

Face Value

"Medical spas" for cosmetic procedures are popping up all over the Twin Cities.

January 2008 | by [Fran Howard](#)



Dr. Patrick S. Carney, a board-certified dermatologist and cosmetic surgeon, opened his fifth clinic in 2003. But it was different than any of his previous offices. It had a different name, and a very different look.

The lobby of Skin Speaks Spa MD in Burnsville looks less, well, medical and more like a beauty spa, with bright pink walls, a grand stone fountain, and a stylishly curvilinear reception desk. It welcomes visitors to a local example of one of the fastest-growing types of clinical facilities in the country—the medical spa.

Medical spas aren't to be confused with day spas, which offer services like facials, massages, and body wraps intended to refresh and revive the skin. Few medical spas provide these services. What they do offer are cosmetic procedures, many of which involve the use of medical devices—particularly lasers used to permanently remove hair, reduce fine lines and acne scars, and tighten skin. Medical spas also offer injections of Botox, a muscle relaxant, and appearance-enhancing "dermal fillers" like Restylane and Juvederm.

While many of these procedures have long been performed by plastic surgeons, cosmetic facial surgeons, and dermatologists within their medical practices, some physicians, like Carney, have now entered into a whole new arena by offering such services in swank spa-like settings.

Typically, the procedures offered at medical spas are elective and thus not covered by insurance. But that hasn't stopped aging baby boomers and even young professionals from flocking to medical spas for treatments that promise to erase or prevent the ravages of time. Currently, a dozen or so medical spas, owned by plastic surgeons and dermatologists, are scattered throughout the Twin Cities. Another 50 are owned by registered nurses, aestheticians, entrepreneurs, and others who aren't MDs. Unlike some states, Minnesota doesn't require that medical facilities be owned by physicians. (Medical spas, since they use lasers and other devices, are considered medical facilities.)



Dr. Patrick S. Carney and Queenie Dahlin (right). Photograph by Sara Jorde.

Now some of the state's "core physicians"—dermatologists, plastic surgeons, and cosmetic facial surgeons, whose practices fit most closely with the medical spa service model, and who often oversee procedures, or at least determine procedure protocols, at these facilities—want to require medical spas to have supervising physicians on site at least some of the time. They also want to limit the performance of certain treatments to physicians and nurse practitioners.

Many medical spa owners, particularly (though not solely) non-MDs, believe that the additional expense is unwarranted, and that certain physicians are trying to keep the medical spa business largely to themselves. The Minnesota Medical Association has staked out a position of its own. So far, no legislation has been introduced. But many in the industry expect the state to tighten regulations on medical spas.

The Beauty Boom

Nationally, women are the biggest users of both cosmetic surgery and nonsurgical cosmetic procedures, accounting for 92 percent of the total last year, according to the New York-based American Society for Aesthetic Plastic Surgery. At Skin Speaks SPA MD, women are also by far the primary clients.

Since 1997, the total number of cosmetic procedures has increased by 446 percent, with surgical procedures rising 98 percent and nonsurgical treatments soaring 747 percent.

"The women in this state, this culture, the Scandinavian-German mentality, probably segues from 'Minnesota nice' to 'I am relatively content with who I am as is.' And yet I think there is a movement to break out of that," Carney says. "Minnesota men are not as metrosexual as men on the coasts. They are a little more content with their appearance as is."

Growth in the nonsurgical cosmetic treatments in which medical spas specialize is far outstripping that of surgical counterparts. According to the American Society of Aesthetic Plastic Surgery, nearly 9.6 million nonsurgical cosmetic procedures were performed last year in the United States, compared with only about 1.9 million surgical cosmetic procedures. Since 1997, the total number of cosmetic procedures has increased by 446 percent, with surgical procedures rising 98 percent and nonsurgical treatments soaring 747 percent.

