Tax and what registration/filing requirements apply.

****If you are outside of MN check your state tax laws for solo provider tax registration requirements. ****
- **Open a business checking and savings account.**
 - Keep your business income and expenses separate from your personal finances from the beginning. Future you-and your accountant-will thank you!
 - Compare business accounts before choosing a bank or credit union. Look at monthly fees, minimum balances, transaction limits, and whether the account integrates with any bookkeeping system you plan to use.
- **Purchase professional liability/malpractice insurance.**



- Don't assume another policy covers your private practice. Make sure you have your own appropriate professional liability coverage before you begin seeing clients. Your professional licensing board may offer options or have resources about this. I asked other local clinicians and found someone in my area that works with solo practitioners.
- Compare coverage limits, what's included, and whether additional business coverage makes sense for your situation.
- **Set up HIPAA-compliant business email.**
 - Don't use your regular personal Gmail account for client communication.
 - Choose a service that supports HIPAA compliance and will enter into a Business Associate Agreement (BAA) with you when required.
 - Remember: simply putting a HIPAA disclaimer at the bottom of an email does not make your email HIPAA compliant.
 - Through my website platform (I use WIX) I have set up business email through Google Workspace. I do pay a low monthly rate for my email (\$5.99) but obtaining HIPAA compliance was free and fairly easy.
- **Create a simple startup budget.**
 - **You do NOT need a fancy spreadsheet yet.** Start by listing your expected monthly and annual expenses: office rent, EHR, malpractice insurance, website/domain, phone, email, licensing, CEUs, marketing, accounting/bookkeeping, taxes, etc.
 - Be conservative about adding recurring expenses while your caseload is still small. Those \$20–\$50 monthly subscriptions add up FAST.
- **Decide whether you'll accept insurance, private pay, or both.**
 - This decision affects your fees, paperwork, credentialing timeline, marketing, billing systems, and how quickly you can begin seeing clients.
 - If you're considering insurance, start researching credentialing early. It can take time.
 - If you're private pay, you'll also want to understand your obligations around Good Faith Estimates and the No Surprises Act as well as opting out of MEDICARE.



- **Determine whether you need to opt out of Medicare.**

- I am a Clinical Social Worker (LICSW). Clinical social workers are Medicare-eligible practitioners. You will need to verify if this is the case for your specific license type.
 - For LICSWs, If you plan to see Medicare beneficiaries on a private-pay basis rather than bill Medicare, you generally need to formally opt out of Medicare and have a Medicare-compliant private contract with each Medicare beneficiary. If you don't see/or choose not to see Medicare beneficiaries, CMS says you don't have to enroll or opt out. Don't assume that being “private pay only” automatically exempts you from Medicare requirements.

Opting out involves submitting an **opt-out affidavit**, and the opt-out generally **automatically renews every two years** unless you take action to cancel it.

By the end of Month 1, aim to have:

- √ Your business registered
- √ EIN obtained
- √ Business bank accounts opened
- √ Malpractice coverage in place
- √ HIPAA-compliant email established
- √ Basic understanding of how you're going to get paid.

That's enough. Seriously! You do not need a gorgeous website, perfect branding, professional photos, seven certifications and matching pens before you're allowed to move on to
Month 2!!



Month 2: Build Infrastructure

The goal is to make it possible for someone to become a client.

- Choose a system to use as your Electronic Health Record (EHR). There are several on the market such as SimplePractice, Sessions Health, Therapy Notes, etc. I use SimplePractice (All in it costs me \$79 basic monthly plan + \$39/mo Note taking tool). Ask around and see what other people are using and what they like about it.
 - Create a scheduling System. Ideally a good EHR will make this fairly easy. But for your first few clients its ok if this isn't completely set up yet.
 - Along the same lines, create invoices/superbills if private pay. Again, you can automate this in a good EHR.
 - If you're struggling to learn a new system like I was, you're not alone! My brain was fried after all the other tasks I was working on. The videos on the platform helped a ton, but ultimately, I decided to outsource support and hired a local clinician to train me in using SimplePractice. It was worth EVERY PENNY!
- **Create intake paperwork and consent forms.** SimplePractice and other EHRs have templates you can easily customize which saves SOOO much time. Otherwise, ask around. Many clinicians are happy to share basic forms or outlines with those just starting out.
- **Set your Rates.** Research your area, don't undersell yourself but don't price yourself out yet either, you can always raise your rates.
- **Develop cancellation/no-show policies.** Post this on your website.
- **Set up telehealth** (usually part of EHR). I've used Doxy.me (Free) and Zoom in the past. SimplePractice has this built into their platform. Many EHRs offer secure telehealth included in your plan. Ive recently noticed Psychology Today now includes a platform for virtual sessions included in your monthly membership.
- **Secure office space—or decide to stay virtual for now.** Consider joining forces with another clinician and sharing an office, asking around about sublets a few days a week, or searching local therapist Facebook groups. **DO NOT SPEND MORE THAN YOU CAN AFFORD ON OFFICE SPACE.** I almost got myself into deep trouble because I fell in love with an office that was much larger—and way more expensive—than I needed when I was starting out. Don't let the dream die, just pace yourself. It's okay to build slowly. You can start virtually, sublet a space part-time, and move into your dream office once your caseload and income can actually support it. **Your first office doesn't have to be your forever office either.**



By the end of Month 2: Congrats! You could technically see your first client!

