

17TH ANNUAL SALARY & EXPENSE SURVEY

Sweeping change

The financial landscape is shifting for chiropractors as the healthcare industry faces unprecedented transformation.

BY MELISSA HEYBOER

The healthcare industry is currently experiencing unprecedented levels of change. These changes are not only affecting patient care and the way you practice but also exerting an influence on your practice's financial picture.

When considering your business's profits, some of the changes that are happening don't necessarily reflect increased consumer spending and an improved economy.

In fact, these changes are so far-reaching that the results of our 17th Annual Salary and Expense Survey shouldn't be looked at simply as a rise or fall in numbers — but rather as the new landscape in which you are operating.

The state of healthcare

This year's survey saw both average annual salaries and average DC total compensation drop less than 1 percent compared to last year. And while a decline in practice profits is never encouraging, the small drop indicates that the changes under review and implemented within the healthcare industry over the past few years are

reshaping the future of the profession.

These alterations in the healthcare environment have had the largest affect on reimbursement rates. While average compensation dropped only slightly, reimbursement rates continue to hold the line. Our 2013 survey saw an average reimbursement rate of 72 percent, while this year it crept to 73 percent — a gain of 1 percent.

And chiropractors are lucky here.

"According to a new report released by CareCloud and QuantiaMD, 65 percent of physicians see declining reimbursement rates as the top issue negatively affecting practice profitability."¹

In addition, Medicare payments are also being cut some 2 percent. As the above report notes: "These cuts are estimated to cost providers \$11 billion in Medicare payments each year. This leaves many practices wondering if there are any ways to effectively counter these reductions."¹

Further factors

Reimbursement rates aren't the only thing affecting practice profitability. The Patient Protection and Affordable Care Act is creating more choices for patient

care and a need for new and improved office technologies.

This is most evident in the shift in payment structures. Patient-centered medical homes and affordable care organizations are replacing the once popular fee-for-service model.

According to an article at Medscape.com: "The transition from fee-for-service to new payments might be bumpy. During the next five years, physicians will be living in two worlds — fee-for-service and the new payments — and it will be very, very confusing. Your whole revenue cycle gets affected."²

But this isn't the whole picture. According to the same article, these new payment methods also could require an upgrade to your practice's IT systems and software.

"The new payment methodologies also require sophisticated IT systems, a great deal of data-reporting, and shared networks."²

And the shift doesn't just change the way things are done, it presents your practice and staff members with a multitude of complexities that are often involved with any transition of this magnitude.

3-Year Comparison of Respondent Information

Personal Characteristics	2014	2013	2012
Average age	46.3	45.5	48.4
Male	79.3%	79.6%	81.1%
Female	20.7%	20.4%	18.9%
Years in practice	17.5	16.8	19.3
Solo practitioner	64.4%	57.2%	69.6%
Group practitioner/partner	25.1%	28.8%	22.3%
Associate	8.7%	13.3%	7.6%
Franchise owner	1.8%	0.7%	0.5%
Practice Characteristics			
Suburban	48.2%	53.6%	54.9%
Urban	30.2%	27.3%	29.5%
Rural	21.6%	19.1%	15.6%
No. of employees	4.0	4.3	3.1
Hours/week in patient care	32.6	32.0	31.6
Average PVA	23.3	24.3	21.4
Average patient visits/week	130.6	128.0	106.5
Average new patients/week	6.5	7.4	5.1
Income Comparisons			
Average gross billings	\$588,484	\$547,597	\$425,668
Average gross collections	\$391,190	\$393,354	\$297,419
Average DC salary	\$99,555	\$100,100	\$82,532
Average DC total comp.	\$127,397	\$128,206	\$106,784
Expenses			
Office lease or mortgage (yr)	\$26,099	\$24,820	\$28,892
Advertising	\$9,944	\$10,165	\$6,782
Malpractice insurance	\$2,631	\$2,260	\$2,740

What you can do

The new and evolving healthcare landscape has created a greater opportunity for patients to take control of their own destiny as it relates to care. And because they have more options, they are going to be more selective.

Your goal as a provider is to create the best patient experience you can. It's no longer just about affordable options or quality care. It's about the experience as a whole — an experience that needs to be both pleasing and memorable.

This means you have to be on top of your game in the treatment rooms, in the waiting rooms, in the community, and online.

Not only is it important to create an online presence for your practice and its services but it's becoming ever more

important to ensure your reputation is protected no matter where you go.

More than ever before, patients are talking. They're talking to friends, to family, to online review sites. How you treat them in your practice and the impression you give could be the thing that either makes or breaks your practice.

Patients will recognize whether or not you're changing with the times. So make sure you aren't left behind. ■

References

- Lopez, Salvador. "How to Brave The Declining Reimbursement Rates Nightmare." Poweryourpractice.com. www.poweryourpractice.com/practice-profitability-index/brave-declining-reimbursement-rates/. Accessed April 22, 2014.
- Page, Leigh. "8 Ways That the ACA Is Affecting Doctors' Incomes." Medscape.com. www.medscape.com/viewarticle/809357_1. Published August 15, 2013. Accessed April 22, 2014.

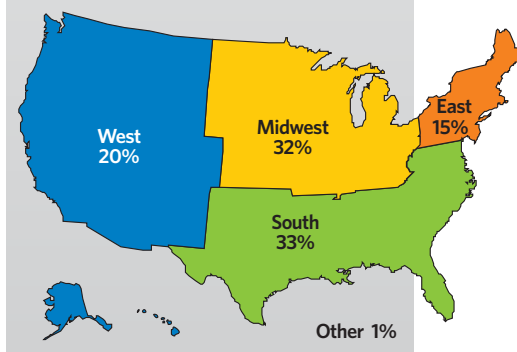
About this survey

Our 17th Annual Salary and Expense Survey had 440 doctors of chiropractic responding to the confidential, Web-based questionnaire. Throughout March and April 2014, *Chiropractic Economics* magazine invited practicing chiropractors and CAs to participate in our annual survey.

