

The Value of “That Extra Back Office Staff”

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As Chairman of the American Academy of Podiatric Practice Management I’m most frequently asked my ideas on increasing revenue and improving office efficiency. The answer breathes, admires you and communicates with patients all day long. The answer is simple....your staff. With twelve years of practice experience I believe more than ever that the customer is not number one, it’s my staff.

At Disney three factors drive their business and affect their success. These are cast (our staff), setting (our offices) and process (our policies, systems and procedures). Our ability to produce income has several limitations including things such as the number of treatment rooms, the effectiveness of our communication skills and our physical environments. Many factors are outside our realm of control including reimbursement rates and patient expectations.

One area we do have total control is the number of staff in our office and their productivity. This is one area that many practices fall short including both new practitioner and the seasoned veteran. Our most valuable asset with the most potential to increase production is too often not utilized effectively.

Let’s look at a hypothetical scenario. Dr. Smith has been in practice for just over ten years. He has three treatment rooms, a receptionist, billing clerk and back office assistant. Last year Dr. Smith grossed \$350,000, a decrease of 3% from the year before due to managed care reimbursements. He decides to increase his hours by reducing his lunch break and working an hour later three days a week. This results in a 5% increase in gross and a frustrated overworked staff and concerned family with him home even less.

Dr. Smith holds a special office meeting to get ideas on how to increase productivity. Cheryl, the back office assistant of seven years says “Dr. Smith, I’ve been trying to tell you for months that if you allow me to work more closely with the patients and hire a second back office assistant for the other duties we can see one to two more patients an hour.” Concerned with additional overhead, Dr. Smith and the staff run the numbers. They treat patients thirty hours a week and see an average of 5 patients an hour totaling 150 patients per week. An additional one patient seen per hour at an average of \$50 per patient increases the weekly gross \$1500 and \$78,000 annually. Scale of economics relates to a reduced percentage of overhead to less than 15% with a net of \$66,300. Let’s assume the second full time office assistant is paid \$25,000 per year, which leaves a profit of \$42,300. This concept works for any size practice and whether you currently see three or twelve patients per hour.

30 patients X \$50 = \$1500 X 52 weeks	=	\$78,000 per year (gross)
		\$25,000 per year (additional staff)
		<u>\$11,700 per year (15 % overhead)</u>
		\$42,300 annual profit

It’s interesting; that many practice management experts profess that with reduced reimbursement, in order to maintain or increase profit the cost of overhead should be dissected and employee costs reduced. This being the case then why consider adding an additional staff member?

Increased income as discussed above is not the only significant benefit. In addition you will likely experience:

Improved patient flow with significant reduction in patient waiting time.

Employee retention and increased staff satisfaction.

Reduced physician and staff stress.

In our office before we hired the second back office assistant when an employee called in sick it through us into a tail spin. Now with the additional employee we are covered. This employee can also reduce the workload of the other two employees by 10 % resulting in less stress and staff turnover. Patient satisfaction, our offices principal goal, has significantly decreased with reduced waiting time and more face-to-face assistant communication with the patients.

The role of the two assistants is essential to an efficient system to maximize the benefits.

We designate one assistant as my personal assistant and the other as the floater. My personal assistant stays by my side ready to perform such duties as getting an injection without delay, answering patient questions relating to such things as dressings changes and shoe gear and answering questions about a patient's condition. This list is only a small part of her duties and saves me a significant amount of time with the 50% of questions my assistants can answer effectively because of her training in both podiatry and communication skills. By having my assistant by my side at most times in the treatment room they can then learn how I communicate conditions and treatments with my patients. It's the repetitive nature of this inherent training that allows the assistant to mirror my protocols.

I no longer have to look for my assistant while they're cleaning another room to get an injection or supply for me. The days of spending three minutes explaining to Mrs. Jones what type of shoes she should be wearing or answering other simple questions are gone. I now save approximately 10 - 15 minutes per hour utilizing my personal assistant with patients allowing me to easily see an extra patient per hour. Am I short changing my patients? Just the opposite. My assistant will reinforce what I've told the patient and spend the time and to effectively communicate with caring. Patients surveyed continue reinforce that the system works

Be aware that in most states, if not all, assistants can not diagnose and perform certain duties. Your assistants are only as good as their training and continuing education is essential. Provide your staff on a regular basis with pertinent articles, educational materials and most importantly membership in the American Society of Podiatric Medical Assistants (1-888-88ASPMA) and your state assistants association. Both groups hold regular educational seminars that provide first class education and reinforce to your staff their value.

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