

10th Annual Salary & Expense Survey

Chiropractic Economics looks at a decade of income trends

A survey captures a snapshot of a situation. But, when results of the same survey, taken throughout a period of years, are compared, the snapshot turns into a bigger picture that shows trends.

This is the 10th year *Chiropractic Economics* has administered its annual salary and expense survey.

This year, although we report on the same data we have gathered in the past, we made a few refinements in the questions we asked. *For example:* Instead of asking respondents to choose a range of billings, collections, net practice income, and total compensation, we asked them to write in a specific number.

CHANGES FROM LAST YEAR

Here are some changes we spotted:

- **Slight increase in female chiropractors.** The profession continues to attract more men than women, but the number has remained fairly consistent, year to year. This year, the survey had a slight increase in the number of female respondents — 19.6 percent, compared to 15.6 percent in 2006.
- **Slight increase in group/partner practices.** In 2006, 22.7 percent said they were in a group or partnership practice. This year, the number increased to 25.8 percent.
- **PVA up slightly.** The patient-visit-average reported this year is 30.3. This is up from 28.5 in 2006 and roughly equivalent to 2005's report of 30.9.
- **Weekly patient visits down.** Although PVA increased slightly, the reported weekly patient visits

Survey

By Linda Segall

declined to 127 from 133.6 in 2006.

- **Slight decrease in DC salaries.** In 2006, DC respondents reported a mean salary of \$96,772. This year, the mean salary was \$94,116.

- **More in \$500K–\$999K billings category.** The mean for billings was \$423,919, with a median of \$320,000 (well within the \$250K–\$349K range for 2006 and 2005). For the past three years, the mode for billings has been \$500K–\$999K.

- **More in the \$250K–\$499K collections category.** The mode for collections increased. In 2007, 29.8 percent fell into this category, compared to 26.6 percent in 2006 and 19.0 percent in 2005.

LONG-TERM TRENDS

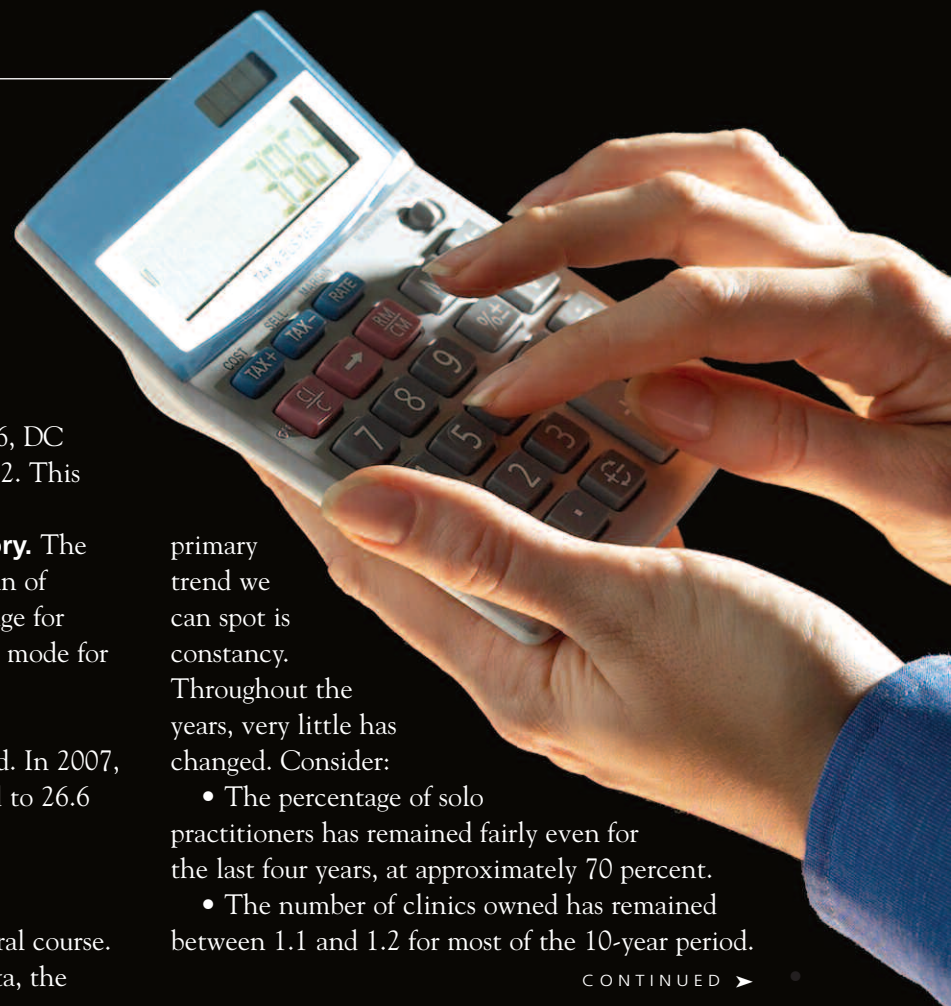
A trend is a prevailing tendency or a general course. Upon reviewing 10 years' worth of survey data, the

primary trend we can spot is constancy.

Throughout the years, very little has changed. Consider:

- The percentage of solo practitioners has remained fairly even for the last four years, at approximately 70 percent.
- The number of clinics owned has remained between 1.1 and 1.2 for most of the 10-year period.

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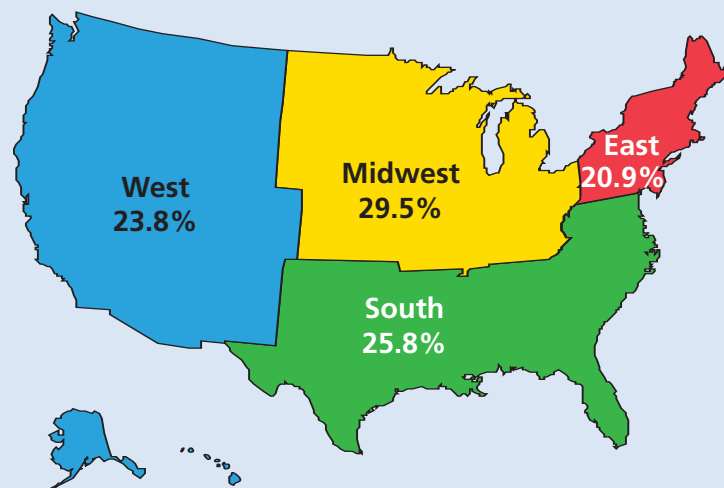


About this survey

Throughout February 2007, *Chiropractic Economics* invited both readers and nonreaders to participate in our 10th Annual Salary & Expense Survey, a confidential Web-based questionnaire.

We extended the invitation by e-mail to our subscribers and readers of our online newsletter, Newsflash. The e-invitation was also extended to other individuals by a number of other organizations: ChiroPractice Marketing Solutions, American Chiropractic Association, Connecticut Chiropractic Association, California Chiropractic Association, Florida Chiropractic Association, the Association of New Jersey Chiropractors, Future Perfect, Inc., and Life Chiropractic College West. We thank these organizations for their help.

