



Practice Profiling
Survey Results
2015

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Introduction

Dear Member

You could not have any idea of the TEM that has gone into the production of this report. TEM is our Physio First acronym for “time”, “energy” and “money”. An acronym that you will see with increasing frequency within our publications such as our quarterly Update and regular E-Alerts, so relevant is it to everything we now do.

The journey to this report started in November 2008 when my predecessor, and our then Executive members started to investigate MRM systems, i.e. Membership Relationship Management systems. The sort of software that tells Amazon what sort of books we customers want to buy, and supermarkets what food or wine to place in front of us.

MRM software is not space-age but merely software that helps to reduce human intervention by removing tedious tasks through automation and which enables data to be collected upon us as customers (or members) that can then be analysed by Physio First to inform us (as members).

We acquired our MRM system after consultant assistance and rounds of tender and interview in 2009 and we have spent the last 7 years installing it. You would be forgiven for shouting “what sort of software takes that sort of development” and believe me, you will only be echoing my colleague Executive members hue and cry over the years – but “simple” as it sounds, it took literally years to develop to the level that we have now reached and to produce this report.

So what have we got here? Well that is summarised in an article in our March 2016 edition of Update which we have reproduced below. What “we” have here, as a community of like-minded private physios working to our ambitious and marketplace disrupting vision, is information that tells “us” who we are, for the first time in our 64 year history.

With this information we can now talk to marketplace stakeholders such as private medical insurers, self-insuring large employers, cash plan providers, practice management software suppliers, education providers and physio consumable providers about who we are in support of Physio First initiatives such as:

- our Quality Assured Practitioner scheme
- our private practitioner self-owned business entity(ies) (Goal 9),

with confidence that only knowing who we are brings.

This is the very first report of its type. Each new Practice Profiling report that follows will build upon this. Each new report will generate more members participating, as we all start to learn the value of the information and evidence that we can now unearth. In our next survey we will collect more and different data that will inform Physio First as well as each of us who participates.

So, something we could now do to help the Team that is Physio First. Have a read of this report, have a think about it and what it tells us about private practice in general and how it might inform us in our business planning. Then please, please, please talk about it on our Physio First private trusted LinkedIn forum.

Please do not reproduce any part of this report or copy it to anyone else as this is just for you! You took the trouble to participate and if any of our colleague members want one then they too must take the 10-minutes to complete the survey and a copy will be dispatched to them. Details of how to do this will be publicised.

This might sound harsh but it is not meant to be. It is merely that, if we are going to get to our Goal 9 and our vision, we need members to participate in our big 5 core unique benefits of which this is one. Without this engagement, we simply won't progress in our plan to become the Organisation capable of championing evidence based cost effective private physiotherapy with Physio First members in the changing healthcare marketplace. Remember, the more members who participate, the more representative of our Organisation as a whole and the more robust the evidence in these reports – so we need everyone to take part.

All of that said, the more you communicate the value of this report, the more our colleague members will listen and the more will join in. We want to give every member the chance to join in and that means we need individual champions. So go on – please communicate the value of this report. Please be one of our growing band of champions!

Kind regards

Sarah McGrail
Hon Membership Officer Physio First

Extract from Physio First March 2016 Update

Highlights from Physio First Practice Profiling report

By the time you receive this Update, those of our 702 colleagues who responded to our Practice Profiling survey will have received their report.

What will it tell them? Well, it will tell them how their practice compares with other practices. It will tell them what the average practice receives by way of turnover (i.e. all revenue that a practice receives), what proportion receive more than £200K a year and how many of us produce less than £60K a year. It will answer questions such as the importance of Bupa, AXA PPP, Nuffield, etc. as a share of a practice's patients.

Why are these reports valuable? Firstly, they are valuable because they are unique. They cannot be obtained anywhere else other than through participation in our Physio First Practice Profiling surveys, which, of course, we have to be a member to complete. They are also valuable to those of us engaged in our own business planning, as they provide information that not only enables us to compare our business to that of the fictitious average private practice, but also to other private practices that are similar to us.

Are we performing as well as we might? Are we performing better than most? Are we behind the game? These are the most difficult questions to answer when trying to plan our business and our future.

The information from the reports will evoke questions that we have to ask ourselves, such as:

- What am I doing (or not doing) that my fellow private practitioners are?
- Should I be finding out more information from colleagues about particular aspects of how they run and plan their businesses that I should apply to my own?
- Should I be going to our Annual Conference or Education Days to chat with colleagues about this sort of thing or should I be engaging on our private trusted LinkedIn forum where so many business questions are being asked and answered every day by like-minded colleagues?
- Should I sign up to our Painless Practice partner's courses to learn what others know and what I need to know?

One area that our Practice Profiling reports will continue to feed is the whole question of selling our practice. It is never too early to plan to sell our practice, as any business that an owner wants to sell has to be prepared for sale, which can sometimes take years.

Although we have nothing but anecdotal evidence so far, we believe that most practices are sold to colleagues (e.g. employees or self-employed associates), or simply closed upon the retirement of the practice principal. There is no reason for this to continue if we prepare properly.

So, here is a brief summary of what our fictitious "average" colleague looks like:

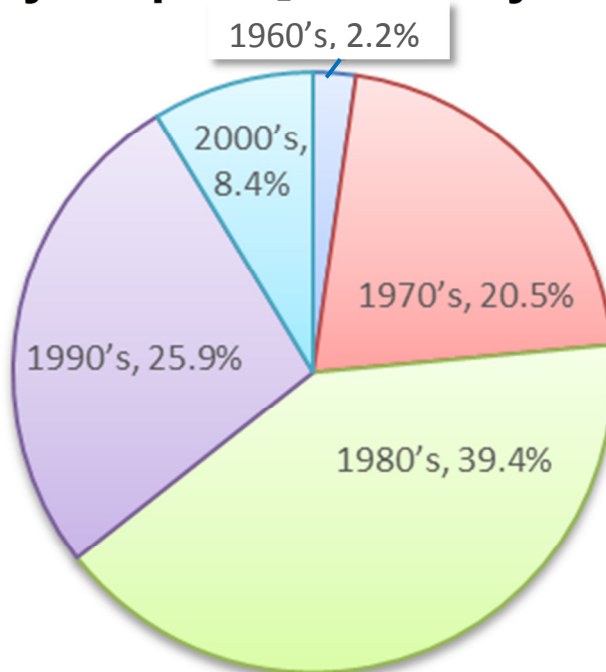
- Qualified in the mid-to-late 1980s
- Has been a member of Physio First for 10 or more years
- Is a practice principal or a sole practitioner
- Doesn't trade as a limited company
- Has no business partners who are not Chartered Physios
- Works away from home in either owned or rented premises
- More than half of their patients are self-paying
- Bupa makes up 10% or less of their patients
- AXA PPP and Aviva make up less than 10% of their patients
- Nuffield doesn't figure in their patients, and corporate clients are also very low
- Nearly all of their clinical work is MSK work, although they may also offer MSK domiciliary and electrotherapy
- Turnover varies quite widely, but £60K is an average
- They are just as likely to use Practice Management Software as they are unlikely and if they do, it will probably be TM2
- They may be in the AACP or the ACPSM, but also just as likely not to be in either.

Unless you are one of the 702 members who responded to our first survey, for the full report, please do keep an eye out for our next Practice Profiling survey, which is likely to take place later this year. And do keep an eye on our private trusted LinkedIn platform for conversations about what members may have learned from this one.

Remember, if we participate, we will get the reports, too and the more of us who participate, the more robust the evidence for all of us!

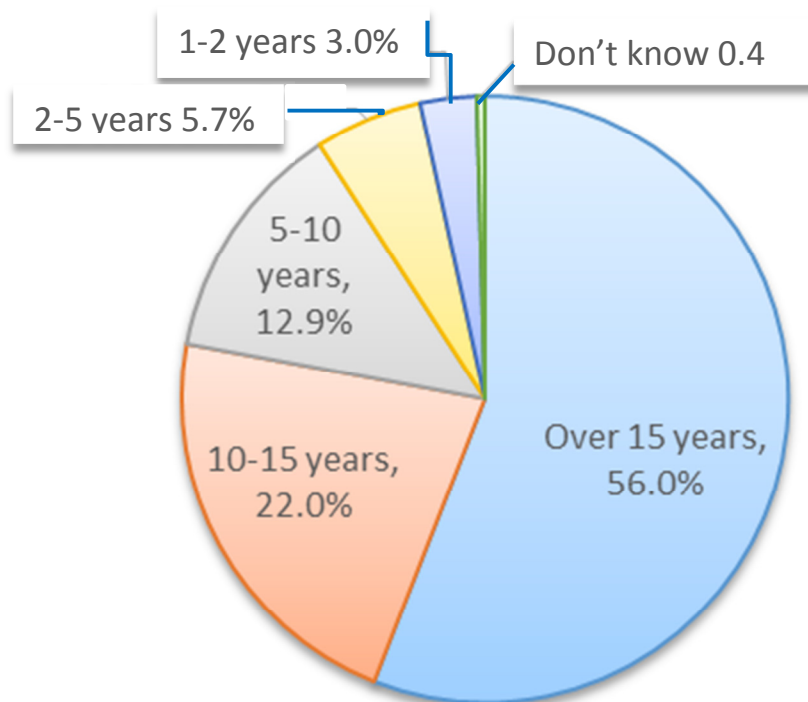
The Survey Questions Answered

When did you qualify as a Physiotherapist?



