

Understanding Clinic Overhead

VANCOUVER DIVISION OF FAMILY PRACTICE: ASSOCIATE EDUCATION

Based on a financial review of 15 Vancouver primary care clinics. Please refer to the *Clinic Profiles Project - June 2025* for the full report.

AVG COST PER PHYSICIAN FTE

\$108K

per year across all clinics

AVERAGE BREAKEVEN OVERHEAD

22.4%

range: 16.2–29.1%

STAFF COST PER FP FTE

~\$50K

approx. 1 full-time MOA at \$24/hr

WHERE THE \$108K GOES

Staff 48%

MOAs, coordinators, front desk

Space 27%

Rent, utilities, maintenance

Operational 25%

EMR, IT, supplies, insurance

Proportion of total annual operating cost per physician FTE

OVERHEAD SUSTAINABILITY THRESHOLDS

AT 30% OVERHEAD

All 15

clinics achieve positive net income (>\$10K/FTE)

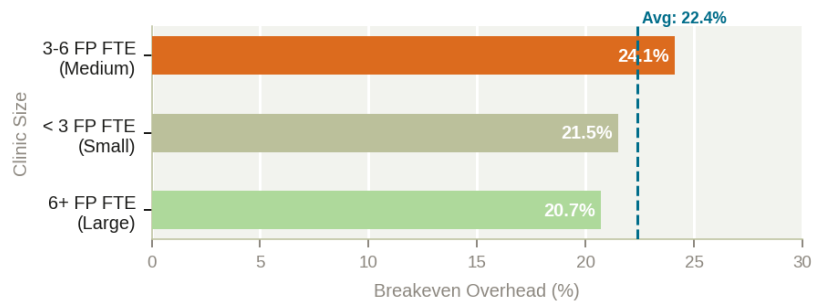
AT 25% OVERHEAD

3 of 15

clinics operate at a loss; 3 more net <\$10K/FTE

The average breakeven is 22.4%. Clinics need overhead above this to cover costs, plus a buffer for staffing variability and unexpected expenses.

AVG BREAKEVEN OVERHEAD BY CLINIC SIZE



BUSINESS MODEL SNAPSHOT

Model	Avg billing / FTE	Avg expenses / FTE	Breakeven OH	Op. margin (30%)
Fixed split	~\$380K	~\$100K	23.2%	32.2%
Cost share	~\$490K	~\$105K	21.6%	29.2%
Solo clinic	~\$631K	~\$132K	21.9%	27.0%

Fixed split clinics benefit from economies of scale — lowest expenses per FTE. Solo clinics bill the most but carry all costs independently.

WHAT THIS MEANS FOR YOU

Overhead rates exist within a real financial context, not as arbitrary numbers. This data can help you evaluate whether your clinic's overhead is typical, ask informed questions, and understand the tradeoffs between business models.

A typical breakeven for a Vancouver primary care clinic falls between 16–29%, averaging 22.4%. Overhead rates in the 25–35% range reflect that clinics need a buffer above breakeven: **this is not profit-taking.**

Data from 15 Vancouver clinics: fixed split (47%), cost share (33%), solo (20%). All figures are normalized per FP FTE unless stated. The quality of care and patient outcomes are outside the scope of this financial analysis. [Click here](#) or scan the QR code for the full report.

