

A rising tide

If you've been treading water as of late, this year's nationwide salary survey indicates a trend toward better days.

BY MELISSA HEYBOER

While the recession that slammed the U.S. in 2007 ended some 24 months ago, recovery has been slow. The stock markets have inched higher, businesses have started loosening their belts, and American citizens have cautiously started spending more money.

There's been more buying, more hiring, and more confidence in the economy. And while the country's financial state may not be where it was pre-recession, the results of our 16th Annual Salary & Expense Survey show that many of us may be turning a corner.

Not only did this year's survey show a 21-percent increase in DCs' average salaries but it indicated that chiropractors are seeing more patients, spending more on advertising, and employing more staff — all indicators of an improved economy.

In addition, DCs reported higher average collections than in years past, which means higher reimbursement rates.

While it's premature to state exactly

why our survey numbers show solid improvement, we can speculate as to some probable causes.

Rising healthcare costs

With the rising cost of healthcare, it's possible more patients are seeking alternative ways to heal their bodies.

While President Obama's healthcare law will take affect within the next year, many employers are looking for ways to alleviate some of the pressure that the new law will have on insurance costs.

This means many of the insured will have higher-deductible plans and ultimately be paying more out of pocket for medical services.

According to a *Dow Jones Business News* article, patients visiting doctors' offices declined more than 3 percent in March over last year's numbers.

"Manufacturers including J&J, Abbott Laboratories, and St. Jude Medical Inc., as well as hospital operators HCA Holdings Inc. and Health Management Associates Inc., all have reported relatively weak utilization of certain sectors of healthcare for the first quarter of the year."¹

The article says that companies like Johnson & Johnson are reporting a decline in medical device sales because of lower surgery rates, and hospitals are reporting lower patient admissions.

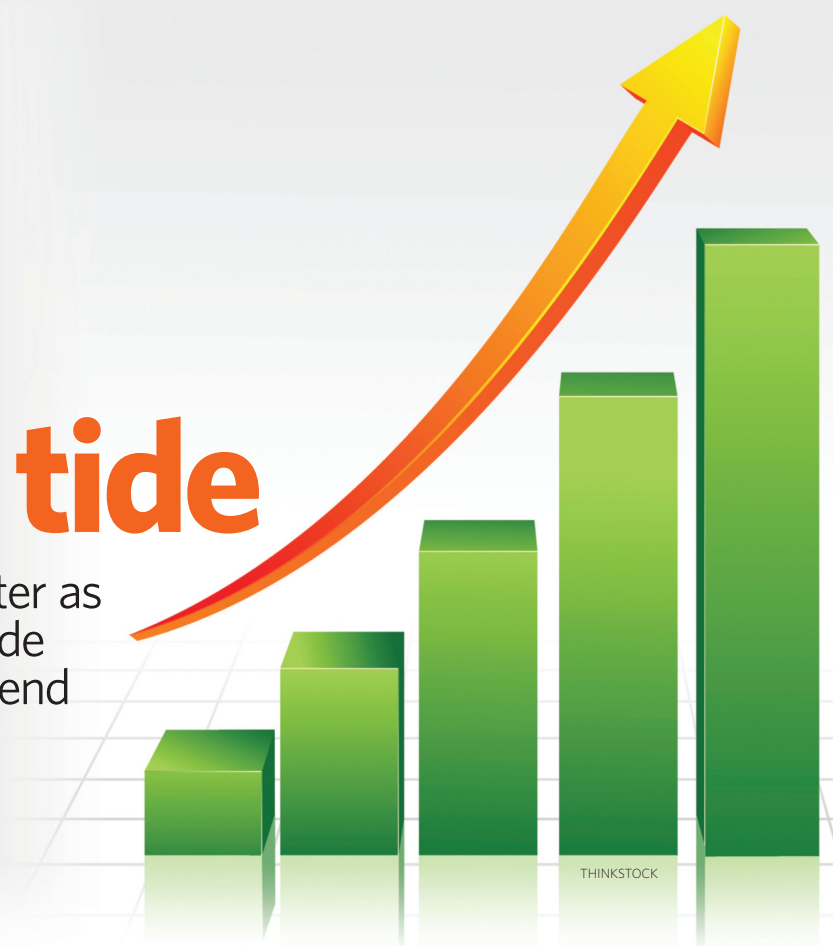
As a result, alternative therapies like chiropractic may present a more affordable and more realistic option for those looking for pain relief and wellness care.

More spending

As stated previously, this year's survey showed an increase in how much money chiropractors are spending on their marketing and advertising efforts. DCs spent an average of \$10,200 on advertising this year, compared to \$6,800 last year, and \$9,700 in 2011.

This change in advertising dollars could be a good reflection of how DCs view their current state of affairs. Typically, when salaries are on the decline, the money being spent on advertising follows suit. With the increase in salaries this year, it's clear that doctors are more willing to spend money and invest.

In addition, social media marketing has proven to be an effective tool in



3-Year Comparison of Respondent Information

Personal Characteristics	2013	2012	2011
Average age	45.5	48.4	45.4
Male	79.6%	81.1%	78.6%
Female	20.4%	18.9%	21.4%
Years in practice	16.8	19.3	16.5
Solo practitioner	57.2%	69.6%	66.1%
Group practitioner/partner	28.8%	22.3%	25.7%
Associate	13.3%	7.6%	6.3%
Franchise owner	0.7%	0.5%	1.9%
Practice Characteristic			
Suburban	53.6%	54.9%	57.7%
Urban	27.3%	29.5%	25.6%
Rural	19.1%	15.6%	16.8%
No. of employees	4.3	3.1	3.2
Hours/week in patient care	32.0	31.6	31.4
Average PVA	24.3	21.4	N/A
Average patient visits/week	128.0	106.5	122.5
Average new patients/week	7.4	5.1	6.1
Income Comparisons			
Average gross billings	\$547,597	\$425,668	\$523,014
Average gross collections	\$393,354	\$297,419	\$345,247
Average DC salary	\$100,100	\$82,532	\$115,513
Average DC total comp.	\$128,206	\$106,784	\$123,375
Expenses			
Office lease/mortgage (yr)	\$24,820	\$28,892	\$24,114
Advertising	\$10,165	\$6,782	\$9,666
Malpractice insurance	\$2,260	\$2,740	\$2,413

increasing a business's bottom line.