According to the Illinois-headquartered American Society of Plastic Surgeons, the Midwest accounts for 15 percent of all minimally invasive cosmetic procedures given in the United States. That compares with the New England-Middle Atlantic region with 21 percent, the South Atlantic with 21 percent, the South Central region, also with 15 percent, and the West with 28 percent. The treatment that has gained the widest acceptance in the Midwest is laser skin resurfacing. The Midwest accounted for 29 percent of all such treatments performed in the United States last year, higher than any other region—except the West, with 30 percent.

Medical spas originated (may-be not surprisingly) on the West Coast about a decade ago; in the past five years,

they've rapidly spread across the country. Several factors have fueled their growth. "First, doctors are looking for sources of income to replace income lost to insurance companies," says Eric Light, president of the New Jersey-based International Medical Spa Association, who asserts that, on average, doctors collect 65 cents for every dollar they bill an insurance company. "Second, consumers are looking for new ways to manage aging. And third, manufacturers of lasers recognized a potential market with the cost of lasers coming down and with new uses for lasers, including hair removal and skin resurfacing."

But the factors driving the development of medical spas go back even further. In the 1980s, Carney says, "things started moving fairly quickly in the world of plastic and cosmetic surgery. It started interfacing more with dermatology. For example, new procedures—chemical peeling, microdermabrasion, fillers like collagen—were being offered for treating imperfections [and] for enhancing beauty. And they were directly related, for the most part, to someone's skin. As a dermatologist, it was a natural extension for me to be interested in enhancing someone's beauty through [his or her] skin."

It was patient demand, Carney says, that drove him to open his medical spa: "It occurred to me that there was one too many people coming into my office saying, 'I'm interested in these procedures. Do you offer them?' And I'd say, 'No, that can be done by your aesthetician or maybe by someone who is working with a plastic surgeon.'

"Yet I realized that an aesthetician or even a plastic surgeon [did] not have the expertise that I had as a specialist in skin or dermatology," he adds. "So I felt it was necessary to provide these services to patients or clients in a medically supervised facility."

That's how Carney became the first dermatologist in the Twin Cities to own, manage, and directly supervise a medical spa. "Now six [dermatologists] who have had a presence in the Twin Cities for 10 to 20-plus years have evolved our dermatology practices by adding a level of service called a medical spa," he says. "I'm the only one, though, that completed a fellowship through the American Academy of Cosmetic Surgery, so in addition to my dermatology expertise, I provide services that often times are only done by plastic surgeons—for example, facelifts, eye lifts, tummy tucks, liposuction, deep phenol chemical peels—all done under local anesthesia." Skin Speaks Spa MD also provides a traditional facial, lip waxing, and eyebrow shaping, services more likely to be found in a day spa than a doctor's office.

Carney notes that while the proliferation of medical spas and the popularity of nonsurgical cosmetic procedures are often attributed to the aging of the baby boomers, Generation X also is taking a shine to the procedures.

"Generation X is the generation that wants to do something unique and expressive, whether it is a tattoo, a body piercing, full lips," he says. "We are seeing younger people, who are getting tattoos and body piercing, also interested in lip augmentation and lipodissolve [an injection of a mixture of compounds used to dissolve fat]. We are starting to see the age of people coming to our clinic get younger."

Carney's experience once again dovetails with national stats. According to the American Society of Plastic Surgeons, people between the ages of 35 and 50 accounted for 47 percent of total procedures last year. Those age 19 to 34 accounted for 22 percent.

But despite the popularity of these procedures, Carney doubts his spa would be as successful without Queenie Dahlin, Skin Speaks Spa MD's marketing director. "Without Queenie's services, we probably would not be able to compete with the growing competition in the medical spa business, despite my reputation as a 'top-doctor' [as listed in *Mpls.St.Paul* magazine] dermatologist and being in the business for 20 years," he says. "It still isn't enough."