We extended the invitation by email and through announcements in our e-newsletters, and on our social networking sites. Additionally, we invited a number of state and national associations and alumni associations to encourage their members to participate in the survey.

Regional representation. The response to this year's survey was fairly wide-ranging, and we received at least one response from every state but Alaska, Delaware, Hawaii, Montana, South Carolina, Vermont, and West Virginia. The regional breakdown is as follows: South, 33 percent; Midwest, 32 percent; West, 20 percent; and East, 15 percent. Less than 1 percent came from outside the U.S.

Statistics. You will find references to only averages (or means) in this year's survey. Feedback from readers impressed us that the survey is better understood by only stating averages. The average is the number calculated by dividing the total by the number in the set — an arithmetic average.



Your typical respondent

Once again, our annual Salary and Expense survey attracted a wide range of doctors, from 25 to 87 years old, who have been in practice for periods ranging from less than one year to 65 years. Averaging the responses to this year's questions shows what the average respondent might look like:

- ▶ Male (only 21 percent of respondents were female);
- ▶ 46 years old;
- ▶ A solo practitioner (64 percent); and
- ▶ Licensed in 1 state;

Our average respondent:

- ▶ Owns 1 clinic;
- ▶ Prefers to practice in the suburbs (48 percent);
- ▶ Employs 4 individuals in the clinic (3 of whom work full time);

- ▶ Sees 131 patients each week;
- ▶ Has a patient-visit average (PVA) of 23;
- ▶ Attracts 7 new patients each week; and
- ▶ Sees patients 33 hours a week.

This respondent:

- ▶ Has average billings of \$588,500 and collections of \$390,000 for a reimbursement rate of 67 percent;
- ▶ Sells products to patients for 7 percent of gross revenues;
- ▶ Pays his CAs \$27,500 and himself \$99,500; and
- ▶ Enjoys an average total compensation of \$127,400.

Finally, this typical respondent spends roughly \$26,000 on office leases or mortgages, \$10,000 on advertising, and \$2,600 on malpractice insurance. ■

Overview of 2014 Respondents

Personal Characteristics

Average age	.46.3
Male	.79.3%
Female	.20.7%
Years in practice	.17.5
Solo DC	.64.4%
In a group or partnership	.25.1%
Associate	.8.7%
Franchise owner	.1.8%
No. of state licenses	.1.4

Clinic Characteristics

Clinics	.1.0
Urban	.30.2%
Suburban	.48.2%
Rural	.21.6%
Employees	.4.0
Average PVA	.23.3
Average patients/week	.130.6
Average new patients/week	.6.5
Cash practice	.11.3%

Specialty

General	.64.6%
Family	.15.1%
Sports/rehab	.11.4%
Nutrition	.0.9%
Pediatrics	.0.3%
Other	.7.7%

Specialists In Clinic

LMT	.47.5%
Acupuncturist	.14.0%
Nutritionist	.6.4%
MD/DO	.8.9%
PT	.5.7%
Fitness trainer	.5.4%
Other	.7.3%
None	.42.4%

Income

Average billings	\$.588,484
Range	10K-5M
Average collections	\$.391,190
Range	.3K-4.25M
% income from retail	.7.1%

Average salaries

Average MD/DO	\$.95,142
Total DC comp.	\$.127,397
Average DC	\$.99,555
Average associate	\$.66,016
Average PT	\$.49,166
Average LDN	\$.42,000
Average FT	\$.37,857

Average CA	\$.27,472
Average LMT	\$.21,911

Average Expenses

Office lease/mortgage (yr)	\$.26,099
Advertising	\$.9,944
Malpractice insurance	\$.2,631

Modalities Provided

Chiropractic	.99.7%
Electrotherapy	.64.5%
Exercise programs	.58.7%
Nutrition	.58.4%
Massage	.52.3%
PT/rehab	.48.9%
Instrument assisted soft-tissue mobilization	.37.6%
Laser therapy	.30.3%
Decompression	.27.5%
Weight loss programs	.27.2%
Acupuncture	.27.2%
Fitness devices	.15.9%
Homeopathy	.9.5%
Medical services	.8.3%
Other	.6.7%
None	.0.6%

Let your voice be heard! Be on the lookout for your chance to participate in our upcoming Fees & Reimbursements Survey.

A look at billings and collections

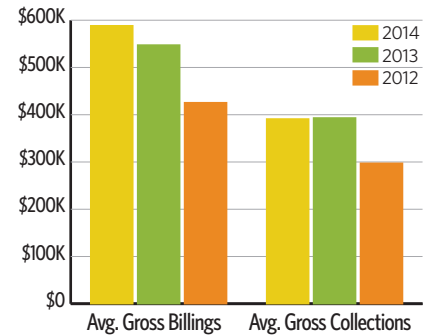
Average billings and collections changed a bit over last year's numbers, but there was no significant decline in this year's reimbursement rate.

In this year's Salary and Expense survey, average gross billings were reported at \$675,000, up from \$547,000 last year, while collections were reported at \$497,000, up from

\$393,400 last year. In our 2012 survey, respondents reported average gross billings of \$425,000 and collections of \$300,000.

This year's billings and collections numbers equate to an average reimbursement rate of 67 percent — a 7-percent decrease from 2013 and a 4-percent decrease from 2012. ■

3-Year Comparison of Average Gross Billings and Collections



MD versus DC

Whenever there's a rise or fall in average salaries and total compensation, one of the questions that typically follows is "What is the state of the rest of the healthcare profession?"