According to a recent study, "Social media activities help strengthen the bond between the customer and the firm. Participating customers on a firm's social media site contribute 5.6 percent more revenue and visit the business about 5 percent more than non-participating customers."²

Older sites like Facebook and Twitter are being joined by newer sites like Pinterest and Instagram, which offer more creative and personal ways to connect with patients.

These tools not only help to position the doctor as a friend in wellness but also as an expert educator in his or her field. These tools offer returns in the form of patient loyalty.

Keep in mind

As always, it's important to stay current on changes in the healthcare landscape. While numbers are on the rise, maintaining cautious optimism and performing due diligence as you move forward is strongly encouraged for your continued success and that of your practice. ■

References

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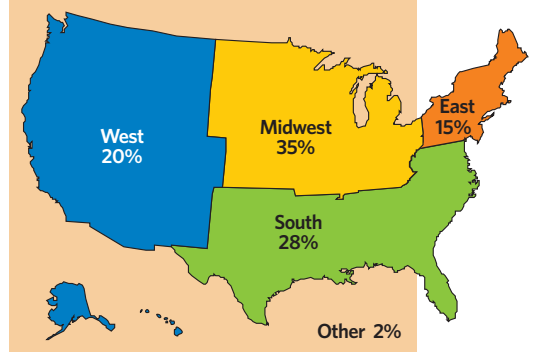
About this survey

Our 16th Annual Salary & Expense Survey had 456 doctors of chiropractic responding to the confidential, Web-based questionnaire. Throughout March and April 2013, *Chiropractic Economics* invited practicing chiropractors and CAs to participate in our annual survey.

We extended the invitation by email and through announcements in our e-newsletter, *Newsflash*, and on our social media 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. Our response to this year's survey was fairly wide-ranging, and we received at least one response from every state but Delaware, Hawaii, New Hampshire, Rhode Island, Vermont, and West Virginia. The regional breakdown is as follows: Midwest, 35 percent; South, 28 percent; West, 20 percent; and East, 15 percent. Another 2 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.



A report of findings

This year's survey attracted a wide range of doctors from 25 to 77 years old, who have been in practice for less than one year to 51 years. By averaging the responses to many of this year's questions, we can define what the average respondent might look like:

- ▶ Male (only 20 percent of respondents were female);
- ▶ 46 years old;
- ▶ A solo practitioner (57 percent); and
- ▶ Licensed in 1.3 states.

Our average respondent:

- ▶ Owns 1 clinic;
- ▶ Prefers to practice in the suburbs (54 percent);
- ▶ Employs 4 individuals in the clinic (3 of whom work full time);

- ▶ Sees 128 patients each week;
- ▶ Has a patient-visit average (PVA) of 24;
- ▶ Attracts 7 new patients each week; and
- ▶ Sees patients 32 hours a week.

This respondent:

- ▶ Has average billings of \$547,600 and collections of \$394,300 for a reimbursement rate of 72 percent;
- ▶ Sells products to patients for 8 percent of gross revenues;
- ▶ Pays his CAs \$26,000 and himself \$100,000; and
- ▶ Enjoys an average total compensation of \$128,000.

Finally, this typical respondent spends \$25,000 on office leases or mortgages, \$10,200 on advertising, and \$2,200 on malpractice insurance. ■

Overview of 2013 Respondents

Personal Characteristics

Average age	45.5
Male	79.6%
Female	20.4%
Years in practice	16.8
Solo DC	57.2%
In a group or partnership	28.8%
Associate	13.3%
Franchise owner	0.7%
No. of state licenses	1.3

Clinic Characteristics

Clinics	1.0
Urban	27.3%
Suburban	53.6%
Rural	19.1%
Employees	4.3
Average PVA	24.3
Average patients/week	128.0
Average new patients/week	7.4
Cash practice	20.7%

Specialty

General	59.0%
Family	18.6%
Sports/rehab	10.9%
Nutrition	3.4%

Pediatrics	0.7%
Other	7.4%

Specialists In Clinic

LMT	41.3%
Acupuncturist	13.9%
Nutritionist	10.1%
MD/DO	9.4%
PT	8.3%
Fitness trainer	6.9%
Other	4.5%
None	44.1%

Income

Average billings	\$547,597
Range	5K-4.2M
Average collections	\$393,354
Range	5K-3.9M
% income from retail	7.5%

Average salaries

Average MD/DO	\$141,000
Total DC comp.	\$128,206
Average DC	\$100,100
Average associate	\$66,929
Average PT	\$52,214
Average LDN	\$43,700

Average fitness trainer	\$27,170
Average CA	\$26,284
Average LMT	\$22,181

Average Expenses

Office lease/mortgage (yr)	\$24,820
Advertising	\$10,165
Malpractice insurance	\$2,260

Modalities Provided

Chiropractic	97.7%
Electrotherapy	63.9%
Exercise programs	61.9%
Nutrition	61.6%
PT/rehab	53.6%
Massage	44.7%
Instrument assisted soft tissue mobilization	31.5%
Laser therapy	31.1%
Weight loss programs	27.5%
Decompression	26.8%
Acupuncture	24.2%
Fitness devices	18.2%
Homeopathy	12.3%
Medical services	8.6%
Other	7.6%

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

Billings and collections breakdown

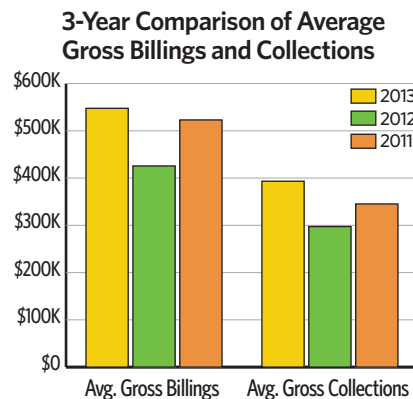
Average billings and collections saw a significant increase in this year's survey and, as a result, the average reimbursement rate rose, too.

