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PODIATRIC ECONOMICS

PM's 37th Annual Survey

Working SMARTER Pays Off

Solo doctors surveyed reported a double-digit net income increase despite higher practice costs.



BY STEPHANIE KLOOS DONOGHUE

The news was good from solo practitioners responding to *Podiatry Management's* (PM's) 37th Annual Survey. They reported an 11 percent boost in median net income—reaching \$131,250—despite facing an average 5 percent increase in practice expenses. Partnership/group DPMs earned even more at \$142,500, a 2 percent drop from last year but still 8.6 percent higher than solo colleagues.

As most healthcare practitioners tackled shrinking reimbursements and higher costs, our 895 survey respondents increased the patient count slightly and raised fees. They also spent considerably more on advertising and educational expenses, undoubtedly seeing the return on these investments paying off. In addition, they made considerably larger pension contributions for themselves.

DPMs achieved all of this despite the fact that costs for some overhead expenses far exceeded the 1.9 percent inflation rate for 2018, the year from which the data was collected. Doctors surveyed reported double-digit increases in several categories including computer service maintenance and the internet, non-malpractice insurance, and legal and accounting costs.

Managed care organizations (MCOs) played a bigger role in the practices of doctors surveyed. A larger percentage were on MCO panels, and respondents saw a higher percentage of MCO patients. Nearly a quarter of their income came from these patients.

A record percentage of respondents were Board Certified, giving doctors more options in terms of MCO and hospital affiliations and providing a marketing tool to attract new patients.

Here's a breakdown of the data along with some analysis, including trends that may impact podiatrists through the next decade.

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Survey (from page 73)

CHARACTERISTICS OF RESPONDENTS & TRENDS

New York Remains on Top; Texas Reaches #2

Sixteen percent of respondents practiced in New York, the highest percentage of any state and the top state in terms of response for the past seven years. Texas was in second place, with 10.9 percent of respondents practicing there. Rounding out the top five states were Florida with 7.3 percent, California with 7.2 percent, and New Jersey with 6.5 percent. While the mix of top states was the same as in our previous report, the order shifted, notably with Texas moving from fourth to second in the most recent report.

Our data was fairly representative of the 2018 U.S. population as a whole. According to the U.S. Census Bureau (USCB), the top four states in terms of population were the same as our top four, but in this order: California, Texas, New York, and Florida. The fifth most populous state was Pennsylvania, which was sixth in terms of number of survey responses.

Regional USCB data showed significantly larger population gains in the South and West than in the Northeast and Midwest compared to 2017. By state, the biggest gainers were Texas, Florida, and California. By percentage, Nevada, Idaho, and Utah

grew the most over the 2017-2018 time period. States with the highest median ages—given that many podiatrists' practices target patients age 65 and older—were Maine, New Hampshire, Vermont, West Virginia, and Florida during our survey period.

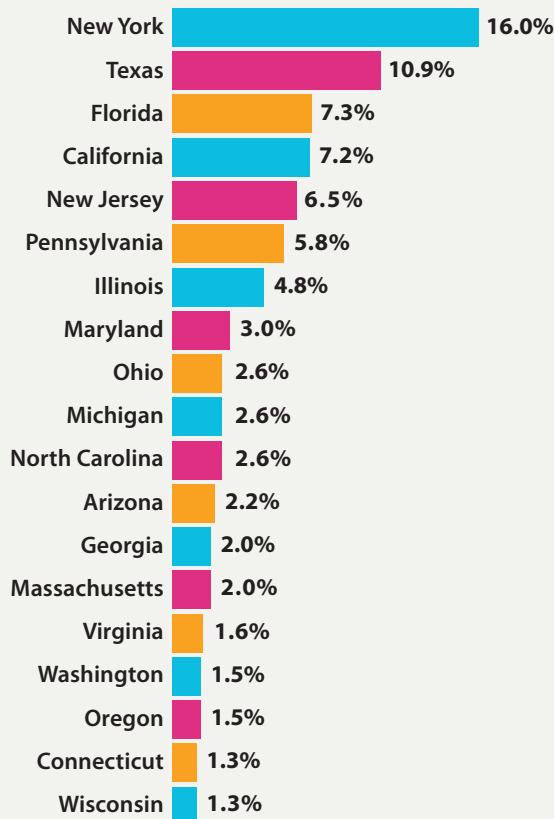
Small Cities Still Most Common Location

Small cities (population of 25,000-100,000) continued to be the most common location for respondents' practices, with 30 percent of DPMs situated in cities of that size. However, this was a 4 percent drop from our previous survey. Rising in popularity was the metropolis, the nation's largest cities with a population of more than 500,000. Twenty-eight percent practiced there, up from 24 percent last year. The percentage of doctors in rural areas also grew, although less dramatically—from 14 percent to 15 percent—while the percentage of those in large cities (population of 100,000-500,000) dropped by 1 percent to 26 percent.

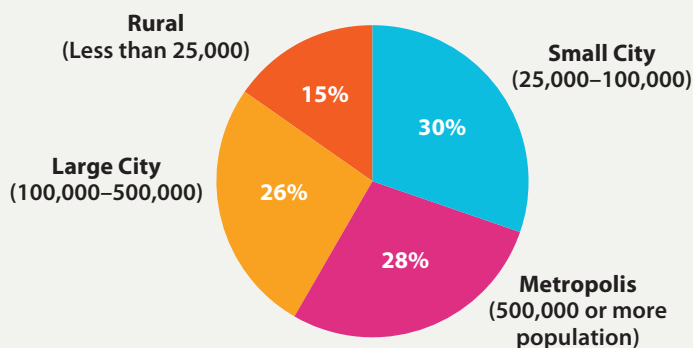
USCB data indicated that from 2017

State of Practice

Distribution of respondents—top states



Practice Location



to 2018, five of the 10 cities (populations of 50,000+) growing the fastest were in Texas. In terms of population numbers, the USCB listed these urban areas as the top five: Phoenix, Ariz.; San Antonio, Texas; Ft. Worth, Texas; Seattle, Wash.; and Charlotte, N.C. The American Association of Retired Persons (AARP) recently named one of these areas—Phoenix—in its list of cities making strides toward becoming more livable for an aging population. The other three were Sioux Falls, S.D.; Columbia, S.C.; and Miami, Fla. Given that many podiatric practices have a geriatric population, we will see whether the areas mentioned here show higher-than-average response rates in future surveys.

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Note: Chart numbers may not equal 100% due to rounding. In addition, the amounts in charts spanning multiple years have not been adjusted for inflation.

Survey (from page 74)

Respondents in Practice Longer

In general, our most recent respondents were in practice longer than those who answered our previous survey. Nearly half (49 percent) were in practice 21 years or more compared to 42 percent last year. The older survey sample undoubtedly had an impact on many aspects of this year's survey, which are discussed throughout this report.

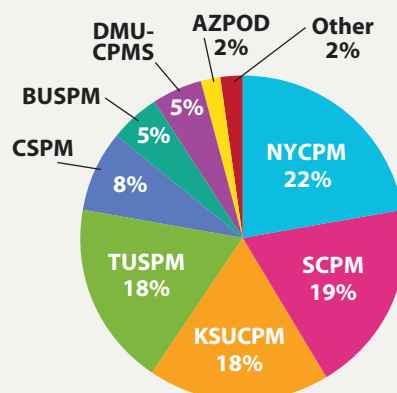
An older respondent pool may continue, as DPMs work into their 70s and beyond. The U.S. Bureau of Labor Statistics (BLS) estimates that the percentage of the workforce age 55 and older will grow from 23.1 percent in 2018 to 25.2 percent in 2028. Compare that to 1998, when only 12.4 percent of this age group was in the workforce.

tors surveyed. We will continue to monitor the relationship between the respondent pool age and practice setting to help determine whether more new DPMs are choosing to open their own practices and whether there has been a noticeable change in the trend toward practicing in multidocor settings.

Crosstabs by sex indicated that women were less likely to be in solo practice than men: 34 percent of women were in solo practice vs. 42 percent of male colleagues. Women were more likely to be in partnership/group practices, with 41 percent of women in those settings vs. 36 percent of men.

Twenty-five percent of those

Podiatric College Graduates



creasingly attractive given the compliance, insurance, and operational struggles facing solo practitioners, as well as the emphasis on value-based care. The advantages of partnership/group practice continue to be discussed in this magazine and on forums such as *PM News*. A recent *PM News* discussion on fees indicated that groups are often able to negotiate higher fees, especially if they are large enough to use their size as leverage. Other advantages of partnership/group practice include the sharing of fixed costs associated with practice ownership (especially office space and staffing costs); an expanded appointment schedule; collegiality and the ability to discuss cases in-house; the ability of partners to specialize (e.g., in pediatrics or foot and ankle surgery); and a potentially higher likelihood of getting on MCO panels (which may require coverage that is not feasible for a solo doctor).

In many medical specialties, including podiatry, supergroups are emerging as an effective way to compete in today's healthcare marketplace. Large single- and multiple-specialty practices offer even greater efficiencies than small groups

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Partnership/group practice is increasingly attractive given the compliance, insurance, and operational struggles facing solo practitioners.

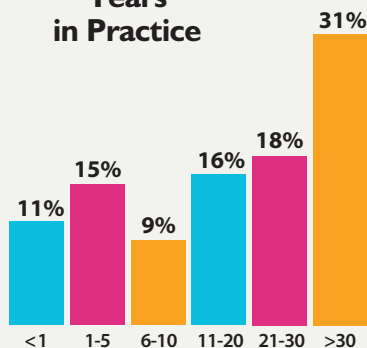
Solo Practice Rebounds

In our latest survey, there was a larger percentage of solo practitioners (either self-employed or in a solo professional corporation) compared to last year: an increase to 39 percent from 36 percent. The percentage in partnership/group practice fell from 43 percent to 38 percent. This reversal of the movement toward group/partnership practice may be related to the larger percentage of older doc-

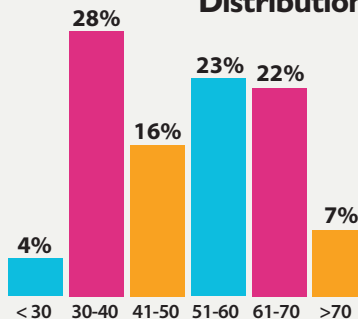
surveyed said that they hired other DPMs, down slightly from 26 percent in our previous survey. This may be related directly to the percentage of solo doctors surveyed, who have no other DPMs in the practice. It may also indicate an increase in partnership arrangements with multiple practice owners and/or multidisciplinary settings, in which podiatrist/owners might employ a non-DPM practitioner.

Partnership/group practice is in-

Years in Practice



Age Distribution



Survey (from page 76)

do. According to Josh White, DPM, CPed, in “Are Supergroups Changing Podiatry’s Practice Paradigm?” (PM, March 2019), supergroups “offer podiatrists an opportunity for a profitable exit strategy given their attraction to private equity investment groups. No matter the size of the practice, podiatrists stand to benefit by focusing on improving their organizational health and streamlining operations.”

The focus on value-based care puts practicing in groups and with hospitals as a way for DPMs to protect their future. “Podiatrists, as cost-effective providers of common chronic conditions, are well positioned to play a valuable role in value-based care delivery models,” wrote Dr. White in “How Will Podiatry Deal with Value-Based Care?” (PM, October 2019). “By forming large, professionally managed groups, there is the opportunity to participate in new compensation models that can create wealth for practitioners while delivering more cost-effective care to patients.”

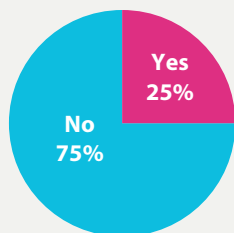
New: Breakdown of Other Practice Settings

This year, we added three new practice setting categories to our type-of-practice question: hospital based, federal service (Veterans Administration or Indian Health Services), and military. Nine percent of those surveyed worked in hospitals, 3 percent practiced in federal service, and 1 percent worked in the military. In future surveys, we’ll watch for any shifts in the percentage of doctors in these practice settings.

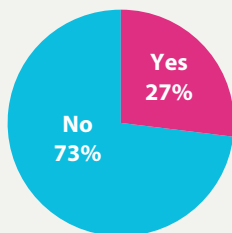
Lower Percentage Had Satellite Offices

A slightly lower percentage of doctors had satellite offices compared to our previous report: 27 percent vs. 29 percent last year. The majority of those with satel-

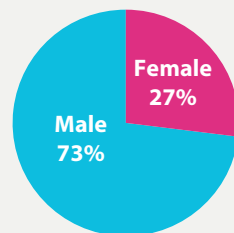
Do You Employ Other DPMs?



Do You Have Satellite Offices?



