

# Dr. Ambay Case Study



## **A NOTE FROM THE AUTHOR**

When I contacted Dr. Raj Ambay to obtain a few additional notes about his practice and loan with Live Oak Bank, I was expecting a pleasant conversation. I was aware of his impressive accomplishments and I was looking forward to hearing more of his story. I did, however, underestimate just how remarkable the doctor is. Dr. Ambay is easily one of the most interesting people I have spoken with in a long time. He is a decorated Army veteran turned entrepreneur, surgeon and medical software developer that still devotes his life to helping others recover theirs.

It has been hard to condense his story down to a few pages. I am not sure I can do him justice in so few words. So here is an overview of his story – but, if you ever run into the Dr. Ambay, I suggest buying him a cup of coffee and getting him to tell you the whole story himself. You will not be disappointed.

## **PURSUING THE AMERICAN DREAM**

Raj met his wife, Aparna, in 1993. They got married just two years later. Thus, began a true American Dream story.

Medicine is a second career for both Raj and his wife, Aparna. Raj's first career was the military. Aparna, who is also very impressive, was an EKG tech before getting her MBA and then Masters of Public Health. Aparna had always wanted to be a doctor and to own a practice. When over the years people told Raj that they thought he would make an excellent doctor as well, it soon became a shared dream for the couple.

Both Raj and Aparna came from families of modest means, who had never produced a doctor before and didn't have the ability to help support them through medical school. They knew if they were going to do this, the two were on their own. They gave up everything to go to the Medical College of Pennsylvania together (now part of Drexel) and made a deal – if one failed, that person would drop out of medical school and help support the other. They were both so afraid to fail that they worked tirelessly and sacrificed everything to succeed. Eventually, their efforts paid off. They got into two of the most competitive specialties in the medical industry! To get residencies in these fields, students must be in the top 10% of their class with less than 250 residency spots in the country.

## **TRAGEDY STRIKES**

Raj joined the military in 1996. He is a decorated colonel in the US Army Reserve and has received the Combat Action Badge, two Army Commendations, US and NATO Medals as a CSH and Forward Surgical Team Member assisting U.S. Special Operations in Iraq and Afghanistan.

On September 11, 2001, the Ambays were in school in Philly watching the twin towers come down on TV. Although Raj was finishing medical school, he was deployed one and a half months later. Luckily, his school did not penalize him for leaving for the service of our country and allowed him to use his military

medical service as credit towards his degree. When it was time for Raj to graduate, the army gave him 24 hours to fly from Fort Bragg, NC back to Pennsylvania for graduation.

He has served in the military a total of 21 years – in combat roles from 1996-2002 and as a military surgeon from 2002-2014.

## **DEFINING HIS MEDICAL CAREER**

Dr. Raj Ambay had spent most of his surgical career in the military. As a result, he had a lot of experience in trauma surgery. He saw crazy injuries not commonly seen in US trauma centers – injuries from IED blasts, shrapnel dipped in rat poison, multiple limbs loss in a single soldier or an entire unit. He had to be nimble and diagnose quickly from his medical acumen rather than lab tests and CT scans.

When deciding which direction to take his career, he wanted to continue practicing in a way that would allow him maximum patient interaction and the ability to provide long-term, life- changing care. He found this in reconstructive surgery, which enables people to get their life back and feel better about themselves.

## **INDUSTRY INNOVATION**

Not only is Dr. Raj Ambay a decorated veteran and successful doctor, but he is also an entrepreneur.

He created Nine Line Medical, a software platform to improve scheduling. According to Dr. Ambay, “While most practices take a static approach to scheduling, Nine Line offers a dynamic approach – like a GPS that reroutes you when you get off track.” At its most basic level, the point is to make scheduling dynamic so you can pre-determine if you will be off schedule and automate messages to patients with their new appointment time so that they can plan accordingly versus sitting and waiting in the office. “A measure of a good doctor used to be how booked up he was, but now everyone’s time is important, not just the doctor. The software is designed to value the patients’ time and make the doctor more efficient by staying on time.” says Dr. Raj Ambay.

Aptly named, Nine Line is a field term used in the military. It’s a specific code that allows people in the field to communicate with medics so they can be prepared to offer the best care possible when a wounded armed service member reaches them.

The idea for Nine Line started when Dr. Ambay was in the military. He was hit by a rocket- propelled grenade in 2014, and while in a military hospital, he had to wait for hours on a gurney for treatment. He became frustrated with the inefficiency of the military medical process. He realized this inefficiency was common in the civilian medical system as well.

Both practices began using this software in 2015, and both report an immense improvement in scheduling and collection efficiencies.