In our 2013 survey, average gross billings were reported at \$547,000, while collections were reported at \$393,400. Those numbers equate to a reimbursement rate of 72 percent — a 3-percent increase from 2012 and a

9-percent increase from 2011.

In our 2012 survey, respondents reported average gross billings of \$425,000 and collections of \$300,000, which equate to a reimbursement rate of 70 percent.

Similarly, in 2011's survey, average billings were \$523,000 and collections were \$345,000 — a reimbursement rate of 66 percent. ■



MD versus DC

In healthcare, it's important to stay current on what's happening around you. This can mean anything from the latest on HIPAA to the ICD-10 transition.

And our annual salary survey is the best place to compare the salaries of fellow healthcare practitioners.

Each year, *Medical Economics* publishes a similar report to ours, which breaks down salaries for MDs.

Medical Economics' 84th annual Exclusive Physician Earnings Survey (featured in its Oct. 10, 2012, issue) indicates that the average salary for physicians was \$235,000, up slightly from \$224,000 last year.

This is in line with the state of DCs' average salaries and total compensation for this year, too. Average total compensation reported for DCs in this year's survey was \$128,000. This is up from 2012's survey (\$107,000) and slightly up from 2011's survey (\$115,500).

Medical Economics' also reported that the highest salaries came from the Midwestern region and rural practices. In addition, they found that the median salary was higher for men (\$213,000) than women (\$163,000).

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

Groupie status

The trend toward group practices took an even larger leap in this year's survey, indicating that more chiropractors are finding strength — and in this case, success — in numbers.

This year's survey saw its highest number of group practices (29 percent) in almost a decade, and it's lowest number of solo practices in memory (57 percent).

The remaining 13 percent indicated they were working as associates.

In addition, billings, collections, and reimbursement rates all rose over last year's numbers for group practices. Last year, group practices saw average billings of \$690,000, while this year's billings were \$987,000. Collections went from \$473,000 in 2012 to \$730,000 in 2013's survey. That is an average reimbursement rate of 74 percent, up from 69 percent last year.

While solo practices didn't see a tremendous increase in reimbursement rate, they also didn't see a decline. The average reimbursement rate in 2012 for solo practices was 71 percent, which is identical to this year's number.

The average DC compensation for solo DCs this year is \$104,000, compared to \$92,000 from last year. Similarly, the average total compensation for a DC practicing in a group setting rose from \$141,000 to \$193,000.

(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.)

Another change from last year can be seen in expenses being paid. Our survey would indicate that both solo and group practices are spending less on malpractice insurance than last year and more in advertising.

Solo practices spent \$2,000 on insurance compared to \$2,500 last year, and \$8,000 on advertising compared to \$6,800. Group practices spent \$2,900 compared to \$3,400 last year and \$14,500 on advertising compared to \$7,400 last year.

This year, group practices are also spending more on office space expenses (\$34,200 compared to \$28,000 last year), while solo practices are spending less (\$21,000 compared to \$23,700 last year). ■

Comparison of Solo & Group Practices

Clinic Label	Solo	Group
Clinic	74.7%	66.9%
Wellness center	21.0%	20.0%
Medical spa	0.0%	1.5%
Rehab center	3.9%	10.8%
Franchisee	0.4%	0.8%

Clinic Statistics

No. of employees	2.6	7.9
No. of FT employees	1.3	6.6
PVA	24.6	23.8
No. of patients/week	100.5	194.2
New patients/week	5.4	12.4
Cash only	24.7%	16.3%
Average billings	\$345,873	\$986,731
Average collections	\$245,845	\$729,935

Compensation and Benefits

Retirement	28.5%	63.9%
Healthcare benefits	18.6%	52.0%
Incentives or bonuses	47.5%	64.2%
Profit sharing	7.6%	11.9%
Paid time off	56.5%	78.8%
Average CA	\$24,286	\$29,879
Average LMT	\$18,073	\$28,918
Average DC	\$82,342	\$135,720
Average total DC comp.	\$103,645	\$193,286

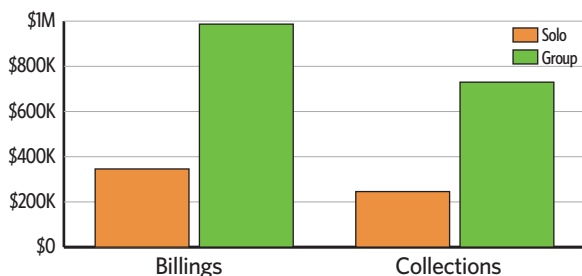
Specialists Provided

LMT	37.0%	51.9%
Acupuncturist	8.2%	21.5%
Nutritionist	6.0%	19.0%
PT	3.3%	16.5%
Fitness trainer	4.3%	13.9%
MD/DO	1.6%	25.3%
Other	1.6%	8.9%
None	55.4%	22.8%

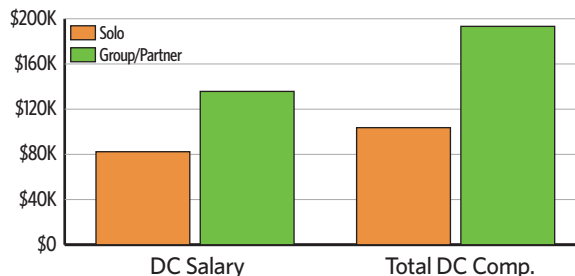
Expenses

Office lease/mortgage (yr)	\$20,919	\$34,226
Advertising	\$7,953	\$14,422
Malpractice insurance	\$2,013	\$2,873

Solo vs. Group: Average Billings and Collections



Solo vs. Group: Average DC Compensation



How do you practice?

