



MILESTONE
CERTIFIED PUBLIC ACCOUNTANTS

THE PRACTICE PARTNERSHIP™

Mental Health NPA Practices

A Practice Partnership™ built for California mental-health agencies (LMFT / LCSW / LPCC / Psychologist) — the engine behind your ERMHS practice.



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01 | UNDERSTANDING YOUR PRACTICE

You carry two jobs at once: the clinical obligations of a licensed professional, and the operator of an agency funded by the most documentation-hungry money in school-based care.

Educationally Related Mental Health Services flow through the ISA — but braid in county Mental Health Plan and Medi-Cal dollars and suddenly every stream has its own cost report, its own audit trail, its own way of going wrong.

We understand what is truly at stake here. In your world, a misallocated cost or an unreconciled funding stream is not just lost margin — it is audit exposure, and audit exposure threatens the funding your clients depend on. You did not train for years in clinical practice to become a cost-report accountant. So we become that for you: untangling the braid, costing the licensure tiers, and keeping the books in the defensible, review-ready condition this work demands.

The agencies that thrive are not the ones with the most clients — they are the ones whose back office can carry the growth.

02 | WHAT REALLY KEEPS YOU UP

Not the line items — the things that follow you home. We hear these from every owner we serve. Here is each one, in your words, and how we take it off your shoulders.

”

“The admin never ends — and it’s costing me my life.”

The reality. Billing, payroll, braided-funding paperwork, cost reports, renewals. The non-clinical work consumes your evenings and weekends, and the people and priorities that matter most get pushed aside.

How we carry it. We carry the entire administrative load — books, billing, payroll, cost-report prep, deadlines — so your time returns to your clients, your family, and your own growth.

”

“Money from several funders — did I bill and collect all of it?”

The reality. ERMHS, Medi-Cal, county MHP: you provide services across funders and have no clear view of what you billed, what you collected, or what each one still owes. Dollars you earned slip away unnoticed.

How we carry it. We track every dollar by funder and by program — billed, collected, and outstanding — so you see exactly what each source owes and nothing earned goes uncollected.

”

“I’m finally profitable — so why are the IRS and FTB taking half of it?”

The reality. Once profit crosses roughly \$500K, the FTB’s top brackets stack on top of the IRS, pushing a 50%+ combined marginal rate. Success can feel like it’s working against you.

How we carry it. We turn the tax wall into a plan — entity structure, reasonable comp, retirement and deferral vehicles, multi-entity design — so crossing \$500K rewards the practice you built instead of penalizing it.

”

“Would we survive a cost-report review?”

The reality. County and Medi-Cal cost reporting is unforgiving. Records that aren’t built for it become a scramble — or a finding that threatens your funding.

How we carry it. We keep your books in cost-report-ready condition year-round, so a review is a routine submission, never a threat to the funding your clients depend on.

None of this is solved by working more hours — you’ve tried that. It is solved by having the right partner in your corner. Someone who knows this business, shares your goals, and carries the weight that doesn’t need your license to carry. That is exactly who we are.

03 | COMMON MISTAKES WE FIX

We have watched good clinicians lose real money — and real time — to a handful of avoidable mistakes. None of them mean you did anything wrong. They mean no one was in your corner who had seen them before. Here are the ones we catch and fix.

- ✘ **Going it alone with the wrong help**
Using a general bookkeeper or a tax preparer who has never seen an ISA, a SELPA, or a CDE renewal — so problems are found too late, if at all.
- ✘ **Never choosing the right business structure**
Operating in a structure that ignores licensed-ownership and fee-splitting rules — a compliance problem, not just a tax one — and missing S-corp savings.
- ✘ **Not billing the entire contract**
Providing services across ERMHS, Medi-Cal, and county funding but never reconciling what was billed and collected by funder — so earned dollars quietly disappear.
- ✘ **Flying blind on cash flow**
No forecast against the 45–90 day reimbursement lag, so payroll becomes a monthly act of faith instead of a planned event.
- ✘ **Skipping a reasonable-compensation strategy**
Taking all profit as salary (or none as salary) and missing the single biggest lever an S-corp owner has to legally lower tax.
- ✘ **Growing straight into the tax wall**
Scaling past ~\$500K in profit with no plan, then losing half the next dollar to combined state and federal tax that planning could have softened.
- ✘ **Treating the CDE renewal as a surprise**
Letting the October 31 deadline arrive unprepared — risking the certification the entire business depends on.
- ✘ **Keeping records that can't survive an audit**
Records not built for county or Medi-Cal cost reporting — so a review becomes a scramble, or a finding that threatens funding.