And, because it's nice to know how the chiropractic profession stacks up against medical doctors, each year we compare our salary survey to that of *Medical Economics*.

In *Medical Economics*' 85th annual Exclusive Physician Earnings Survey (featured in its Nov. 25, 2013, issue), respondents indicated that the average salary for physicians was \$195,000, down from \$235,000 last year.

This is in line with the state of DCs' average salaries and total compensations for this year, too. Average total compensation reported for DCs in this year's survey was \$127,000. This is down from 2012's survey (\$137,000) and up from 2011's survey (\$107,000).

Medical Economics' also reported that the highest median salary came from the Midwestern region (\$213,000) suburban and rural practices (each reporting a \$213,000 median salary). In addition, they found that the median salary was higher for males (\$213,000) than females (\$163,000).

To compare more statistics between chiropractors and primary care doctors, visit *Medical Economics* at modernmedicine.com. ■

Are you flying solo?

Although group practices declined in this year's survey, they are still proving a more popular choice than in years past.

Just 25 percent of respondents reported being in a group practice, down from 29 percent last year, but still up from 2012 (22 percent). Solo practitioners, however, were back to full strength, with 64 percent of chiropractors responding as such, up from 57 percent last year.

Those indicating they were working as an associate also declined (9 percent this year compared to 13 percent in 2013): however, franchisees rose to 2 percent from less than 1 percent last year.

When it comes to billings and collections, solo practices saw an increase in both. Solo DCs reported average billings of \$568,000 and collections of \$420,500, compared to \$346,000 and \$246,000 last year. The reimbursement rate, also, rose (74 percent compared to 71 percent).

In addition, billings, collections, and reimbursement rates all declined over last year's numbers for group practices. Last year, group practices saw average billings of \$987,000 while this year's billings were \$780,000. Collections went from \$730,000 in 2013 to \$574,000 in 2014's survey. That is an average reimbursement rate of 73 percent, down from 74 percent last year.

The average DC compensation for solo DCs this year is \$131,000 compared to \$104,000 from last year. However, the average total compensation for a DC practicing in a group setting dropped from \$193,000 last year to \$145,000 this year.

(Note: Total compensation for unincorporated DCs is defined as earnings after tax-deductible expenses, but before income tax. For DCs in a professional corporation, it is the sum of salary, bonuses, and retirement/profit-sharing contributions made on their behalf.)

Solo practices spent \$2,300 on insurance compared to \$2,000 last year, and \$11,500 on advertising compared to \$8,000. Group practices spent nearly the same amount on insurance this year as last. But they spent only \$8,000 on advertising compared to \$14,500 last year.

Group practices are spending less on office space (\$27,500 compared to \$34,000 last year), while solo practices are spending more (\$26,500 compared to \$21,000 last year). ■

Comparison of Solo & Group Practices

Clinic Label	Solo	Group
Clinic	78.1%	67.9%
Wellness center	16.4%	22.6%
Medical spa	0.4%	0.0%
Rehab center	5.1%	8.6%
Franchise	0.0%	0.9%

Clinic Statistics

No. of employees	2.6	6.8
No. of FT employees	1.4	4.4
PVA	23.3	24.0
No. of patients/week	99.3	188.9
New patients/week	4.9	9.2
Cash only	10.9%	13.3%
Average billings	\$568,918	\$780,969
Average collections	\$420,424	\$574,393

Compensation and Benefits

Retirement	26.4%	60.9%
Healthcare benefits	15.4%	58.9%
Incentives or bonuses	37.6%	56.5%
Profit sharing	7.0%	13.0%
Paid time off	54.1%	81.7%
Average CA	\$25,008	\$33,162
Average LMT	\$21,037	\$22,956
Average DC	\$96,067	\$109,000
Average total DC comp.	\$130,831	\$145,500

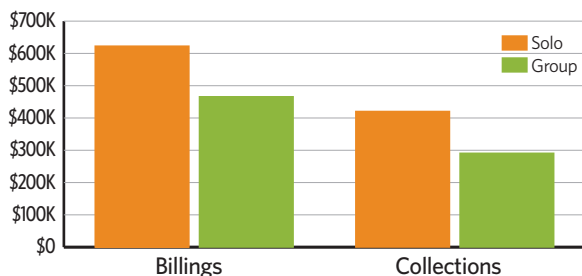
Specialists Provided

LMT	41.4%	57.6%
Acupuncturist	10.1%	23.5%
Nutritionist	3.5%	10.6%
PT	1.0%	15.3%
Fitness trainer	1.5%	11.8%
MD/DO	3.5%	21.2%
Other	5.1%	12.9%
None	52.5%	24.7%

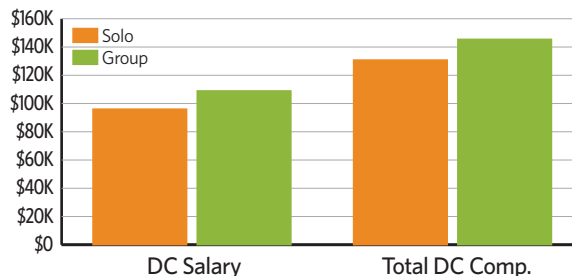
Expenses

Office lease or mortgage (yr)	\$26,462	\$27,568
Advertising	\$11,527	\$8,155
Malpractice insurance	\$2,264	\$2,887

Solo vs. Group: Average Billings and Collections



Solo vs. Group: Average DC Compensation



Pick your practice poison

In response to reader requests several years ago, *Chiropractic Economics* expanded its “integrated clinics/DCs only” breakdown to provide a more comprehensive look at the profession and how DCs practice.