In response to reader requests, *Chiropractic Economics* expanded its “integrated clinics/DCs only” breakdown last year 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, 63 percent reported as operating alone, down from 65 percent last year; 27 percent said they operated as a multidisciplinary clinic, down from 30 percent last year; and 10 percent responded as an integrated

clinic, up from 6 percent.

Here is further breakdown of the numbers:

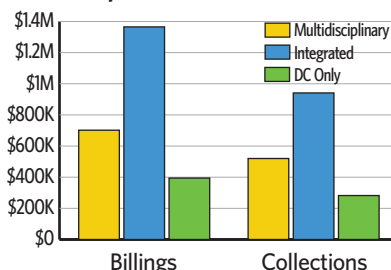
Billings. Integrated practices reported the highest billings (\$1,365,200), while multidisciplinary practice reported billings of \$702,000 and solo practices came in at \$394,500.

Collections. Likewise, integrated practices saw the highest collections (\$941,000),

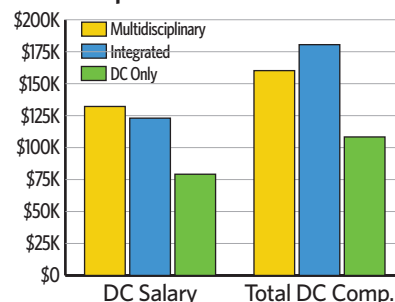
while multidisciplinary clinics reported collections of \$520,000, and solo DCs had collections of \$282,000.

Salaries and total compensation. In addition, DC salaries and DC total compensation also saw a fairly sizeable increase from last year for all three groups. Respondents in multidisciplinary clinics saw an average salary of \$132,000, compared to \$123,000 for integrated clinics, and \$79,000 for solo practices.

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



A Look at Average DC Compensation



DC vs. Integrated and Multidisciplinary Clinics: Significant Comparisons

Practice Type	Multi	Integrated	DC Only	Clinic Statistics	Multi	Integrated	DC Only
Solo	51.2%	13.0%	67.1%	No. of employees	5.7	10.0	2.9
Group/partnership	33.1%	65.2%	20.7%	No. of FT employees	4.1	8.3	1.8
Franchisee	0.0%	0.0%	1.1%	PVA	24.2	22.8	24.6
Clinic Label				Patients per week	141.4	166.7	119.2
Clinic	61.7%	65.3%	75.4%	New patients/week	8.1	12.7	6.5
Wellness center	27.5%	6.5%	20.4%	Cash only	17.7%	12.5%	22.8%
Medical spa	0.0%	4.3%	0.0%	Expenses			
Rehab center	10.8%	23.9%	3.6%	Office lease/mortgage (yr)	\$34,096	\$28,017	\$20,123
Location				Advertising	\$13,461	\$22,360	\$8,174
Urban	25.0%	36.6%	27.4%	Malpractice insurance	\$2,577	\$3,220	\$2,077
Suburban	61.9%	46.7%	50.9%	Compensation and Benefits			
Rural	13.1%	16.7%	21.7%	Retirement plan	41.8%	79.0%	32.2%
Specialty				Healthcare benefits	36.0%	80.0%	20.8%
General	49.3%	26.1%	67.4%	Incentives/bonuses	55.6%	36.4%	52.3%
Family	16.5%	17.4%	20.0%	Profit sharing	11.1%	18.2%	7.1%
Sports/rehab	16.5%	43.5%	4.7%	Paid time off	62.5%	90.9%	61.1%
Nutrition	3.7%	0.0%	3.2%	Average CA	\$28,843	\$31,666	\$24,941
Pediatrics	1.3%	0.0%	0.5%	Average LMT	\$24,005	\$32,500	\$20,055
Other	12.7%	13.0%	4.2%	Average DC	\$132,171	\$123,035	\$79,174
				Average total DC comp.	\$160,216	\$180,515	\$108,331

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 salary, bonuses, and retirement/profit-sharing contributions made on their behalf.

For DCs in integrated clinics, the average total compensation was \$180,500, while multidisciplinary clinics saw an

average total compensation of \$160,000, and solo DCs came in at \$122,000.

More data of interest

Practice label. More multidisciplinary practices identified as rehab clinics this year (11 percent) than last year (9 percent). Likewise, more integrated clinics called themselves medical spas this year (4 percent) than last year (0 percent).

Urban growth. The number of clinics practicing in a rural area was up in all three practice types.

Specialties. Both multidisciplinary clinics and solo practices (49 percent and 67 percent, respectively) reported “general” as their main specialty, while integrated clinics reported “sports/rehab” (44 percent) as the most common specialty practice. ■

Comparing chromosomes

As chiropractic is a largely male-dominated profession, it only stands to make the male-versus-female comparisons more intriguing. And as the times change, so too does the number of female DCs.

As such, this year's survey not only reported a higher number of female respondents, but a higher average salary and average total compensation as well.

More than 20 percent of respondents were female and they reported an average salary of more than \$93,000 and an average total compensation of almost \$104,000.

Male respondents on the other hand reported an average salary of around \$101,000 with an average total compensation of almost \$134,000.

These numbers are up for both male and female respondents from last year. Last year, the average salary for women was \$79,000 compared to \$83,500 for men, while the average total compensation for women was \$81,500 compared to \$111,000 for men.

Other statistics of interest follow.

Patient hours. This year's survey showed an increase in the number of hours women spent in patient care. Last year 30 percent of women reported that they spend between zero and 20 hours a week in patient care. This year, the largest number of respondents (26 percent), said that they spent 36 hours or more with patients and 24 percent said they spend 31 to 35 hours in patient care.

