

Specialty: 10 Specialties
Region: National, East, South, West, Midwest

CHARGES

Annual Gross Charges	\$650,769 – 854,134
Medicare	15 – 25%
Medicaid	8 – 14%
Adjustments Percentage	29 – 33%
Annual Collections	\$496,484 – 651,636
Gross Collection Percentage	70 – 74%
Net Collection Percentage	96 – 98%
Accounts Receivable Ratio	1.2 – 2.2
A/R Percentage 0 – 30 days	56 – 60%
A/R Percentage over 90 days	21 – 25%
Bad Debt Percentage	1.5 – 2.5%

EXPENSES

Total Practice Expenses	\$313,801 – 411,863
Overhead Percentage	60 – 64%
Payroll	24 – 28%
Medical Supplies & Drugs	5.4 – 6.4%
Business Supplies	2.0 – 3.0%
Office Space	7.1 – 8.1%
Laboratory	3.8 – 4.8%
Professional Liability	1.6 – 2.6%
Employee Benefits	4.3 – 6.3%
Equipment & Furniture	1.1 – 2.1%
Outside Professional Services	.6 – 1.0%
Promotion/Marketing	.4 – .6%

PHYSICIAN COMPENSATION & BENEFITS

Established Physician	\$178,655 – 197,461
New Physician	129,881 – 158,744
Compensation as % of Gross Charges	30 – 34%
Compensation as % of Collections	48 – 52%
Physician Benefits as % of Collections	4.2 – 6.2%

EMPLOYEE STAFFING

Staff Ratio – Total Employees	4.7 – 5.7
Staff Ratio – Billing & Collecting	.7 – 1.1
Staff Ratio – Nursing	1.6 – 2.0

PATIENT ENCOUNTERS

Total Active Patients	2,269 – 3,404
Ambulatory Patient Visits per week	89 – 109
Hospital Inpatient Visits per week	6 – 10
Surgery Procedures per week	6 – 10

DEFINITIONS

Figures shown are per physician (one full time practicing physician by specialty).

Accounts Receivable Ratio: Total accounts receivable divided by average monthly gross fee for service charges; also referred to as number of months of receivables outstanding.

Adjustments Percentage: The amount not collected on fees for services due to contractual write-offs, charitable adjustments, free services and other discounts divided by gross charges.

Ambulatory Patient Visits per Week: Number of total contacts between physician and patient where service or treatment is given. Includes mostly office visits but also emergency room, nursing care facility and patient home visits. It does not include in-hospital visits or surgery, nor visits by non-physician providers (Nurse Practitioner, Physician Assistant). Based upon average number of work weeks in a year by physician specialty.

Annual Collections: The total receipts (collections) for patient services per physician. Does not include other practice income received.

Annual Gross Charges: Charges billed by the physician practice for professional services including non-physician provider and ancillary services. Includes charges for technical components, drugs, injections, lab, radiology and diagnostic procedures.

A/R Percentage 0 – 30 Days: Percent of total accounts receivable that are 30 days or less. This is determined from a practice's accounts receivable aging report.

A/R Percentage Over 90 Days: Percent of total accounts receivable that are past due by 90 days and over.

Bad Debt Percentage: Bad debts (amounts written off as not collectible, turned over to collection agency, and amounts that represent losses from receiving less than was billed) divided by total adjusted charges (gross charges minus contractuels, professional, charity and other discounts).

Business Supplies: Percentage representing the amount of expense for clerical and administrative supplies, books, subscriptions, forms, computer supplies, stationary & printing costs divided by total practice collections.

Compensation as % of Collections (for physician's services): The annual physician compensation amount divided by the total collections for the physician's professional services (excluding collections for ancillary services, technical and other provider services). Note: This is not the same as Annual Collections.

Compensation as % of Gross Charges (for physician services): The annual physician compensation amount divided by the gross charges for the physician's professional services (excluding charges for ancillary, technical and other provider services). Note: This is not the same as annual gross charges.

Compensation Established Physician: The amount of profit, or collections minus operating expenses. This equates to the gross take home pay for one FTE physicians. Ranges represent mostly physicians in practice over two years.

STATS Comparison Worksheet - Sample

How to use...

1. Choose which indicators you wish to measure
2. Insert the practice's actual figures
3. Under the variance column, if the actual figures fall within the PSR benchmark range no variance is recorded. If the actual figures are below or above the range, then calculate the + or - difference and enter. Add comments regarding variance.
4. Very important: PSR benchmark ranges with asterisks * are for one full time physician in the specialty. Thus, your actual figures should be for 1 Dr.

Physician

Medical Specialty

Indicator	PSR Benchmark Range	Actual Practice Figures	Variance	Comments
Example One:				
Annual Gross Charges	\$300,000-400,000	\$250,000	-\$50,000	
	This example shows a PSR Benchmark range of \$300,000-400,000. The actual practice figure is \$250,000.			
	The variance calculates at \$300,000 (the left side lower figure of the range) minus \$250,000 (actual figure) = -\$50,000 Variance			
	This means the annual gross charges are below the range of all practices surveyed.			
Example Two:				
Annual Gross Charges	\$300,000-400,000	\$410,000	+\$10,000	
	This example shows the same PSR benchmark range of \$300,000-400,000 with an actual practice figure of \$410,000. The variance calculates at \$410,000-400,000 (the right side higher figure of range) = +\$10,000 Variance.			
	This means the annual gross charges are above the average range of all practices surveyed.			