Distribution by Sex



Women Percentage Drops

The percentage of women who answered our survey dropped from 33 percent to 27 percent. The lower percentage of new DPMs undoubtedly impacted the women’s response rate, as more recent graduating classes had higher percentages of women, according to statistics from the American Association of Colleges of Podiatric Medicine (AACPM). In fact, the percentage of female graduates during our survey period (the class of 2018) was 36.9

percent. Thus we expect the percentage of women respondents to rebound as these graduates enter the profession and participate in future surveys.

The lower percentage of women surveyed may have impacted the drop in the partnership/group percentage noted earlier.

Slightly Longer Hours Reported

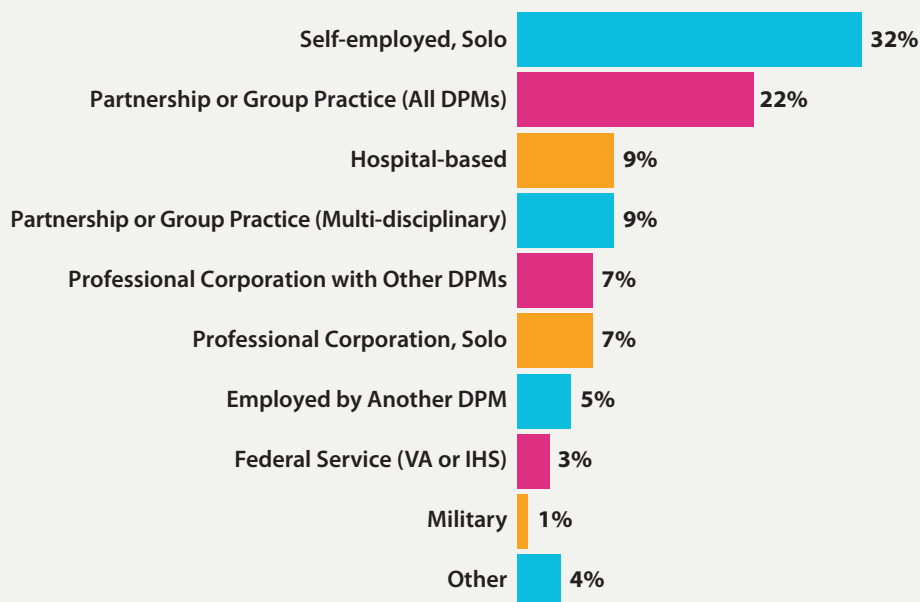
Survey data indicated an ever-

Continued on page 80

lite offices reported one additional office (52 percent), while 25 percent had two offices, 14 percent had three offices, and 10 percent had four or more satellite offices. Doctors in the South were most likely to have a satellite office, while DPMs in the West were least likely.

We anticipated a larger drop in satellite office percentage given the lower percentage of partnership/group respondents.

Type of Practice



Survey (from page 78)

so-subtle increase in the number of hours worked per week. The largest percentage of doctors surveyed worked in the 36-40-hour range. Notably, there was an uptick in the percentage of doctors working over 40 hours per week.

Crosstabs by practice location revealed that DPMs working in a metropolis worked the longest hours at 38.4 per week. They just edged out small-city doctors, who worked an average of 38.3 hours. Large-city podiatrists worked 37 hours, while rural colleagues reported the least number of hours at 36.9 per week.

Women worked an average of 36.4 hours per week compared to men at 38.3 hours. Women's average hours dropped from 37.5 last year,

while men's hours rose from 37.9 in our previous survey.

For comparison purposes, the average nonfarm employee in the U.S. worked 34 hours per week in 2018, according to the BLS.

Slight Increase in Patient Numbers

The number of patients treated per week increased 1 percent, from 86.3 patients to 87.1 patients. This coincides with the slight increase in hours worked overall.

Crosstabs by practice location revealed a seven-patient-per-week difference between the highest and lowest volume. Doctors in small cities saw 90.6 patients per week, while doctors in large cities saw 83.4 patients. Rural doctors reported 86.7 patients, and those in

a metropolis averaged 85.5 patients per week. Southern DPMs saw the most patients (93.2), while those in the Northeast region saw the fewest (80.6) patients per week.

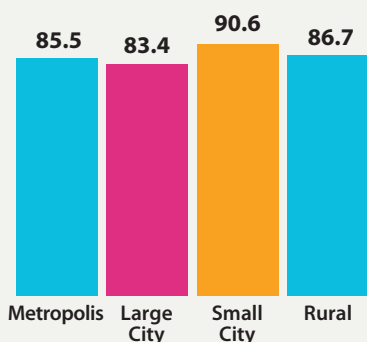
There was an even bigger spread when viewing patients by number of years in practice. New doctors (<1 year) saw just 68 patients per week compared to 100.1 patients per week seen by those in practice 11-20 years.

Women saw an average of 79.8 patients per week compared to 89.3 patients for male DPMs. Interestingly, women saw an average of about two patients *more* per week than last year, while men saw about one patient fewer. This is particularly surprising given that women's hours were *shorter* and men's hours were *longer*. Certainly women's gains relate directly to income levels and the closing of the income gap cited later in this report.

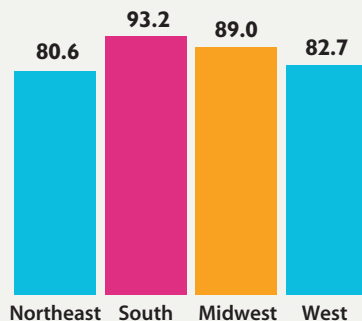
A useful resource to increase patient numbers, even for doctors in solo settings, is "How to See More

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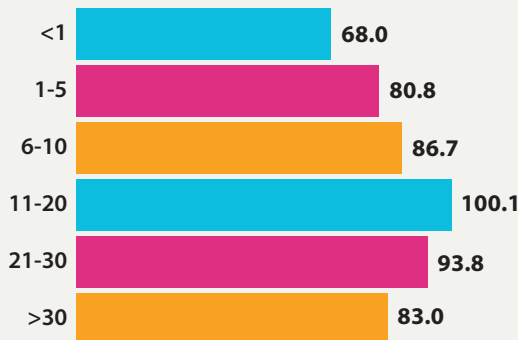
Average Number of Patients per Week by Practice Location



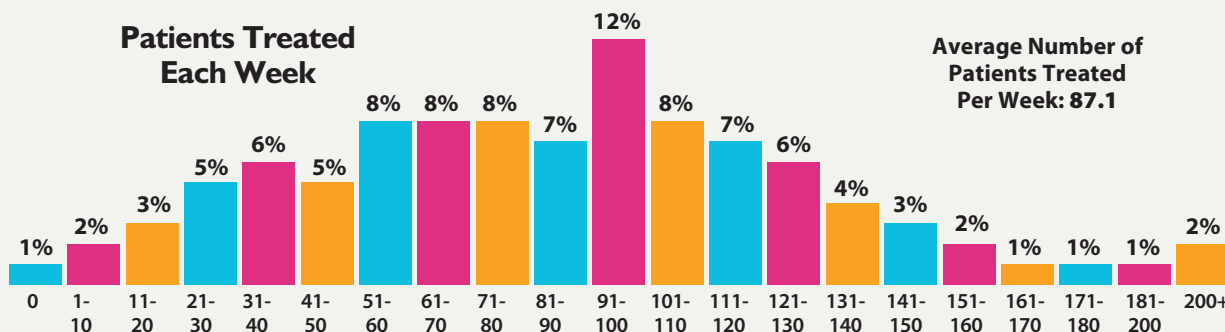
Average Number of Patients per Week by Region



Average Number of Patients per Week by Years in Practice



Patients Treated Each Week



Average Number of Patients Treated Per Week: 87.1

Survey (from page 80)

Patients Without Working More Hours” by Mark Terry (*PM*, February 2019). The doctors interviewed cited staffing, delegating, protocols/scripting, and scheduling as some of the areas that can have an impact on patient numbers. In “Patient Flow and Cycle Time in the Podiatric Medical Practice,” Terry wrote that “a little improvement in efficiency...can lead to more quality time with the patient, and potentially more revenue in your practice.” Eliminating bottlenecks, improving the use of staff, tracking and eliminating unnecessary interruptions, and prioritizing all aspects of the patient encounter are ways to improve quality of care while reducing costs.

Besides increasing revenue, taking such measures may also help ward off practice burnout, which was experienced by the majority of respondents to a recent *PM* online poll. In fact, nearly one-third (32 percent) of poll

Women saw an average of 79.8 patients per week compared to 89.3 patients for male DPMs.

respondents said that practice burnout has affected them “significantly.” A recent *Wall Street Journal (WSJ)* survey of physicians found that doctors between the ages of 40 and 54 experienced a higher rate of burnout than younger or older doctors, citing administrative tasks and work hours as key causes of stress.

Operating Room: Similar to Last Year

There was little shift in the percentage of time respondents spent in the operating room compared to last year. The largest percentage spent a few hours to half a day a week there. The only change of note was that 25 percent of those surveyed spent no time in the operating room, which is up from 23 percent in our previous survey. This is a small shift but may be at least partially attributed to the older respondent pool.

With the increasing focus on foot and ankle surgery in the podiatry school curriculum (and the related increase in younger podiatrists’ preference for surgical subspecialization), it is likely that the time spent operating will increase in future surveys. Surgery’s role in the profession has been a recent hot topic covered by this magazine as well as *PM News*. The question as to whether podiatry is a surgical specialty or is surgery a subspecialty of podiatry was covered as a point counterpoint article in *PM*’s June/July 2019 issue. The results of a *PM* online poll indicated that the vast majority (71 percent) of respondents thought surgery is a subspecialty of podiatry.

Stable Percentage of Diabetic Patients

Doctors surveyed, in general, saw about the same

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Survey (from page 81)

percentage of diabetic patients as they did in our previous survey. The most popular range was 21-30 percent of diabetic patients in respondents' practices.

DPMs in the Midwest and West saw the largest percentage of diabetic patients at 34.3 percent. For colleagues in the South, 33.9 percent of patients were diabetic, while 33.2 percent of patients of Northeastern DPMs were diabetic.

According to the latest statistics available from the Centers for Disease Control and Prevention (CDC), 30.3 million Americans—nearly one in 10—had diabetes, and 84.1 million American adults—approximately one in three—had prediabetes. New diabetes cases were higher among non-Hispanic blacks and Hispanics than non-Hispanic whites. For U.S. adults diagnosed with diabetes, prevalence was highest among American Indians/Alaska Natives. Nearly 16 percent of adults diagnosed with diabetes were smokers, nearly 90 percent were overweight, and more than 40 percent were physically inactive.

Companies continue to come up with new technologies for diabetic

patients. Continuous glucose monitoring, wearable monitors, medication pens, and cutting-edge insulin pumps are among the newer devices seeking to improve outcomes and compliance. Amazon's artificial intelligence (AI) assistant Alexa recently developed features that include reading blood-sugar results, among other health-care-related tasks.

During our survey period, the U.S. Food and Drug Administration approved the Dexcom G6—a quarter-size device that continuously monitors a diabetic's blood sugar level and sounds an alarm if it rises or falls too much.

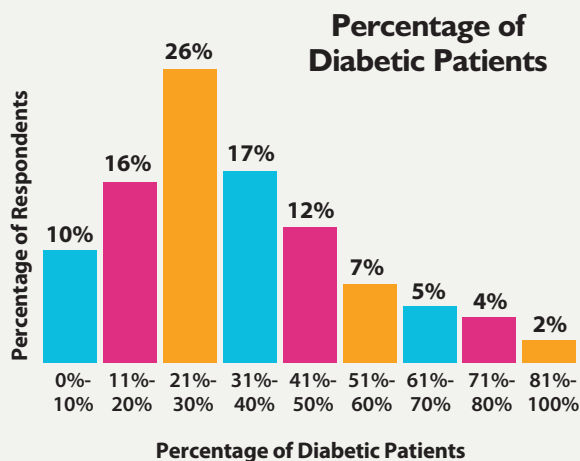
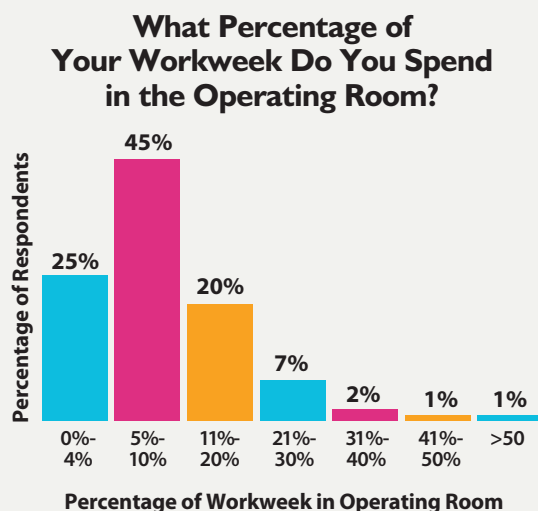
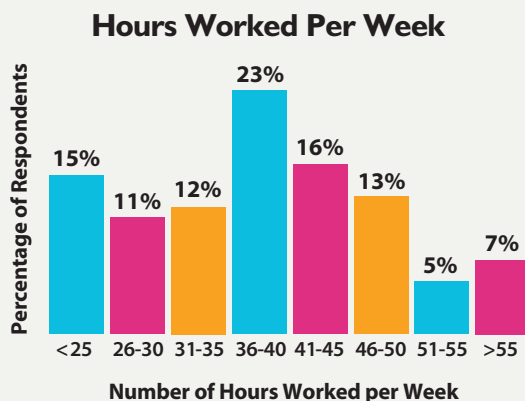
In his article "Marketing Your Practice to the Diabetic Community" (*PM*, January 2019), Hal Ornstein, DPM, suggested 15 ways to attract diabetic patients, including creating a "Diabetic Center of Excellence" within the practice; building relationships with various medical specialists and informing them about your diabetic shoe program; and providing educational outreach and screenings in coordination with pharmacies, hospitals, senior centers, and the like.