- **Respondents.** A total of 575 participants completed the survey.
- **Regional representation.** Survey participants came from all areas of the country, except for West Virginia and Washington, D.C.
- **Statistics used.** Unless noted otherwise, the



"average" referenced in the survey is the mean, which was calculated by dividing the sum for that question by the number of individuals who answered the question. The median is the number in the middle of a set of values — half are above and half are below the stated value.

The mode is the most repetitive number in a set of values.

PROFILE OF 2007 RESPONDENTS

Personal Characteristics

Mean age	42.0
Years in practice	13.1
No. of state licenses	1.5
Male	80.4%
Female	19.6%
Solo	70.5%
Group/partnership	25.8%
Associate	3.7%
Franchise owner	2.3%

Clinic Characteristics

Urban	23.1%
Suburban	61.8%
Rural	15.1%
Cash practice	7.0%
Offers products	87.9%
No. of clinics	1.1
No. of employees	3.0
PVA	30.3
Patients per week	127.0
New patients per week	6.0
Median hrs/wk of patient care	31-35

Specialty

General	59.4%
Family	27.8%
Sports/rehab	8.5%
Pediatrics	1.1%
Other	3.2%

Employed Specialists

MD/DO	3.8%
PT	7.1%
LMT	44.5%
Nutritionist	4.7%
Acupuncturist	9.2%
Trainer	4.2%
Other	7.0%

Income

Mean billings	\$423,919
Mean collections	\$294,909
Mean net practice income	\$134,832
Mean DC salary	\$94,116
Total DC compensation	\$118,709

Expenses

Advertising	\$11,015
Malpractice insurance	\$2,373
Office lease or rent (annual)	\$22,594
Wholesale cost of products	\$7,739
Offers retirement plan	21.6%
Offers health insurance	28.6%
Provides paid time off	67.5%

Salaries (Mean)

Associate	\$60,973
CA	\$26,312
LMT	\$23,914
PT	\$43,938
DC	\$94,116

10-YEAR COMPARISON OF SALARY AND EXPENSE SURVEY INFORMATION

	2007	2006	2005	2004	2003		2002	2001	2000	1999	1998
Mean age	42.0	42.3	41.0	41.4	42.0	Mean age	41.8	40.5	41.7	41.0	41.0
Years in practice	13.1	13.3	12.8	N.A.	12.2	Years in practice	12.6	11.9	12.1	12.6	12.6
Male	80.4%	84.4%	84.4%	83.4%	85.3%	Male	89.5%	84.0%	82.5%	88.0%	88.0%
Female	19.6%	15.6%	15.6%	16.6%	14.7%	Female	10.1%	16.0%	17.5%	12.0%	12.0%
Solo practitioner	70.5%	69.7%	68.7%	69.5%	73.8%	Solo practitioner	80.0%	77.0%	77.0%	82.0%	86.0%
Clinics owned	1.1	1.2	1.2	1.2	1.1	Clinics owned	1.0	1.1	1.0	1.1	1.1
New patients per week	6.0	5.7	6.1	6.4	6.0	New patients per week	5.7	5.8	5.1	5.4	5.4
Patients per week	127.0	133.6	N.A.	N.A.	134.1	Patients per week	135.0	117.0	97.0	106.0	114.0
Employees per clinic	3.0	3.2	3.5	4.6	3.6	Employees per clinic	3.5	3.7	3.5	3.2	2.8
Suburban	61.8%	57.9%	60.2%	60.8%	54.2%	Suburban	53.0%	49.0%	50.0%	55.0%	N.A.
Urban	23.1%	22.3%	22.7%	26.1%	19.3%	Urban	30.0%	24.0%	27.0%	22.0%	N.A.
Rural	15.1%	19.7%	17.1%	13.1%	26.5%	Rural	17.0%	27.0%	23.0%	23.0%	N.A.
Hrs/wk in patient care	31-35	30-39	30-39	30-39	30-39	Hrs/wk in patient care	30-39	30-39	30-39	30-39	30-39
Median gross billings	\$320,000	\$250K-\$349K	\$250K-\$349K	\$250K-\$349K	\$250K-\$349K	Median gross billings	\$250K-\$349K	N.A.	N.A.	N.A.	N.A.
Median gross collections	\$225,500	\$200K-\$249K	\$200K-\$249K	\$200K-\$249K	\$200K-\$249K	Median gross collections	N.A.	\$150K-\$249K	\$150K-\$249K	\$150K-\$249K	\$150K-\$249K
Median individual income	\$90,000	\$75K-\$89.9K	\$75K-\$89.9K	\$75K-\$89.9K	\$75K-\$89.9K	Median individual income	\$75K-\$89.9K	\$60K-\$74.9K	\$60K-\$74.9K	\$60K-\$74.9K	\$60K-\$74.9K

3-YEAR COMPARISON OF RESPONDENT INFORMATION

Personal Characteristics	2007	2006	2005
Mean age	42.0	42.3	41.0
Years in practice	13.1	13.3	12.8
Male	80.4%	84.4%	84.4%
Female	19.6%	15.6%	15.6%
Solo practitioner	70.5%	69.7%	68.7
Group practitioner or partner	25.8%	22.7%	23.0%
Associate	3.7%	7.6%	6.5%
Franchise owner	2.3%	2.7%	N.A.
Practice Characteristics			
Suburban	61.8%	57.9%	60.2%
Urban	23.1%	22.3%	22.7%
Rural	15.1%	19.7%	17.1%
Employees per clinic	3.0	3.2	3.5
Hrs/wk in patient care	31-35	30-39	30-39
PVA	30.3	28.5	30.9
Patient visits per week	127.0	133.6	N.A.
New patient per week	6.0	5.7	3.5
Income Comparisons			
Median gross billings	\$320,000	\$250K-\$349K	\$250K-\$349K
Median gross collections	\$225,500	\$200K-\$249K	\$200K-\$249K
Median net practice income	\$134,832	\$148,625	N.A.
Mean DC salary	\$94,116	\$96,772	\$104,363
Median DC total compensation	\$90,000	\$75K-\$89.9K	\$75K-\$89.9K
Expenses			
Advertising	\$11,015	\$12,056	\$8,744
Malpractice insurance	\$2,373	\$2,461	\$2,908
Office lease or rent (annual)	\$22,594	\$21,721	\$20,999

Chiropractors spend, on average, 30–39 hours per week in patient care. (This year, we dissected that number and found that most DCs spent 31–35 hours in patient care per week.)

- Gross billings and gross collections remain even. The survey has asked respondents about their gross billings since 2002. Since that time, billings have remained in the \$250K–\$349K range.

- Median individual income for DCs has remained flat. The survey reported a median individual income of \$75K–\$89.9K since 2002. (This year, the median income was \$90,000.)

NEW OPPORTUNITIES?

We spotted three areas that may be worth watching, since they may be opportunities for future growth.

- **Specialization.** Compared to last year, it appears more practitioners are specializing. An area of wide-open opportunity: Pediatrics. Only 1.1 percent report specializing in children (up from

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Who is our 'typical' respondent?