Nearly 80% of responders have qualified since 1980, and just under a quarter, of responders qualified in the period between 1983 – 1987

Length of membership of Physio First



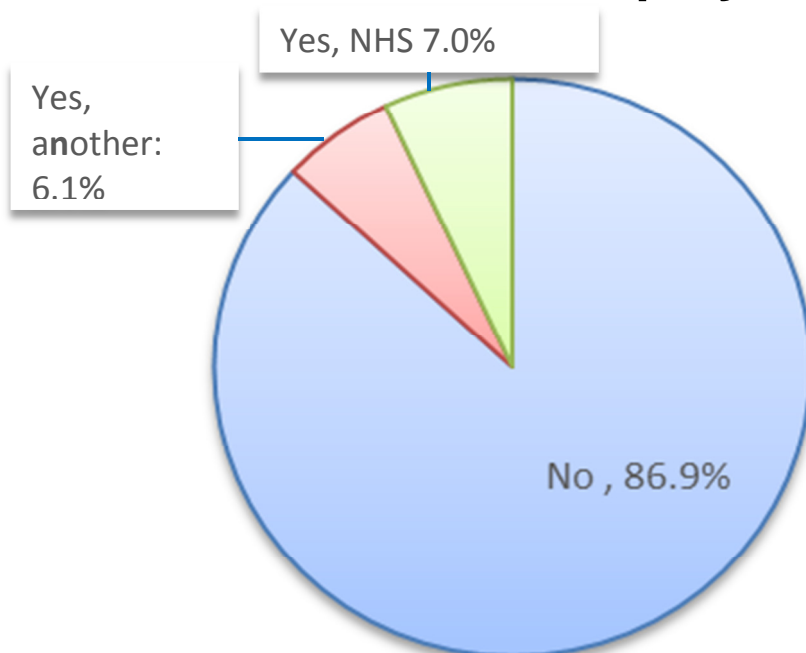
Over 90% of responders have been with Physio First for 5 years or more, and nearly 80% for ten years or more

What are you?



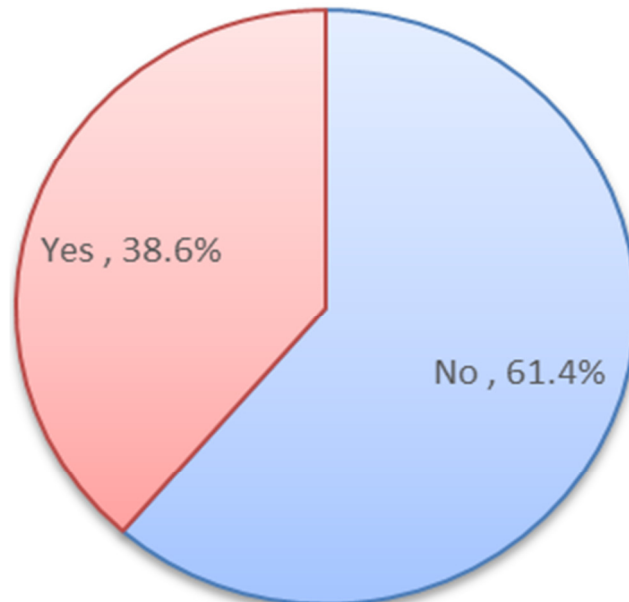
90% of responders are either a Practice Principle or a Sole Practitioner

Do you work as an employed physio as well as self-employed?



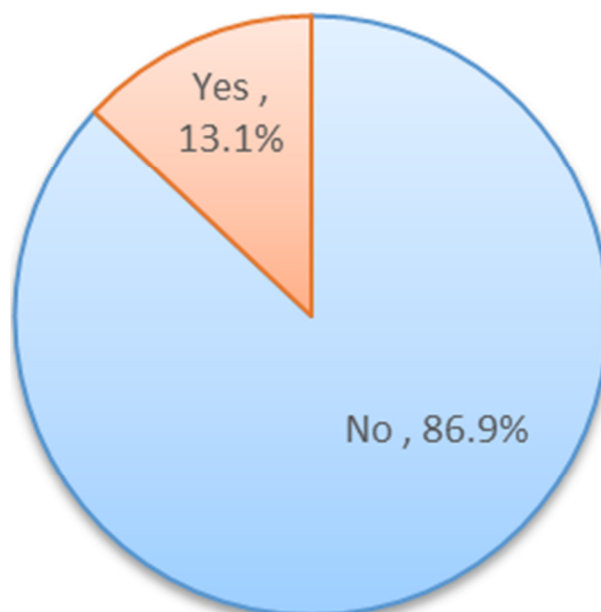
The vast majority of responders only work for themselves

Do you trade as a Limited Company?



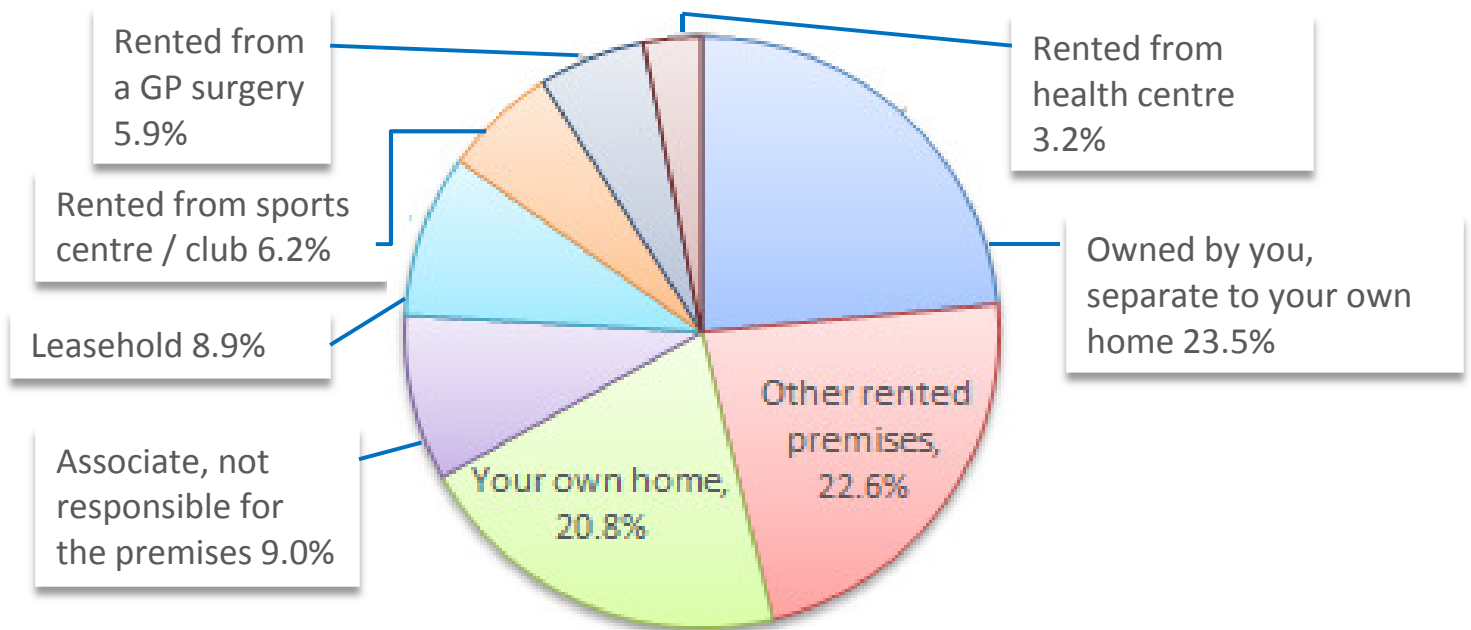
Almost 40% of Private Practitioners trade as a Limited Company

Do you have any business partner/s who are not Chartered Physiotherapists?