The PPOD, a collaborative, team approach to managing diabetic patients created by the National Institutes of Health (NIH) and the CDC, was covered in depth in *PM*'s November/December 2019 issue. "The pharmacist and optometrist can arrange timely appointments with a podiatrist because they are PPOD providers, or members of a local network of pharmacists,

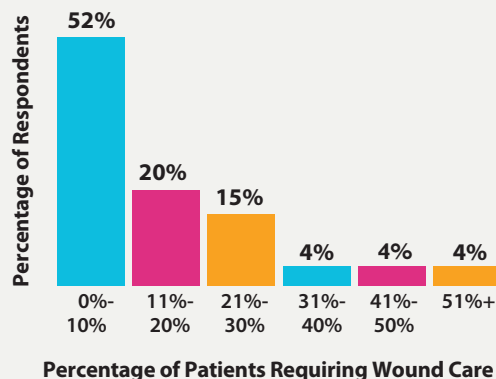
podiatrists, optometrists, and dentists who work collaboratively to provide diabetes care for patients, decrease their risk for complication of diabetes, and manage their medications," wrote author Andrea Linne in "PPOD—The Team Approach to Managing Patients with Diabetes."

Some organizations are geared specifically to help practitioners address the diabetic population. For example, the Arche LEAP (Lower Extremity Amputation Prevention) Alliance equips practices with processes, technology, analytics, and a toolkit "to turn evidence-based medicine into evidence-based practice," according to its website. The Alliance aims to use this strategy to reduce the development and recurrence of diabetic foot ulcers and the rate of lower ex-

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Patients Requiring Wound Care (Diabetic/Non-Diabetic)



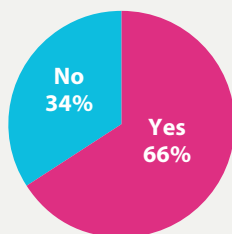
Survey (from page 82)

tremity amputations. Wound prevention is key, according to “What’s Next: Population Health Management” (*PM*, August 2019). “For podiatrists, one area where we can do a much better job of prevention is diabetic foot ulcers,” wrote author Jeffrey Lehrman, DPM. “Preventing just one ulcer, rather than attempting to heal it after it occurs, can significantly improve the quality of life of a patient, maybe even save their life or their leg, and save thousands of dollars in healthcare costs.”

Fall risk management has been another area of focus for the diabetic patient population over the past few years, with several articles in *PM* focusing on this topic and presenting proactive, preventive patient techniques.

In addition, podiatric state associations and other groups have focused their conferences specifically on the clinical and management implications of diabetes.

Refer Patients to Wound Care Centers/Clinics?



Slightly More Wound Care

An analysis of the data indicates that the percentage of patients (diabetic and nondiabetic) requiring wound care was up slightly. Notably, the percentage of doctors who said that at least two out of five of their diabetic patients required wound care rose from 6 percent last year to 8 percent this year. The percentage of practices in which at least half of their patients required wound care rose slightly from 3 percent last year to 4 percent in our most recent survey.

While some practices may have experienced an uptick in percentage of wound care patients, the majority of respondents (52 percent) reported that 10 percent or

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less of their patients required wound care.

About two-thirds (66 percent) of those surveyed refer patients to wound care centers/clinics, which was unchanged from our previous report. Doctors in the Northeast and South were much more likely to refer patients to these clinics than colleagues from the Midwest or West.

According to “Human Wounds and Its Burden: An Updated Compendium of Estimates,” an NIH report from Chandan Sen, Ph.D., 8.2 million people had wounds with or without infections in 2018, with Medicare cost estimates ranging from \$28.1 billion to \$96.8 billion. “Increasing costs of healthcare, an aging population, recognition of difficult-to-treat infection threats such as biofilms, and the continued threat of diabetes and obesity worldwide make chronic wounds a substantial clinical, social, and economic challenge.” Dr. Sen estimated the annual wound care products market to reach between \$15 billion and \$22 billion by 2024.

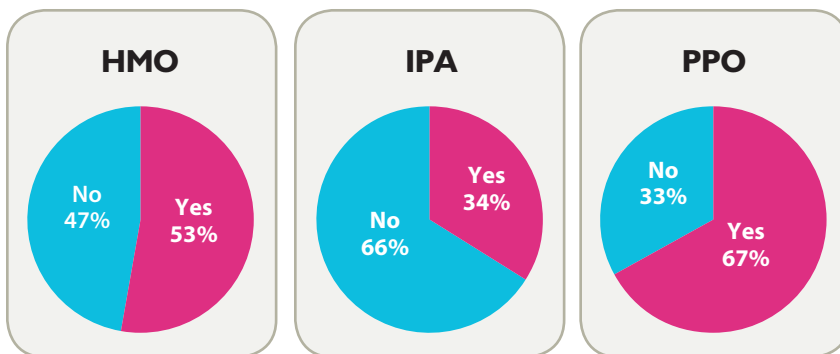
Podiatry-specific and multidisciplinary wound care organizations and conferences provide training in the area and often discuss the latest treatment options. This magazine features wound care-related content regularly, including its annual wound management issue in August and the diabetic foot special edition in November/December.

Lower Participation in the Medicare Diabetic Shoe Program

The percentage of respondents who participated in the Medicare Diabetic Shoe Program fell to below half (49 percent) compared to 53 percent in our previous survey.

This program provides a service to Medicare patients as well as supplemental income to practitioners. Referrals from other physicians and supplemental income from other services and devices may benefit the practice as well. Some companies

MANAGED CARE GROUP PARTICIPATION



provide assistance to DPMs in implementing the program, including providing complimentary diabetic foot exam forms, documentation assistance, and shoe displays. Some even

the growing number of elderly, free-standing nursing homes development has not mirrored that growth. Instead, other types of facilities have become more popular. For example, continu-

Free-standing assisted living residences or assisted living with a portion set aside for memory care are opening at a faster pace than ever before.

guarantee Medicare compliance.

Documentation, coding, and updates on this program are covered regularly by PM columnist Paul Kesselman, DPM. With the number of Medicare patients increasing annually, the demand for diabetic footwear will likely continue.

Lower Percentage in Nursing Homes

Twenty-one percent of doctors surveyed worked in a nursing home, which was a drop of 2 percent from our previous report. The larger percentage of solo doctors may not have had the time to travel to these facilities given their long list of in-office

responsibilities. Audits associated with such visits may have dissuaded practitioners from treating patients in these facilities as well.

The latest data from the Kaiser Family Foundation indicate that there are approximately 15,500 skilled nursing facilities in the U.S. Despite

ous care retirement communities provide a range of housing types and care services within one campus, including skilled nursing care with independent living, assisted living, and memory care. What's more, free-standing assisted living residences or assisted living with a portion set aside for memory care are opening at a faster pace than ever before, with developers ready to take advantage of the higher discretionary incomes of baby boomers—the 72 million people born between 1946 and 1964. A 2018 study in *Health Services Research* entitled “Increasing Prevalence of Assisted Living as a Substitute for Private-Pay Long-Term Nursing Care” concluded that “increases in assisted living capacity have potentially allowed nursing home residents to delay or decrease their privately financed lengths of stay.” We expect our survey respondents will increasingly provide services to long-term care facilities besides nursing homes, and that our data may already reflect this shift.

Another related trend is the movement toward aging at home with mod-

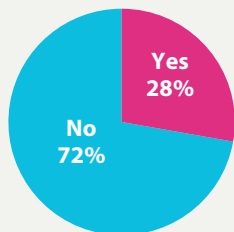
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ifications and help that keep residents happy, healthy, and safe. “The U.S. home care market is expected to grow from \$100 billion in 2016 to \$225 billion by 2024, driven by an expanding elderly population. An intensifying shortage of U.S. home health aides and physicians, a booming senior population, and the prevalence of chronic illnesses all point to a need for transformative solutions when it comes to senior care services,” according to *The Digital Health Ecosystem* research report from Business Insider Intelligence. New and improving aging-in-place technologies are allowing seniors to stay independent longer, such as wearable devices with sensors; apps to help seniors with medicine, exercise, and diet; AI voice assistants such as Alexa and Google Home; GPS-enabled devices for remote monitoring; and modified devices such as smartphones with larger displays and buttons. Even robotic pets can provide companionship but do not need to be fed or walked. In the future, AI may help prevent falls and other emergencies by predicting seniors’ movements.

Some seniors whose current homes are not equipped for aging—and who eschew the community concept found in assisted or independent living environments—may opt instead to move to housing developments geared toward older residents. These homes may be on a single level and equipped with railings, wider doorways for walkers, a series of monitoring systems, and other senior-friendly features in addition to the technological advances mentioned above. For those craving a social and recreational component, these developments may also offer access to amenities like cafes, libraries, gyms, and swimming pools and provide activities such as lectures and trips.

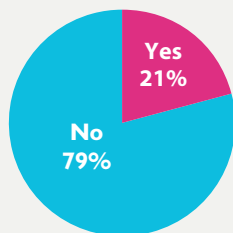
Patients in Managed Care Programs



associations (IPAs), and preferred provider organizations (PPOs). IPA participation experienced the greatest increase, from 28 percent last year to 34 percent in our most recent survey. PPO participation increased from 64 percent to 67 percent, and the percentage of doctors working with HMOs rose from 52 percent to 53 percent.

Regionally, doctors in the Northeast had the highest percentage of participation in HMOs and IPAs, while the

Work in Nursing Home



MCO Panel Participation, Income Rose

As previously mentioned, there was an increase in MCO participation for each of the three types listed: health maintenance organizations (HMOs), independent practice

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South reported the highest percentage of participation in PPOs. Lowest participation percentages were tallied from doctors in the Midwest for all MCO types listed.

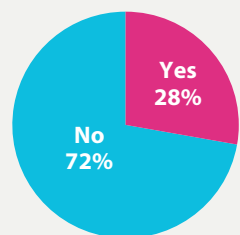
On average, doctors surveyed belonged to 4.5 panels, up slightly from 4.3 panels last year. Note that 23 percent of doctors surveyed signed on to eight or more programs, up from 19 percent in our previous survey.

Crosstabs of MCO participation by type of practice setting revealed that solo professional corporations participated in the most plans at 5.3 panels, followed by partnership/group practices (all DPMs) at 5.1 panels and self-employed solo practices at 4.6 panels.

The percentage of income derived from MCO panels rose slightly, from 23 percent last year to 24 percent this year. These figures correlate to the higher percentage of older doctors, as respondents in practice more than 30 years reported the highest percentage of MCO income of any age group at 31.4 percent.

There was a slight increase (from 27 percent to 28 percent) in the percentage of respondents who participated in accountable care organizations (ACOs). In 2018, there were 649 ACOs across the U.S., according to the National Association of ACOs, including Medicare ACO program participants and independent ACOs. Around 12.3 million Medicare beneficiaries—20 percent of all Medicare beneficiaries—participated in an ACO,

Are You a Participant in an Accountable Care Organization?



according to *Becker's Hospital Review*.

Percentage of Uninsured Increased

The USCB reported that the percentage of people with health insurance coverage for all or part of 2018 was 91.5 percent, lower than the rate in 2017 (92.1 percent). It was the first decrease in a decade, before the Affordable Care Act began reducing the ranks of the uninsured.

Between 2017 and 2018, the percentage of people with public coverage decreased 0.4 percentage points, and the percentage of people with private

covering 67.3 percent of the population and 34.4 percent of the population, respectively.