Our annual salary and expense survey appeals to a wide range of practitioners. This year's respondents ranged in age from 26 to 74 years old and have been in practice from one year to 47 years.

The "typical" respondent is a 42-year-old male (80.4 percent) who has been in practice for 13.1 years as a solo practitioner (70.5 percent). He sees patients a median of 31–35 hours per week.

He is licensed to practice in 1.5 states and owns 1.1 clinics, which are in the suburbs (61.8 percent). He employs 3.0 individuals in his practice, which he calls a clinic. He spends 31-35 hours per week treating 127 patients (six of whom are new patients) per week in his general chiropractic practice. It is typical for him to see each of these patients 30.3 times.

In addition to chiropractic, the top three modalities he offers are nutrition (63.8 percent), physical therapy (61.7 percent), and exercise (59.4 percent). He is inclined to have a massage therapist on staff (44.5 percent).

He does offer products (87.9 percent) to his patients. The most popular are pillows (74.2 percent), supplements (72.5 percent), and hot/cold packs (64.6 percent).

The work of our typical respondent pays off with mean billings of \$423,919 and mean collections of \$294,909, and a mean net practice income of \$134,832.

He draws a mean salary of \$94,116 and pays his CAs \$26,312. Like about one-fifth of his colleagues (21.6 percent), he offers some type of retirement plan to his employees, as well as some type of health insurance (28.6 percent). He is inclined to offer incentives or bonuses (55.7 percent) and paid time off for vacations or sick days (67.5 percent).


Finally, the typical respondent spends about \$2,373 a year on malpractice insurance, \$11,015 on advertising, and \$22,594 on office leases or mortgages.

How did billings and collections fare?

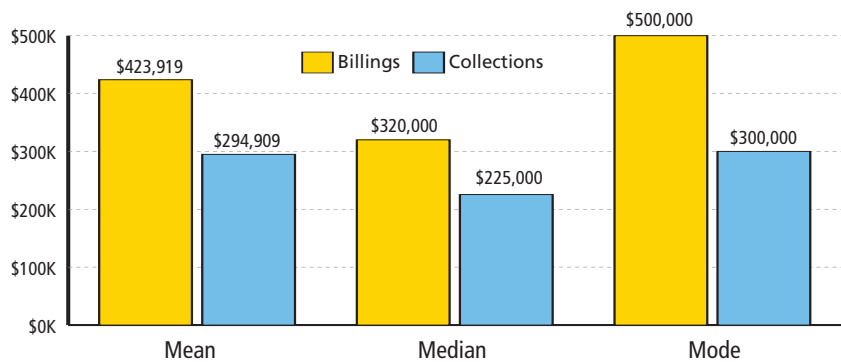
This year's survey showed the medians for gross billings and collections fell within the same ranges they have been in since our 2002 survey: Billings, \$250K–\$349K; collections, \$200K–\$249K.

However, this year, we asked for a specific dollar amount for each of these categories. We found that mean gross billings were \$423,919 — considerably higher than the median. And, actual median gross billings were \$320,000 — well toward the high side of the range used in the past.

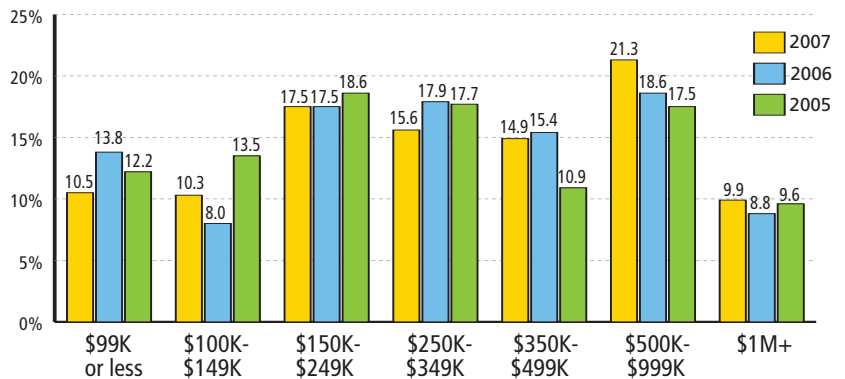
The figures for collections were similar: Mean gross collections were \$294,909, and median gross collections were \$225,000.

It is interesting to note that the mode for billings was \$500,000. For collections, it was \$300,000. 

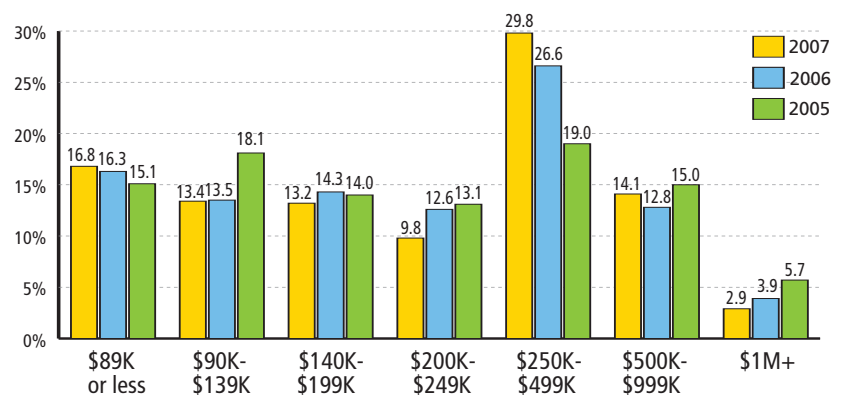
2007 Billings and Collections



3-Year Comparison of Billings



3-Year Comparison of Collections

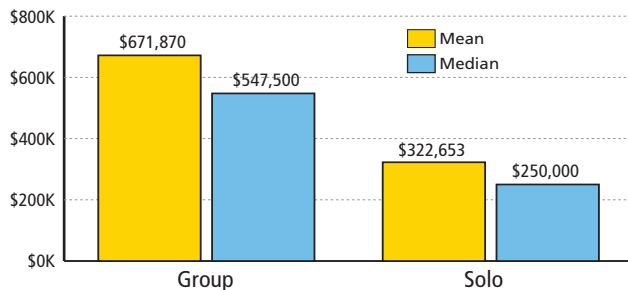


Groups earn more than solo DCs

Are you thinking about joining a group or partnership? You might want to consider these facts:

- Mean billings for groups were \$671,870; for solo practitioners, mean billings were \$322,653.
- Mean collections for groups were \$471,354, compared to \$226,147 for solo DCs.
- Mean net practice income for groups was \$195,891, compared to \$110,522 for solos.
- Group DCs average \$127,288, while solo practitioners average \$82,065 in salary.