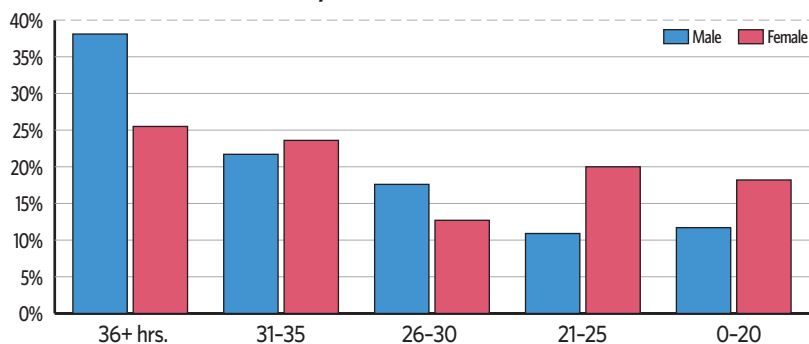
The theme was similar for men, with 38 percent spending 36 hours or more in patient care and 22 percent spending 31 to 35 hours with patients.

Groups or partnerships. The number of women participating in a group setting (21 percent) fell from last year (25 percent), while the number rose for

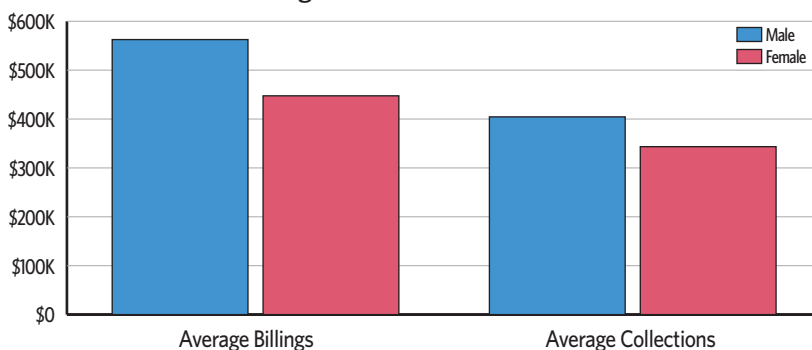
men (31 percent compared to 22 percent).

Marketing efforts. This year's survey indicated once again that women spend more money on advertising than do men (\$11,000 compared to \$10,000). Men spent more on office leases than women (\$26,000 compared to \$21,000). Men also spent more on malpractice insurance than women (\$2,300 compared to \$2,100). ■

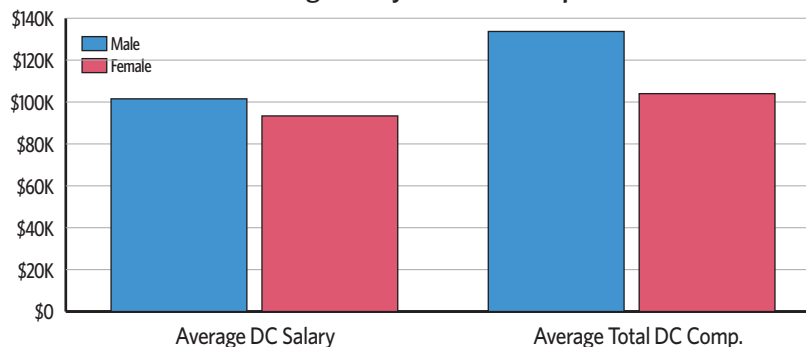
Sex Differences: Hours Spent in Patient Care



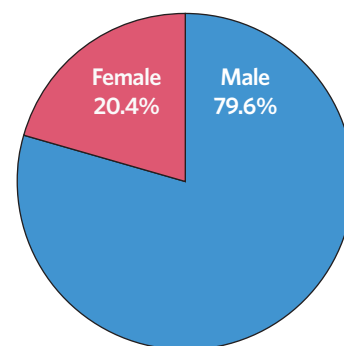
Sex Differences: Billings and Collections



Sex Differences: Average Salary and Total Compensation



Male vs. Female Respondents



The regional breakdown

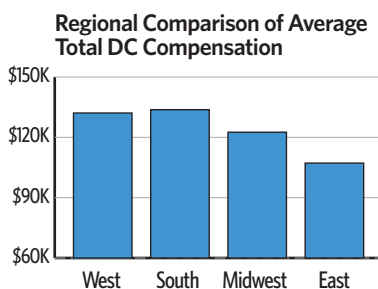
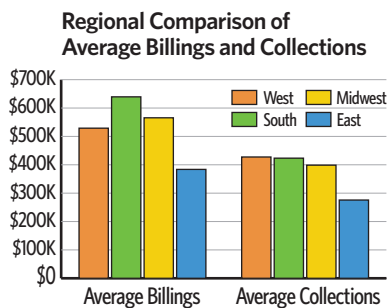
For the past few years, the South has reported the highest earnings — both in average salary and average total compensation. This year, however, was a mixed bag. While the Midwest saw the highest percentage of respondents (35 percent), the West reported the highest average salary (\$115,000), while the South reported the highest total compensation (\$134,000).

The Midwest reported the lowest average salary (\$88,000), while the East reported the lowest average total compensation (\$107,000).

In terms of billings and collections, the South and Midwest finished one and two, respectively. Average billings for the Southern region were \$640,000, while collections were \$423,000 — a 66-percent reimbursement rate.

The Midwest reported average billings of \$566,000 and collections of \$400,000 — a 70-percent reimbursement rate.