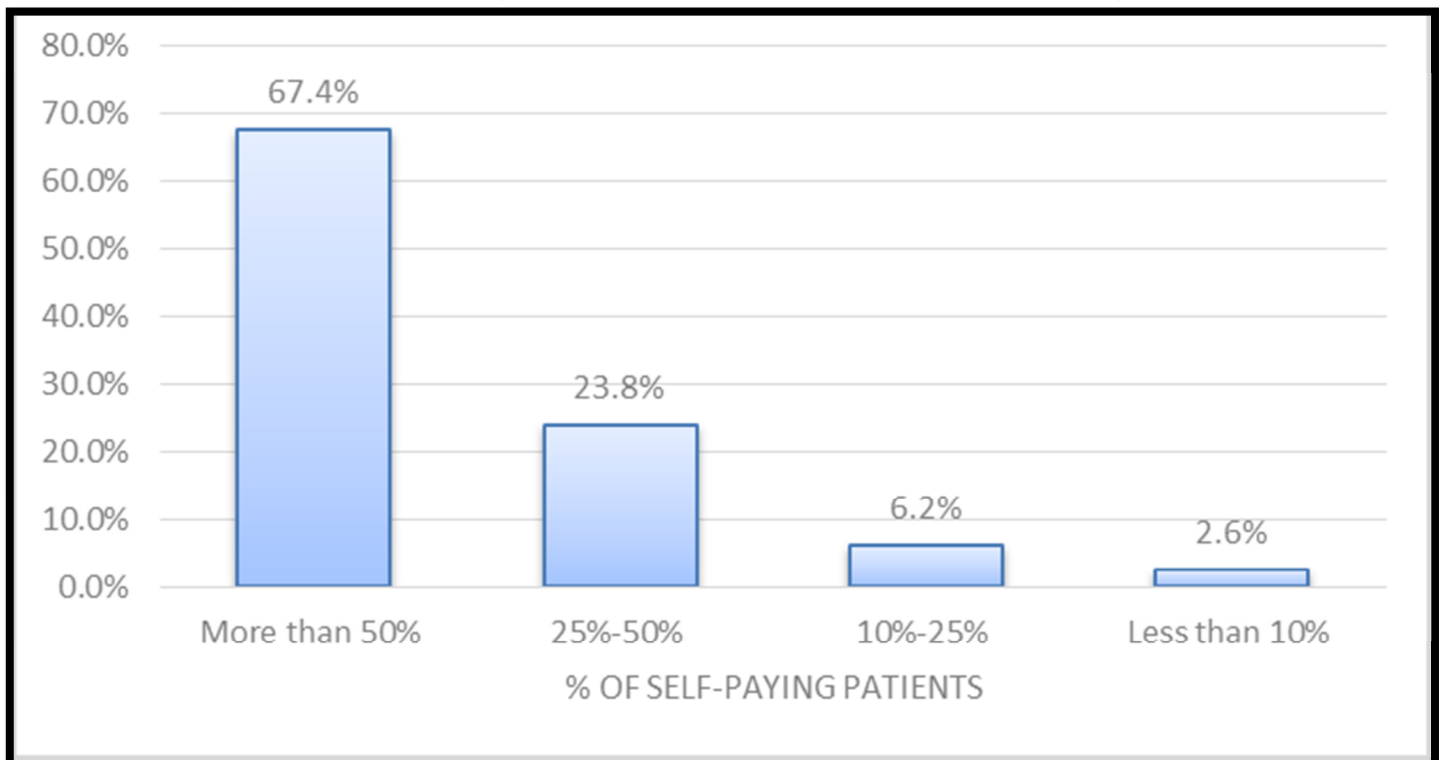
The vast majority of responders do not have any business partners who are NOT Chartered Physiotherapists

What are your practice premises?



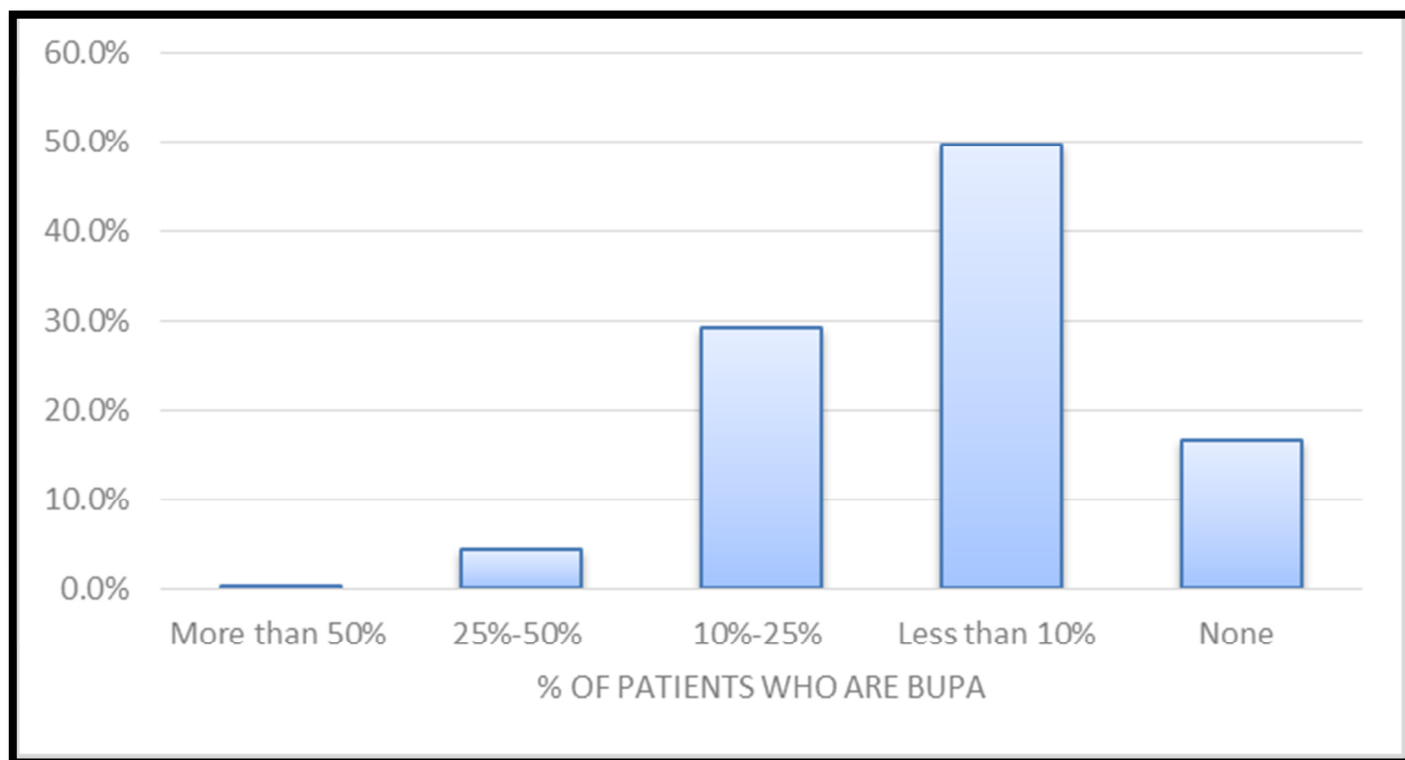
No one type of premise dominates, although around 80% of physios practice away from their own home

What proportion of your patients are self-paying?



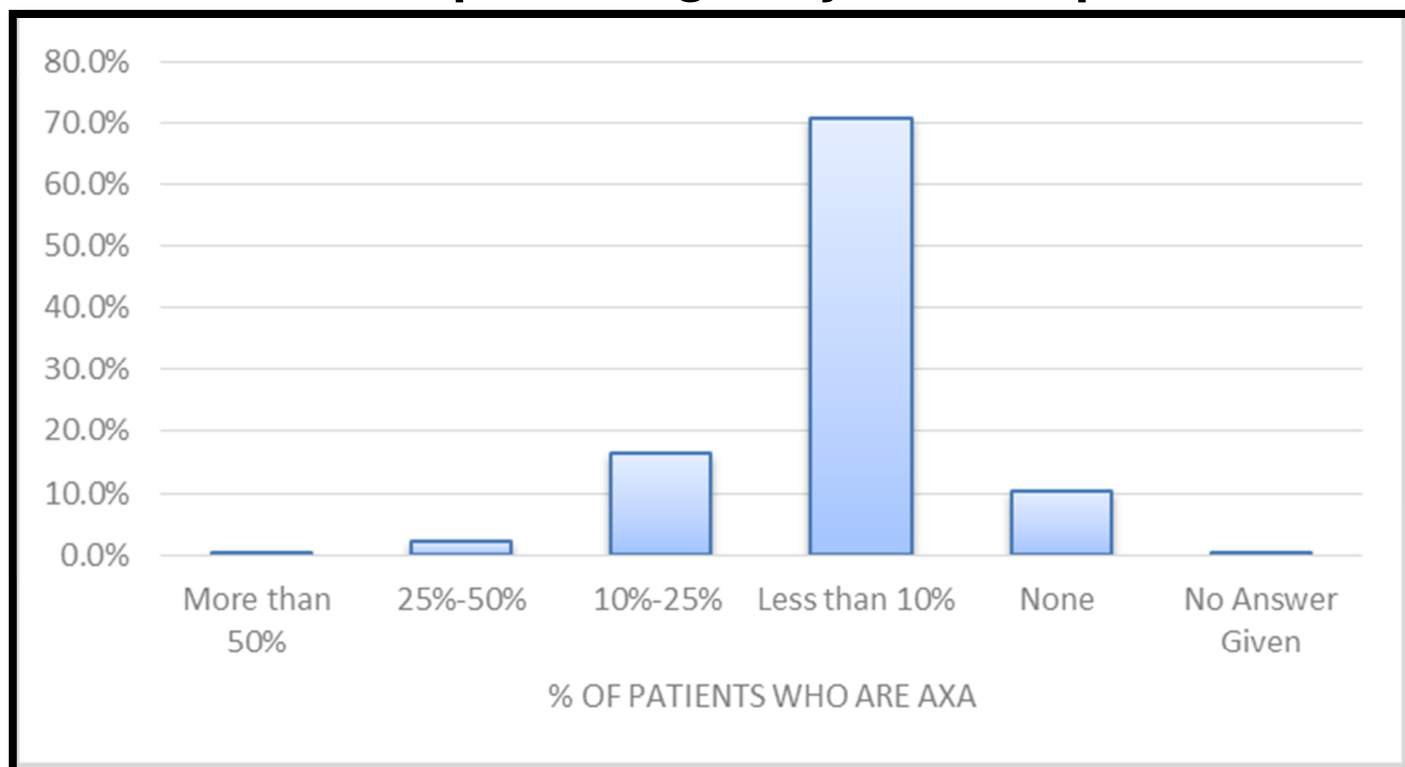
In nearly 7 out of 10 cases, over half of all patients are self-paying

What is BUPA as a percentage of your total patients?