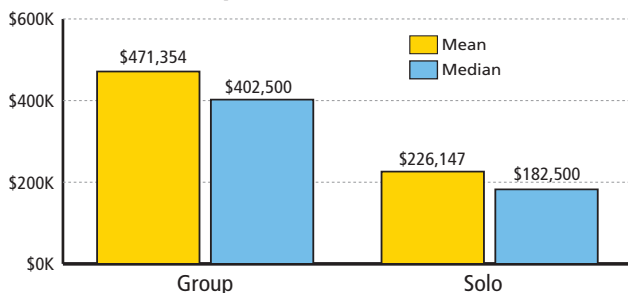
Group vs. Solo: Billings



- Total compensation, defined as earnings after tax-deductible expenses, but before income taxes (for unincorporated DCs), or as the sum of salary, bonuses, and retirement/profit-sharing for incorporated DCs, was \$160,002 for group DCs and \$104,249 for solo DCs.

Group or partnership practices have an average of 4.9 employees, compared to 2.4 for solo practitioners. They attract 8.9 new patients (compared to 4.8 for solos) each week.

Group vs. Solo: Collections



Groups are able to pay significantly higher salaries to their employees, provide more benefits, and spend more on advertising, according to the survey.

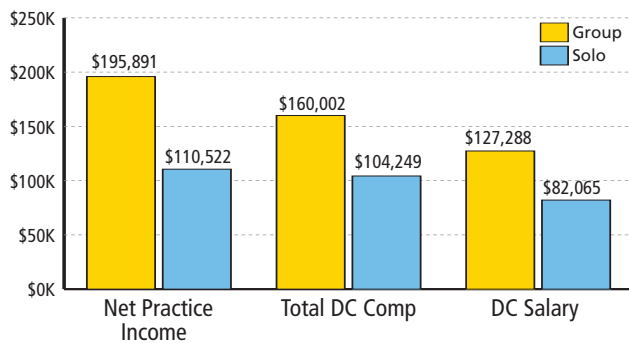
Groups and solos both spend a median of 31–35 hours per week in patient care. However, 25.9 percent (the mode) of DCs in groups or partnerships see patients 36–39 hours per week. The mode for solo DCs is shared: 24.6 percent see patients 31–35 hours per week and 24.6 percent, 26–30 hours per week.

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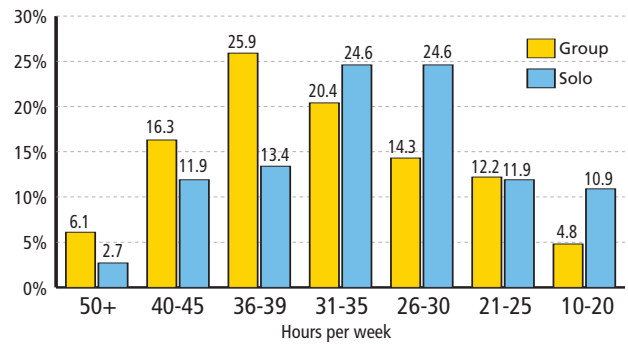
GROUP VS. SOLO PRACTITIONER COMPARISON

	Group/ Partnership	Solo
Personal Characteristics		
Mean age	41.8	42.4
Years in practice	13.4	13.3
Male	82.8%	80.3%
Female	17.2%	19.8%
Franchise owner	2.0%	2.5%
Clinic Name		
Clinic	66.9%	75.8%
Wellness center	20.3%	20.5%
Medical spa	1.4%	0.8%
Rehab center	11.5%	3.0%
Location		
Urban	30.3%	19.2%
Suburban	53.1%	66.4%
Rural	16.6%	14.4%
Specialty		
General	50.0%	61.9%
Family	27.4%	29.2%
Sports/rehab	15.8%	5.6%
Pediatrics	2.1%	0.8%
Other	4.8%	2.5%
Clinic Operations		
No. of employees	4.9	2.4
Mean PVA	33.7	30.2
No. of patients per week (mean)	183.8	105.6
New patients per week	8.9	4.8
Cash-only practice	3.4%	8.7%
Median hours spent in patient care	31-35	31-35
Mean billings	\$671,870	\$322,653
Median billings	\$547,500	\$250,000
Mean collections	\$471,354	\$226,147
Median collections	\$402,500	\$182,500
Mean net practice income	\$195,891	\$110,522
Median net practice income	\$120,000	\$75,000
Offers retirement plan	35.8%	16.3%
Provide health insurance	45.3%	22.5%
Provides paid time off	84.6%	60.6%
Offers incentives or bonuses	70.3%	50.7%
Expenses		
Advertising	\$16,434	\$9,218
Malpractice insurance	\$3,390	\$1,990
Office lease or rent (annual)	\$34,531	\$18,649
Wholesale cost of products	\$10,532	\$6,829
Salary Information (Mean)		
Associate	\$63,258	N.A.
CA	\$30,455	\$24,341
LMT	\$28,135	\$21,406
PT	\$48,900	\$35,667
DC	\$127,288	\$82,065
Total DC compensation	\$160,002	\$104,249

**Group vs. Solo:
Comparison of Individual Incomes**



**Group vs. Solo:
Hours/wk Spent in Patient Care**



Integrated healthcare practices earn more

What is an integrated healthcare practice? Some might narrowly define it as one that offers allopathic as well as chiropractic treatment. Others might define it more broadly by saying it is a practice that offers any type of healthcare service in addition to chiropractic.

A middle-ground definition of an integrated healthcare practice is one that offers the services of onsite specialists from other healthcare disciplines in addition to chiropractic. These disciplines are generally medical and/or physical therapy.

Our survey found that only 3.8 percent of respondents offer medical services to patients, while 7.1 percent employ a physical therapist (PT). Having specialists on staff does not preclude offering specialized services administered by the chiropractor. *For example:* 63.8 percent of respondents offer nutrition counseling, although only 4.7 percent have

a nutritionist on staff; 53.1 percent offer massage therapy, although only 44.5 percent of respondents have an LMT on staff; and 61.7 percent offer physical therapy modalities, although only 7.1 percent have a PT on staff.

INTEGRATED HEALTHCARE IS LUCRATIVE

Practices that have an MD or DO and/or a PT make more money than nonintegrated healthcare practices. Integrated healthcare practices (MD or DO and/or PT) boast a mean net practice income of \$252,071. Practices without a PT or an allopathic doctor on staff have a mean net practice income of \$130,546.

As you might expect, because net practice income is higher in practices with an MD or DO and/or PT, so are salaries DCs draw (\$145,676, compared to \$91,953 for nonintegrated), as well as their total compensation (\$206,286, compared to \$117,668 for nonintegrated).