If you recognized even two of these, you are leaving money or time on the table right now. The good news: every one is fixable — and preventing them is exactly what we do.

04 | WHY THE OLD OPTIONS FAIL

Every NPA owner has tried to solve this with one of three options. Each leaves a real gap — in expertise, in cost, or in control. We built the Practice Partnership™ precisely because none of them fit this industry.

The Generalist CPA Firm	The Equity-Taking MSO	The In-House Accountant
<p>Affordable and familiar — but they have never seen an ISA, a SELPA, or a CDE renewal.</p> <ul style="list-style-type: none"> ✗ No grasp of ISA billing, reimbursement timing, or LEA contracts ✗ Reactive tax filing, not proactive tax strategy ✗ No advisory, no multi-entity planning, no CFO guidance ✗ You stay the one catching the problems — usually too late 	<p>Promises to run your back office — in exchange for a piece of your company.</p> <ul style="list-style-type: none"> ✗ Wants equity, ownership, or control of your growth ✗ Designed to consolidate and eventually strip value from your practice ✗ Their upside, not yours, drives the decisions ✗ You lose autonomy over the business you built 	<p>A full-time hire — far more expensive, and still not enough.</p> <ul style="list-style-type: none"> ✗ \$90K–\$150K+ in salary, benefits, and overhead for one person ✗ Can keep the books, but rarely delivers tax strategy or advisory ✗ No multi-entity, exit, or growth planning expertise ✗ Concentrates knowledge — and risk — in a single employee

AT A GLANCE

	Generalist CPA	Equity MSO	In-House Acct.	Practice Partnership
NPA expertise	Generic	Wants equity	Limited	Specialist
Tax strategy	Reactive	Their benefit	Rare	Proactive
Ownership kept	100%	Diluted	100%	100%
True cost	Low / shallow	Equity + fees	\$90K–\$150K+	Flat fee

THE PRACTICE PARTNERSHIP™ DIFFERENCE

The Practice Partnership™ is the answer to all three: deep NPA expertise, true tax and advisory strategy, and a flat fee far below an in-house hire — with zero equity, zero control, and 100% of your business left in your hands.

05 | WHO DOES WHAT

No confusion, ever, about where our work ends and yours begins. This is the line we draw on day one and keep for the life of the engagement.

YOU HANDLE

The clinical mission — fully yours

- ◆ Clinical assessment, therapy, and ERMHS care
- ◆ Hiring and supervising licensed & associate clinicians
- ◆ Service delivery and clinical documentation
- ◆ Relationships with families, schools, and counties
- ◆ Final say on rates, contracts, and ownership structure

We never direct, review, or override clinical judgment.

WE HANDLE

The financial engine — carried for you

- Bookkeeping, accrual close, and financial statements
- ERMHS ISA billing oversight and receivables
- Braided-funding tracking (ERMHS / Medi-Cal / MHP)
- Cost-report preparation and support
- Payroll + licensure-tier cost tracking
- CDE renewal financials and the compliance calendar
- Tax planning and per-program / per-district P&L;
- Administrative-only structure that protects your license

One flat monthly fee. Every item below is included — no hourly billing.

Two lanes, one team. You keep the work you trained for; we take the work that keeps you up at night.

06 | WHAT SUCCESS LOOKS LIKE

You didn't start this practice to break even and burn out. You started it to do meaningful work, build something of your own, and live well doing it. These are the six wins we help you reach.

01

Reclaim Your Time and Energy

Hand off billing, cost reports, and deadlines so your focus returns to your clients, your family, and yourself.

02

Capture Every Dollar You Earn

See what's billed and collected by funder, so the money you earned across ERMHS, Medi-Cal, and county never slips away.

03

Walk Into Any Audit Calm

Keep cost-report-ready books year-round, so a county or Medi-Cal review is routine — never a threat to your funding.

