

Eli's Rehab Report

Practice Pointers: Don't Get Too Discount-Happy With Patients

Show your therapists the numbers.

During these tight times, many therapists are afraid that if they don't discount their rates or waive copays, their business will go elsewhere. But this is actually a big mistake for more than one reason.

"The biggest way to save money is to not purposefully lose money," says **Michael Weinper, MPH, PT**, president & CEO of PTPN in Calabasas, Calif. And that's precisely what waiving copays does -- you're in essence subsidizing the patient's care.

Not to mention: Waiving copays is illegal, Weinper points out.

Important: Make sure patients understand the reason behind why you can't waive copays, as opposed to just saying, "This is just our policy," Weinper says. Therapists are business owners, and business owners should charge for everything they do. Sometimes therapists or front desk staff may feel the practice is charging patients too much because the therapists don't realize what it really costs to run a business. This might cause them to not bill for every service or to waive copays.

Solution: "Let your employees see the reality of the financial situation you face," Weinper says. Show them your budget at a team meeting. "Most of them don't realize how close you are to break-even. Some owners pay everyone first and then take their money last," he says.