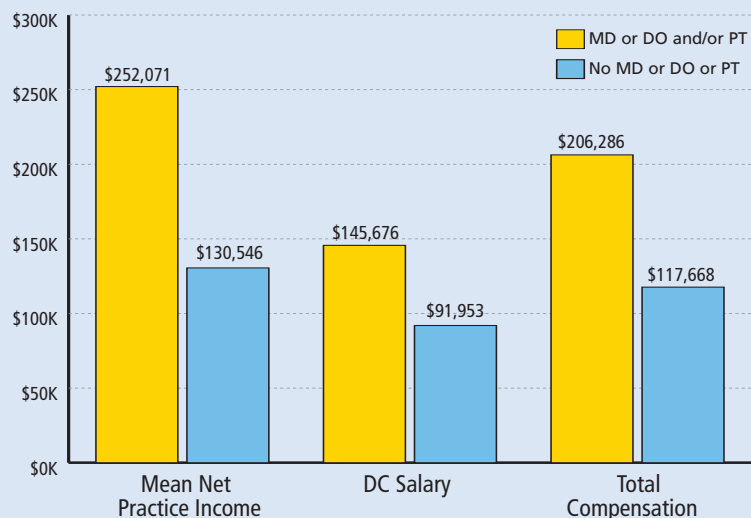
On-staff Specialists

LMT	44.5%
Acupuncturist	9.2%
PT	7.1%
Other	7.0%
Nutritionist	4.7%
Trainer	4.2%
MD/DO	3.8%

Modalities Provided

Nutrition	63.8%
PT	61.7%
Exercise	59.4%
Massage	53.1%
Weight loss	20.9%
Acupuncture	20.6%
Homeopathy	12.5%
Other	12.2%

The Value of an Integrated Healthcare Practice



COMPARING THE REGIONS

	East	West	Midwest	South
Personal Characteristics				
Mean age	42.2	43.1	40.4	43.0
Years in practice	14.1	13.4	12.4	12.8
Male	79.1%	78.2%	84.1%	79.9%
Female	20.9%	21.8%	15.9%	20.1%
Solo practitioner	75.2%	64.7%	76.5%	66.2%
Group/partnership	20.5%	33.8%	20.5%	27.5%
Associate	4.3%	1.5%	3.0%	62.0%
Franchise owner	0.9%	1.5%	3.0%	3.5%
Clinic label				
Clinic	69.8%	72.2%	75.2%	74.1%
Wellness center	21.6%	21.1%	18.8%	20.3%
Medical spa	0.9%	1.5%	0.6%	0.7%
Rehab center	7.8%	5.3%	5.5%	4.9%
Location				
Urban	19.6%	36.1%	14.1%	24.6%
Suburban	66.1%	57.1%	65.0%	57.7%
Rural	14.3%	6.8%	20.9%	17.6%
Specialty				
General	49.6%	56.5%	62.0%	66.0%
Family	35.7%	31.3%	24.5%	22.0%
Sports/rehab	9.6%	6.9%	9.8%	8.5%
Pediatrics	1.7%	0.0%	1.2%	1.4%
Other	3.5%	5.3%	2.5%	2.1%
Clinic Operations				
No. of employees	2.7	3.0	2.8	3.6
No. of patients per week	131.3	128.4	115.3	135.6
New patients per week	5.0	6.2	4.9	7.8
Cash-only practice	4.3%	12.0%	6.1%	4.2%
Mean billings	\$426,546	\$394,379	\$456,800	\$536,611
Median billings	\$300,000	\$250,000	\$260,000	\$375,000
Mean collections	\$282,134	\$281,813	\$261,848	\$351,816
Median collections	\$211,000	\$187,500	\$200,000	\$278,000
Mean net practice income	\$147,464	\$116,862	\$117,559	\$157,545
Median practice income	\$77,500	\$70,000	\$45,000	\$95,000
Offers retirement plan	23.1%	16.4%	23.5%	24.1%
Provides health insurance	30.8%	28.4%	24.7%	29.7%
Offers incentives or bonuses	35.9%	39.6%	35.5%	30.3%
Provides paid time off	63.4%	68.8%	63.7%	74.5%
Expenses				
Advertising	\$7,152	\$9,400	\$12,730	\$13,673
Malpractice insurance	\$2,116	\$2,289	\$2,344	\$2,715
Office lease or rent (annual)	\$19,773	\$26,496	\$22,813	\$20,488
Wholesale cost of products	\$5,736	\$9,386	\$7,269	\$8,353
Salary				
Associate	\$50,538	\$51,683	\$67,833	\$69,667
CA	\$27,023	\$26,723	\$24,986	\$27,134
LMT	\$26,136	\$23,704	\$18,285	\$27,022
PT	\$66,750	\$26,000	\$41,250	\$33,800
DC	\$111,160	\$87,880	\$80,547	\$94,527
Total DC compensation	\$126,780	\$101,101	\$112,982	\$134,839

South takes the top rankings

If you were to choose an area of the country solely by potential income levels, you might be attracted to the South. This area of the country ranked first among the four regions in billings, collections, and total DC compensation.

Some interesting observations about regional differences:

- **Female chiropractors.** The East, South, and West all had approximately 21 percent of female chiropractor respondents. The Midwest? Only 15.9 percent.


- **Groups.** The West had the highest number of groups or partnerships (33.8 percent), compared to 20.5 percent in the East and Midwest and 27.5 percent in the South.

- **Medical spas.** The West had the most clinics called medical spas (1.5 percent), compared to less than 1 percent in other areas of the country.

- **Mean gross billings.** The South had the highest mean gross billings (\$536,611); the West had the lowest (\$394,379).

- **Mean gross collections.** The South also led in mean gross collections (\$351,816), compared to the East (\$282,134), West (\$281,813), and the Midwest (\$261,848).

- **Mean net practice income.** Mean net practice income was also highest in the South (\$157,545). Mean net practice income was \$147,464 in the East; \$117,559 in the Midwest; and \$116,862 in the West.

- **DC compensation.** DCs earned the most in total compensation in the South (\$134,839), compared to \$126,780 in the East; \$112,982 in the Midwest; and \$101,101 in the West. 

Rural areas become attractive

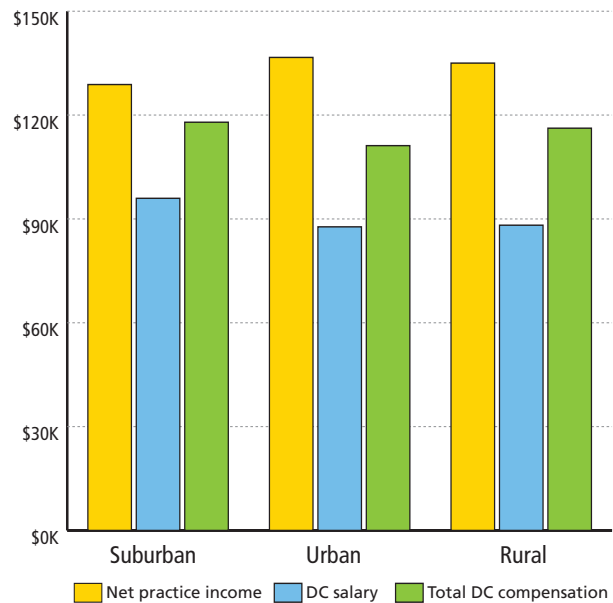
Does location matter? In this survey, we refer to location as urban, suburban, or rural. Our survey showed that suburban DCs nose out their rural counterparts in mean gross collections, \$293,011 to \$292,325. But, those same DCs came in last in mean net practice income: Urban, \$136,657; Rural, \$135,016; and Suburban, \$128,828.

What about DC compensation? Despite having the lowest net practice income (or possibly because of it), suburban DCs take the highest mean average salary (\$95,962) and total compensation (\$117,924).

