

What if Insurance Reimbursement Went Away Tomorrow?

by Paul S. Inselman, DC

Let's face it; there is much uncertainty that plagues not only our profession, but the world economies at large. Add into the mix \$65 co-pays, decreasing insurance reimbursement schedules and the new Obama-Care Health Law, and it's no wonder chiropractors are losing sleep.

This article will walk you through the uncertain economic maze and give you clear-cut strategies you can utilize so, no matter what happens to insurance, you will be in a profitable position to deliver great chiropractic care to your patients.

In this economy it is imperative that your attention turns to "the business of chiropractic". Before you hang me in effigy, please understand that running a business and turning a profit is not bad or evil. If you want to do pro-bono work then by all means do so. Remember that your electric bill, rent bill and every other bill you have will come due each and every month. If you do not have the funds to pay your bills, you will go out of business and not be able to take care of anybody. So, like it or not, you are going to be forced to at least earn enough money to pay your bills. Since you have to earn money anyway, why not maximize your return on investment and earn as much as you ethically and legally can?

The first key to running a successful business is to understand basic business principals. You should be able to generate and interpret the following reports: profit and loss statement, balance sheet, cash disbursements book, and the creation of budgets. If you are not familiar with these accounting reports then my suggestion is to enroll in some basic business classes to acquire these needed skills. Another good way to become familiar with these reports is by using accounting software. There are several excellent programs that will create the reports for you, but as my father always used to tell me, "Numbers must mean something;" therefore, you must be able to interpret what the numbers mean.

The next recommendation is to keep meaningful statistics on your practice. If you fail to keep good records, how can you possibly determine if your marketing efforts are working? I recommend that you keep monthly and year-to-date stats of the

following: month worked, days worked, new patients, office visits, avg. people per day, services rendered, income collected, PVA, average income per visit, and accounts receivable.

Now that we have the foundation for running a business we need to turn our focus to creating a practice that will run in an insurance or non-insurance environment. This step is imperative for our profession's continued success. In my opinion, the handwriting on the wall regarding insurance reimbursement is not looking too good. Let me cite a couple of insurance examples to make my point:



If you fail to keep good records how can you possibly determine if your marketing efforts are working?

In October, 2011 the North Carolina Bar Association Health Benefits Trust started charging a \$65 co-payment for specialists on their Blue Options Plan 4 insurance plan.

In May, 2013 Florida passed a new No-fault law. The new bill provides strict and rather biased definitions of what constitutes medical treatments and covered injuries. Accident victims now must seek medical treatment within a narrow 14-day window from the accident and only from specified licensed medical physicians. Acceptable treatment providers include emergency services determined by a physician, osteopath, dentist, physician's assistant or registered nurse practitioner. Chiropractor visits are limited to \$2,500 and can only be sought after a referral from an acceptable health care provider.

Remember, as one state changes, other states follow suit. How far behind do you think your state is? Do you know what the definition of a \$65 co-payment is? The answer: A CASH PRACTICE.

What I have been teaching my clients and what I hope to teach you, the reader, in this article is how to insulate yourself and your practice against these insurance changes that are coming very quickly down the pike.

All consumers will pay for something that we feel has value. If we sincerely believe that our purchase will help enrich our life, we will spend money on it. Our patients and potential new patients are no different. If your care will solve their problem and enrich their lives they will be able to find the money to afford your care. When a patient tells you that they can't afford your service, what they are really telling you is, "YOU did not create enough value to allow me to give you my money."

INSURANCE

Let me give you an example. When was the last time that a homeless, destitute person came to your office seeking care? 99.9% of you will answer never. The other .1% will answer maybe once in my whole practice career. Why don't homeless, destitute people come to our offices seeking care? The answer is because they know that they cannot afford our service. Any patient that walks into your office knows that they will incur an expense of some kind. Whether that expense is in the form of a co-payment, full payment, premium increase, etc., they know and understand that payment of some kind will be required. Once they walk through your doors it is up to you to create value to enable them to want to stay and have you fix their problem. If you master the skill of creating value for your patients, it will not matter to you if insurance pays 0% or 100% or anything in-between. Your patients will know and understand and want to pay you for your service.

You may utilize the following checklist to help insulate yourself if insurance reimbursement goes away:

- Start running a business instead of just a practice
- Make sure that you are performing a proper consultation and report of findings (see the article that I wrote in The American Chiropractor Volume 39, Number 8, August 2012 pages 64-68)
- Create a minimum of five and preferably ten independent strategic-based marketing campaigns
- Make sure that your procedures were created and or revamped to reflect the present economy
- Create niche-oriented, cash-based ancillary procedures
- If you are unable to improve your practice on your own, seek professional help
- Make sure that you are implementing habits of excellence in your personal and professional life
- Create written goals with meaningful action steps
- Track everything that you do to evaluate if it is working or not working
- Don't just treat a condition, treat people's problems and become their problem solver
- Create an emergency fund with a minimum of one year's practice and personal expenses
- Do not use a credit card unless you are able to pay the balance in full each month
- Advertise more
- Be willing to invest and spend money to make money
- Focus on what you want, not on what you do not want

The final piece to the puzzle is to be prepared. All of healthcare, including chiropractic, is going to go through some tremendous changes in the next few years. Living in fear or denial will not help you or your practice. If you believe that insurance reimbursement is going to deteriorate further, you must begin to do things in your practice differently NOW. When change is inevitable it is imperative that you institute and adopt the changes as quickly as possible. Proactively making necessary changes instead of reacting to change will allow you to stay ahead of the curve and remain profitable. If you don't know where to begin or what to do, ask a colleague who has achieved what you want to achieve. If you don't, have a friend or colleague who can help you seek professional help from a practice management firm.



Dr. Paul S. Inselman, President of Inselmancoaching, is an expert at teaching chiropractors how to build honest, ethical, integrity-based practices based on sound business principles. From 2008-2012 his clients practices grew an average rate of 145% while the general profession was down 28%. His 26 years of clinical experience coupled with 10 years of professional coaching has allowed him to help hundreds of chiropractors throughout the nation. He can be reached at 1-888-201-0567 or Inselmancoaching@gmail.com



Cervico
20000

Reimbursed by Medicare

Customizable Dynamic Ambulatory Traction

Traction on the Move

- Combines dynamic traction with a horizontal force for treatment in 3D
- Capability for asymmetric traction along the spine
- Complete freedom of motion allows for physical activity during treatment
- Provides superior results with exceptional patient satisfaction
- Compact, one-size-fits-all design
- No installation and maintenance-free

www.meditrac.co.il



Scan the barcode with your smartphone to watch a live demo



Inhal Start

Meditrac
SMALL DEVICE, BIG RELIEF

info@meditrac.co.il
Toll Free: 1-866-732-0170

To learn more, circle #267 on
The Action Card