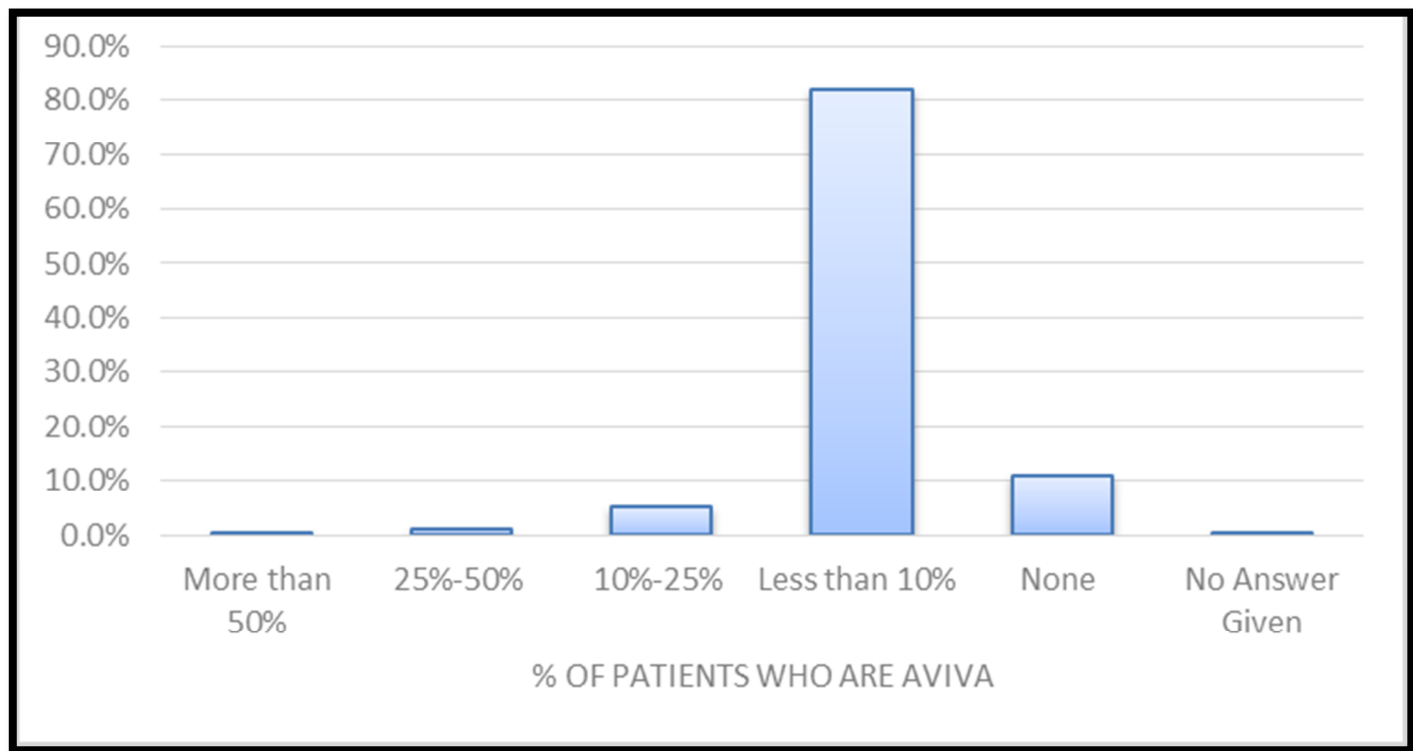
For more than 6 in 10, BUPA accounts for less than 10% of their patients

What is AXA as a percentage of your total patients?



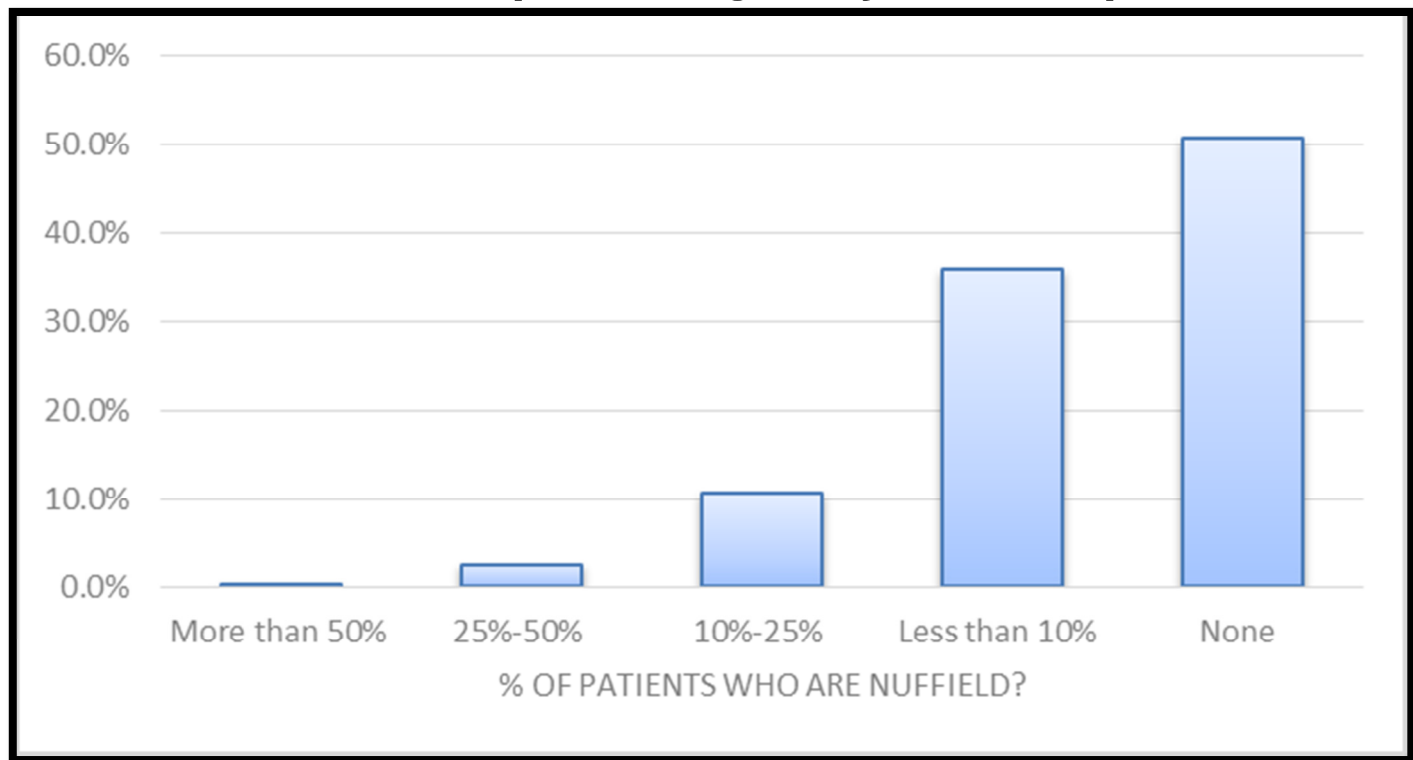
For more than 8 in 10, AXA accounts for less than 10% of their patients

What is Aviva as a percentage of your total patients?