We are keeping a close eye on the 2020 presidential election and its impact on health insurance, including any changes in access, costs, and coverage requirements.

Larger Percentage Were APMA Members

Eighty percent of respondents were members of the American Podiatric Medical Association (APMA), up from 76 percent in our previous survey and the highest percentage we have seen in five years.

APMA membership offers practice management, reimbursement, educational, and public health resources, with special benefits for new

On average, doctors surveyed belonged to 4.5 [managed care organization] panels, up slightly from 4.3 panels last year.

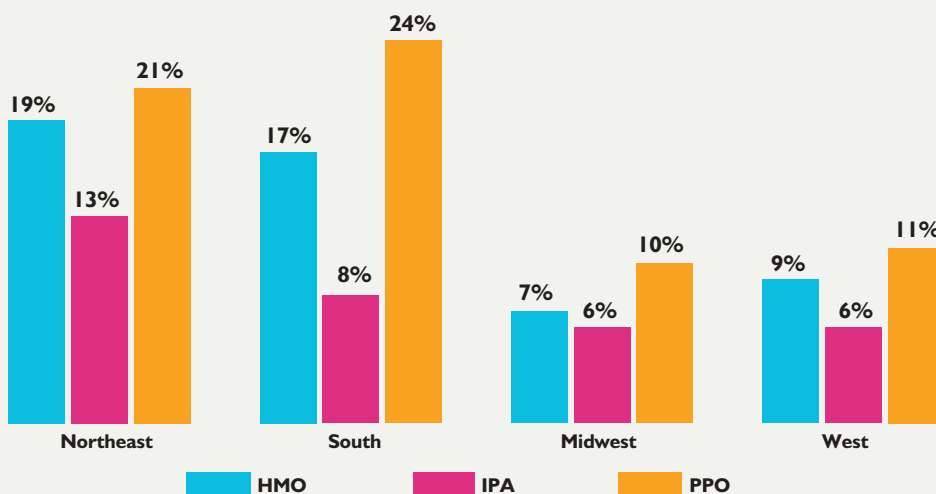
coverage did not statistically change. The percentage of uninsured children under the age of 19 increased by 0.6 percentage points between 2017 and 2018, to 5.5 percent. Private health insurance coverage continued to be more prevalent than public coverage,

practitioners. In addition to the national headquarters, APMA boasts 53 state component locations throughout the U.S. and its territories, as well as affiliated societies.

Member benefits include a wide

Continued on page 88

Managed Care by Region



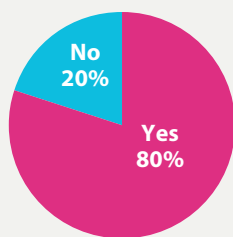
Survey (from page 86)

variety of practice management and clinical tools, including assistance with coding, compliance, hospital privileges/credentialing, reimbursement, and promotion. A Career Center provides a gateway to posting an open position or finding a practice or job. The Annual, its yearly meeting, brings together colleagues and staff for continuing education and networking, covering such topics as pain management, wound care, surgical techniques, imaging, biomechanics, and coding. Webinars posted online provide an additional way for practitioners to learn from their home or office.

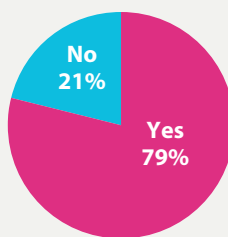
The APMA, with the help of college and other organizations, successfully combatted the CMS' proposal to segregate podiatry by creating separate evaluation and management codes for DPMs. "We are a small medical specialty which can only survive by having a large percentage of practitioners as members of the APMA," wrote *PM's* editor Barry Block, DPM, JD, in describing this victory.

The organization is also tackling the shrinking student applicant pool. APMA President David G. Edwards, DPM, told *PM* in the June/July 2019 issue that the APMA is "leading that collective effort. We've published a plan, and we've conducted a massive market research effort among college admissions officers, current students, and prospective students—including high school students," he said.

Membership in APMA



Board Certified



Board Certified: Record Percentage

A record 79 percent of doctors surveyed reported that they were Board Certified. This was also a dramatic increase in percentage vs. last year, when 68 percent said they had attained certification. The higher percentage of seasoned doctors surveyed undoubtedly impacted this jump, as they have been in practice long enough to do the required coursework and exams (vs. new doctors who may not have had the time given the demands of a new job or practice startup).

Board Certification has become increasingly important to the medical community, insurance companies, and patients. MCOs and hospitals often require Board Certification. As patients look to select physicians, a Board Certified DPM may be perceived as superior to a non-Certified practitioner.

To help boost certification, we

are seeing board certifying organizations take measures to simplify the certification process, such as requiring fewer exams. In addition, online review courses provide updated content at the doctor's own pace and schedule.

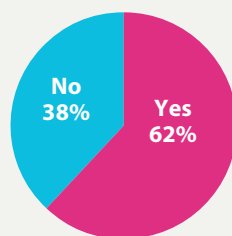
Over the past year, there has been a discussion about creating a single podiatric medical and surgical certifying board, with a *PM* online poll indicating that 71 percent were in favor of single board certification with added subspecialties.

Degree Change Edged Up

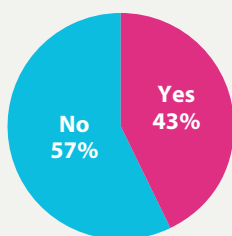
Sixty-two percent of those surveyed were in favor of podiatrists obtaining MD or DO degrees. That is 2 percent higher than our previous survey.

Degree change is an issue that is covered frequently in *PM News* exchanges and in articles and editorials in this magazine. Jon Hultman, DPM, MBA, discussed the evolution of medical training and the DPM/MD issue in particular in his article "The Changing Pathways to Medical Degrees" (*PM*, March 2019). "For all intents and purposes," he wrote, "the end products of medical, osteopathic, and podiatric educational processes—the MD, DO and DPM practitioners—are equivalent and indistinguishable. If logic were to prevail, their degrees would be equivalent, each would hold the same plenary license, and all their specialties would be recognized by [the American Board of Medical Specialties]."

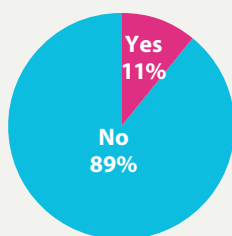
In Favor of Podiatrists Obtaining MD or DO Degrees



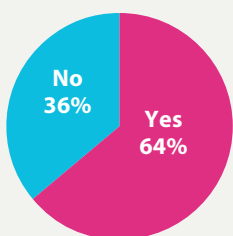
Do You Have Back Problems?



Do You Have Respiratory Problems?



Do You Grind Nails?



Back and Respiratory Problems Increased Slightly

There was a slight increase in the percentage of doctors reporting that they had back problems, up from 41 percent to 43 percent. Eleven percent of respondents had respiratory problems, up from 8 percent in our previous survey.

We anticipated higher percentag-

Continued on page 90

Survey (from page 88)

es given the older makeup of the respondent pool. We're surprised that there was not a bigger increase. This may indicate that younger DPMs, armed with the knowledge that they are at risk, are taking preventive measures such as choosing equipment that could reduce or eliminate these problems.

FEES, MEDICARE & AUDITS

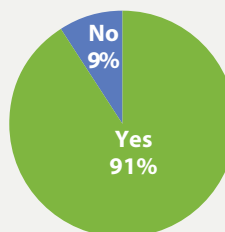
The average fees doctors charged for select procedures can be seen in the accompanying charts. Overall, these fees were up 2 percent vs. last year. A double-digit increase was reported for injection, up 21 percent to \$136.54, while several other visit and

procedural fees grew in the 4 percent to 5 percent range; a subsequent visit was up 5 percent to \$99.44; orthotics were up 5 percent to \$465.74, and hammertoe was up 4 percent to \$819.36. Other line items were relatively flat, with a 1 percent increase in an initial exam (\$120.53), a 1 percent rise for radical bunionectomy (\$1,410.37), and no change for Level 3 initial exams (\$164.37). X-ray fees dropped 8 percent to \$65.06, while in-grown, partial fees dropped 1 percent to \$313.11.

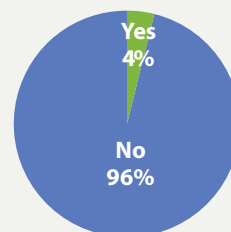
Note that the fees listed in the charts were the average amounts doctors charged and were not necessarily what they were paid. Wrote

one respondent, "These are the fees insurance companies pay if we are lucky." Another noted that "fees are irrelevant. What matters is what you

Do You Accept Medicare Assignment?



Have You Been Audited by Medicare?



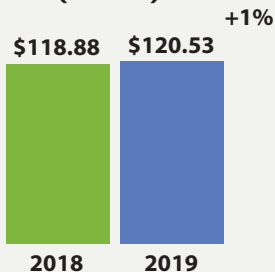
collect, not what you charge."

The frustration of low reimbursements emerged in a recent *PM News* exchange published in the April/May

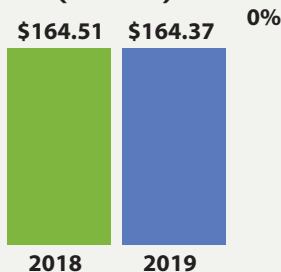
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FEES

Initial Exam (99203)



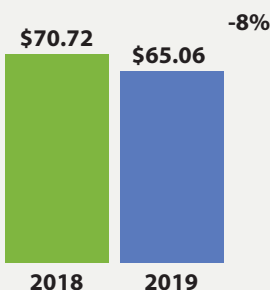
Initial Exam (Level 3)



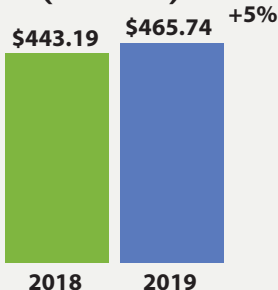
Subsequent Visit (99212)



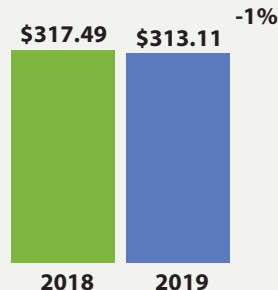
X-Rays (1 Plate) 2 Views (73620)



Orthoses (Including Casting, Fabrication and Dispensing) (L3000x2)



Matrixectomy, Partial Permanent (11750)



Survey (from page 90)

2019 issue. Several discussants noted the disparity between what insurance companies paid them vs. MDs and DOs for the same CPT codes. Solutions included a degree change for podiatrists as well as joining a group or super-group for the additional leverage in fee negotiations.

Methods to improve cash flow include the use of medical billing companies, which can provide faster

claims processing, reduced claims denials, and other benefits to reduce accounts receivable. Health, wellness, and personal care credit cards can improve cash flow as well, with patients offered the convenience of being able to pay over time for out-of-pocket costs while practitioners receive payment within days. Patients using these cards may opt to proceed with cosmetic procedures or treatments that they previously viewed as cost-prohibitive.

Medicare Participation and Audits

There was no change in the percentage of respondents who accepted Medicare assignment, with the vast majority (91 percent) replying affirmatively.

According to the Centers for Medicare & Medicaid

We will also watch for the impact of the 2020 presidential election, as some Democratic candidates push for their “Medicare for all” platform.

Services, nearly 60 million people were enrolled in Medicare Parts A and B in 2018, up from 58.5 million in 2017. Given the aging population, it is expected that this number will continue to rise into the foreseeable future. We will also watch for the impact of the 2020 presidential election, as some Democratic candidates push for their “Medicare for all” platform.

The percentage of respondents who were audited by Medicare rose slightly from 3 percent to 4 percent of those surveyed. Of those audited, 70 percent were required to pay back \$1,000 or less, 5 percent paid back \$1,001-\$10,000, and 5 percent paid back \$10,001-\$100,000. Notably, 20 percent were required to pay back more than \$100,000, whereas only 5 percent in our previous survey were required to pay back that amount.

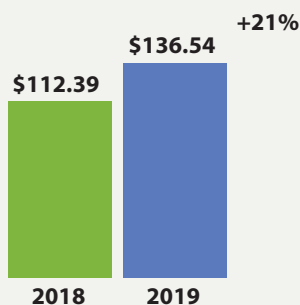
Doctors’ responses to their audit experiences varied widely. “It went well and we were told that our documentation was excellent,” wrote one respondent, while another said, “It’s a rigged game and the government knows that they can get anybody they want at any time.” Another doctor noted that the audit experience was “brutal, but we didn’t have to pay,” while several others said that their cases were still ongoing or were under appeal.