We continued that trend this year by asking respondents to indicate if they were practicing as: a DC only, in an integrated clinic, or in a multidisciplinary clinic.

An integrated clinic is defined as that which has a practicing DC and a medical doctor on staff. A multidisciplinary clinic is defined as having a practicing DC and any other complementary and alternative medicine practitioner on staff.

This year, 67 percent reported as operating alone, up from 63 percent last year; 26 percent said they operated as a multidisciplinary clinic, down from 27 percent last year; and 6 percent responded as an integrated clinic, down from 10 percent.

Here is further breakdown of the numbers:

Billings. Chiropractic-only practices reported the highest billings (\$616,251), while multidisciplinary practice reported billings of \$537,261, and integrated practices came in at \$474,819.

Collections. Likewise, DC-only practices saw the highest collections (\$402,902), while multidisciplinary clinics reported collections of \$371,362,

and integrated practices had collections of \$322,786.

Salaries and total compensation. Those practicing in an integrated clinic or in a DC-only clinic saw an increase in both the average salary and the DC total compensation. Those in multidisciplinary clinics, however, saw a slight decline.

Respondents in multidisciplinary clinics saw an average salary of \$91,000, compared to \$150,000 for integrated clinics, and \$97,500 for solo practices.

Total compensation for unincorporated DCs is defined as earnings after tax-deductible expenses, but before income taxes.

For DCs in a professional corporation, it is the sum of the salary, bonuses, and retirement/profit-sharing contributions made on their behalf.

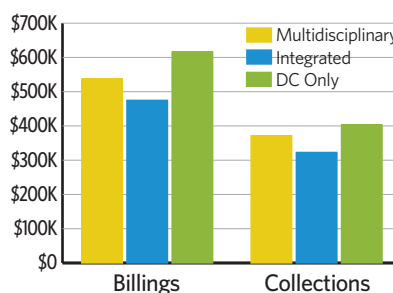
For the total compensation, DCs in multidisciplinary clinics averaged \$117,000, while integrated clinics averaged \$184,000, and solo DCs came in at \$130,000.

More data of interest

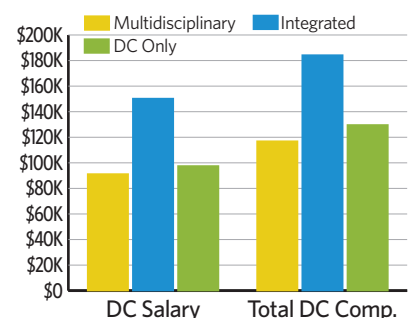
Practice label. More integrated practices identified as rehab clinics this year (43 percent) than last year (24 percent). However, those clinics labeled as “wellness centers” declined in all three areas.

Urban growth. The number of clinics practicing in an urban setting rose in all three practice types.

DC vs. Integrated Healthcare vs. Multidisciplinary Clinics: Comparison of Financials



A Look at Average DC Compensation



Specialties. Both multidisciplinary clinics and solo practices (61 percent and 70 percent) reported “general” as

their main specialty, while integrated clinics reported “sports/rehab” (40 percent) as the most popular. ■

DC vs. Integrated and Multidisciplinary Clinics: Significant Comparisons

Practice Type	Multi	Integrated	DC Only
Solo	.56.1%	21.4%	71.7%
Group/partnership	.34.2%	50.0%	19.3%
Franchise	.2.6%	0.0%	1.4%
Clinic Label			
Clinic	.65.5%	57.1%	78.6%
Wellness center	.24.8%	0.0%	16.5%
Medical spa	.0.9%	0.0%	0.4%
Rehab center	.8.0%	42.9%	3.9%
Location			
Urban	.31.9%	38.1%	28.6%
Suburban	.52.7%	52.4%	46.4%
Rural	.15.4%	9.5%	25.0%
Specialty			
General	.60.7%	35.0%	69.6%
Family	.13.5%	0.0%	16.4%
Sports/rehab	.13.5%	40.0%	7.9%
Nutrition	.0.0%	0.0%	1.4%
Pediatrics	.1.1%	0.0%	0.0%
Other	.11.2%	25.0%	4.7%
Clinic Statistics			
No. of employees	5.9	5.9	3.2
No. of FT employees	3.5	4.5	2.1
PVA	23.6	14.6	24.0
Patients per week	135.2	121.8	129.3
New patients/week	7.2	8.8	6.0
Cash only	.14.8%	15.8%	9.7%
Expenses			
Office lease/mortgage (yr)	\$.21,479	\$28,762	\$26,414
Advertising	\$.8,006	\$10,115	\$10,738
Malpractice insurance	\$.2,333	\$5,264	\$2,449
Compensation and Benefits			
Offers retirement plan	.36.5%	61.5%	36.6%
Healthcare benefits	.38.6%	60.0%	22.9%
Offers incentives or bonuses	.45.3%	41.7%	43.9%
Profit sharing	.6.3%	16.7%	7.8%
Paid time off	.60.0%	84.6%	63.0%
Average CA	\$.24,920	\$23,671	\$28,735
Average LMT	\$.25,346	\$19,666	\$18,853
Average DC	\$.91,295	\$150,333	\$97,595
Average total DC comp.	\$.116,974	\$184,315	\$129,698

Gender's game

With the chiropractic profession being largely male-dominated, it comes as no surprise that, year after year, our number of female respondents remains low. The good news, however, is that for the last few years, that number has steadily increased. And while it still typically remains an 80/20 split, the uptick in women DCs is promising.

This year, once again, a little more than 20 percent of respondents were female. The exact number shows a 1.5 percent increase over last year.

However, the increase in female respondents also helps paint a clearer picture of what salaries look like for women chiropractors.