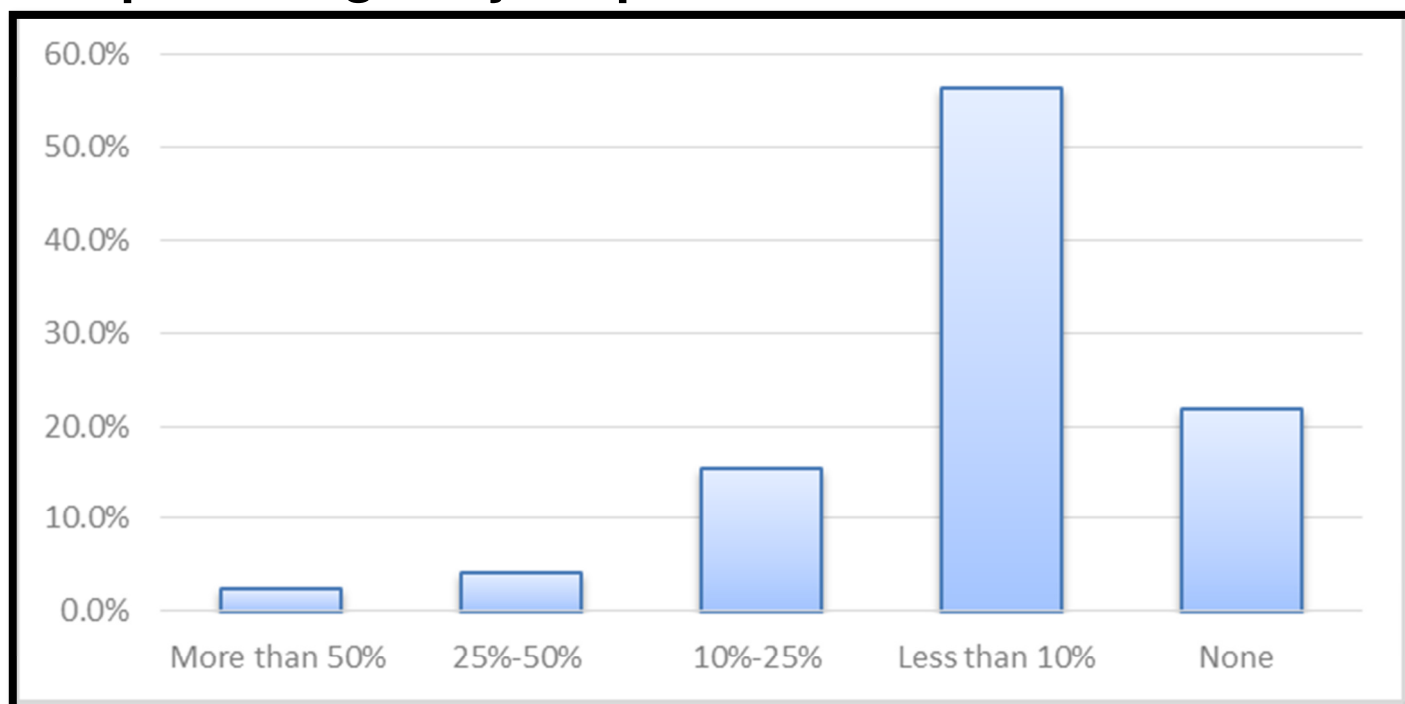
For over 9 in 10, Aviva accounts for less than 10% of their patients

What is Nuffield as a percentage of your total patients?



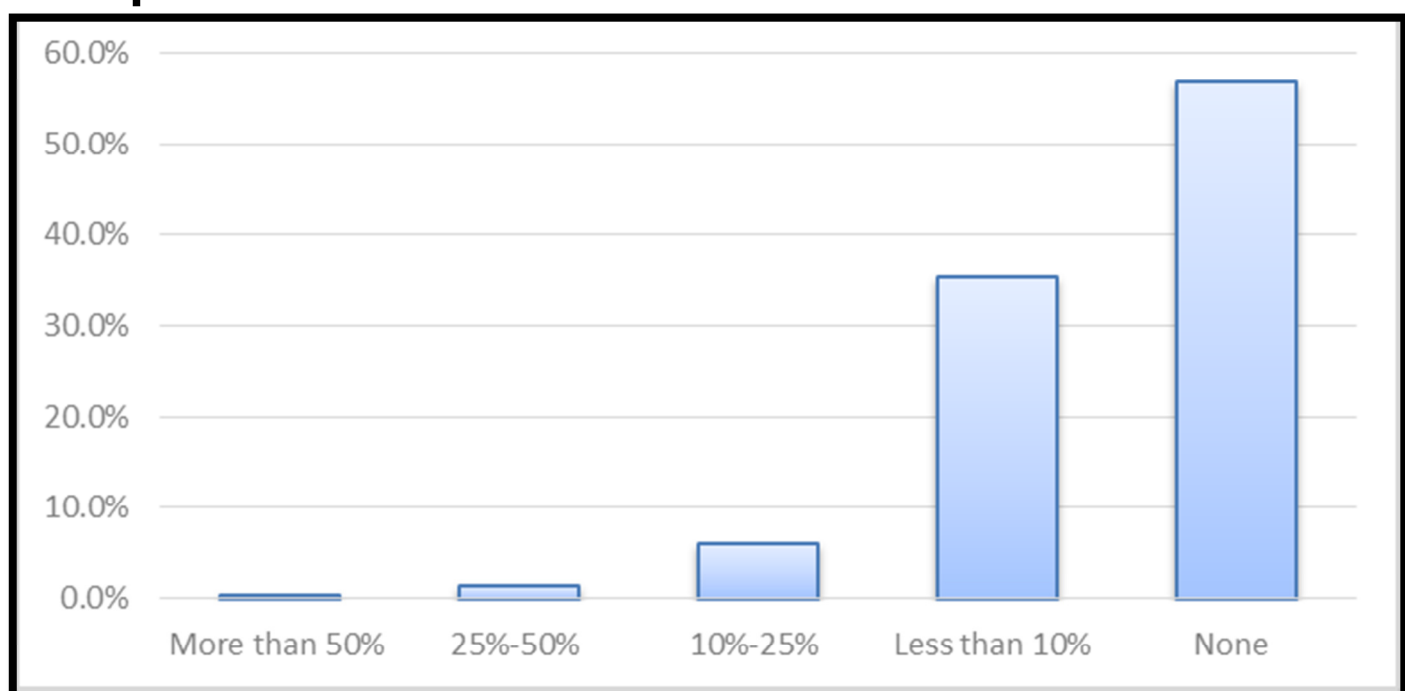
For nearly 9 in 10, Nuffield accounts for less than 10% of their patients

Other commercial intermediaries (in combination) as a percentage of your patients?



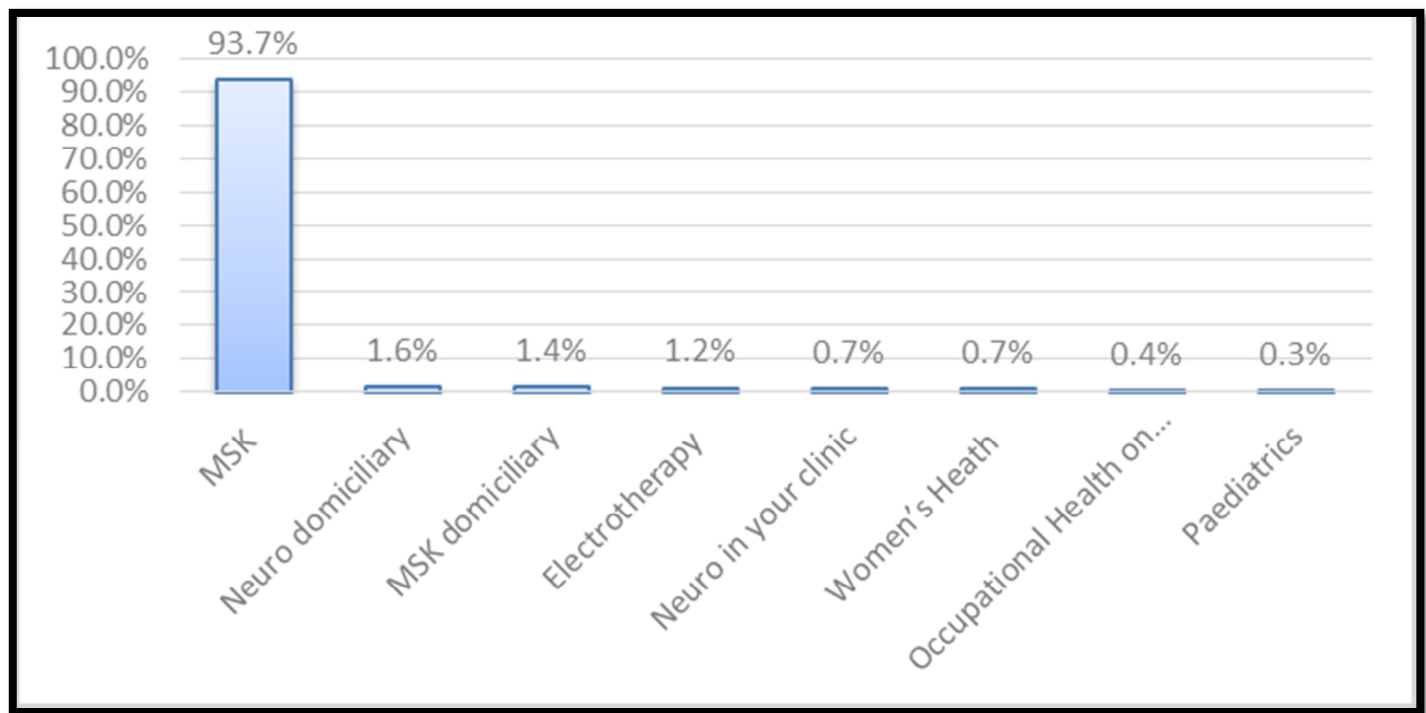
For nearly 8 in 10, other commercial intermediaries account for less than 10% of their patients

Industry or corporate clients as a percentage of your total patients?



