



CASE STUDY
Boosting Take Home Pay

Client Challenge: Dr. Robert owned a very successful practice with 4 DC associates, 7 CAs and 3 MTs. Although he was grossing over \$1.5 million per year, his take home income was small. His DC associates often took home larger monthly checks than he did. Dr. Robert decided it was the last straw when his office manager's check was larger than his. Over the years, he had hired various CPAs to try to improve his bottom line, but their efforts were unsuccessful.

Methods: RJF Consulting's approach was to assess the contribution and compensation structure of each DC, CA and MT (using our established benchmarks). We also examined Dr. Robert's collection efforts with insurance companies, cash patients and personal injury claims and performed a comprehensive analysis of the clinic's overhead (using our established benchmarks).

Results: Dr. Robert and his wife were overjoyed with the increase in their family's income. We found several expenses that the clinic could eliminate and others that could be reduced. We identified two DC associates who were being overpaid in relation to their personal production and renegotiated a new win-win compensation schedule. We also replaced two negative, inefficient CAs with one motivated CA. Overall, we lowered annual overhead by \$178,000 and provided guidance on insurance & collection protocols that improved income by \$91,000.

Conclusions: It is never just about the money. The patient always comes first. But clinic owners deserve a fair return on their time and investment. For that matter, all team members should be compensated fairly in a win-win scenario. Additionally, it is vital to eliminate unnecessary services and reduce the cost of overpriced ones. Creating a more streamlined and efficient system is always better for the bottom line.