One way to reduce the chance for audits is to institute a plan that includes staff. In “Avoid Audits and Thwart Fraud with Front Desk Strategies” (*PM*, June/July 2019), author Deborah Cascardo outlined such a plan and included common documentation mistakes for staff to avoid. In “Dealing with Audits” by Dr. Kesselman (*PM*, October 2019), different types of audits were covered along with suggestions for how each can be handled. “If you are an honest practitioner and you have documented appropriately,” concluded Dr. Kesselman, “being persistent will eventually lead to a successful outcome.”

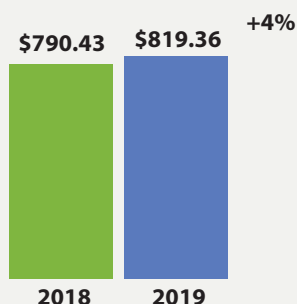
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FEES

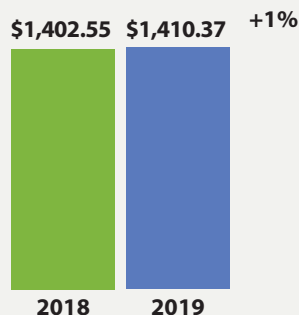
Injection, Small Joint/Bursa (20600)



Hammertoe Surgery (28285)



Bunionectomy with Osteotomy (28296)



Survey (from page 92)

GROSS INCOME

The median gross income as tallied from solo practitioners was \$251,000, an increase of 4 percent from our previous survey. The median gross income for partnership/group practitioners was \$187,500, a drop of 3 percent. Note that the difference between these numbers is due to the fact that partnership/group practitioners reported *their share* of the total gross revenue. Look for further comparisons of revenue among practice types in the Net Income section.

Regionally for all practice types, the North Central region reported the highest median gross income, followed by the South, West, and then East. This is a shift from last year, when the West's revenue was on top.

EXPENSES & TRENDS

Despite the previously reported low 1.9 percent inflation for our survey period, practice costs were 5 percent higher. Computer service maintenance and the internet, non-malpractice insurance, and educational expenses rose nearly 40 percent or

more year-to-year. Here is a breakdown of selected practice expenses and trends in each category.

- **Gross Salary Payments**—Gross salary payments remained statistically stable from our previous survey, averaging \$97,189 for all doctors surveyed.

According to the BLS, wages in the U.S. rose around 3 percent during our survey period, while the unemployment rate hovered around 4 percent in 2018. This combination

raise with other perks. Lynn Homisak, PRT, in the article “How to Reward Your Employee (Aside from a Pay Raise)” (*PM*, January 2019), suggested that paid time off or bonus rewards such as gift cards, event tickets, a pre-paid gym membership, or spa/resort certificate could be used in lieu of a pay raise.

While these strategies can make a difference, Dr. Hultman cautions DPMs to evaluate compensation regularly. Investing in stellar staff can have a positive bottom-line impact,

Computer service maintenance and the internet, non-malpractice insurance, and educational expenses rose nearly 40 percent or more year-to-year.

would normally cause an increase in salaries, which we did not see among respondents.

Doctors surveyed may have made more efficient use of staff, learning strategies in this magazine from colleagues and experts. Respondents may have outsourced some tasks, such as billing, or taken advantage of the robust “gig” economy for jobs such as website maintenance and deliveries rather than using staff time for these responsibilities. Thus these costs would appear elsewhere in this expenses list.

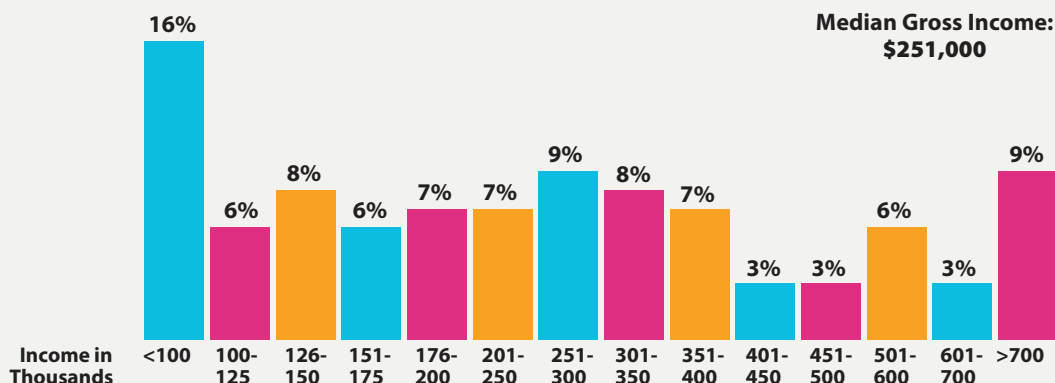
Undoubtedly, some DPMs replaced raises with other benefits, or provided a combination of a small

he said in “The High Cost of Employee Turnover” (*PM*, November/December 2019). “Well-compensated employees who are happy with their work environment will not want to leave,” he wrote, “and from the doctor’s perspective, working daily with staff who love their jobs and feel they are fairly paid is priceless.”

- **Office Space**—Payments made for office space rose 7 percent to an average of \$26,287 per respondent. As we have repeatedly mentioned, solo doctors paid the full bill here, as opposed to partnership/group doctors who paid only a portion of the

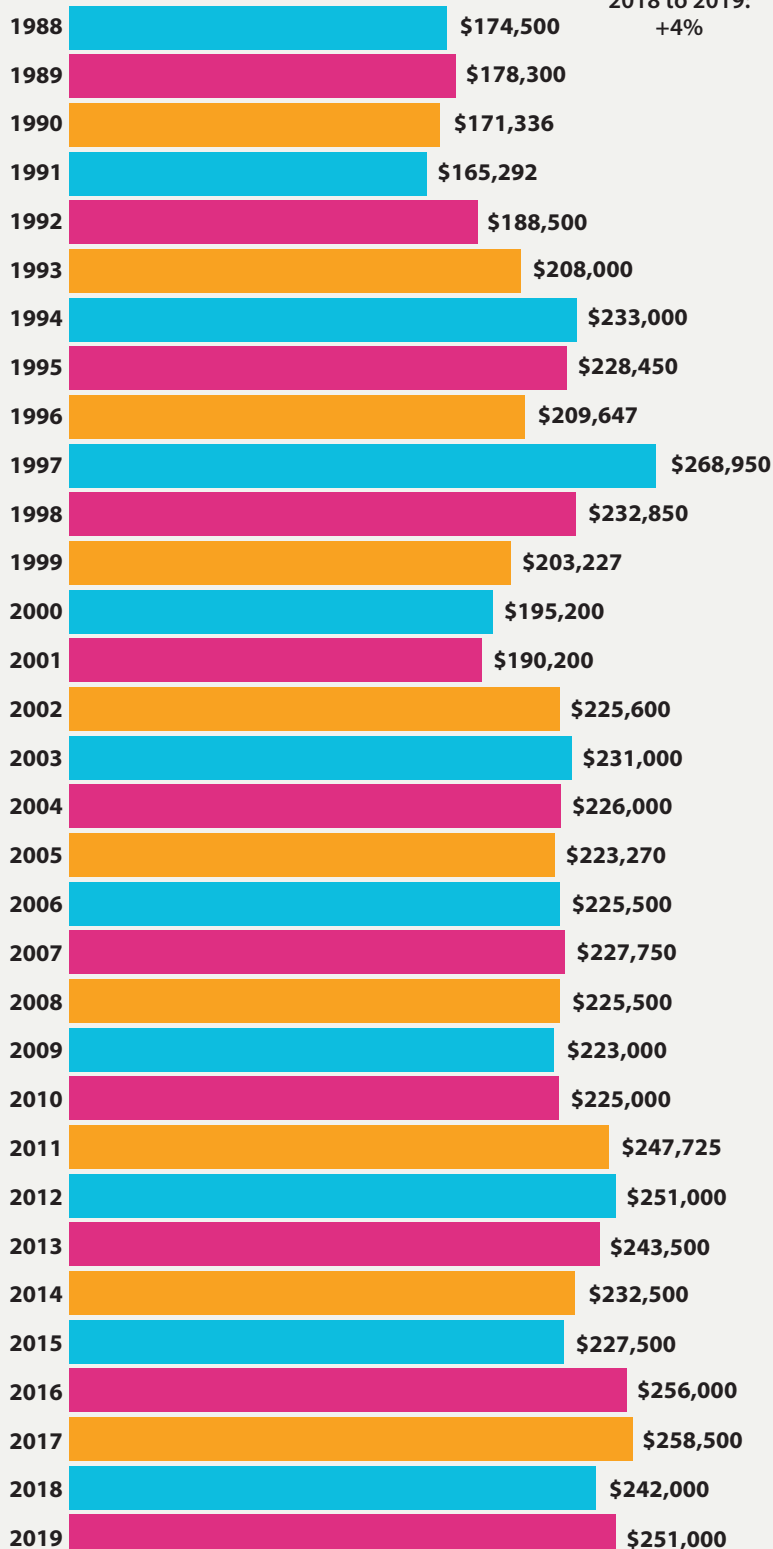
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Gross Income, Solo Practitioner



Cumulative Gross Income, Solo Practitioner

Change in
Gross Income:
2018 to 2019:
+4%



Survey (from page 94)

cost. That alone would account for this modest increase, especially given the fact that multiple sources put the industry increase in commercial rents at less than 2 percent during our survey period.

Historically low mortgage interest rates continued to prevail. Conceivably, some respondents refinanced mortgages, anticipating that rates would rise. The closing costs associated with refinancing may have been reflected here.

Driven by an aging U.S. population, the demand for medical office space is likely to increase. If supply outpaces demand, there may be an opportunity for DPMs to sign long-term leases that lock them into low rates. In addition, given the softening of the retail sector—with more than 15,000 store closings in the past two years—there may be new opportunities to get good deals in highly sought-after locations.

One leasing strategy that carries some risk but also some benefits is to make deals for undeveloped property, “especially if the physical location or land is well situated,” according to Jeff Grandfield and Dale Willerton in “Preleasing Undeveloped Property—For Podiatry Tenants” (*PM*, September 2019). The authors outline traps to avoid—especially since doctors are often committing to drawings as opposed to finished properties—as well as the challenges of planning and negotiations.

Doctors moving to new or refurbished offices are likely to take advantage of “smart office” technologies, which are increasingly being incorporated into professional office space by builders, according to “2020 Commercial Real Estate Outlook” by *Deloitte Insights*. These technologies may include apps to aid in security and property management.

If the mobile practice gains momentum, the cost of office space could drop in future surveys as practitioners spend more time on the road. “Is Mobile Podiatry for You?” by Andrea Linne (*PM*, January 2020) reviewed the advantages, risks, logistics, and other factors of treating

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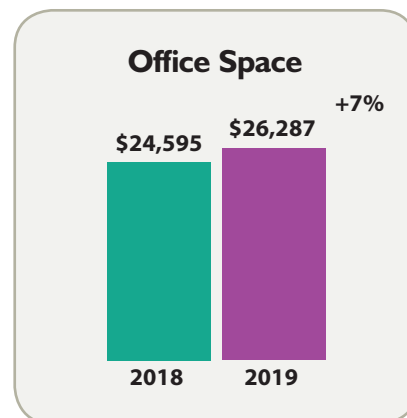
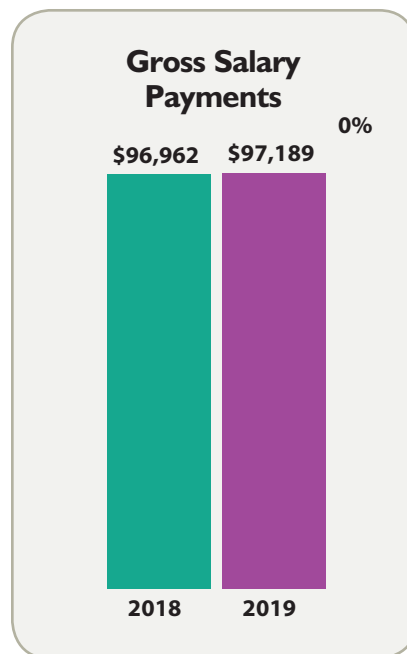
Survey (from page 96)

patients where they live and work. Improvement in autonomous vehicle technology may bring the movable office closer to reality, turning vehicles into mobile workstations and commuting time into productive work time, according to “The Office of Tomorrow,” part of the “Future of Everything” coverage by the *WSJ*.

- **Fixed Equipment Expenses**—Doctors spent \$3,310, or 26 percent less year-to-year, on fixed equipment expenses.

There are several possible reasons—or a combination of these—that may have led to this decrease. Some doctors may have decided to take out a loan at the low interest rates available in 2018 or may have leased their equipment rather than buy it. Both financing and leasing would lower the annual cost while providing access to the latest technology. Our survey pool may have taken advantage of manufacturers’ discounts (such as those provided at conferences) and/or purchased refurbished equipment, resulting in a lower cost. Respondents may also have been more selective in their office purchases to reflect the new, modern medical styling that focuses

YOUR OVERHEAD EXPENSES



hit the ground running in a new practice setting.