The Eastern and Western regions saw reimbursement rates of 72 percent and 80 percent, respectively. ■



Comparing the Regions

	West	South	Midwest	East
Personal Characteristics				
Average age	48.0	44.0	45.7	46.0
Male	76.1%	84.6%	72.6%	84.0%
Female	23.9%	15.4%	27.4%	16.0%
Solo	61.2%	59.3%	62.4%	72.0%
Group/partnership	29.8%	33.0%	28.2%	16.0%
Associate	9.0%	7.7%	6.8%	12.0%
Franchisee	0.0%	0.0%	2.6%	0.0%
Years in practice	18.3	15.3	18.2	16.1
Licenses	1.3	1.4	1.3	1.5
Clinics owned	1.2	1.0	1.0	1.0
Location				
Urban	40.9%	27.0%	20.9%	23.6%
Suburban	45.5%	56.2%	48.7%	68.6%
Rural	13.6%	16.8%	30.4%	7.8%
Clinic Statistics				
No. of employees	5.0	4.1	4.5	3.2
No. of FT employees	3.5	3.0	3.5	1.3
PVA	21.7	23.8	23.7	28.8
Patients per week	104.4	145.1	125.2	124.7
New patients/week	7.9	7.4	8.2	5.1
Cash only	29.8%	15.0%	16.3%	22.2%
Average billings	\$529,045	\$639,493	\$565,639	\$383,747
Average collections	\$427,474	\$423,351	\$398,654	\$275,746
Expenses				
Office lease/mortgage (yr)	\$25,589	\$22,095	\$24,059	\$25,822
Advertising	\$8,797	\$15,490	\$8,053	\$8,236
Malpractice insurance	\$2,416	\$2,033	\$2,195	\$2,806
Salaries				
Average associate	\$77,363	\$63,500	\$70,857	\$43,833
Average CA	\$24,145	\$27,880	\$25,863	\$26,604
Average LMT	\$23,700	\$21,856	\$22,511	\$14,814
Average DC	\$115,242	\$99,174	\$87,660	\$94,990
Average total DC comp.	\$132,108	\$133,776	\$122,572	\$107,191

The rural practice

This year's survey saw a 22-percent increase in the number of practices that reside in rural locations. Last year, 16 percent of practices selected "rural" as their practice location, while this year 19 percent said the same thing.

Both suburban (54 percent compared to 55 percent) and urban (27 percent compared to 30 percent) locations saw a slight decrease from last year.

Despite the rise in rural locations, these DCs reported the lowest average salary (\$85,000). Suburban and urban chiropractors saw an average salary of \$113,500 and \$89,000, respectively.

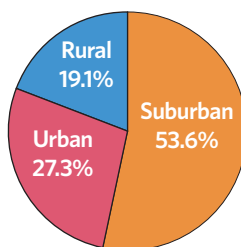
Suburban DCs took the top spot in average total compensation (\$151,000), while rural DCs had an annual average total compensation of \$96,000, and urban DCs' total compensation was \$108,000.

Suburban practices also reported the highest average in billings (\$666,500) and collections (\$460,500) — a 69-percent reimbursement rate.

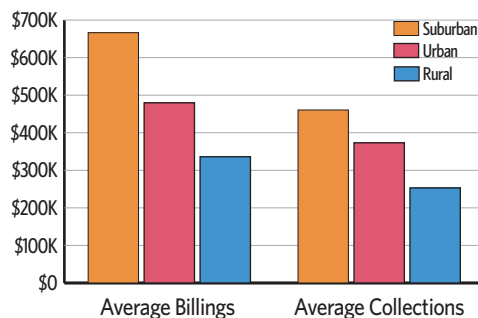
Urban practices were right behind them, reporting average billings of \$480,000 and collections of \$373,000 — a reimbursement rate of 78 percent.

Rural practices reported average billings of \$336,000 and collections of \$253,000 — a 75-percent reimbursement rate. ■

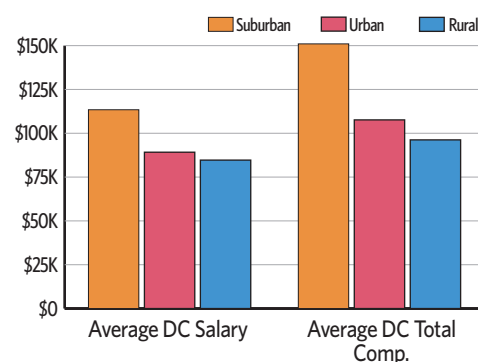
Location Preferences



Suburban, Urban, and Rural Comparisons



Average DC Compensation by Locality



Age is just a number

Unlike last year's survey, the more experienced doctor didn't necessarily see the most income. In fact, the second-youngest age bracket (31-40) saw the highest average total compensation (\$152,000).

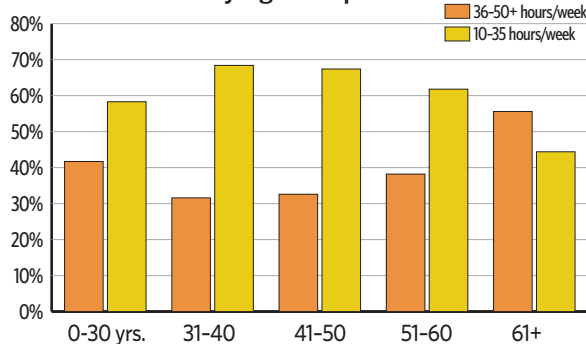
The "over 60" group saw the second-highest average total compensation at \$143,000, despite having the highest (\$115,000) last year. The average total compensation for the 41-to-50-year-old age group was \$118,000, while the 51-to-60-year-old age group followed with \$128,000. The 30-year-old and below age group rounded out the bottom at \$60,000.

In addition, our respondents ranged in age from 25 to 77 and spent anywhere from three hours a week in patient care to 60.