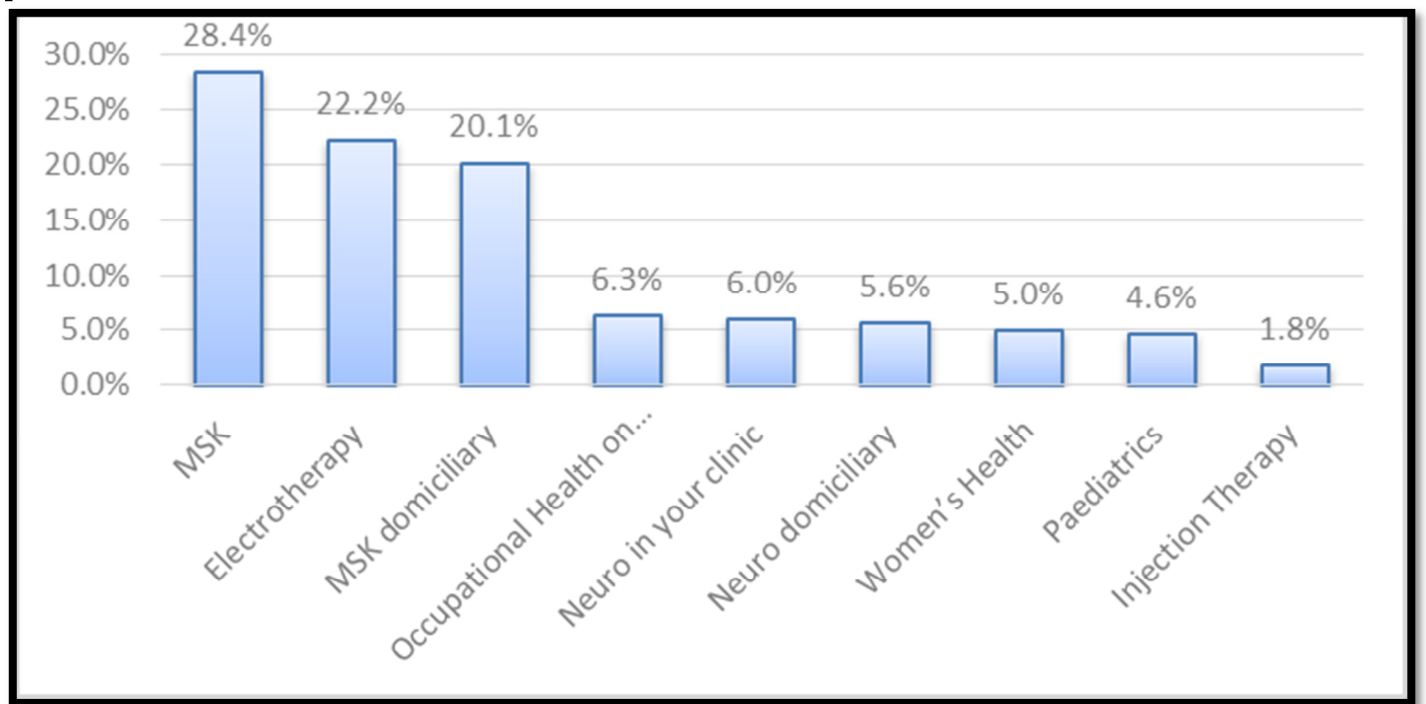
For over 9 in 10, industry or corporate clients account for less than 10% of their patients

What sort of clinical work forms the majority of your work?



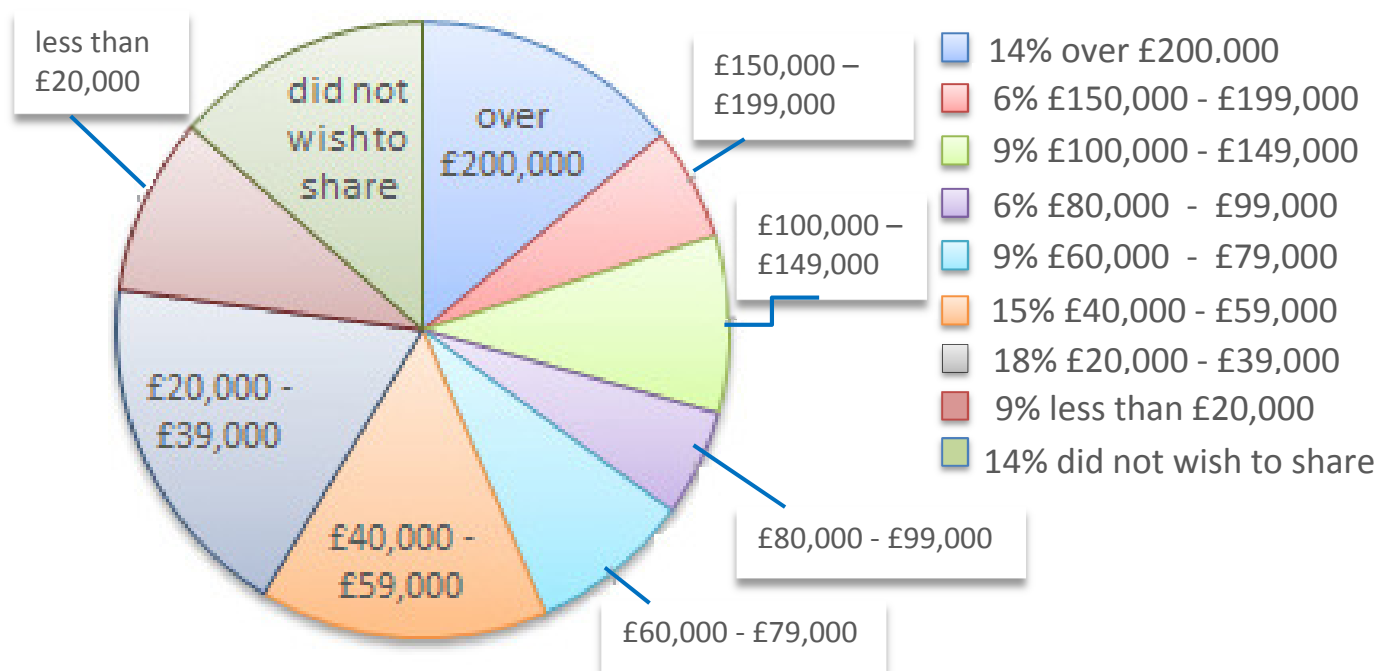
MSK dominates as the major source of clinical work

What type of clinical work is within your scope of practice?



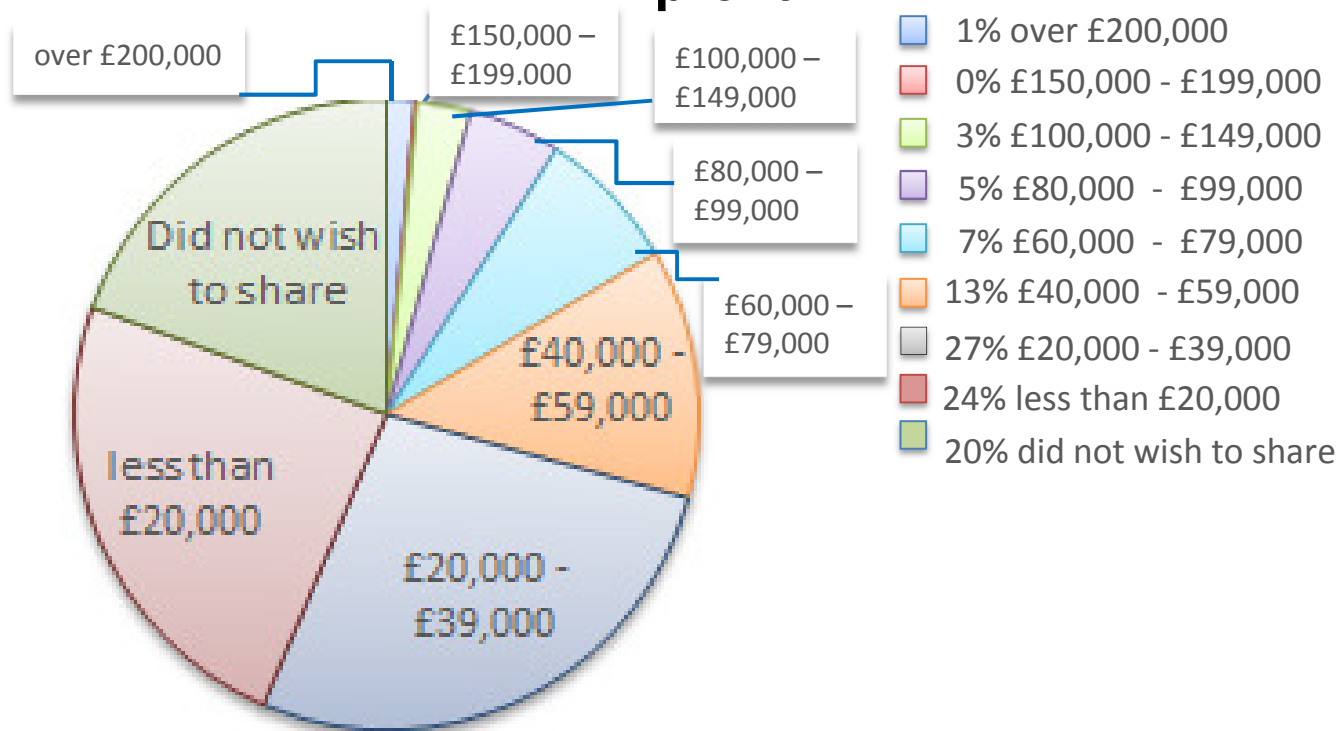
With 696 responders, the average number of types of clinical work offered = 3.4