Technological advances have increased the offerings in this category. Digital radiology systems, PAD early detection tools (especially with the number of diabetic patients seen), point-of-care ultrasound, hand-held

market, offering speeds up to 100 times as fast as today’s 4G networks. Perhaps this big shift will prompt doctors to boost expenditures in this category, especially as they use electronic devices for telemedicine and other types of remote access and patient monitoring. Venture capital money is pouring into healthcare technology as well, with \$8.1 billion spent on digital health startups in 2018, according to venture fund Rock Health. This may increase options in the equipment category, especially as robotics and AI expand their use in healthcare.

[The influx of venture capital money] may increase options in the equipment category, especially as robotics and AI expand their use in healthcare.

on clean lines and minimalistic decor. In addition, DPMs may have accelerated purchases in the previous year (2017), not knowing whether or not Section 179 deduction benefits would continue.

The decrease may also be related to the assumption that the larger percentage of well-established and near-retirement practices in the survey sample may not have thought that the return on their investment would pay off at this point in their careers. However, keeping up with technology can make a practice more attractive to potential buyers or new associates, especially those looking to

lasers, 3D orthotics equipment, and negative pressure wound therapy systems are among the newer devices that can improve patient care. Because of the quick obsolescence of some technology, equipment vendors may offer upgradable components. What’s more, some doctors may opt to replace older equipment in order to become compliant with the Americans with Disabilities Act and/or to improve the functionality and versatility of the office setup for better patient flow.

This year, a new wave of 5G-ready smartphones, laptops, and other devices is expected to hit the

- **Computer Service/Maintenance and the Internet**—The cost for computer service/maintenance rose a whopping 56 percent compared to our previous survey, averaging \$5,439 per respondent.

This increase reflects the growing complexity of managing technology in the podiatry practice. An area of considerable focus during our survey period was data security and privacy, with hackers posing a never-ending threat to patient information. Doctors surveyed may have incorporated new internet tools, such as patient portals and online appointment scheduling. They may have spent time and dollars managing internet reviews, which are being used increasingly by prospective patients for physician selection.

Rates for internet access continue to rise. Cable providers, for example, are charging significantly more for internet services as more people “cut the cord” on cable TV and instead

Continued on page 99

Survey (from page 98)

subscribe to multiple streaming services. Cable and internet providers may offer bundles at an overall savings compared to individually purchased services, but the total amount spent on these services is rising much faster than the low inflation rate.

In addition, the larger percentage of solo doctors surveyed had to bear the cost of this expense on their own as opposed to partnership/group doctors, who were able to divide it among the owners.

Despite the fact that a large percentage of practice cost goes toward computers, software, and related services, some practitioners may not be using these tools to their full advantage. This can have a direct impact on the bottom line, according to Dr. Hultman in “Are You Getting Full Value from Your Software?” (*PM*, April/May 2019). “It is important

that all physicians take the time to learn every essential feature of their software—features that will help them work more effectively at the point of care also create greater overall efficiencies in their practices. Ef-

practice benefits but also new patient privacy challenges.

• **Utilities**—The cost for electricity, heat (gas/oil/propane), water and telephone was \$5,597 during our sur-

An area of considerable focus during our survey period was data security and privacy, with hackers posing a never-ending threat to patient information.

fective utilization will lead to reduced costs and increased revenue.”

In the future, look for connectivity to extend beyond today’s current laptops, smartphones, and watches. White coats may be sensory embedded to remind DPMs of their next patient or provide other important alerts. Health data sharing between such tech giants as Google, Amazon, and Microsoft may provide some

vey period, an increase of 16 percent.

The larger percentage of solo practitioners likely drove up this average, especially given the fact that there were no dramatic increases nationwide in any utility category listed. For example, according to the U.S. Energy Information Administration, electricity rates were relatively flat from 2017 to 2018, while natural

Continued on page 100

Survey (from page 99)

gas, oil and propane rates experienced nominal pricing drops. Heat-

ing is certainly one area where solo doctors could save by merging—even larger office space rents are divided among partners, generally result-

ing in lower per-doctor costs than a solo doctor's office. We may see some price increases in the future, however, given recent cyberattacks on some electricity providers, requiring them to beef up their firewalls and/or hire cybersecurity firms for protection. The closing of many of the nation's nuclear power plants may result in higher-cost energy alternatives in the future as well.

While water prices rose during our survey period, they did so at a slower pace than our previous survey (2016-2017), according to Circle of Blue (COB). "The largest increases were clustered in Arizona and California," according to COB. "Cities in these states are spending billions of dollars on water recycling facilities and distribution systems. They aim to cut reliance on distant rivers, store more water underground, and protect crucial pipelines and dams from being cracked by earthquakes." In addition, areas with older infrastructures needing long overdue repairs, such as the Northeast, experienced higher-than-average price increases.

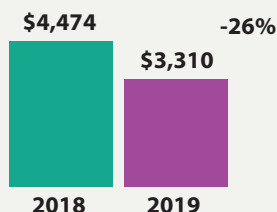
Competition among office telephone service providers continued, with new options increasing competition. Lower-cost voice-over internet protocol phone systems and cloud-based systems, at one time focused on large enterprises only, continued to market to small businesses during our survey period. Suppliers aggressively switched traditional wire landlines to fiber optic, which not only reduced maintenance for suppliers but lowered costs for business consumers.

Competition was even more intense among cellular service providers. Cable companies such as Comcast and Charter—and more recently, Altice—entered the cellular phone service market, competing with low sign-up offers and other incentives. Meanwhile, wireless carriers such as Verizon and AT&T promoted faster, 5G networks. Unlimited data plans were widely advertised during our survey period, likely providing costs savings for some practices. This is another area where solo doctors paid more than partnership/group colleagues: partners can take advantages of a single account with multiple lines.

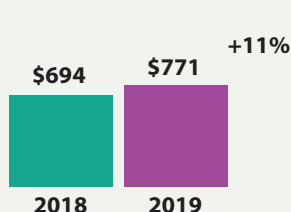
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YOUR OVERHEAD EXPENSES

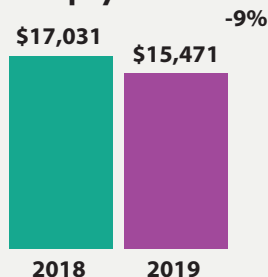
Fixed Equipment Expenses



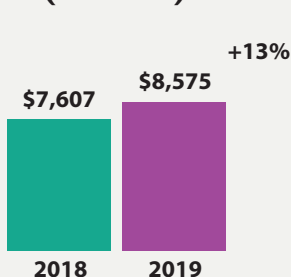
Bio/Pathology Laboratory Expenses



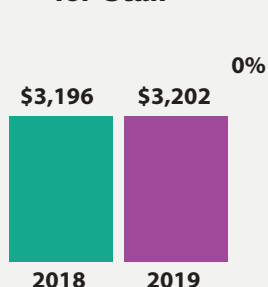
Student Loan Repayment



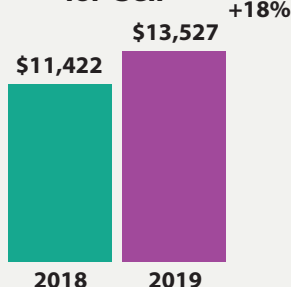
Laboratory Expenses (Orthotic)



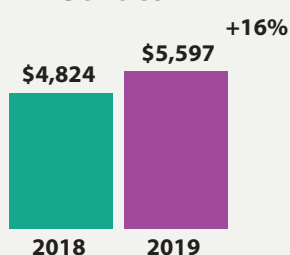
Pension Contribution for Staff



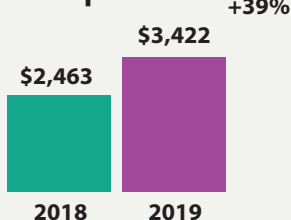
Pension Contribution for Self



Utilities

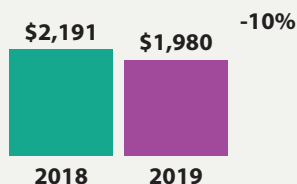


Educational Expenses

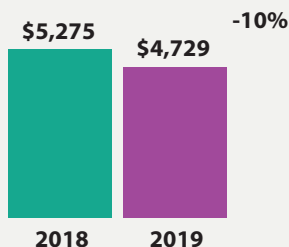


YOUR OVERHEAD EXPENSES

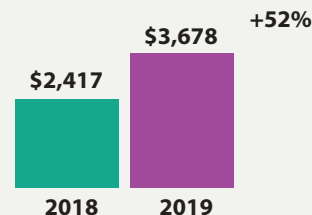
Professional Dues



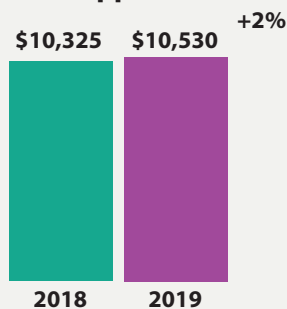
Office Supplies (Non-Medical)



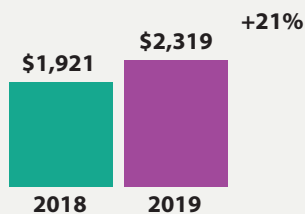
Non-Malpractice Insurance



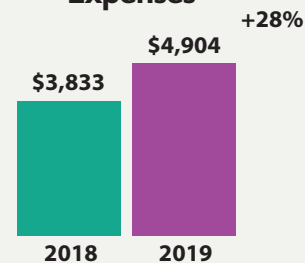
Disposable Medical Supplies



Cleaning & Office Maintenance



Legal & Accounting Expenses



Survey (from page 100)

• **Educational Expenses**—Doctors surveyed spent \$3,422 on educational expenses, up 39 percent from our previous survey.

This increase undoubtedly is related to the larger percentage of Board Certified doctors. In addition, our older respondent pool could have impacted spending here, as they took courses to stay current. What's more, the increase may reflect new delivery methods with the expansion of online options and better technology and access.

Continuing medical education (CME) offerings vary widely. In-person conferences; hands-on, interactive workshops; webinars; and CME such as that provided by this magazine are among the options available. Some organizations combine CME with destination excursions.

While conferences often offer a mix of clinical and management topics, DPMs can also take advantage of dedicated practice management meetings and online seminars/we-

binars. Podcasts have emerged as an educational tool as well. This episodic series of digital audio files can be downloaded free for listening offline, perhaps while doctors commute to the office or travel between offices.

The April/May 2019 issue of *PM* included a heated discussion of CME.

ed to the large percentage of doctors who are nearing retirement. Other doctors, looking for areas where they could cut costs, may have dropped association memberships.

Certainly the benefits of joining the APMA have been delineated clearly earlier in this report. Other organizations include state and re-

With specialty organizations...DPMs can hone their skills while sharing their cases and practice experiences with like-minded colleagues.

Topics discussed included the benefits of CME online versus in person, the number of credits required, the topics covered (e.g., surgical versus non-surgical), and the lack of a national CME requirement.

• **Professional Dues**—The cost for professional dues among respondents dropped 10 percent to \$1,980 in our latest survey.

