

Tracking Your Success...Follow the Numbers

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Is it hard work to have a financially healthy practice? You bet! Success does not come easily.

There are so many details to consider when you evaluate the health of your practice that it can seem overwhelming. But making a few changes in staff behavior, tracking key elements within the practice, and then evaluating the changes monthly, quarterly, yearly can have a big impact.

The absolute minimum information you must have at your fingertips to evaluate the health of your practice are your total expenses per month, including payroll and monthly revenue. Charting this information alone will allow you to tell if the financial health of your practice is improving or not. But let's take a look at areas in your practice that can be evaluated for improvement.

The Dispensary

The patient purchasing eyewear is the primary revenue stream for most practices. Keeping the flow of patient high into the dispensary will directly impact your profits. Each and every patient examined should be directed into the optical area, if for nothing else but an adjustment or lens cleaning.

The optician can then use that time as an opportunity to educate the patient on advances in lenses and eyewear. This will give your patient a chance to purchase new glasses, even if their prescription hasn't changed. Their lenses may be scratched, necessitating new lenses or new technology may be available, resulting in better vision for your patient. Don't discourage a new purchase just because there is little or no prescription change. If they've come in for an exam they most likely want new glasses.

It's important to track: How many eye exams per month? How many patients purchase eyewear? How many patients come in for an exam but don't purchase eyewear? Why don't they purchase?

Have the opticians keep track of the number of patients coming into the dispensary. How many patients did they have contact with? How many of those patients made a purchase? What type of products did the patient purchase?

Your goal is to capture 100% of the patients with a change in prescription and about 20% of patients without prescription change. If you improve this one area your revenue should increase.

How many of your patients purchase outside their insurance coverage? Surveys tell us that 60% of patients are willing to purchase outside their allowable. Does your practice meet that average?

Is there product available for your patient to purchase outside their allowable? Do you focus too much on recommending product because it's "insurance covered?" Base your product recommendations on the patient's needs not on their insurance coverage.

Remember to educate your patient about advancement and changes taking place every day in the optical field.

Because they'll see better with AR coated lenses, every patient should have AR coated lenses regardless of whether or not their insurance covers it. Use a high quality AR coating, which have virtually eliminated the problems patients have had in the past.

How about polarizing lenses? Just about every patient needs a good pair of polarizing lenses? Does their insurance cover that? Does it matter? A patient will see better and be protected from the damaging rays of the sun. Why wouldn't you recommend that?

Computer lenses are a necessity for any patient sitting at a computer screen for more than 2-3 hours a day. They'll see better in that zone and be more physically comfortable. Rarely have patients ever been disappointed when they've experienced the right computer lens for their needs.

Assume each and every presbyopic patient will ultimately wear three pairs of glasses: one progressive pair, one polarizing pair and one computer pair. Set this as an expectation level and discuss all of these options with every patient. The expectation is not that each patient will purchase all three pairs that day but they'll think about them and return to make the purchase throughout the year.

The Exam

Often, when I consult in practices, doctors tell me they are working harder and harder but the profit margin is decreasing.

The number of patients examined per day directly impacts revenue. How many potential comprehensive eye exams can you perform in an hour? Could you examine more patients? How about if you delegate some basic tests to staff?

When I started in this field over 25 years ago, doctors were frame styling patients and taking all PD's and seg heights. Not so anymore. Now doctors are even handing off the preliminary stages of contact lens fittings to staff and the next step will be training staff to perform more tasks in the exam room.

Evaluate each test you performed with patients in the exam room. Could you hand off some of those duties? Take a few days and have a staff member shadow you through the exam process writing down each and every task you perform. Then evaluate that list and see which items you could delegate.

The staff member assuming this role should have a level of confidence and knowledge that is above average. Either promote someone from within who deserves professional

growth or search for a new staff member with drive and enthusiasm. You may screen the candidates by requiring AOA paraoptometric certification. Although it's uncomfortable to change familiar behavior, to stay competitive you have to adapt to the changing marketplace.

The Front Desk

A very effective practice growth technique is to have front desk staff keep a log of the number of incoming calls and how many patients booked an appointment. Also, have them ask each caller if it's possible to schedule other family members. Then have staff report phone activity and their effectiveness at staff meetings.*

Taking this first step in making changes within the practice may be scary, but not doing so can be tragic. A few adjustments can have a big impact. For peace of mind, take the time to ask the questions, track the numbers, and assess needed changes each and every month. Remember to reinforce the positive outcomes and don't shy away from addressing negatives ones.

Good luck!