What is your annual turnover?



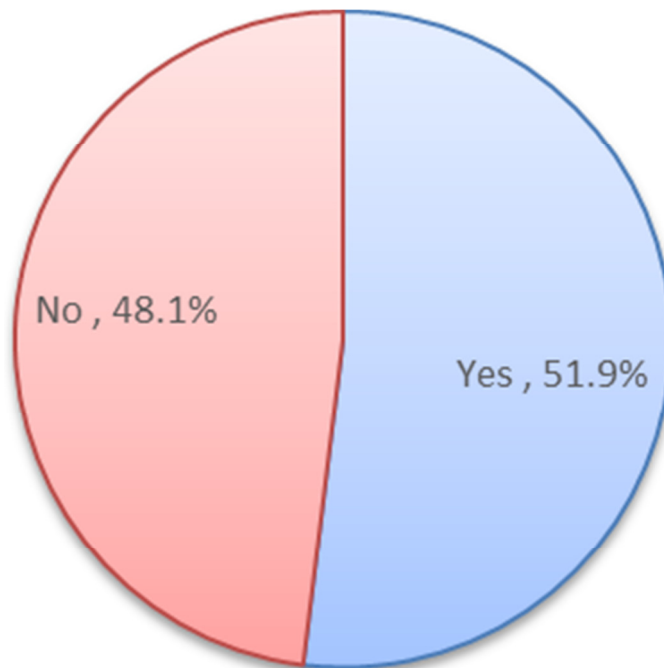
A broad range of turnover, with the median point being approx. £60k

What is your average / usual / projected annual profit?



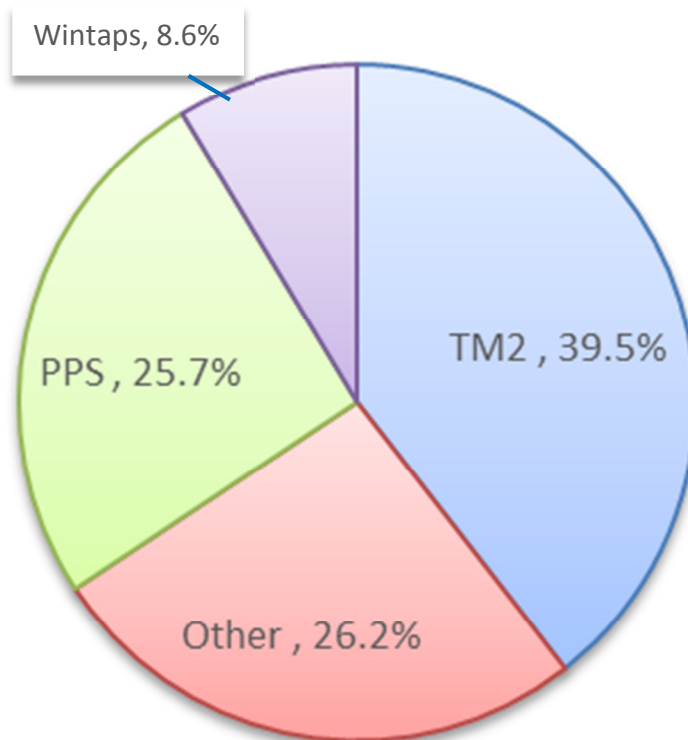
In a number of cases profit was reported at the same level as income, giving some doubt to the results

Do you use Practice Management Software (PMS)?



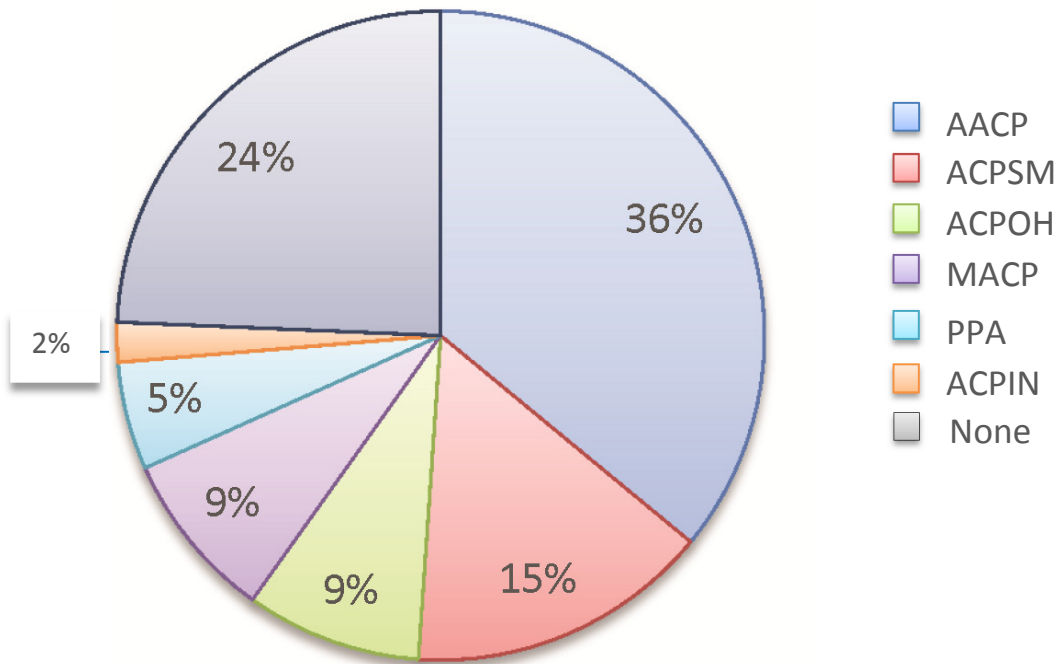
About half do and half don't use PMS

If you use PMS, which one do you use?



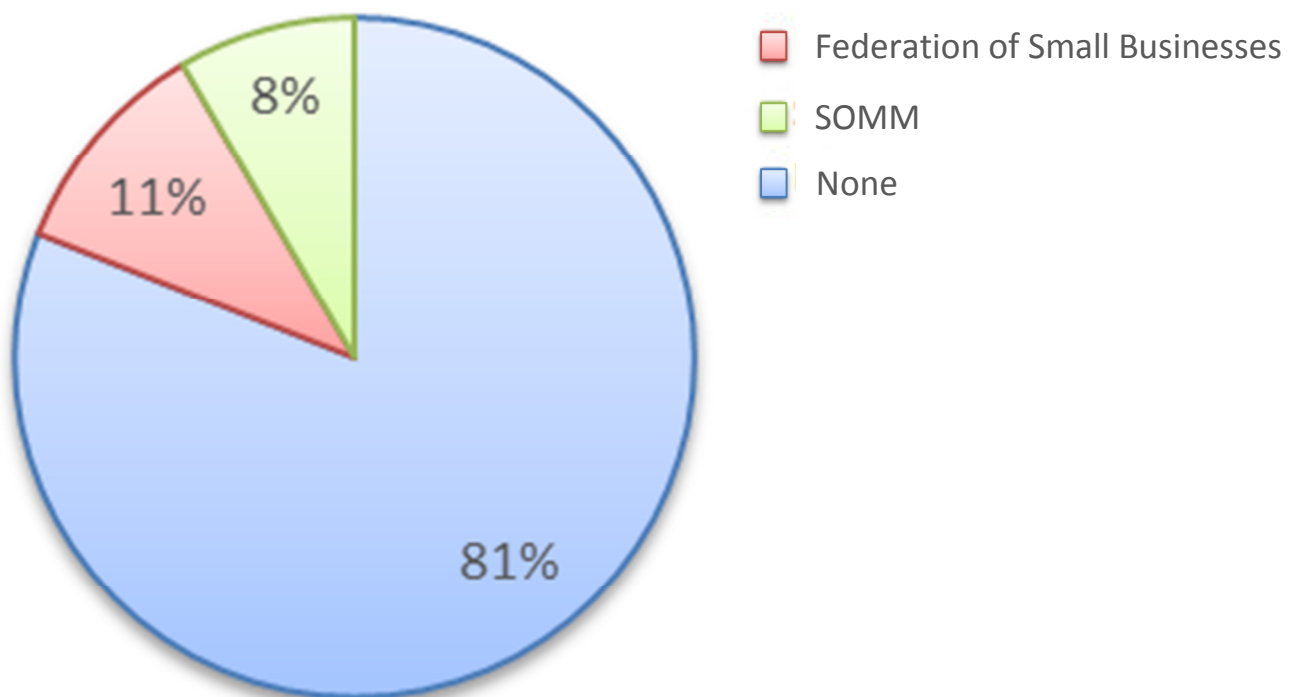
TM2 has the biggest market share, but doesn't dominate

Which of the following CSP professional networks are you also a member?