Some of this drop can be attribut-

gional groups, which can provide a collective voice on local legislative matters. With specialty organizations, such as those covering wound healing/management, minimally invasive foot and ankle surgery, practice management, etc., DPMs can hone their skills while sharing their cases and practice experiences with like-minded colleagues. Other benefits of joining professional organi-

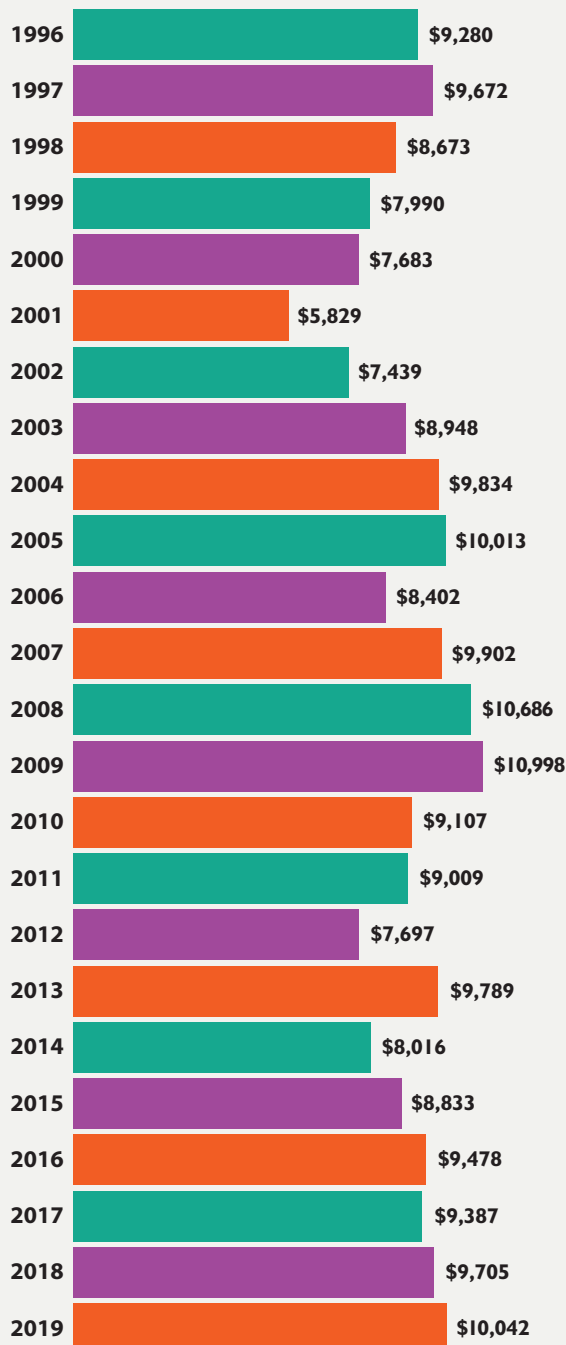
Continued on page 104

Survey (from page 102)

zations include discounted meeting fees; access to mentors/advisors; online, members-only content; and timely updates on new technologies and treatments.

Professional Liability

Change in Professional Liability
2018 to 2019: +3%



• **Professional Liability**—Respondents spent an average of \$10,042 for professional liability insurance, up 3 percent from last year's data. This was in line with the 3.2 percent overall increase in medical malpractice insurance premiums from 2017-2018 as reported by *Business Insurance*. Industry consolidation, well-capitalized carriers, and the shift to outpatient care and telehealth were factors that kept rates in check, according to a report in *Forbes*. What's more, plaintiffs' attorneys have turned their attention to the pharmaceutical industry, rather than doctors, as their target for triggering the opioid crisis, reported *Medical Liability Monitor*.

According to National Practitioner Data Bank, a computer database of the U.S. Department of Health and Human Services, approximately \$4 billion was paid to plaintiffs in medical malpractice lawsuits in 2018. The figure represents a 2.91 percent increase from 2017. The average malpractice payment rose from \$300,000 in 2017 to \$348,065 in 2018.

Doctors can take steps to mitigate their risk of a lawsuit. "How to Avoid Liability When Prescribing Opioids" (*PM*, April/May 2019) outlines one such strategy. Some medical malpractice insurance companies offer a risk management course that will provide premium credits for qualified insureds.

• **Non-Malpractice Insurance**—Doctors in our latest survey spent 52 percent more than previous respondents on non-malpractice insurance. This \$3,678 cost included general liability, fire, theft, flood, practice-related automobile, and business interruption and related coverages.

Undoubtedly, the larger percentage of solo respondents impacted this increase. What's more, insurers had to cover \$200 billion in property losses from such disasters as wildfires and hurricanes in 2017 (namely Harvey, Irma, and Maria), pushing up property insurance rates by 10 percent to 40 percent in some areas, according to *Risk & Insurance*. Other factors impacting rates may have been a switch to lower deductibles, resulting in higher premiums; new coverages, such as data breach insurance and cyber liability insurance; and multiple claims, especially for practitioners who faced Harvey (Texas) and Irma (Florida).

• **Legal and Accounting Fees**—The cost for legal and accounting fees jumped 28 percent to \$4,904 among our survey respondents.

While partnership/group doctors divide up this expense, our larger percentage of solo doctors had to cover that cost themselves.

There are other possible contributing factors to this huge increase. On the legal side, it may be due to a jump in hourly rates for lawyers' services; a more litigious patient/consumer, resulting in more hours for legal consultation and court time; the increase in Medicare audits; and revisions to policies, forms, and employee manuals to cover new requirements, such as the sexual harassment training now required in some states. We will watch how the trend toward virtual and remote law firms impacts

Continued on page 105

Survey (from page 104)

costs as the remote work culture becomes mainstream.

On the accounting side, accountant fees may have risen as well. What's more, solo practitioners might have outsourced their bookkeeping to their accountant's practice because they did not have adequate staff to handle those tasks. Sweeping tax law changes during our survey period—such as the new corporate tax rate and business deduction changes—may have made returns more complicated and taken longer to prepare, resulting in higher costs.

- **Pension Contributions**—Pension contributions for doctors surveyed rose 18 percent to \$13,527.

Doctors likely took advantage of their higher income levels to fund their tax-deferred retirement plans. In ad-

Insurers had to cover \$200 billion in property losses from such disasters as wildfires and hurricanes in 2017.

dition, the larger percentage of older DPMs could take advantage of 401K and IRA catch-up contributions available to those age 50 and over.

Pension contributions for staff remained statistically flat at \$3,202 compared to our previous report. This is in line with staff salaries yet is surprising given the compensation concerns in retaining staff as discussed earlier. Solo practitioners may not have used pension plans in their practices. Staff may have been rewarded in other ways, however, such as through year-end bonuses and the perks previously listed.

- **Student Loan Repayment**—Doctors surveyed spent 9 percent less on student loan repayments compared to last year's respondents. Their \$15,471 total payments are lower for the second year in a row.

Interest rates—affecting both federal and private loans—continued to be low during the survey period, despite the fact that the Federal Reserve increased interest rates multiple times in 2018. The drop in this expense category may also be a result of the lower percentage of *new* DPMs surveyed. Older doctors may have had smaller loan amounts, already paid off their student loans, or locked into low rates.

The student loan crisis continues to make the news, with a growing concern about loan defaults and lack of buying power among recent graduates. As podiatry school students—and prospective students—are faced with high six-figure debt, recent free medical school tuition incentives such as those announced at New York University Medical School, Washington University St. Louis Medical School, and Geisinger Commonwealth School of Medicine may sway them to switch to another

Continued on page 106

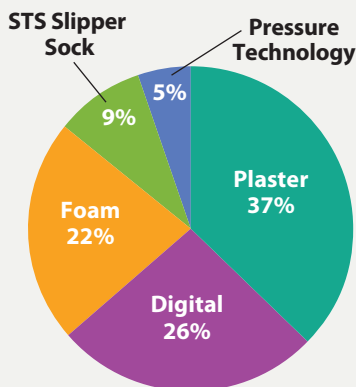
Survey (from page 105)

er medical specialty. We will monitor the impact on the number and quality of podiatry school applicants given these and future free-tuition programs. This is especially critical given that the applicant level at podiatry schools in 2018 was the second lowest since 2009, according to the AACPM. (See the APMA section for steps that organization is taking.)

The current respondent pool may include a larger percentage of those using the Public Service Loan Forgiveness option, which forgives the remaining balance of Federal Direct Loans after the borrower has made 120 qualifying monthly payments under a qualifying repayment plan while working for a qualifying employer (U.S. federal, state, local, or tribal government or not-for-profit organization).

• **Bio/Pathology Lab Expenses and Disposable Medical Supplies**—Respondents spent \$771, or 11 percent more than last year, on bio/pa-

What Is Your Preferred Method of Foot Measurement for Prescribing Orthotics?



thology lab expenses, previously categorized as non-orthotic lab expenses. While this is a large increase by percentage, it is only a \$77 increase over the course of the year.

The slight increase in wound care, as previously reported, may have im-

What Brand of Athletic Footwear Do You Prescribe/Recommend the Most?

	2018	2019
New Balance	46%	42%
Asics	24%	21%
Brooks	17%	17%
Apex	2%	2%
Saucony	1%	1%
Nike	1%	1%
Others	9%	14%

pacted the average cost here.

Doctors surveyed reported spending \$10,530 on disposable medical supplies, a 2 percent increase from our last report. It's likely that any major cost increases were tempered by cost-savings strategies, such as price shopping online as well as utilizing buying groups and bulk purchasing. Solo doctors likely would not have taken advantage of the large volume discounts available to partnership/group colleagues.

• **Orthotics**—Doctors spent an average of \$8,575 on orthotics and related lab expenses, a 13 percent increase over last year. They sent 2.7 pairs of true custom orthotics to an outside lab weekly (down from 3.1 pairs), and they dispensed 3.4 pairs of prefabricated orthotics weekly (unchanged).

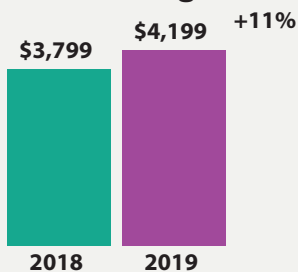
Several *PM* articles over the past year have covered biomechanics and orthotics. This magazine covers orthotics and biomechanics in depth annually in the September issue and offers a platform for discussion on this topic in *PM News*.

In "Emerging Orthotic and Footwear Technologies" (*PM*, September 2019), Paul Langer, DPM, presented a comprehensive overview that included scanning technology, 3D-printed custom orthotics, footwear customization, and personalized insoles. Dr. Langer emphasized the need for clinicians to educate patients on their

Continued on page 107

YOUR OVERHEAD EXPENSES

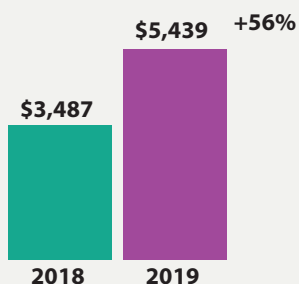
Advertising



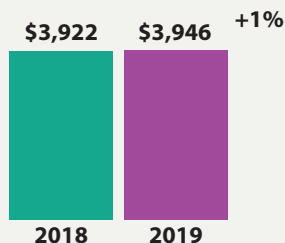
Type of Advertising

	2018	2019
Internet	53%	55%
Yellow Pages (Print)	22%	16%
Newspapers	15%	14%
Mailings	13%	10%
Yellow Pages (Web)	12%	10%
Radio	7%	5%
TV Cable	5%	4%
TV Network	3%	4%
Other	7%	11%
Do Not Advertise	23%	24%

Computer Service Maintenance & Internet



Products for Sale



Survey (from page 106)

options as patient expectations increase.

In the April/May 2019 article “Orthotics of the Future,” Dr. Kesselman discussed the use of microprocessor technology and 3D printing in orthotics fabrication. “These devices will have the capability to react in milliseconds to the functional demands of the patient,” he wrote. “This could increase patient compliance as ‘one device fits all activities’ for a given patient becomes a reality. This would also allow one device to be programmed to change the foot, particularly for pediatric patients over a specified time period.” Another related advance is remote monitoring of patients using these devices—a technological feat that is already possible in other medical fields, he said.

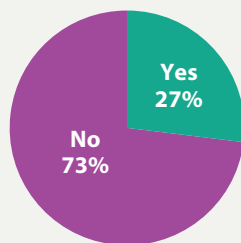
There has also been emerging discussion about the integration of biomechanics and surgery, as well as a move to increase biomechanics training in podiatry schools, residencies, and in post-graduate conferences. In a recent *PM* online poll, 63 percent of those surveyed said that more biomechanics needs to be added to current residency training.

On a monthly basis, doctors surveyed prescribed 2.9 Gauntlet AFOs per month, 2.4 Functional Hinged AFOs (Richie type), 2.4 Solid AFOs, and 2.3 Dorsiflex Assist AFOs.

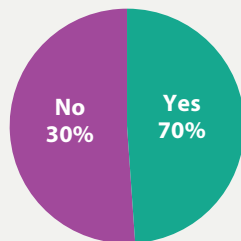
When asked which brand of athletic footwear respondents prescribed/recommended the most, New Balance remained the #1 choice at 42 percent of respondents. Asics was next at 21 percent, followed by Brooks at 17 percent, Apex at 2 percent, and Saucony and Nike each at 1 percent. Interestingly, the top two brands lost some percentage points to the “other” category, which included brands not listed above. Some 14 percent of those surveyed said their most-recommended brand was in the “other” category compared to just 9 percent of respondents last year.

Continued on page 108

Do You Use Foot Measurement Technology for Prescribing Orthotics?



Do You Incorporate Digital X-ray Technology into Your Practice?



Survey (from page 107)

• **Office Supplies (Non-Medical)**—The cost of office supplies dropped 10 percent to \$4,729 compared to last year's data.