About half of Skin Speaks Spa MD's clients come directly via Carney's dermatology practice, which sees 200 to 300 people per day. The rest are attracted through Dahlin's marketing efforts. One of her strategies, a botoxisthebomb.com campaign, offers a sort of frequent-flyer program for those who get Botox injections. A 20-unit injection earns its recipient two free units, and a 40-unit injection earns six. Dahlin also aired radio and television spots, and had a botoxisthebomb.com billboard installed early this fall on Highway 100 near the Excelsior Boulevard-36th Street exit. Dahlin says that Skin Speaks Spa MD and Carney's four Advancements in Dermatology medical clinics make him the

"Midwest's leading provider of Botox cosmetic and dermal fillers."

"I've always said even a bad dermatologist is busy in Minneapolis-St. Paul," Carney says. "That is not true in the medical spa business, because we are competing now with business and private enterprise and with people who are not MDs who have greater skills with marketing and advertising."

In fact, more than 80 percent of Twin Cities-area medical spas are owned by businesspeople, some of whom have backgrounds in the field. Many are supervised by core or non-core physicians, the latter including specialists in obstetrics, gynecology, and family practice.

And that's causing some concerns in the industry.

Who's in Charge?

"I am from a line of Italian women who sat around the kitchen table waxing their lips over a cup of coffee," says Sue Lossing, a certified medical electrologist.

Eighteen years ago, Lossing opened the first of her 13 Permanent Choice Laser Hair Removal & Cosmetic Centers, which specialize in hair removal. But while she doesn't use the term herself, Lossing's clinics could fall into the medical spa category because they use lasers.

Lossing has a physician on retainer who handles the medical supervision at her facilities. Dr. James Wire, a Chaska plastic surgeon, oversees the company's procedure protocols, answers any questions Lossing and her staff may have, and conducts training sessions. But he rarely makes an appearance at any of her locations. A majority of the metro area's medical spas and laser centers work within similar models.

Facilities like Lossing's aren't required to have a medical supervisor. In Minnesota, nonsurgical cosmetic procedures can be performed by registered nurses, certified physician's assistants, certified medical aestheticians, licensed aestheticians, certified electrologists, even noncertified laser technicians, as well as physicians and nurse practitioners.

In September 2005, the Minnesota Medical Association adopted a resolution, submitted by the Minnesota Dermatological Society, that states that the association will "work to create public awareness about the risks of scarring . . . associated with the use of treatments from lasers, intense pulse light sources, radio frequency devices, and related technologies."

The MMA also resolved to support legislative or regulatory efforts that would require every patient to get a physician's evaluation before receiving treatments that utilize these technologies. But so far, the trade organization has not put the regulation of medical spas on its priority list.

Proponents of tighter regulations cite patient safety as a factor in their position. One is Dr. Brian Zelickson, the long-time medical director of an Edina "skin and laser specialty center" formerly owned by Abbott Northwestern Hospital, who bought and renamed the facility Zel Skin & Laser Specialists. Zelickson, who also operates dermatology practices in Wayzata and Minneapolis, acknowledges that requiring 100 percent onsite supervision probably isn't practical. (A physician is on site full time at his specialty facility.)

"Also, legislation and compliance monitoring add a whole layer of unnecessary bureaucracy. Do you really need a doctor's evaluation to tell you whether you are a candidate for hair removal at your bikini line?"

"I think there is enough data collection that says these are pretty safe procedures, but you can have complications," Zelickson says. "It's not like getting your hair dyed." He argues that requiring that a supervising physician be on site at least 30 to 50 percent of the time would ensure a greater level of patient safety, training, and protocol than is typical at many medical spas, where supervising physicians usually stop by infrequently.

Those opposed to the MMA resolution say that some core physicians are trying to tighten the rules for a very simple reason: money. They are afraid of losing market share to non-core medical and non-medical facilities.

Industry Face-Off

Core physicians may have reason to worry. According to Primary Care and Medispas Expand Aesthetic Market, a report from California-based "aesthetic medicine" research firm Medical Insight, core physicians accounted for 60.1 percent of the total aesthetic procedure volume in 2006 in the United States, non-core physicians accounted for 33.3 percent of treatments, and medical spas accounted for 6.6 percent. "Through 2011, however, medispas and non-core physicians will demonstrate the strongest gains in procedure volume, with compound annual growth of 35.2 percent and 27.1 percent, respectively, while procedure volume for core physicians will expand by 9.9 percent per year," the report notes.