Month 3: Build Your Brand

The goal is to make it easy for people to understand what you do. **Remember:** *Done beats perfect.*

- Identify your ideal client
- **Write a clear elevator pitch & develop your messaging.** It doesn't have to be perfect! It just needs to be simple enough that you can remember it and comfortably answer when someone asks, "What do you do?" Try to include who you work with, what you help them with, and what makes your approach or specialty unique. Skip the clinical jargon—you want another person to immediately understand your work and think, *"Oh! I know someone who needs that!"*
- **Design a logo (optional).** Etsy has a lot of cheap options for hiring someone to create logos. Others use Canva and many don't have a logo at all. You can still have a thriving practice without a logo and beautiful website to match.
- Purchase a domain
- **Choose a website platform. Keep it easy!** Wix, Squarespace, and WordPress are common options, along with therapist-specific companies like Brighter Vision and TherapySites. I use Wix and built my website myself. **You do not need an expensive custom website to get started!** Pick something that's easy for you to update because, trust me, you WILL change it tomorrow, next Tuesday and randomly in the middle of the night! 😊
- Set up a Google Business Profile
- Order business cards or a flyer. I don't have business cards, but I do have a virtual marketing flyer I can text or share with others. Decide what feels right for you. **Word of caution though: DO NOT ORDER 500 business cards!** Order 50 and see if you actually use them. You can always get more.
- **Set up a Psychology Today profile and list yourself on other therapy directories.** I've had mixed experiences with Psychology Today, and other clinicians seem to as well. Some swear by it and get a ton of referrals; others hear crickets. What makes one profile perform better than another remains a bit of a mystery. If you crack the code, please let the rest of us know—you could make millions. 😊



- **Consider insurance credentialing (if desired).** Credentialing can take several months, so start early! Some clinicians choose not to accept insurance at all—I don't, and I know many others who don't either. If you're completely private pay, you may want to consider offering a limited number of sliding-scale spots to increase accessibility. Another option is doing 1099 work with a group practice where you may be credentialed through the group while keeping your own practice private pay. And plenty of clinicians choose to tackle the credentialing process themselves and accept insurance directly through their practice. **There are pros and cons to every model, so do your research and choose what makes the most sense for you and the practice you want to build.**

Month 4: Start Marketing!

Every week:

- Reach out to 3–5 referral sources
- Invite someone for coffee
- Join local therapist Facebook groups
- Connect with physicians, attorneys, schools, wellness providers, dietitians, etc.
- Share your practice on social media
- Let friends and family know you're accepting clients

Marketing is mostly about building relationships. Most therapists become full through good relationships that become consistent referral streams.

Month 5: Fill Your Caseload

As inquiries come in:

- Respond quickly
- Offer free 15-30 minute consultations
- Ask every client how they found you!



- Refine your niche based on who you love working with

Keep networking even after clients start coming. Most private practices grow from warm handoffs and referrals more than anything else.

Month 6+: Work ON the Business

Once clients are coming in:

- Raise rates for new clients when appropriate
- Develop workshops or groups
- Improve systems and workflows
- Invest in CEUs that fit your niche & continue refining your brand
- Review your numbers monthly: revenue, expenses, average fee, referrals, inquiries → consults → clients
- Track where referrals actually come from and put more energy there!
- Create a simple financial system for taxes, retirement, PTO, CEUs, and slow months
- **Review your caseload:** Which clients/specialties energize you? Which ones are pulling you away from the practice you want? I can't stress this enough! You went into private practice to be your own boss and do therapy the way YOU want to. Fine tune your niche as you go so ultimately, you're doing work you love! Continue to put your energy into educational opportunities and CEUs that support your niche!

YOU DID IT. NOW GO SEE SOME CLIENTS!!