Excluding the 'none' responses, those that remain are a member of an average of one network with AACP accounting for nearly 4 out of 10 overall responses.

Are you a member of the following bodies?



The vast majority of responders are not a member of any of the organisations listed

Survey Answers “Unstacked”

Essentially, if data is collected in a standardised way new questions can be asked of it and new answers provided. It is at this point that we must give due acknowledgement to Frank Reynolds, former business course tutor with Paul Donnelly on our Physio First “Introduction to practice promotion” course that we ran between 2004 and 2012 and who is a professional marketer. Not only that, he is the first ever non Physio First member to actually step up and volunteer to sit on a Physio First Sub Committee – our Membership Sub Committee.

It is largely due to his skills and dogged determination that this section of this report was completed and indeed it is this unstacking ability that will form the increasing value of these Physio First Practice Profiling reports going forward.

We are only getting used to unstacking both in this Physio First Practice Profiling member benefit as well as in our Physio First Data for Impact member benefit.

Just to give this some overall context – we are in fact only doing what millions of others are doing. Just about every business we shop in, eat in, browse in, take advice from or even play in is collecting data on us.

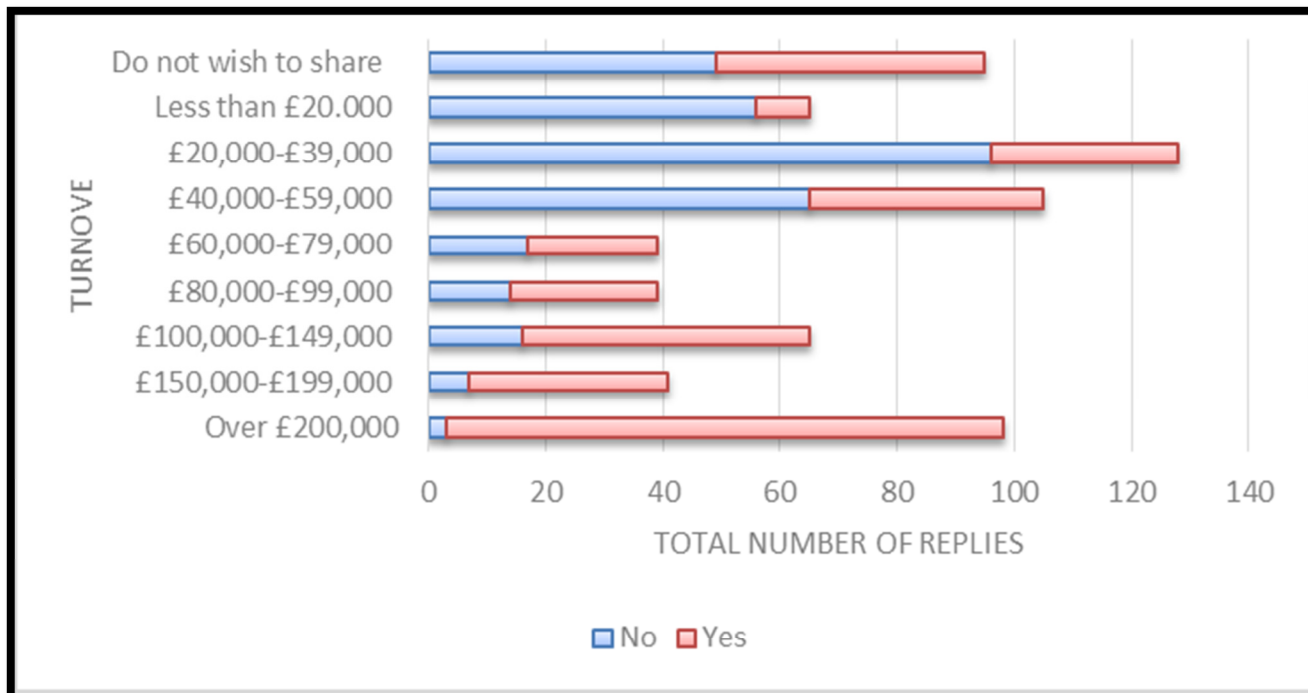
They use it to sell us things but this activity is “us” collecting data on “us” for “our” use. Data turns into evidence about how private practitioners practice. That means we can collectively get answers on how to practice better through learning from each other, and with each other... all through “unstacking data”!

So what follows is our first attempt to unstack the data that we have collected from you and our colleagues who have participated. We have asked new questions of our data and what follows are some new answers. We must remember however that we can only work with the number of data sets that we have collected so far. The more data sets collected from members, the more representative and robust these will become.

From now on we will become better and better and better at asking questions (i.e. collecting data) and at answering even more questions (i.e. unstacking) – so see what you think.

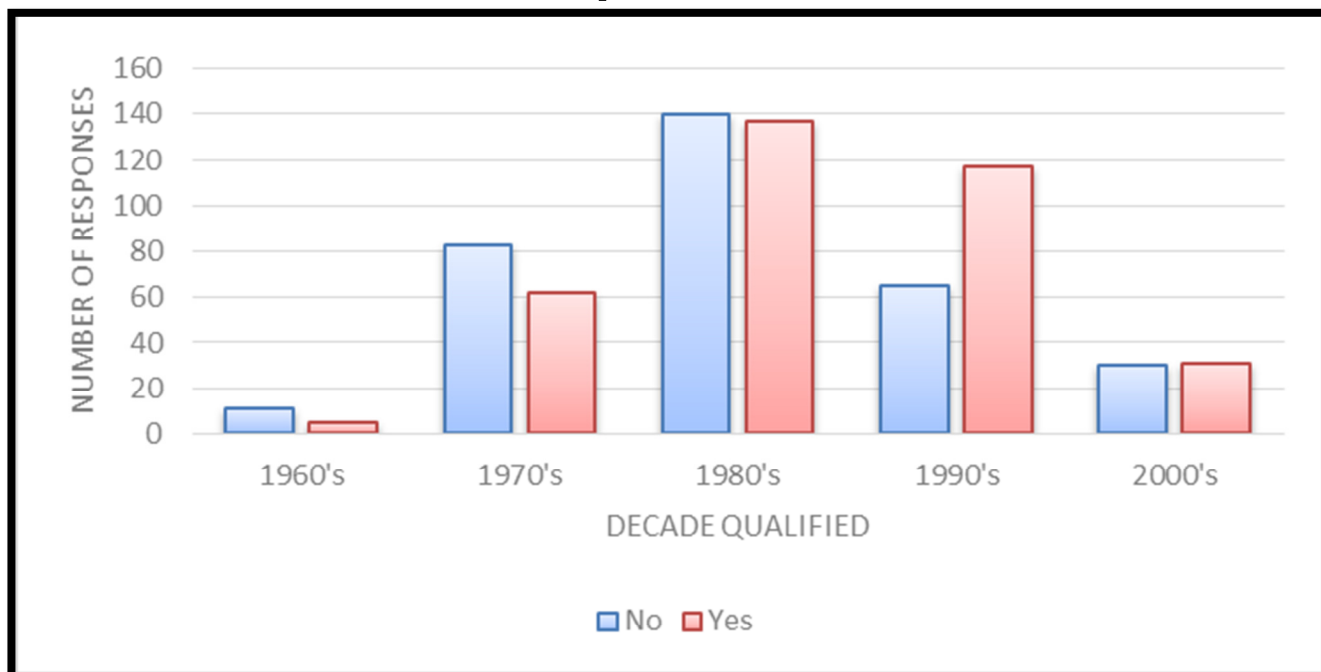
Oh and thank you!

Use of PMS tracked against turnover



The tipping point for those more likely to use PMS than not, is approximately £60k of income, i.e. those who have a turnover of £60k are more likely to use PMS than not. The use of PMS then grows as income grows past this point, so that practices with incomes of £100k or more are, in the vast majority of cases, going to be using PMS

Use of PMS vs decade qualified



PMS is more likely to be used if the Physiotherapist qualified from the 1980's onward.