This year's survey saw a decrease in average annual salary (\$84,000, down from \$93,000 last year), but an increase in average total compensation (\$112,000, up from \$104,000 last year).

Male respondents on the other hand reported an average salary of around \$106,000 (up from \$101,000) with an average total compensation of almost \$130,000 (down from \$134,000).

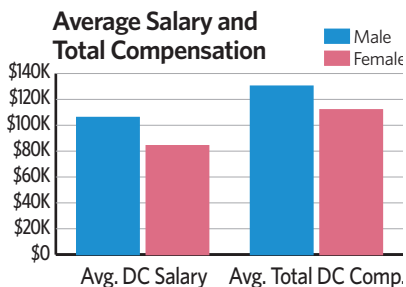
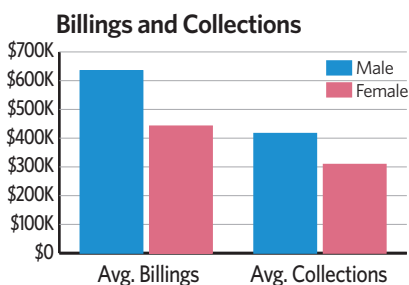
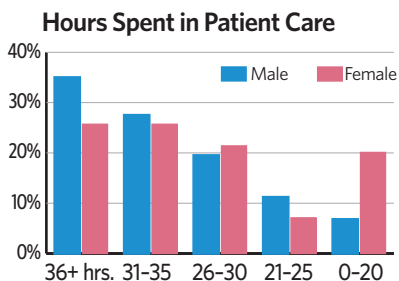
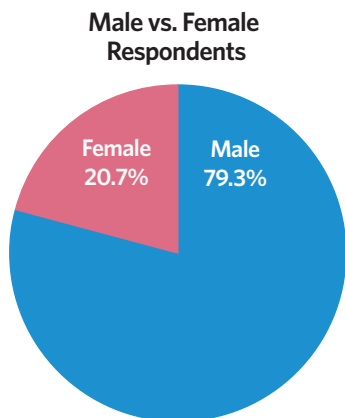
Other statistics:

Patient hours. The number of hours male and female respondents spent in patient care was similar across the board. A little more than 25 percent of female DCs said they spent more than 36 hours in patient care a week, while 35 percent of male DCs spent the same

amount of time. The second largest percentage for both sexes was in the 31-to-35-hour range, with 26 percent of women spending that much time in patient care a week and 28 percent of men doing the same.

Groups or partnerships. The number of women participating in a group setting (23 percent) rose from last year (21 percent), while the number dropped for men (26 percent compared to 31 percent last year).

Marketing efforts. This year's survey indicated once again that women spent more money on advertising than men (\$12,000 compared to \$9,500). Women, however, spent less on office leases than men (\$22,000, compared to \$26,000), and men also spent more on malpractice insurance (\$2,800, compared to \$2,200). ■



Region by region

This year's regional breakdown showed much more consistent numbers across the board than in years past — both in average salary and average total compensation. The South and Midwest were neck and neck in number of respondents (33 percent and 32 percent, respectively) and were also close in average salary. The Midwest took the top spot by less than \$40.

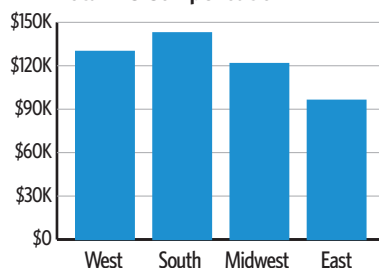
The top two spots in average total compensation, however, were reported in the South and West (\$143,000 and \$130,000, respectively). The Midwest followed with \$122,000, and the East reported an average total compensation of \$96,000.

In terms of billings and collections, the Eastern and Southern regions reported the highest reimbursement rates (81 percent and 80 percent, respectively). The Midwest reported an average reimbursement rate of 74 percent, while the West reported a reimbursement rate of 61 percent. ■

Regional Comparison of Average Billings and Collections



Regional Comparison of Average Total DC Compensation



Comparing the Regions

	West	South	Midwest	East
Personal Characteristics				
Average age	49.3	46.2	43.5	50.7
Male	76.5%	78.9%	74.5%	82.4%
Female	23.5%	21.1%	25.5%	17.6%
Solo	65.7%	65.8%	57.0%	70.6%
Group/partnership	25.4%	24.3%	29.0%	25.5%
Associate	7.4%	8.1%	9.3%	3.9%
Franchisee	1.5%	1.8%	4.7%	0.0%
Years in practice	20.1	17.3	15.9	20.5
Licenses	1.4	1.3	1.3	1.5
Clinics owned	1.0	1.0	1.0	1.1
Location				
Urban	38.8%	33.6%	24.3%	21.6%
Suburban	44.8%	49.1%	43.0%	64.7%
Rural	16.4%	17.3%	32.7%	13.7%
Clinic Statistics				
No. of employees	3.3	4.6	4.2	3.5
No. of FT employees	2.7	3.1	2.4	1.5
PVA	21.6	24.3	24.2	22.1
Patients per week	102.4	147.3	139.0	115.4
New patients per week	6.0	7.7	5.8	5.4
Cash only	12.9%	11.3%	14.3%	2.0%
Average billings	\$581,272	\$680,379	\$475,396	\$531,113
Average collections	\$351,807	\$542,535	\$354,030	\$429,222
Expenses				
Office lease/mortgage (yr)	\$28,048	\$27,263.00	\$23,611.00	\$26,823
Advertising	\$8,019	\$16,745	\$6,301	\$7,556
Malpractice insurance	\$2,446	\$2,695	\$2,354	\$3,233
Salaries				
Average associate	\$47,000	\$72,270	\$69,452	\$65,666
Average CA	\$24,628	\$29,863	\$22,954	\$34,851
Average LMT	\$27,000	\$23,282	\$21,923	\$12,172
Average DC	\$99,217	\$102,730	\$102,768	\$90,125
Average total DC comp.	\$129,903	\$142,748	\$121,507	\$96,168

An Urban feel

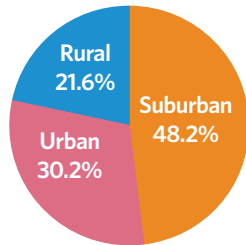
This year's survey saw an 11-percent increase in the number of practices that reside in urban locations. Last year, 27 percent of practices selected "urban" as their practice location, while this year 30 percent said the same thing.