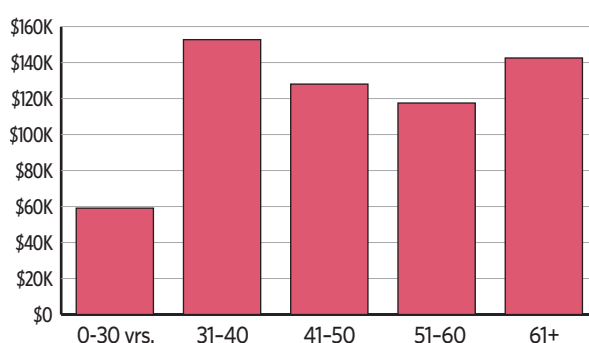
Our survey indicated that respondents 61 years old and older spent the most amount of time in patient care, with 56 percent spending 36 or more hours a week in practice. The 30-and-under age group was the second-highest percentage in that group at 42 percent.

The group that spent the least amount of time with patients was the 31-to-40-year-old age group, with only 32 percent reporting they spend 36 or more hours with patients. Almost 33 percent of the 41-to-50-year-old age group said they spent 36 or more hours in practice. ■

Hours Worked by Age Group



Income by Age Group (Total DC Compensation)



The power in perks

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

Our results indicated that practices employ an average of 4 employees, with 3 qualifying as full timers.

The average salary paid to those full-time employees was: MD/DO, \$141,000; DCs, \$100,000; associate,

\$67,000; PT, \$52,000; LDN, \$44,000; fitness trainer, \$27,000; CA, \$26,000; and LMT, \$22,000.

The success of a practice, however, is defined in large part by the happiness of its staff. And while a competitive salary is a promising start to an employee's overall attitude, it doesn't paint the full picture.

Regular encouragement, mixed with fair benefits and fun perks, is

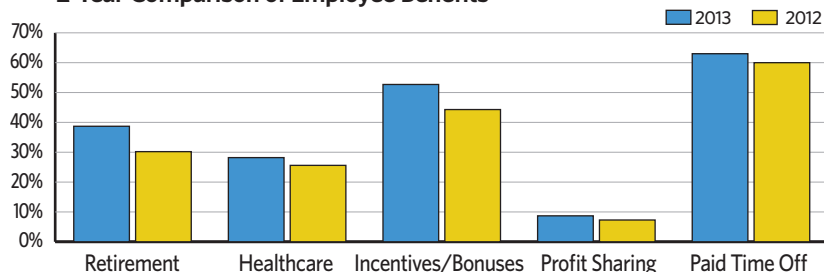
also a good way to ensure your practice success. And it seems you might agree. Those offering retirement plans, healthcare plans, incentives and bonuses, profit sharing, and paid time off all increased over last year.

According to our survey, 39 percent of respondents indicated that they offered some type of retirement plan, compared to 30 percent last year. Those offering a healthcare plan increased from 26 percent last year to 28 percent.

Respondents offering paid time off — a combination of vacation and/or sick days — rose from 60 percent last year to 63 percent this year.

Finally, those offering incentives and bonuses and/or profit sharing rose from 52 percent last year to 61 percent this year. ■

2-Year Comparison of Employee Benefits



What's in a name?

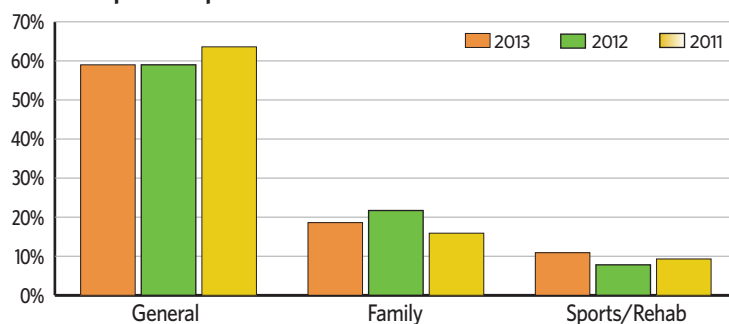
More and more, doctors of chiropractic are finding ways to make their practices stand out from the crowd. One way to do this is by finding a niche that's right for you and your target market.

In this year's survey we asked respondents if they classified their practice as general, family, or sports/rehab. This year, 11 percent of respondents said "sports/rehab," up from the previous two years.

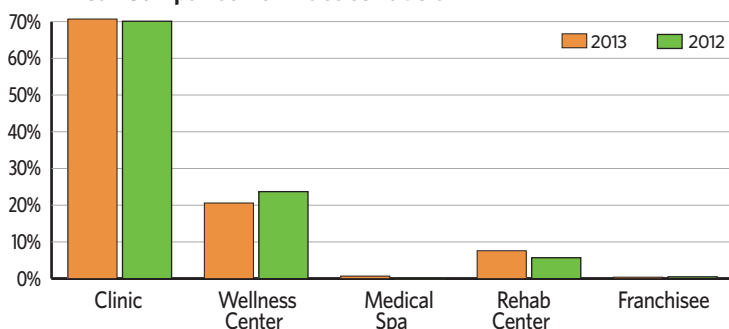
Respondents classifying their practice as "general," however, still represent the most popular type of specialty at 59 percent. Family practice came in second (19 percent), down from 22 percent last year.

In addition, "clinic" was still the most popular label among respondents at 71 percent. Wellness centers saw the second highest number of respondents at 21 percent. Rehab centers saw an increase from last year (8 percent compared to 6 percent), while medical spa and franchisee rounded out the bottom at 1 percent and .5 percent, respectively. ■

Chiropractic Specialties



2-Year Comparison of Practice Labels



Product placement

With more than 90 percent of respondents reporting that they sell at least one product in their practice, it's evident that there are more benefits than meet the eye.