12 Things I Wish I Had Known From Day 1

1. **Don't wait until everything is perfect.** Launch before your website is perfect. You can always tweak it along the way. I redesigned my site 4 times before I landed on what felt right and described me to a T. **Your first website won't be your forever website.**
2. **Pick a niche sooner than feels comfortable.** You can always evolve it and after seeing clients for a while, you likely will.
3. **Networking is far more effective than social media.**
4. **Expect the first several months to feel sloooooow.** That's normal! You're not failing and it's not proof you shouldn't be doing this work. Building a business from scratch and learning how to market takes time, patience and effort. There will be tears! We are used to being the experts and likely the ones people come to for help. Don't take the most painful route possible by judging yourself and falling into anxious thinking. As you would tell your clients, be kind to yourself, remain curious, and above all ask for help when you need it. It's ok not to know. Cry when you need to and laugh at yourself often. Keep going. Building something sustainable takes time.
 - **Do not compare yourself to other clinicians.** I'm thrilled that Stacy built her practice in a month and had a full caseload within two. Good for Stacy!!! We can celebrate Stacy and also recognize that her timeline has absolutely nothing to do with yours. Someone else filling their caseload quickly does not mean you're doing something wrong. Different niches, markets, networks, finances, schedules, and plain old luck create very different timelines. **Your practice is allowed to take the time it takes.**
5. **The therapists who consistently market are the ones who build sustainable practices.** Consistent marketing matters, even after clients start coming in. Unless you live in an area with very little competition, you'll likely need to continue making yourself visible and staying connected with other professionals who can become referral sources.
6. **Build your practice around the life you want, not the other way around.** Decide what your ideal week looks like first (days worked, hours, income goals, vacations), then design the practice to support that vision instead of saying yes to things you don't want.



- **Along those same lines, create boundaries around your schedule before your calendar fills up.** Don't say yes to evening clients if working evenings isn't sustainable for you. Get into the practice of doing this right from day one. You can thank me later.
7. **Learn the basics of SEO (Search Engine Optimization) or hire someone to help.** SEO is basically helping Google understand **who you are, what you do, who you help, and where you practice** so your website can show up when potential clients search for a therapist. Use clear words and phrases throughout your website that your ideal clients might actually type into Google (for example, "anxiety therapist in Minneapolis" or "couples therapy in St. Louis Park"). **You can have the prettiest website in the world, but it won't do much for you if no one can find it!**
 8. **Revisit your fee annually rather than waiting until you're resentful about it.** You are not required to be a martyr and work for less than your expertise and experience is worth.
 9. **Relationships will take you farther than constantly posting on social media.** Every coffee meeting and professional connection compounds over time and eventually translates into our favorite word:
REFERRALS!

Build those relationships in both directions. Become someone other therapists and professionals trust enough to refer to, and be someone who sends thoughtful referrals their way, too. If Instagram is your thing, great! But don't neglect relationships with clinicians, physicians, attorneys, and other professionals who regularly encounter the clients you serve.
 10. **Automate repetitive admin wherever possible.** This is where having a good EHR (electronic health record) system can save you a ton of time. I use SimplePractice and really like it because I can automate many of my routine administrative tasks. I've also heard good things about TherapyNotes. Remember: you're paid for your time with clients, not for spending three hours doing admin afterward. Keep your systems as simple as possible.
 11. **Your session fee is not your hourly wage.** If you charge \$180 for a session, you aren't making \$180 an hour. Taxes, cancellations, office rent, EHR fees, liability insurance, CEUs, licensing, health insurance, unpaid admin time, vacation, sick time and retirement all have to come from somewhere. Set your fee based on what it actually costs to run your practice and support yourself—not just what feels comfortable charging.



12. Don't confuse preparing with building. You can spend months tweaking your logo, taking another training, rewriting your website and researching the perfect EHR because those things feel productive—and sometimes they are. But eventually you have to get out from behind your computer and tell people what you do. A perfectly branded practice that nobody knows exists is still an empty practice.

IF NO ONE HAS SAID IT YET, CONGRATULATIONS!!

You've made it this far, worked your butt off and are stronger than you thought possible! Make sure to enjoy the journey and celebrate all the tiny wins along the way!

A little About Me!



I created this guide because when I started building Cove Therapy, I had the clinical experience—but absolutely no idea how to build a business. I learned a lot through trial and error (and doing more than a few things backwards!), and I wanted to make the process a little easier for the next clinician.

Everyone goes into private practice for their own reasons. For me, **Cove Therapy** was about building a practice that felt like me: warm, human, relational, and centered around work I genuinely love. Today, I work primarily with women navigating burnout, invisible labor, life transitions, and the patterns that leave them feeling disconnected from themselves.

If this guide saves you a little time, money, stress, or frantic Googling along the way, then it did exactly what I hoped it would. **I'm rooting for you and the practice you're building!**

Warmly,

♥ Ashley Osio, MSW, LICSW
Cove Therapy
www.covetherapymn.com