Both suburban (48 percent compared to 54 percent) and rural (22 percent compared to 27 percent) locations saw a slight decrease from last year.

Despite the rise in urban locations, these DCs reported the lowest average salary (\$84,000) and average total compensation (117,000). Suburban and rural chiropractors saw an average salary of \$109,000 and \$98,000, respectively.

Rural DCs, however, took the top spot in average total compensation (\$131,000), while suburban DCs

Location Preferences



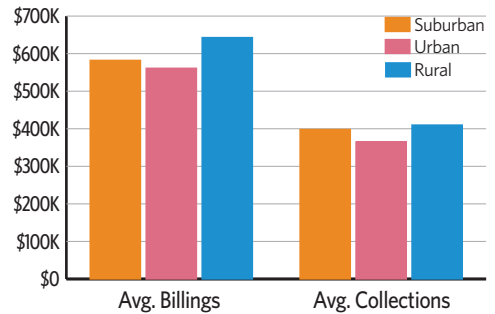
had an annual average total compensation of \$127,000.

Rural practices also reported the highest average in billings (\$643,000) and collections (\$410,000) — a 64 percent reimbursement rate.

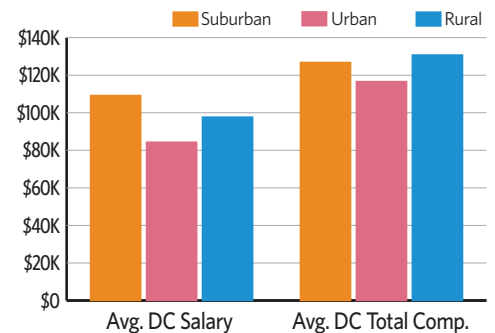
Suburban practices were right behind them, reporting average billings of \$582,000 and collections of \$400,000 — a reimbursement rate of 69 percent.

Urban practices reported average billings of \$561,000 and collections of \$365,000 — a 65 percent reimbursement rate. ■

Suburban, Urban, and Rural Comparisons



Average DC Compensation by Locality



Young and old

This year's survey proved that experience — even a small amount — can benefit how much money you're taking home. The lowest average total compensation was also reported by the lowest age group. DCs up to age 30 averaged a total compensation of \$97,000.

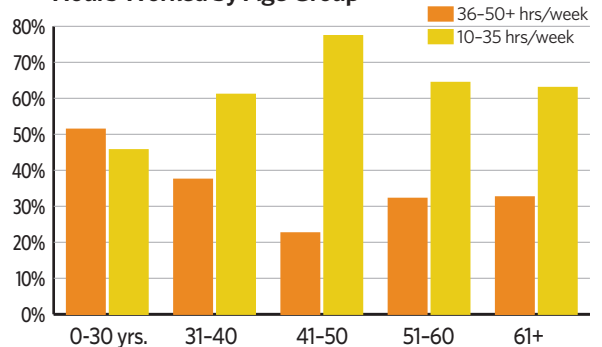
The two highest averages in total compensation were reported by the 41-year-old to 50-year-old age bracket (\$143,000) and the 31-year-old to 40-year-old age bracket (\$136,000).

The 50-to-60 age bracket and the 60-plus age bracket reported an average total compensation of \$124,000 and \$99,000, respectively.

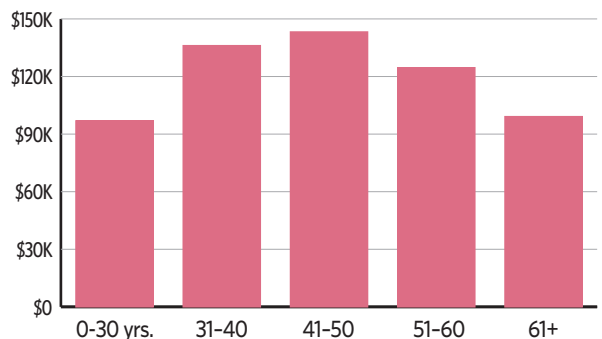
Despite reporting the lowest total compensation, DCs up to age 30 reported that they worked the most hours, with more than 50 percent saying they worked 36 hours or more. And ironically, the age group (41 to 50) that reported the highest total compensation also reported the lowest number of hours worked. Just 23 percent of them said they spent 36 hours or more in patient care a week.

Nearly 40 percent of the 31-to-40 age group spent 36 or more hours in patient care, while 33 percent of the over-60 age group and 32 percent of the 51-to-60 age group reported the same. ■

Hours Worked by Age Group



Income by Age Group (Total DC Compensation)



Are you benefiting?

Loving what you do is defined by more than just how well you accomplish your goals and succeed within your job description. It's also about how you communicate and interact with your staff.

Positive reinforcement — whether through verbal forms of communication or monetary bonuses — can go a long way toward making a work experience an enjoyable one.

While the percentage of DCs offering employee benefits decreased in some areas, it increased in others.

According to our survey, 37 percent of respondents indicated that they offered some type of retirement plan, compared to 39 percent last year. Those offering a healthcare plan increased from 28 percent last year to 29 percent this year.

