Top 10 Practice Management Mistakes & How to Fix Them

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Course: Top 10 Practice Management Mistakes & How to Fix Them

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• 1980 – 2007 founder: Professional VisionCare, Westerville, Ohio

Top 10 Practice Management Mistakes and How to Fix Them

1. Dropping the handoff
2. Managing by emotion instead of by trends
3. No written goals
4. Not managing staff
5. Not billing at appropriate levels
6. Not prescribing everything the patient needs
7. No written exit strategy
8. Not pre-appointing
9. Hiring for skills instead of personality
10. Not knowing your patients

Problem:
Dropping the handoff
Solution:

**Manage the handoff**

- **Handoff in the exam room**
  1. Optician is with the patient the entire time
  2. Optician called into room before case consultation
  3. Optician called into room after case consultation

- **Handoff in the optical**
  4. Optician
  5. To file holder

- **The end goal of an effective handoff is ...**

Solution:

**Managing by numbers**

- # of dollars collected
- # of exams
- # of complete exams
- # of new patients
- $/ exam
- $/ complete exams
- Capture rate
- Expenses

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**Expense Categories**

- Cost of goods
- Staff Payroll
- Doctor Payroll
- Overhead
- Marketing
- Occupancy
- Clinical Equipment

Problem:

**No written goals**
What does your ideal practice look like?

Solution:

Create written goals

- # of dollars collected
- # of exams
- # of complete exams
- # of new patients
- $ / exam
- $ / complete exams
- Capture rate
- Expenses

Expense Categories

- Cost of goods
- Staff Payroll
- Doctor Payroll
- Overhead
- Marketing
- Occupancy
- Clinical Equipment

Problem:

Not managing staff
You cannot win in the marketplace until you win …

Solution:
Manage staff
1. By numbers
   - Accountability
   - Reporting
   - Written Plan
2. Routinely
   - Daily huddle
   - Weekly office meeting
   - Quarterly – Annual Brainstorming

Problem:
Not billing properly

Solution:
Bill properly
- Practice management software
- Clearing house
- In-house expert
- BILL TODAY!
Problem: Not Rx-ing everything

Solution: Rx everything
- Remove your filters and let the patient decide
- Maximize the patient’s health
- Maximize the patient’s vision at ...
  - Home
  - School
  - Work
  - Play

Problem: No written exit strategy

Solution: Vertical written exit strategy
- Step 1
  - Identify your Reasons for exiting the practice
- Step 2
  - Identify what you are going to do upon leaving
- Step 3
  - Select an Exit Strategy
- Step 4
  - Implement Tactics to achieve your Strategy
- Step 5
  - Design an exit Time

Solution: Emergency written exit strategy
- Step 1
  - Location of all important documents
Solution:
**Emergency written exit strategy**

- **Step 2**
  - Contact the following people immediately
    - Attorney
    - Insurance Agent
    - Banker
    - Partners
    - Office Manager
    - Staff

- **Step 3**
  - Emergency plan to keep practice going

- **Step 4**
  - Emergency plan to sell the practice

  Transition to partner/associate

  Find buyer

  Close the doors & sell assets

- **Step 5**
  - Emergency plan for the family moving forward
Problem:
Not pre-appointing
• Average return for a CL patient
  • = 18 months
• Average return for a spectacle wearing patient
  • = 28-30 months

Solution:
Pre-appoint

Problem:
Hiring for skills instead of personality

Solution:
Hire personality, train skills
<table>
<thead>
<tr>
<th>Playful</th>
<th>Powerful</th>
<th>Perfect</th>
<th>Peaceful</th>
</tr>
</thead>
<tbody>
<tr>
<td>Animated</td>
<td>Adventurous</td>
<td>Analytical</td>
<td>Adaptable</td>
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<tr>
<td>Playful</td>
<td>Persuasive</td>
<td>Persistent</td>
<td>Peaceful</td>
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<tr>
<td>Sociable</td>
<td>Strong-willed</td>
<td>Self-sacrificing</td>
<td>Submissive</td>
</tr>
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<td>Convincing</td>
<td>Competitive</td>
<td>Considerate</td>
<td>Controlled</td>
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<tr>
<td>Refreshing</td>
<td>Resourceful</td>
<td>Respectful</td>
<td>Reserved</td>
</tr>
<tr>
<td>Spirited</td>
<td>Self-reliant</td>
<td>Sensitive</td>
<td>Satisfied</td>
</tr>
<tr>
<td>Promoter</td>
<td>Positive</td>
<td>Planner</td>
<td>Patient</td>
</tr>
<tr>
<td>Spontaneous</td>
<td>Sure</td>
<td>Scheduled</td>
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<tr>
<td>Optimistic</td>
<td>Outspoken</td>
<td>Orderly</td>
<td>Obliging</td>
</tr>
<tr>
<td>Funny</td>
<td>Forceful</td>
<td>Faithful</td>
<td>Friendly</td>
</tr>
<tr>
<td>Brassy</td>
<td>Bossy</td>
<td>Bashful</td>
<td>Blank</td>
</tr>
<tr>
<td>Undisciplined</td>
<td>Unsympathetic</td>
<td>Unforgiving</td>
<td>Unenthusiastic</td>
</tr>
<tr>
<td>Forgetsful</td>
<td>Frank</td>
<td>Fussy</td>
<td>Fearful</td>
</tr>
<tr>
<td>Interrupts</td>
<td>Impatient</td>
<td>Insecure</td>
<td>Indecisive</td>
</tr>
</tbody>
</table>

**WHAT DOES EACH GROUP WANT**

<table>
<thead>
<tr>
<th>To have fun</th>
<th>Control</th>
<th>Done perfectly</th>
<th>No conflict</th>
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</table>

**WHAT DOES EACH GROUP NEED**

<table>
<thead>
<tr>
<th>Attention</th>
<th>Achievement</th>
<th>Order</th>
<th>Respect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval</td>
<td>Appreciation</td>
<td>Sensitivity</td>
<td>Feeling of worth</td>
</tr>
</tbody>
</table>

**Problem:**

Not knowing your patients

**Net Promoter Score**

- Please circle the number that represents your answer to this question.
- How likely is it that you would recommend our practice to a friend or colleague?

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
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</thead>
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<tr>
<td>Not at all likely</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Extremely likely</td>
</tr>
</tbody>
</table>

- Detractors (0-6)
- Passives (7-8)
- Promoters (9-10)

NPS = % Promoters - %Detractors

**Net Promoter Score**

- 100 patients
- 60% = Promoters (9-10)
- 10% = Detractors (0-6)
- 30% = Passives (7-8)

NPS = % Promoters - %Detractors

- 60% - 10% = 50%
- Want a score of greater than 50
Solution:
Know your patients

What did you like best about your eyecare experience today?
What would have improved your eyecare experience today?
What do patients purchase in your office?

Top 10 Practice Management Mistakes and How to Fix Them
1. Dropping the handoff
2. Managing by emotion instead of by trends
3. Giving away your “at will” status
4. Not coding and billing at appropriate levels
5. Not prescribing everything the patient needs
6. No written goals
7. No written exit strategy
8. Not pre-appointing
9. Hiring for skills instead of personality
10. Not knowing your patients