Other interesting observations:


- **Rural DCs are younger.** Their mean age is 40.3, compared to 43.2 for urban respondents and 41.9 for suburban. (The median age is even younger — 38, while the median age of the other two groups is the same as the mean age.)

Which Locality Is Best?



- **More women practice in rural areas.** Female chiropractors practicing in the countryside account for 23.8 percent, compared to 16.9 percent in the city and 19.6 percent in the suburbs.

- **Rural DCs are more likely to offer products.** Almost 90 percent of them have products available to patients, compared to 87 percent of their city and suburban counterparts.

- **Rural DCs spend less on advertising.** They spend, on average, \$9,802, compared to \$11,447 spent by urban DCs and \$11,164 by suburban chiropractors. 

Maturity pays off

Aging, whether we like it or not, is a fact of life. The good thing about getting older is that usually earning power increases with years and experience. This year's survey largely confirms that hypothesis:

- **Age range.** Respondents ranged in age from 26 to 74 years old.

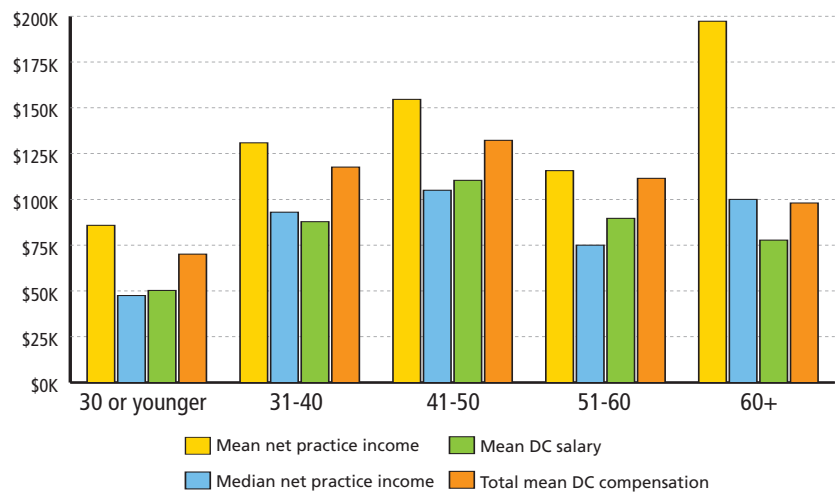
- **Associates.** The largest number of associates (10 percent) was in the youngest age group (30 or younger).

- **Compensation.** Chiropractors in the 41–50 age group drew or earned the highest salary, \$110,407. They also earned the highest total compensation, \$132,239. Likewise, they had the highest numbers of patients per week, as well as the highest number of new patients per week.

Chiropractors age 60 or older, however, earned the highest mean net practice income, \$197,286.

- **Hours spent with patients.** Each age group spends a median of 31–35 hours per week in patient care. Almost half of the respondents (49.7 percent) in the 31–40 age group, however, spend less than 30 hours a week in patient care, followed closely by 47.1 percent of those in the 60 and older age group. ^{CE}

A Look at Income by Age Groups



Gender gap

Who makes more — male or female chiropractors? Who spends more time with patients? Who advertises more? Our survey looked at each of these questions.

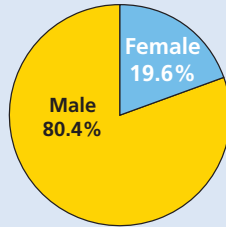
- **Compensation.** Men drew or earned a higher salary (\$96,033) than women (\$82,947). The total compensation for males was \$124,866, compared to \$88,095 for females.

- **Net practice income.** The mean net practice income for male chiropractors was \$143,251, compared to \$94,243 for female DCs.

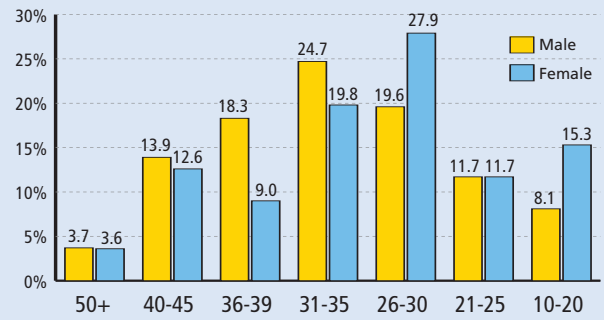
- **Hours spent with patients.** Female chiropractors do not spend as much time each week with patients as male DCs do. The survey shows that a significant number of female chiropractors work part-time: 54.9 percent of female respondents spend 30 hours or less with patients, compared to 39.4 percent of men who spend 30 hours or less each week in patient care.

- **Advertising.** Men spend almost twice as much on advertising than women. Men spend \$12,088 annually, whereas women spend only \$6,311 to attract patients.

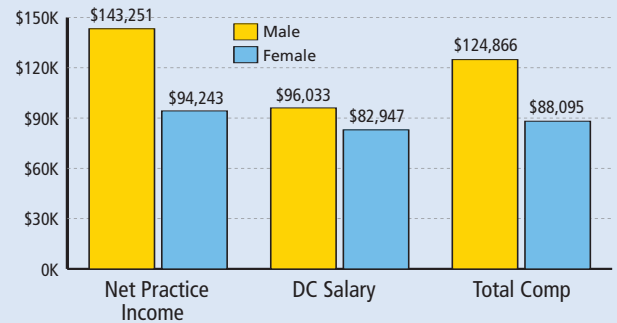
**Respondents:
Male vs. Female**



**Male vs. Female:
Hours Spent in Patient Care per Week**



Male vs. Female: Comparison of Incomes



How do earnings compare?

How much do you earn? We asked respondents to report on their salaries (as well as salaries of other staff members), plus their total compensation. (We defined total compensation for unincorporated DCs as *earnings after tax-deductible expenses, but before income taxes*. For DCs in a professional corporation, we defined total compensation as *the sum of salary, bonuses, and retirement/profit-sharing contributions made on their behalf*.)

- Respondents reported a mean associate salary of \$60,973, with a median salary of \$50,000.
- The reported mean DC salary for *all* practitioners was \$94,116, with a median of \$72,000.
- Solo practitioners reported a mean salary of \$82,065 (median, \$60,000).
- DCs in a group or partnership reported a mean salary of \$127,288, and a median salary of \$100,000.

Some DCs, especially those in solo practice, may, on the advice of their accountants, opt to draw a small salary, but take more in some type of deferred compensation. Consequently, total compensation may be a better measure of income:

- Solo practitioners, \$104,249 (mean), \$80,000 (median);
- Group or partnership, \$160,002 (mean), \$139,000 (median); and

- All DCs, \$118,709 (mean), \$90,000 (median).

Data for associate total compensation was not available.