## **AMBAY PLASTIC SURGERY**

Dr. Raj founded Ambay Plastic Surgery & Suncoast Breast Restoration in Tampa, FL in 2013. The practice offers an array of cosmetic surgical and non-surgical procedures but specializes in reconstructive breast microsurgery. Dr. Ambay is regarded as one of the most prestigious plastic surgeons within the breast

cancer field earning the American Society of Plastic Surgeons Presidents Award in 2014. He is one of only a select few plastic surgeons in the US who performs two niche and highly advanced breast cancer reconstructive surgeries; many patients travel hundreds of miles just to see him.

Due to his success, Dr. Ambay's practice was growing rapidly, and his previous facility was unable to keep up with the demands and needs of his patients. In addition, 30% of his revenues were being paid to surgical facilities to rent the operating rooms.

### **360 DERMATOLOGY**

360 Dermatology, founded in 2012 by Dr. Aparna Ambay, offers general dermatology care and specializes in skin cancer, MOHS surgery, dermal fillers and Botox. Before the new facility, she added three new service lines, as well as a call center that yields an average of 153 calls per day. Dr. Aparna needed additional space to hire another dermatologist, two nurses and an esthetician as well as a space to offer laser procedures. As skin cancer cases are increasing, she also found she required a larger lab space. Their previous leased space did not have the capacity to meet this growing demand.

A recent consultant evaluated the practice, revealing that there was approximately \$252,000 of unrealized revenue in skin cancer reconstruction, which the practice previously referred out as it can only be completed in a surgical center. Some of this was referred to Ambay Plastic Surgery; however, given their scheduling overflow from a lack of space as well, Ambay Plastic Surgery had not been able to meet the full demand.

### **THE SOLUTION – EXPAND THE OFFICE AND CREATE A SURGERY CENTER**

Drs. Raj and Aparna Ambay, both needing new practice facilities, decided to also create an Ambulatory Surgery Center. Aptly named Transformations, they envisioned a tech-focused center that would allow patients to receive all their treatments efficiently and under one roof. A new surgical facility within Transformations would capture lost revenue, expand the scope of their product lines, reduce inefficiencies, improve employee and patient satisfaction and create a unique business offering in their marketplace. More importantly, they wanted to provide a high level of healthcare without investors and healthcare administrators, placing profits above people.

With complementary practices, it always made sense to share a facility. In addition, the new software that they developed could be beta tested at Transformations. No wait times, and lights, temperature, artwork and music all work on IOT (*internet of things- change in every exam room to meet the personal tastes of patients*). They created partnerships with tech companies in Tampa, Austin TX and Silicon Valley. In short, they wanted a facility that was truly "smart" and would generate data to help them excel in the new healthcare environment.

### **THE RIGHT PARTNER – LIVE OAK BANK**

Every dream needs a partner, and while Raj found that in Aparna, they also needed a financial partner to make their dream a reality. Fortunately, they found Live Oak Bank.

Before our project, both practices operated out of a shared 3,850 square foot leasehold with no surgery suite, only five exam rooms for 360 Dermatology, and only two exam rooms for Ambay Plastic Surgery.

With a \$4,000,000 loan from Live Oak Bank, they could refinance an existing loan for the land purchase, ground up construction for their new facility and new equipment for the surgery center.

“Very few banks will visit you, look you in the eye, shake your hand and go to bat for you. Most banks just look at your PNL and make a decision on paper. I got the loan because Live Oak believed in my vision. Everyone at Live Oak has been amazing. Even during the nightmare of construction and later Hurricane Irma, Live Oak stood by me. Most banks wouldn’t do that,” said Dr. Raj Ambay.

“I am so grateful for Live Oak. In the Army, every soldier has a battle buddy when you deploy to a theater of combat— a person who will stand beside you no matter the hardships. He always has your back. When I came home, I needed a battle buddy for my civilian career. Live Oak had more than just a fancy brochure, commercial or a jingle; they had my back. Loyalty and honor is everything.

### **WHERE ARE THEY NOW?**

Ambay Plastic Surgery & Suncoast Breast Restoration opened their doors on May 20, 2017. In the following months, they have been ecstatic with the results. “Patient satisfaction has increased –patients have told us they think our new facility is beautiful! Two local newspapers and three television stations have featured our facility. Recently, we were nominated for Business of the Year and Business Leader of the Year,” says Dr. Raj Ambay.

It took six months to get the surgery center accredited with the state, but since they became accredited in August, revenues have gone up 30% just from keeping their surgeries in-house. Because of the facility garnering so much attention, they have had more than 30 surgeons ask if they can rent the operating room for their surgical cases. Also, because of the technology in the building, tech firms have asked for tours.

In conclusion Dr. Ambay stated, “It was a rough time getting the facility open, and we are just now getting our bearing; but we expect the revenues to grow exponentially when we get our stride in the first quarter of 2018. Right now, I am focused on stabilizing our financial revenues and implementing our plan for growth. Then the only question becomes, *What next?*”