Managing Finances to Increase Practice Equity

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“Measurement is the beginning point of positive change”

To manage you must measure

Practice Management Rule #1

When you measure, things get better

Work smarter, not just harder
Total Gross Collections
— Total Expenses
Net

Increase your top line
Fees
Per patient income
Frequency of visits
# of new patients

A 10% increase in FEES
is a 30% increase in NET

What’s your greatest fear
if you raise fees?
Increase your top line

- Fees
- Per patient income
- Frequency of visits
- # of new patients

How to increase your per patient income

Customers given too many choices are 10x less likely to buy

6 jams ..... 30% bought
24 jams ..... 3% bought

"When Choice is Demotivating"
Columbia professor Sheena Iyengar
10 years studying choice

Lens packages

Best
Better
Good
State of the Art
Customized
Standardized
Premium
Standard

We prescribe the best

Best
Better
Good
Packages
- Packages increase value
- Add-ons are viewed as more expensive

Bundling
- Packaging
- Add high end frames
- Prescribe
- Rx annual CL supplies
- Manage handoff
- Capture rate
- Write Rx for each Rx
- How to increase your per patient income

How to increase your per patient income
- Prescribe
- Rx annual CL supplies
- Manage handoff
- Capture rate
- Write Rx for each Rx
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Preset patients to purchase

“And don’t forget to bring in your driving sunwear.”

80% of all ultraviolet damage happens before a child’s 18th birthday. Protect your children’s eyes the way the doctors protect their own kids.

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**Preset everything needed**

<table>
<thead>
<tr>
<th>Priority</th>
<th>Problem</th>
<th>Solution</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brightness</td>
<td>Sun</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Blur</td>
<td>Dress</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Headaches</td>
<td>Computer</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Safety risk</td>
<td>Sports</td>
<td></td>
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<td>Computer</td>
<td>6 months</td>
</tr>
</tbody>
</table>

Write an Rx for each prescription

- Dress
- Computer
- Sunglasses

Eyewear Capture Rate
- Independent ECPs
  - Perform 66% of eye exams
  - Sell 41% of eyeglasses

Eyewear Capture Rate

![Graph showing the trend in independent ECP eyewear sales capture rate from 2014 to 2017. The capture rate is indicated by bars, and the highest rate is 56% in 2017.](image)

Source: Internal data. Calculated by listing independent ECP percent eyeglass sales during 5 days of eyewear sales to that year.
How to increase your per patient income

Levels of handoff
1. Optical staff entire time
2. Optical staff before case presentation
3. Optical staff after case presentation
4. Dispensary handoff
5. Dispensary file holder

Consider adding high end frames

Doctor Power
A contact lens exam ratio below 22% usually indicates that a practice does not routinely recommend contact lenses to candidates, unless patients initiate a request for a trial fitting.

Adjust your fitting philosophy

1. Encourage all HEMA lens wearers to upgrade to SiHy
2. Recommend soft torics to low astigmats
3. Recommend soft multi-focals to presbyopes
4. Call all new fits a week after dispensing

CL Best Practices

Prescribe a year’s supply of CLs

- Dr: “I'm prescribing a year's supply of CLs for you.”
- Staff: “I see the doctor prescribed a year's supply of CLs for you.”

Where is the best place for the patient to receive their annual supply of contact lenses?
At work!

Packaging
Bundling
Preset patients
Capture rate
Multiple sales
Write Rx for each Rx
Prescribe
Add high end frames
Rx annual CL supplies
Ease study
Manage handoff

www.reviewob.com

New patients
Established patients

Every year, 5-10% of your patients

So, if you want 10% practice growth

10% replacement
10% growth
20% new patients for 10% growth

Increase the # of new patients

- In-office seminars
- Trunk shows
- Target alpha dogs (connectors)
- Ask for family members
- Current patients recruit new patients

Reward Current Patients for Sending New Patients

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Action Plan

Create a system to gather the #s

Benchmark the numbers
Manage the numbers
How frequently do you review financial goals and practice performance metrics with staff?

28% Never
35% Monthly or more frequently
9% Quarterly
17% Two to three times per year
11% Annually

Trend Analysis
Support the cause
Don't change
Take over
Change

We are here to help!
Thank you!

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Thank you!