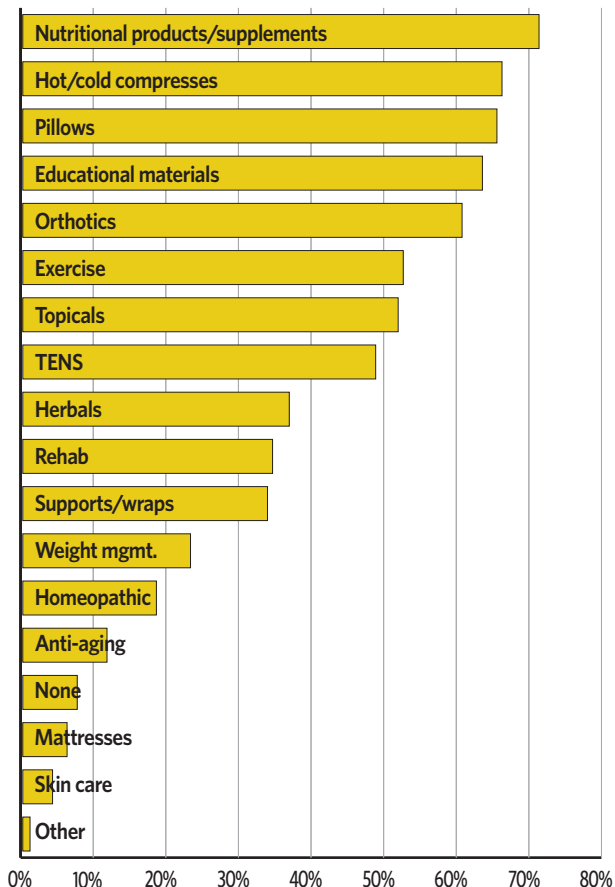
We know that products can benefit patients. But what you may not know is that they can also increase your bottom line and create a powerful rapport with your client base. And strong relationships create a lifetime patient and increase the opportunity for referrals.

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

- ▶ **Nutritional products/supplements.** 71 percent, down from 72 percent last year;
- ▶ **Hot/cold compresses.** 66 percent, up from 52 percent the previous year;
- ▶ **Pillows.** 65 percent, down from 68 percent last year;
- ▶ **Education materials.** 63 percent, up from 38 percent last year; and
- ▶ **Orthotics.** 61 percent, down from 65 percent last year.

Noteworthy: Exercise products saw a large increase from last year (52 percent, up from 34 percent last year). ■

Which Products Are Offered to Patients?



Measuring your income

Patient visits and treatment are not the only way chiropractors — and most healthcare practitioners — supplement their income.

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 retail, which saw a 17-percent change from last year.

From there, we asked you what percent of 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	.86.5%
Diagnostics	.7.9
Retail	.7.5
Other	.3.1%
Consulting	.1.7%

Percent from Treatment

Insurance	.40.0%
Cash	.35.0%
Medicare	.12.8%
Auto insurance	.12.4%
Other	.7.6%
Workers' comp	.5.4%
Medicaid	.4.3%
Barter/trade	.2.2%

Practice expenses

While patients are the most important aspect of any healthcare practitioners' practice, it doesn't come without some costs.

Every successful businessperson 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 \$25,000, a decrease from \$29,000 last year.

▶ **Advertising.** Average costs in this year's survey were \$10,200, representing an increase from last year's costs of \$6,800.

▶ **Malpractice insurance.** Respondents reported an average expense of \$2,200, down from last year's costs of \$2,700. ■

Major Practice Expenses

	2013	2012
Office lease/mortgage (yr)	\$24,820	\$28,892
Advertising	\$10,165	\$6,782
Malpractice insurance	\$2,260	\$2,740

How special is your practice?

While practicing alone has its perks, bringing a specialist on board — whether permanently or on a consulting basis — can give your practice the extra bit of appeal that it might otherwise be lacking.

Doing so not only offers great opportunities to boost your bottom line but it also offers patients a much wider range of modalities to choose from. This means more patients in your door, more revenue for your practice, and more potential for patient referrals.

A large percent of survey respondents this year said they employed at least one specialist in their clinic — whether an LMT, PT, acupuncturist, MD or DO, LDN, fitness trainer, or some other type of specialist.

Clinics employing specialists see more patients per week (139, compared to 105 patients per week in nonspecialist clinics); bill more (average of \$726,100 versus \$318,600); and collect more (average of \$515,300 versus \$243,200).

As a result, clinics employing specialists averaged a higher total compensation than those practices without specialists (\$148,000 and \$98,500, respectively).

Practices employing specialists also attract a higher number of new

patients per week (8) compared to nonspecialist clinics (6).

Modalities offered

While most of the respondents have at least one specialist on staff, the most common specialist was the LMT, with almost 75 percent indicating they have an LMT in their clinic.

Other popular specialists include:

- ▶ Acupuncturist, 25 percent;
- ▶ Nutritionist, 18 percent;
- ▶ MD/DO, 17 percent
- ▶ PT, 15 percent; and
- ▶ Fitness trainer, 12 percent.


And 8 percent of respondents indicated “other” for specialists they have in their clinics.

Respondents (both clinics with 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, 98 percent
- ▶ Electrotherapy, 64 percent
- ▶ Nutrition, 62 percent

How Specialists Boost Your Income

	Specialists	No Specialists
Average Total Comp.	\$148,290	\$98,433
Expenses		
Office lease/mortgage (yr) . . .	\$30,572	\$18,524
Advertising	\$15,440	\$7,611
Malpractice insurance	\$2,542	\$1,902
Salary		
DC	\$110,646	\$83,077
Associate	\$65,902	\$73,900
PT	\$52,214	N/A
CA	\$26,456	\$26,040
LMT	\$21,464	N/A

- ▶ Exercise programs, 62 percent
- ▶ PT/rehab, 54 percent
- ▶ Massage, 45 percent
- ▶ Instrument assisted soft tissue mobilization, 32 percent
- ▶ Laser therapy, 31 percent
- ▶ Weight loss programs, 28 percent
- ▶ Decompression, 27 percent
- ▶ Acupuncture, 24 percent
- ▶ Fitness devices, 18 percent
- ▶ Homeopathy, 12 percent
- ▶ Medical services, 9 percent; and
- ▶ Other, 8 percent. 



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