

STARTING AND MANAGING PHYSICAL THERAPY IN SOUTH CAROLINA

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➤ What is the key factor separating successful and unsuccessful orthopaedic PT practices?

- Director
- Location leads
- Lead by example

➤ Where can PT be located and how much space is needed?

- Location options
 - On-site (with physicians)
 - Off-site (without physicians)
 - Solo practitioners
 - Low traffic retail v medical
- Square footage
 - 400-500 SF/provider
 - More space=more flexibility

➤ How much should be budgeted for equipment and what equipment should be purchased?

- Typical clinic with 5 providers-\$80,000 of PT equipment
- Computers/other office equipment
- Director and other therapists can/should help choose equipment

➤ How should therapy be managed?

- Semi-autonomous
- Providers should be providers
- Director: About 45 minutes of weekly admin time/staff provider
- PT Director should report to CEO or COO
- Location leads (if any) should report to PT director
- Hand therapy director can report to PT director or CEO/COO
- One or more physicians might be on “PT Steering Committee” but this is relatively rare

➤ How many therapists, assistants, techs and front desk personnel are needed?

- Tied to new patients (referrals)
- One FTE provider/30-35 new patients/month
 - E.g., 100 new patients/month requires 3 FTE PT providers
- Therapists v assistants
 - Assistants (PTAs) are licensed providers; need therapist supervision; cannot do initial evals; not credentialed
 - Assistants typically paid about 2/3 of therapist comp
 - Assistants can generate more revenue because not tied up with evals
 - Typical ratio of 1 PTA for every 2 PTs
 - Need to start with PTs

- Techs
 - “Unskilled/unlicensed” help
 - Monitor/help patients in the gym
 - Therapist can bill for tech monitoring patient in gym, but not to Medicare
 - Recommended ratio of 1 FTE tech for every 2 FTE providers
- Front desk
 - One FTE patient service rep for every 30 visits/day

➤ How to determine whether therapists are at appropriate productivity levels?

- Impact of timed codes
- Key metric is procedures*/hour (revenue/cost)=4.7
- Procedures/visit=3.4
- Visits/8-Hour Day=11
- 11 visits * 3.4 procedures/visit=37.4 procedures;
15 visits * 2.5 procedures/visit=37.5 procedures
(36% more visits)
- Payments/procedure=\$26
- Benchmarking webinar on 2/2 at noon EST

* Weighted procedures

- How to address the most common complaint of orthopaedic surgeons regarding in house PT?
- Cannot get my patients into PT within a day or two
 - Therapists should typically average 2 evals/day, but can temporarily jump to e.g., 4
 - Many evals (post-ops) can be done in 30 minutes and therefore scheduled in follow-up visit slot
 - Flexible therapists; proactive front desk

➤ Why is it important not to be understaffed?

- Delay in scheduling initial evals=high eval cx/ns rate
- Visits/patient decrease because lose follow-up slots
 - Lower patient satisfaction
 - Outcomes suffer
 - Revenue impacted

➤ Should we have a bonus plan and, if so, what should it be based on?

- Recommend productivity-based bonus
- Keep it simple
- Can be based on each “rendering” provider’s revenue, e.g.,
 - Therapists paid 15% of monthly revenue in excess of \$15K
 - Assistants paid 10% of monthly revenue in excess of \$15k
- Monthly max-e.g., \$1,000 for therapists, \$650 for PTA
- Other factors
 - Payer mix
 - Payment rate
 - Hand therapy differences

➤ Why is the front desk staff key to PT productivity?

- Key role of scheduling patients
- Authorizations
- Check in/out
- Co-pay collection
- Charge posting

➤ What EHR system should be used?

- Physician's EHR
- Therapy specific EHR (e.g., WebPT, OptimisPT)

➤ What does the business office need to know about PT billing?

- Coding is relatively simple
- Modifiers
 - GP, GO, KX
- CCI edits
- G codes
- Small claims, but denials are typically solvable
- Business office and PT need to communicate
- “Redheaded child” syndrome

➤ Can and should we accept outside referrals?

- Internal referrals should have priority
- Can accept outside referrals
 - Therapists need to be enrolled with Medicare

➤ When should satellite clinics be opened?

- Satellites are integral to PT revenue
- 10+ referrals/week

➤ Should hand therapy be offered?

- Hand surgery needs/wants
- Key role of custom orthotics

➤ What should our PT profit margin be?

- 15-20% at Medicare allowable payment rates