OTHER STAFF


We also asked respondents to tell us how they paid other staff members. Note: The survey question did not distinguish between full-time and part-time employees. A significant number of

2007 STAFF SALARIES

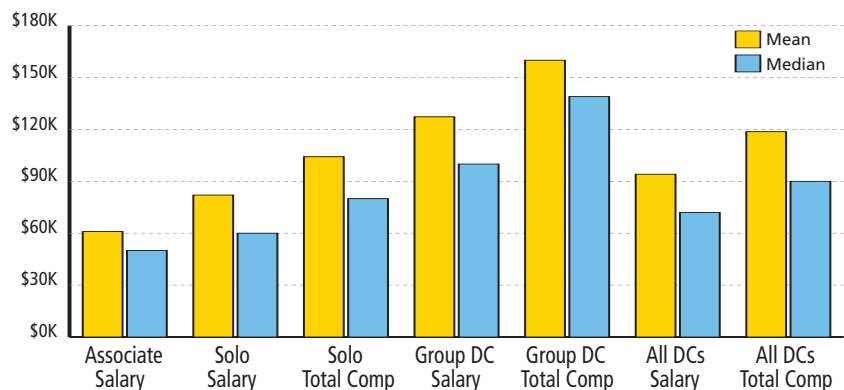
	Overall	\$12K +
CAs	\$26,312	\$27,888
LMTs	\$23,914	\$29,403
PTs	\$43,938	\$46,200

respondents appear to employ part-time staffers, especially licensed massage therapists (LMTs) and physical therapists (PTs).

To get a clearer picture of full-time salaries, we not only looked at overall mean salaries, but also the mean salaries for CAs, LMTs, and PTs who earned \$12,000 or more per year (at least \$1,000 a month):

- CAs: \$26,312 (overall), \$27,888 (\$12K or more);
- LMTs: \$23,914 (overall), \$29,403 (\$12K or more); and
- PTs: \$43,938 (overall), \$46,200 (\$12K or more). 

Comparison of DC Individual Incomes



Popularity of specialty practices increases


It is not unusual for doctors of medicine to specialize, but specialization within chiropractic is still a relatively new phenomenon.

This year's survey showed a slight decline in general practices (59.4 percent, compared to 62.8 percent in 2006). Growth occurred

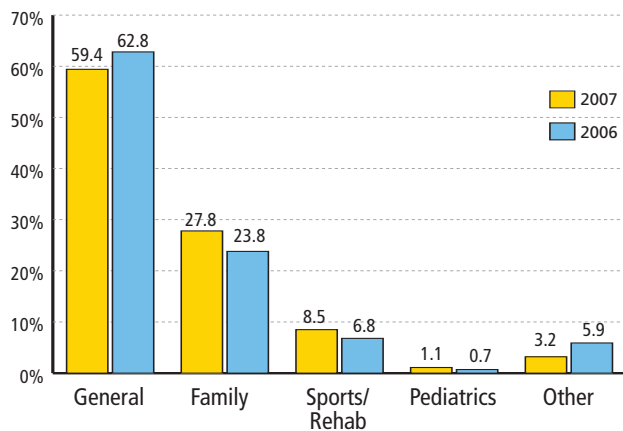
in family practices (27.8 percent, up from 23.8 percent) and sports/rehab practices (8.5 percent, up from 6.8 percent).

Somewhat akin to specialization are the names DCs give their clinics. "Clinic" is still the most popular (73.3 percent, compared to

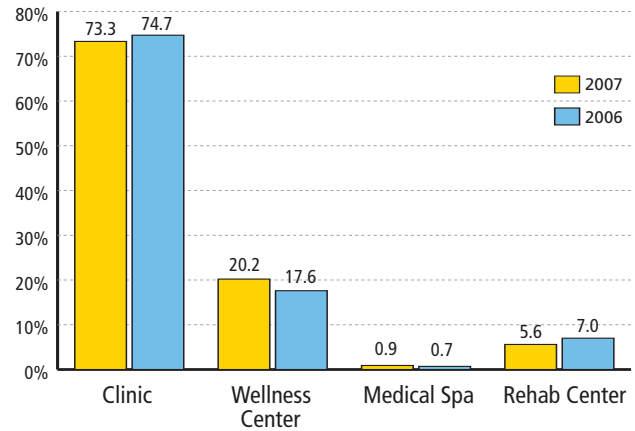
74.7 percent in 2006), but "wellness" is increasing in use (20.2 percent this year, 17.6 percent in 2006).

"Rehab" experienced a decline in popularity, with only 5.6 percent claiming that name, compared to 7.0 percent in 2006. 

Chiropractic Specializations



Clinic Labels




Where does the money come from?

Revenues from insurance and cash inched upward in 2007, while a dependency on auto insurance fell from 2006.

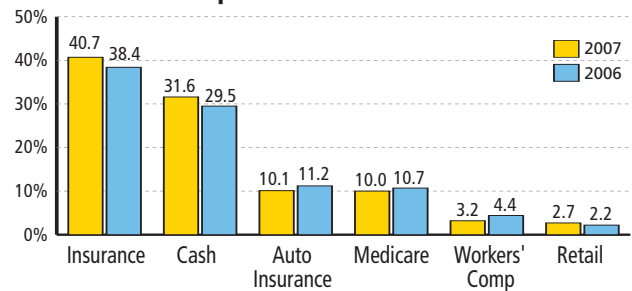
Respondents reported that 40.7 percent of their revenues generate from healthcare insurance reimbursements, compared to 38.4 percent in 2006. At the same time, 31.6 percent of revenues come from cash payments, compared to 29.5 percent in 2006.

Auto insurance accounted for 10.1 percent, compared to 11.2 percent last year.

Reliance on Medicare was about even (10 percent in 2007; 10.7 in 2006). Workers' comp revenues were down to 3.2 percent from 4.4 percent last year.

Revenues from retail products continued to nose upward slightly. This year, respondents reported 2.7 percent of their revenues were from retail products, compared to 2.2 percent in 2006. In 2005, 2.0 percent of revenues came from retail products. 

Top Sources of Income



How do MDs fare?

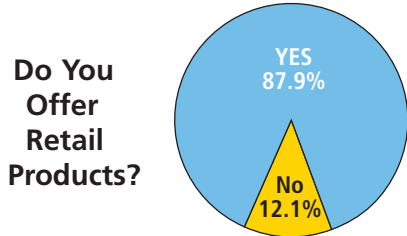
Are you curious how your income stacks up against MDs and DOs? *Medical Economics* (ME, www.memag.com) publishes a number of surveys each year. We took a look at the results of those surveys. Here are some interesting statistics:

- Hours worked per week. According to ME's Nov. 3, 2006, survey, MDs spend a median of 50 hours per week in professional work, defined as hours spent in all professional activities, not just patient care.
- Total compensation. Primary-care MDs have a median total compensation of \$155,000, according to the Oct. 20, 2006, ME survey.
- Median practice revenues. For family physicians, median collections were \$370,000.
- Malpractice insurance. According to ME's report in its Jan. 16, 2007, issue, the highest annual malpractice rates reported by internists were in Florida — \$74,855 a year. Specialists — specifically surgeons and OB/GYNs — spend considerably more in Florida: \$299,420 a year. The lowest reported rates were in Minnesota, \$3,375.

Rehab products enjoy increased popularity

This year's survey suggests that the sale of products in chiropractic practices may be increasing slightly.