Respondents offering paid time off

— a combination of vacation and/or sick days — rose from 63 percent last year to 64 percent this year.

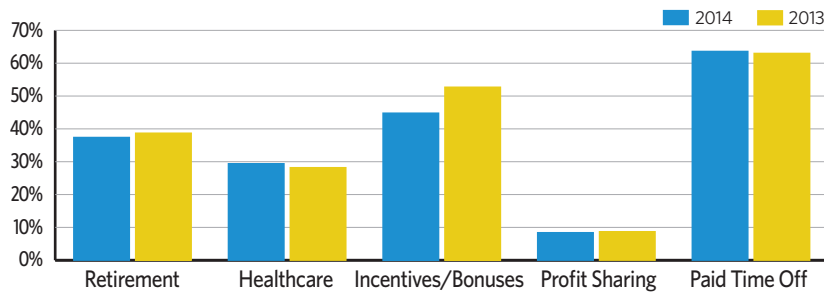
Finally, those offering incentives and bonuses and/or profit sharing decreased slightly from 61 percent last year to 53 percent this year, but still up from 52 percent in 2012's survey.

In this year's survey, we also asked for salary information on full-time employees only — not part time. We defined "full time" as employees who work 30 hours or more a week.

Our results indicated that practices employ an average of four employees, with three qualifying as full time.

The average salary paid to those full-time employees was: \$100,000, DC; \$95,000, MD/DO; \$66,000, associate; \$49,000, PT; \$42,000, LDN; \$38,000, FT; \$27,000, CA; and \$22,000, LMT. ■

2-Year Comparison of Employee Benefits



Practice preferences

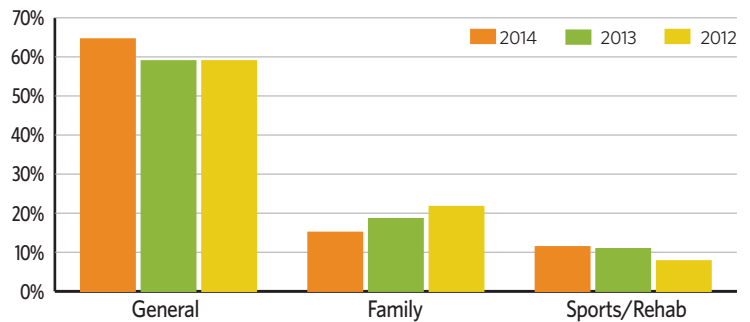
While many doctors have decided to stick to what they know best, others have found success in branding their practice in a more unique way.

In this year's survey, we once again asked respondents if they classified their practice as general, family, or sports/rehab. And keeping in line with the previous few years, sports/rehab practices saw another increase — 5 percent over last year.

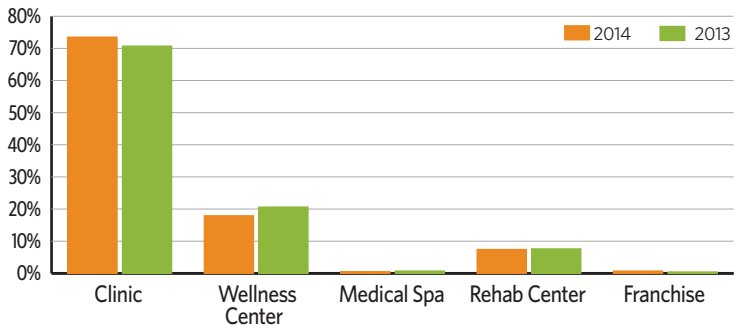
Respondents classifying their practice as "general," however, show it is still the most popular type of specialty at 65 percent, up from 59 percent last year. Family practice came in second (15 percent), down from 19 percent last year.

In addition, "clinic" was still the most popular label among respondents at 74 percent. Rehab centers saw a slight decrease from last year (7 percent compared to 8 percent). Wellness centers saw the second highest number of respondents at 18 percent, while medical spas and franchises rounded out the bottom at less than 1 percent each, respectively. ■

Chiropractic Specialties



2-Year Comparison of Practice Labels



What are you selling?

Nearly 95 percent of chiropractors said they sell at least one product in their practice. And because this number has remained consistent over the years, it's evident that the benefits retail have on a practice's bottom line are extensive.

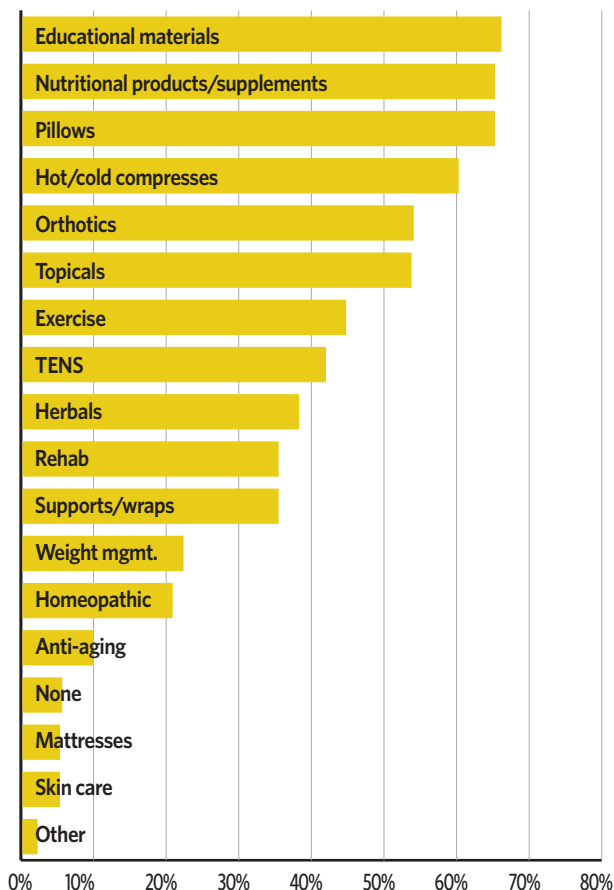
Products not only provide complementary support for the care you're giving, they help create trust within your client base. And that trust ultimately results in loyal patients and more referrals.