04

Protect Your License and Structure

Operate with clean, compliant separation, so your ownership and your peace of mind are never in question.

05

Keep More of What You Make

Turn the \$500K tax wall into a plan, so the practice you built rewards you, not the tax board.

06

Grow With Confidence

See the true profit of every program, so you fund what works and build the practice you actually want.

07 | ABOUT MILESTONE



Most accountants treat an NPA like any other small business. We don't. We have studied how your world actually works — the ISA that functions like a prescription, the master contract that governs it, the LEA that pays on its own calendar, the October 31 deadline that can end your certification if it slips. When you talk, you won't have to explain what a SELPA is.

So we built something different. The Practice Partnership™ is a model we created specifically for California NPAs — not a generic accounting package, and not an MSO that wants a piece of your company. We take no equity, no ownership, and no control. We become the financial and advisory engine behind your practice: books, billing, payroll, tax strategy, and CFO-level guidance, all under one CPA-directed, flat monthly fee. You keep 100% of your business and your clinical authority. We carry everything else — and we answer within 24 hours, because when an LEA emails you on a Friday, Monday is too late.

THE FIRM

MODEL

Flat-fee, select clientele

RESPONSE

24-hour guarantee

FOCUS

NPA / school-contracted care

REGION

Tri-Valley & Greater Bay Area

OUR LANE

Administrative & financial only

YOUR LANE

100% clinical authority

OUR PROMISE TO YOU

You focus on changing lives. We make sure the business behind that work is strong, profitable, and built to last. That is the whole point of a partner.

08 | SCOPE OF SERVICE

Three flat-fee tiers, matched to your annual revenue — the truest measure of an agency’s complexity and needs. Each is a fixed monthly fee plus a one-time onboarding investment. You move up as you grow.

MOST POPULAR

MH Foundation

Practices with \$500K – \$1.5M in annual revenue

\$1,650
per month

\$1,750 onboarding

- Monthly bookkeeping & close
- ERMHS ISA billing review
- Payroll setup & processing
- Quarterly tax planning & estimates
- CDE renewal-fee reminder & support
- 2 advisory check-ins per year

MH Growth

Practices with \$1.5M – \$3.5M in annual revenue

\$3,450
per month

\$3,000 onboarding

- Accrual bookkeeping & monthly close
- Managed ERMHS ISA billing oversight
- Braided-funding tracking (ERMHS / Medi-Cal / MHP)
- Payroll + supervision-cost tracking
- Licensure-status cost tracking
- CDE renewal financial statements prepared
- Annual per-program / per-district P&L;
- 13-week cash-flow forecast
- 4 quarterly advisory meetings

MH CFO

Practices with \$3.5M – \$10M in annual revenue

\$6,500
per month

\$5,000 onboarding

- Multi-entity accrual close
- Managed AR + denial recovery
- Braided-funding tracking + cost-report support
- Full payroll + contractor pool logic
- Quarterly per-program / per-district P&L;
- 13-week forecast + scenario planning
- Growth advisory: strategic planning & geographic expansion
- KPI dashboards + acquisition support
- Monthly advisory meetings

UNDER \$500K IN REVENUE?

You still deserve real support. We recommend our fixed-fee, project-based services — entity setup, tax strategy, certification, clean books — so you get exactly the help you need now and grow into a monthly partnership when you’re ready. See the next pages.

09 | YOUR INVESTMENT

STARTING AT

\$1,650 /mo

Braided funding, licensed economics, review-ready books — carried by a team that protects your license and your funding.

MH Foundation Practices with \$500K – \$1.5M in annual revenue	\$1,650/mo \$1,750 onboarding
MH Growth Practices with \$1.5M – \$3.5M in annual revenue	\$3,450/mo \$3,000 onboarding
MH CFO Practices with \$3.5M – \$10M in annual revenue	\$6,500/mo \$5,000 onboarding

THE FEE PAYS FOR ITSELF

For 95% of our clients, the tax savings from our strategies, support, and advisory exceed our fees — making the partnership effectively self-funding.

ONE FLAT FEE — NO HOURLY METER

Your monthly tier covers everything listed in its scope. Larger one-time needs — tax strategy, entity structuring, certification, audits, system builds — are handled as fixed-fee projects, detailed in the pages that follow.