In 2005, 2.0 percent of the income of respondents came from retail products. In 2006, this increased to 2.2 percent; and

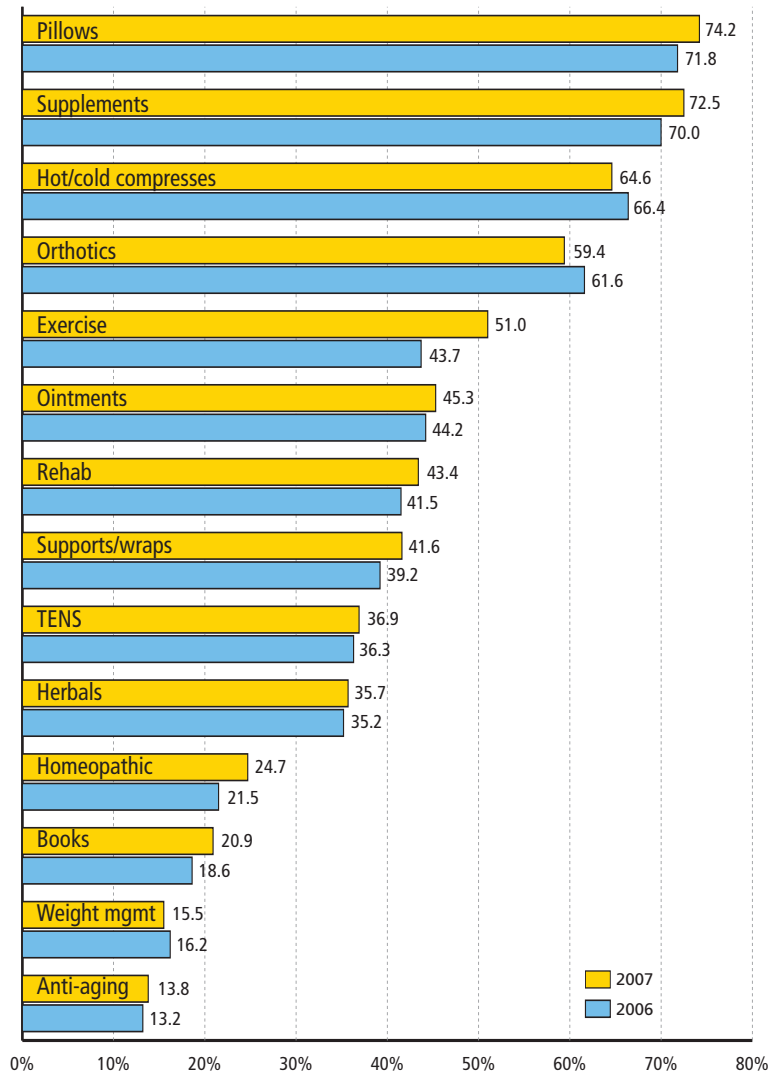


this year, 87.9 percent of respondents said they earned 2.7 percent of their revenues from retail sales.

The most popular items sold continue to be pillows (74.2 percent) and supplements (72.5 percent). However, the broad category of rehab products appears to be on the rise.

Hot/cold compresses (64.6 percent) surpassed orthotics (59.4 percent) for third place in product popularity. The sale of exercise products (51.0 percent), ointments (45.3 percent), rehab equipment (43.4 percent), supports/wraps (41.6 percent), and TENS (36.9 percent) also increased from the previous year. ☺

Most Popular Retail Products Offered to Patients

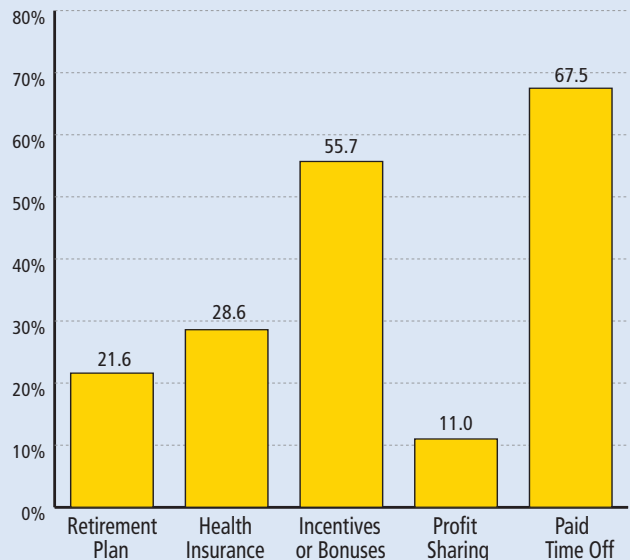


How do your benefits compare?

A common complaint among practitioners is staff turnover. A number of conditions contribute to turnover, including competitive salaries and benefits.

- **Paid time off.** This includes vacations and/or sick days. More than two-thirds of respondents (67.5 percent) report giving this benefit to their employees.
- **Bonus and incentive programs.** More than half (55.7 percent) of respondents offer bonus or incentive programs to employees.
- **Health insurance.** Less than one-third (28.6 percent) offer group health insurance, a health savings account (HSA), or health reimbursement account (HRA).
- **Retirement plan.** About one-fifth (21.6 percent) offer employees a retirement plan.

Employee Benefits



Where does your money go?

To run a profitable business, you have to keep overhead low while making sure you have the resources to operate effectively.

This year's survey asked respondents to identify how much they spend annually in the following areas: Advertising, office space, malpractice insurance, and cost of retail products.

- **Advertising.** Respondents reported an annual cost of \$11,015,

slightly less than in 2006 (\$12,056). Regionally, the South spent the most on advertising (\$13,673), while the East spent the least (\$7,152).


Other comparisons: Groups and partnerships outspent solo practices, \$16,434 to \$9,218. Male chiropractors spent almost twice as much (\$12,088) as female DCs (\$6,311). In addition, the 31–40 age group spent, on average, \$12,365, the most of any other age group.

MAJOR EXPENSES

Advertising	\$11,015
Malpractice insurance	\$2,373
Office lease or rent (annual)	\$22,594
Wholesale cost of products	\$7,739

- **Office space.** The most expensive overhead item is office space (lease, rent, or mortgage payment). On average, respondents pay \$22,594 a year. The West coast experiences the highest office-space costs, \$26,496, while, surprisingly, the East had the least expensive office accommodations, \$19,773.


- **Malpractice insurance.** The cost of malpractice insurance seems to be trending downward. The average cost of malpractice insurance is \$2,373. In 2005, the average was \$2,908; in 2006, it was \$2,461.

- **Cost of retail products.** Selling products to patients means you have to invest in an inventory. The average cost of products in this year's survey was \$7,739. 

CONTINUED FROM PAGE 25

0.7 percent in 2006).

- **Name differentiation.** The fastest-growing name for practices seems to be wellness center, with 20.2 percent claiming that name this year, compared to 17.6 percent in 2006.

- **Rural opportunities.** The median age of rural chiropractors this year was 38, compared to 43.2 for urban DCs and 41.9 for suburbanites. Rural DCs have a comparable compensation to their urban and suburban counterparts. 

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