So which products do respondents offer? Are you selling the same products as your colleagues? The top five include:

- ▶ **Educational materials.** 66 percent, up from 63 percent last year;
- ▶ **Nutritional products/supplements.** 65 percent, down from 71 percent last year;
- ▶ **Pillows.** 65 percent, which is the same as last year;
- ▶ **Hot/cold compresses.** 60 percent, down from 66 percent the previous year; and
- ▶ **Orthotics.** 54 percent, down from 61 percent last year.

Noteworthy: Exercise products dropped nearly 8 percentage points from last (44 percent, down from 52 percent last year). ■

Which Products Are Offered to Patients?



Income, outgo

While patient treatment remains the most effective way for chiropractors to bring in income, healthcare practitioners have also found others ways to supplement their bottom line.

In addition to patient treatment, we asked you to indicate what percent of your income derives from the following sources: retail, diagnostics, consulting, and other.

The most drastic change was in diagnostics, which saw a 16-percent decrease from last year.

We also asked what percent of your treatment is paid for by the following: cash from patients, individual or group health insurance, Medicare, auto insurance, Medicaid, workers' compensation, barter or trade, and other. ■

Sources of Income

Patient treatment	.875%
Retail	.71%
Diagnostics	.66%
Other	.39%
Consulting	.19%

Percent from Treatment

Insurance	.389%
Cash	.348%
Auto insurance	.129%
Medicare	.127%
Workers' comp	.50%
Medicaid	.37%
Other	.29%
Barter/trade	.20%

Opening your wallet

Running a business — and more specifically a practice — takes more than just energy, determination, and superior skills, it also takes money.

Every successful DC must take on annual expenses that often get overlooked when factoring in how a practice operates.

Our survey asked respondents to identify their expenses in three key areas — advertising, malpractice insurance, and office lease or mortgage.

- ▶ **Office lease or mortgage.** Average costs were \$26,100, a decrease from \$29,200 last year.
- ▶ **Advertising.** Average costs in this year's survey were \$9,900, representing a decrease from last year's costs of \$12,100.
- ▶ **Malpractice insurance.** Respondents reported an average expense of \$2,600, up from last year's costs of \$2,200. ■

Major Practice Expenses

	2014	2013
Office lease or mortgage (yr)	\$26,099	\$29,159
Advertising	\$9,944	\$12,121
Malpractice insurance	\$2,631	\$2,260

The age of specialization

As a chiropractor, you understand the benefits of regular chiropractic care — and your patients likely do too. But if there's one thing our annual survey indicates year after year, it's that you also understand the importance of complementing that care with other modalities and specializations.

And once again, this year's survey shows that a large percentage of DCs have other specialists working or consulting within their practice. Those specialists ranged from LMTs, PTs, and MD/DOs to acupuncturists, fitness trainers, and LDNs.

Brining specialists on board not only helps your patients with their care, it also helps your practice stand out from possible competitors. But the benefits don't stop there: Clinics employing specialists see more patients per week (145 compared to 108 patients per week in nonspecialist clinics); bill more (average of \$685,000 versus \$372,000); and collect more (average of \$429,000 versus \$274,500).

As a result, clinics employing specialists averaged a higher total compensation than those practices without specialists (\$133,000 and \$109,500, respectively).

Practices employing specialists also attract a higher number of new patients per week (8) compared to nonspecialist clinics (5).

Modalities offered

While most of the respondents have at least one specialist on staff, the most common specialist was the LMT, with almost 50 percent indicating they have an LMT in their clinic.

Other popular specialists include:

- ▶ Acupuncturist, 14 percent;
- ▶ MD/DO, 9 percent;

- ▶ Nutritionist, 6 percent;
- ▶ PT, 6 percent; and
- ▶ Fitness trainer, 5 percent.

And 7 percent of respondents indicated "other" for the specialists they have their in clinics.

Respondents (both clinics with

How Specialists Boost Your Income

	Specialists	No Specialists
Mean Total Comp	\$132,987	\$109,466
Expenses		
Office lease/mortgage (yr) . . .	\$34,579	\$17,566
Advertising	\$13,691	\$5,797
Malpractice insurance	\$3,132	\$2,036
Salary		
DC	\$108,117	\$89,014
Associate	\$70,295	\$55,555
PT	\$49,166	N/A
CA	\$28,620	\$26,245
LMT	\$22,037	\$15,000

specialists and clinics without) also reported that they offer a wide range of modalities, even if they do not have specialists who provide them. These modalities include:

- ▶ Chiropractic, 99 percent;
- ▶ Electrotherapy, 65 percent;
- ▶ Exercise programs, 59 percent;
- ▶ Nutrition, 58 percent;
- ▶ Massage, 52 percent;
- ▶ PT/rehab, 49 percent;
- ▶ Instrument assisted soft tissue mobilization, 38 percent;
- ▶ Laser therapy, 30 percent;
- ▶ Decompression, 28 percent;
- ▶ Weight loss programs, 27 percent;
- ▶ Acupuncture, 27 percent;
- ▶ Fitness devices, 16 percent;
- ▶ Homeopathy, 10 percent;
- ▶ Medical services, 8 percent; and
- ▶ Other, 7 percent. **CE**



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