10 | THE LAUNCH PACKAGE

Just starting out, or not yet certified? The Launch Package is a one-time, flat-fee program that stands up everything a new NPA needs to open its doors the right way — so you begin compliant, organized, and ready to bill from day one.

EVERYTHING TO OPEN YOUR DOORS

\$4,500 one-time · flat fee

✓ **Entity Formation & Structure**

LLC or S-corp setup, EIN, and the right structure to minimize tax from the start.

✓ **CDE NPA Certification Support**

We prepare and assemble your certification application and required financial statements.

✓ **Books & Systems, Done Right**

QuickBooks or Zoho set up with an NPA chart of accounts, billing, and payroll ready to go.

✓ **Banking & Insurance Guidance**

Help opening business banking and lining up the coverage an NPA is expected to carry.

✓ **Compliance Calendar**

Every deadline — CDE renewal, taxes, payroll filings — mapped for your first full year.

✓ **Founder Strategy Session**

A working session on pricing, contracts, and a roadmap to your first districts and hires.

IT PAYS FORWARD

When you outgrow the launch stage, the Launch Package fee credits toward your first three months of a monthly Practice Partnership™ — so getting started with us is never a sunk cost.

11 | FIXED-FEE PROJECTS

Beyond your monthly engagement, these are the one-time projects we handle at a flat, quoted fee — each a defined piece of work with a clear deliverable. Pricing shown is typical; your proposal will confirm the exact figure.

TAX STRATEGY & STRUCTURE

Business tax return (1120-S / 1065 / 1120)	from \$3,000
Personal tax return (1040)	from \$1,500
\$500K+ tax-reduction strategy & implementation	\$4,500
Multi-entity structuring & holding-company design	\$5,500
Entity formation + S-corp election	\$2,500
Reasonable-compensation study (S-corp owner)	\$1,800
Multi-state nexus & apportionment study	\$3,500
Retirement-plan design (Solo 401(k) / cash-balance)	\$2,800
Accountable plan & owner-benefit optimization	\$1,500

SYSTEMS & SETUP

QuickBooks / Zoho setup + NPA chart of accounts	from \$1,500
Billing & AR workflow build (by school / payer)	from \$2,000
Payroll & contractor system implementation	from \$1,500
Financial dashboard & KPI reporting build	from \$2,500

ADVISORY & GROWTH

Strategic consulting engagement (custom scope)	from \$5,000
RFP / LEA contract bid & proposal support	from \$3,500
Clinician recruiting & hiring support (per hire)	from \$3,500
Annual budget + multi-district rate-setting model	from \$2,500
Fractional CFO sprint (90-day scale / M&A; prep)	from \$9,500
Business valuation & exit-readiness assessment	from \$4,500
Acquisition / merger financial due diligence	from \$6,500
Cash-flow & profitability deep-dive	from \$2,000

COMPLIANCE & RISK

Employee handbook + reimbursement-policy build	from \$2,500
CDE NPA certification application (new)	from \$3,500
CDE renewal package + financial statements	from \$1,500
AB 5 / worker-classification audit file	from \$2,500
Workers' compensation audit support	from \$500
LEA master contract / ISA rate review	from \$1,500
Internal controls & fraud-prevention review	from \$2,500

12 | NEXT STEPS

1

A Conversation, Not a Pitch

We start by listening — your districts, your caseload, your cash-flow pinch points, what keeps you at your desk after the kids go home. No obligation.

2

A Clear, Flat-Fee Proposal

You receive a written engagement letter that names every service we own and every service that stays with you. One flat fee. No hourly meter, no surprises.

3

We Build Your Engine

We stand up your NPA chart of accounts, connect billing and payroll, and put the October 31 CDE renewal on a calendar we both watch. Onboarding is done with you, not handed to you.

4

We Walk With You

Month after month, we close the books, watch the cash, and meet on your cadence. As you add clinicians, districts, or funding streams, we are already built to scale alongside you.

A note on roles: Milestone provides administrative and financial services only. We never own, direct, or share in your clinical fees, and nothing here gives us authority over clinical decisions. Your license, your caseload, and your CDE certification remain entirely yours. We are the team behind your team.

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