Not all core physicians, however, favor tighter rules on medical spas. Dr. Richard H. Tholen, president of the Minnesota Association of Laser Centers and Medi Spas, opposes the MMA resolution, as does his association. Tholen opened Carillon Clinic, one of the first medical spas in the Twin Cities, as part of Minneapolis Plastic Surgery in Golden Valley. Several years later, he and a partner opened another Carillon Clinic in Maple Grove. If the resolution were to become law, Tholen's medical spa in Golden Valley would be in compliance, but the one in Maple Grove might not.

"Our position is that proper training and supervision are central to the safe and effective treatment of patients with lasers and injectables, including Botox and Restylane. But to restrict trade by insisting a physician be on site supervising does nothing to improve safety—it simply raises cost and makes it more difficult for patients to schedule treatments," Tholen argues. "Also, legislation and compliance monitoring add a whole layer of unnecessary bureaucracy. Do you really need a doctor's evaluation to tell you whether you are a candidate for hair removal at your bikini line?"

Tholen believes the resolution is a move to restrict trade, or reduce competition, coming primarily from dermatologists. "I'm not saying we should lower standards," Tholen says. "But through proper training and supervision, medical clinic or spa personnel can and have been delivering safe and effective treatments. You don't just shut a place down that does not follow your practice model by instituting anticompetitive, monopolistic legislation under the guise of patient safety."

Like Tholen's Maple Grove spa, Skin Speaks Spa MD, where Carney is on site 20 percent of the time, also might not be in compliance if proponents of tightening regulations prevail. At Skin Speaks, Botox and dermal fillers are injected by physicians and nurse practitioners as well as registered nurses and certified physician assistants, and laser treatments are performed "by that same group as well as certified medical aestheticians who have been given a certification by as high of an accreditation as we could find," Carney says.

That puts Skin Speaks in compliance with a Minnesota law that states a physician can "employ, supervise, or delegate functions to a qualified person who may or may not be required to obtain a license or registration to provide health services if that person is practicing within the scope of that person's license or registration or delegated authority."

Another area of contention, at least for some core physicians, is how much training a doc should have in cosmetic medicine before being allowed to sign on as a "supervising physician." Carney notes that supervising responsibilities, often a "little fuzzy," are determined by the spa owner and the supervising MD.

Certainly, he says, some supervising physicians are skilled in providing the services they are overseeing. But there are also circumstances in which the supervising physician may never have performed a Botox injection or may not be knowledgeable in lasers or light-based cosmetic technologies. "There are responsible and conscientious physicians, and some neglectful ones, who are assuming the responsibility for the stipend, only thinking it may be a way to make a quick buck," Carney says.

As boomers age and Gen Xers migrate toward what they've been known to call "preemptive plastic surgery," there are plenty more bucks to be made. Now it may be a matter of who should be allowed to make them.

Top Five Nonsurgical Procedures Nationwide

Procedure	Treatment For	Cost	Number of Treatments	Results	Total Performed in U.S. in 2006
Botox injections	Frown lines and crow's feet	\$417	Repeat in 4 to 6 months	Temporary	3,181,592
Hyaluronic Acid Injections	Nasolabial folds, forehead wrinkles, smile lines, and lips	\$532	Repeat in 4 months to 1 year	Temporary	1,593,554
Laser Hair Removal	Unwanted facial or body hair	\$373	Multiple sessions	Ongoing	1,475,296
Microdermabrasion	Fine lines, crow's feet, age spots, acne scars	\$162	Multiple sessions at 2- to 3-week intervals	Temporary	993,071
Laser Skin Resurfacing	Sun damage facial skin, wrinkles around mouth and eyes, acne scars. Only works on fair, non-oily skin	\$2,341	One or more, depending on laser used and skin condition	Long lasting	576,509

Source: American Society for Aesthetic Plastic Surgery

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