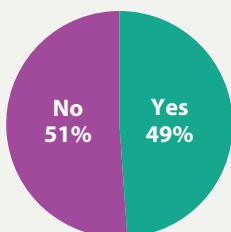
Electronic medical records, patient portals, use of tablets, and other digital practice systems have reduced the need for office supplies such as paper, pens, ink, and toner. Online vendors, such as Amazon, continued to increase their share of the office supply market, creating a competitive environment that has driven down price. Meanwhile, large retailers, supercenters, and big-box stores (e.g., Walmart/Sam's Club, Target, and the like) have improved their online marketing to capture the attention of the business shopper. In response to Amazon Prime's one- and two-day shipping, for example, other vendors instituted operational tweaks in their supply chains to offer faster—and often free—delivery.

The decrease in office supply expenditures correlates with the changing supply needs of U.S. businesses as a whole. According to IBISWorld, a business information and research firm, the office supply industry has been experiencing an annualized 8 percent decline over the past five years.

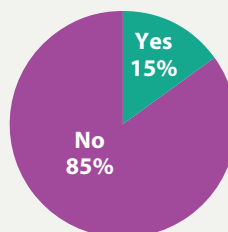
• **Products for Sale**—Respondents reported paying \$3,946 for products that they sold in their offices, an increase of 1 percent over the previous report.

Sixty-four percent of those surveyed said they dispensed over-the-counter (OTC) products in their practice, down from 67 percent last year. We asked those who did not dispense OTC products if they planned to in the next 12 months, and 11 percent responded affirmatively. The income derived by respondents from products for sale in their offices was generally low—less than 10

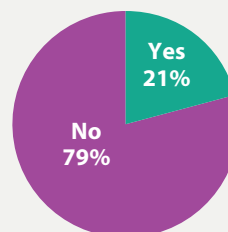
Is Your Practice Listed on Facebook?



Does Your Practice Use Twitter?



Does Your Practice Use LinkedIn?



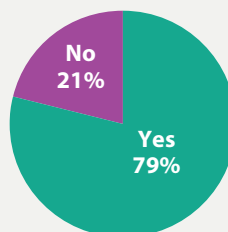
percent of income for the vast majority of practices.

Products for sale in podiatrists' offices can improve convenience and patient compliance while providing DPMs with supplemental income. Items commonly sold in practices include creams and lotions, pain relievers, nail treatments, shoes, socks, compression hosiery, insoles, splints, wraps and nail polish. Some manufacturers that sell a variety of items will

group them together in multi-item assortments at a discount. They may provide ergonomically designed kiosks and/or counter displays that are designed for doctors' offices. Manufacturers may also offer the option of shipping products directly to patients, or a hybrid of direct-to-doctor and direct-to-patient shipping. What's more, they may help manage the inventory—a time-saver that can result in lower staff costs. Some companies provide exclusivity to doctors, so that patients cannot find select products on Amazon or other online retailers.

In "What You Need to Know About In-Office Dispensing" by Andrew Schneider, DPM (PM, January 2020),

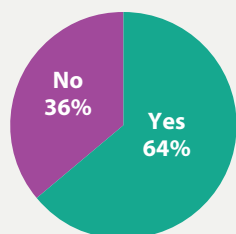
Do You Have a Practice Website?



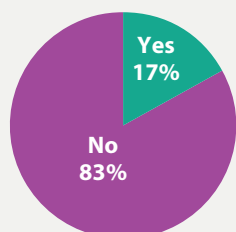
best practices for in-office dispensing are covered, including which products might be best suited to the practice based on specialty (e.g., general practice, pediatrics, surgery, etc.). "Patients are always looking for something that helps eliminate pain, resolves problems, and gets them well faster," wrote Dr. Schneider. "If that can be accomplished with a product dispensed from the office, it is a win-win situation."

the office, it is a win-win situation."

Do You Dispense OTC Products from Your Office?



Do You Dispense Rx Products from Your Office?



• **Advertising**—The amount spent on advertising rose 11 percent to an average of \$4,199. Our most recent survey included a higher percentage of solo doctors, who had to bear the cost of advertising on their own, rather than dividing it among group members. In addition, last year's younger respondent pool may have spent less on advertising as it wrestled with the costs of startup and high student loan repayments. Furthermore, doctors may have increased advertising to help grow their patient base in an increasingly competitive environment.

The percentage of those who said they did not advertise rose slightly from 23 percent last year to 24 percent in our most recent report.

Here is a breakdown of some of the media used by DPMs who advertised.

• **Yellow Pages (print and web)**—The percentage of doctors surveyed who used print Yellow Pages dropped from 22 percent last year to 16 percent in our most recent survey. Note that

Continued on page 109

Survey (from page 108)

this is the lowest percentage in the history of our survey and a huge drop from the 99 percent usage we reported in the early 2000s.

Use of online Yellow Pages also decreased: 12 percent used this medium in our last survey vs. 10 percent in our latest report.

These results are in line with the decline of Yellow Pages advertising as a whole. Today there are literally dozens of online directories available, which offer links, mapping, and other useful tools not available in traditional Yellow Pages. Doctors likely relied more on practitioner directories provided by the MCOs with which they were affiliated and/or Find-a-Podiatrist lists such as the one provided on apma.org and other association websites.

- *Internet*—Fifty-five percent of respondents used the internet to advertise, up from 53 percent in our previous survey. The percentage of doctors who had a practice website grew from 77 percent last year to 79 percent. Facebook was the most popular social media platform listed and was used by 49 percent of respondents (no change from last year).

One reason for the continuing rise in internet advertising is that the key demographic for podiatric practices—those age 65 and older—is becoming increasingly tech literate.

Practice use of LinkedIn rose from 20 percent to 21 percent, and Twitter was used by 15 percent, up from 14 percent.

One reason for the continuing rise in internet advertising is that a key demographic for podiatric practices—those age 65 and older—is becoming increasingly tech literate. According to Pew Research, smartphone ownership in the U.S. for those 65 and older rose from 18 percent in 2013 to 53 percent in 2019. In all, 81 percent of U.S. adults owned a smartphone in 2019, up from 58 percent in 2013. *AdAge* reported that advertising will reach a new milestone in 2020, when the internet will account for half of all advertising spending.

E-blasts and other electronically generated promotional devices are being more widely used to connect patients to practices. Email marketing software such as Constant Contact, Mailchimp, and others can be used to personalize emails and target them by subject (e.g., specific information for diabetic patients or parents of pediatric patients). Benefits of using these software systems include mobile-optimized, customizable templates and email list management. While recipients have the option to opt out of receiving these promotions, their informational/educational content is typically effective at distinguishing the practice and building relationships.

Another effective internet-based advertising vehicle

Continued on page 110

Survey (from page 109)

is the use of banner ads. Industry experts recommend careful placement as well as repetition to maximize effectiveness. Videos can be effective for the podiatrist as well and are shared 1,200 percent more than text and links combined, according to *Forbes*.

- **Newspapers**—Newspaper advertising was used by 14 percent of those who advertise, which was a 1 percent drop from last year. Given the shuttering and reduced page counts of many daily newspapers, we expected a larger drop. However, baby boomers and older individuals are key target audiences for podiatrists, and today's newspaper readership skews toward these age groups.

Due to recent newspaper mergers, we've seen more national coverage and fewer pages devoted to local news and events. If this continues, daily newspapers may become less attractive to the advertising podiatrist.

Note also that the older respondent pool may have been using this medium for years and continued to do so. We will look at the respondent makeup in future surveys to see if there is a correlation there.

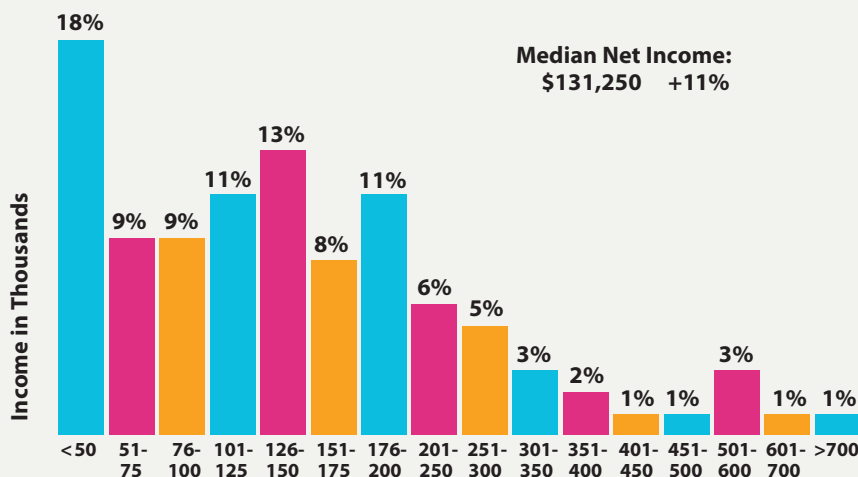
DPMs surveyed may have used local weekly newspapers, which pro-

vide DPMs with an advertising reach that is more demographically diverse than dailies. Featuring hyper-local news, sports, award winners, com-

or have special healthcare-related sections where doctors can provide editorial material as well as advertising.

Both daily and weekly newspa-

Net Income, Solo Practice



Videos can be effective for the podiatrist as well and are shared 1,200 percent more than text and links combined, according to *Forbes*.

munity events, and the like, weeklies typically are well read and respected by young families. They often provide space for medical columns and/

pers offer the opportunity for doctors to provide a pre-printed insert that the publication can distribute with its newspaper. Besides saving mailing costs, users of this medium cite the ability to “stand out” among the benefits, especially when color (e.g., bright colored paper or colored ink) is used for these inserts.

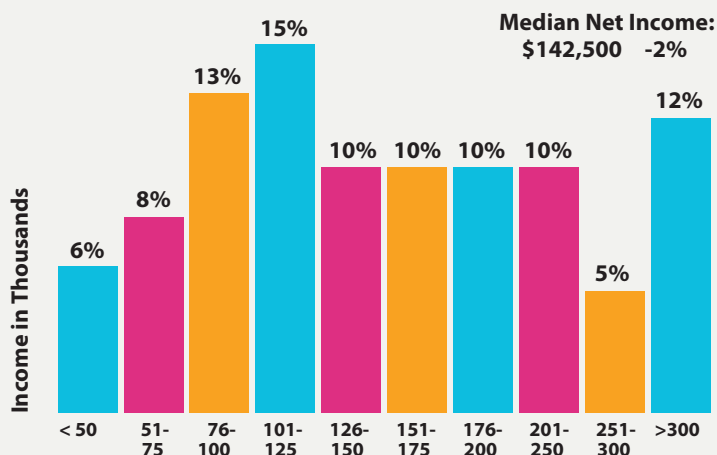
- **Mailings**—One in 10 respondents said they used mailings to advertise, which was 3 percentage points lower than our previous report.

Slightly higher postage rates may have dissuaded some respondents from using the advertising strategy. Also, the smaller staff of solo practitioners may not have had the time to produce and manage a mailing campaign.

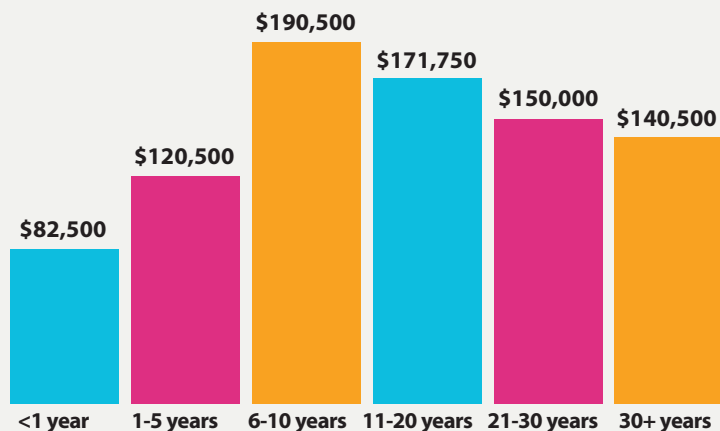
For doctors who did use this medium, several types were typically used. Valpac and other coupon mailings can provide an opportunity for

Continued on page 112

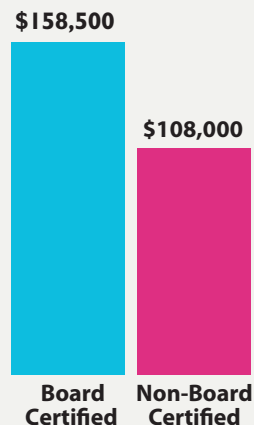
Net Income, Group Practice



Median Net Income Years in Practice



Median Net Income Board Certified



Survey (from page 110)

doctors to attract new patients with a discount or other incentive. Personal letters to residents in the surrounding area can be a way to introduce the doctors and their services. These are especially effective when doctors hand-sign the letters, jot a handwritten personal note, and include photos (preferably of the doctor(s) and staff). Postcards can

feature before-and-after shots of conditions the DPM treats (e.g., bunions, toenail fungus, etc.).

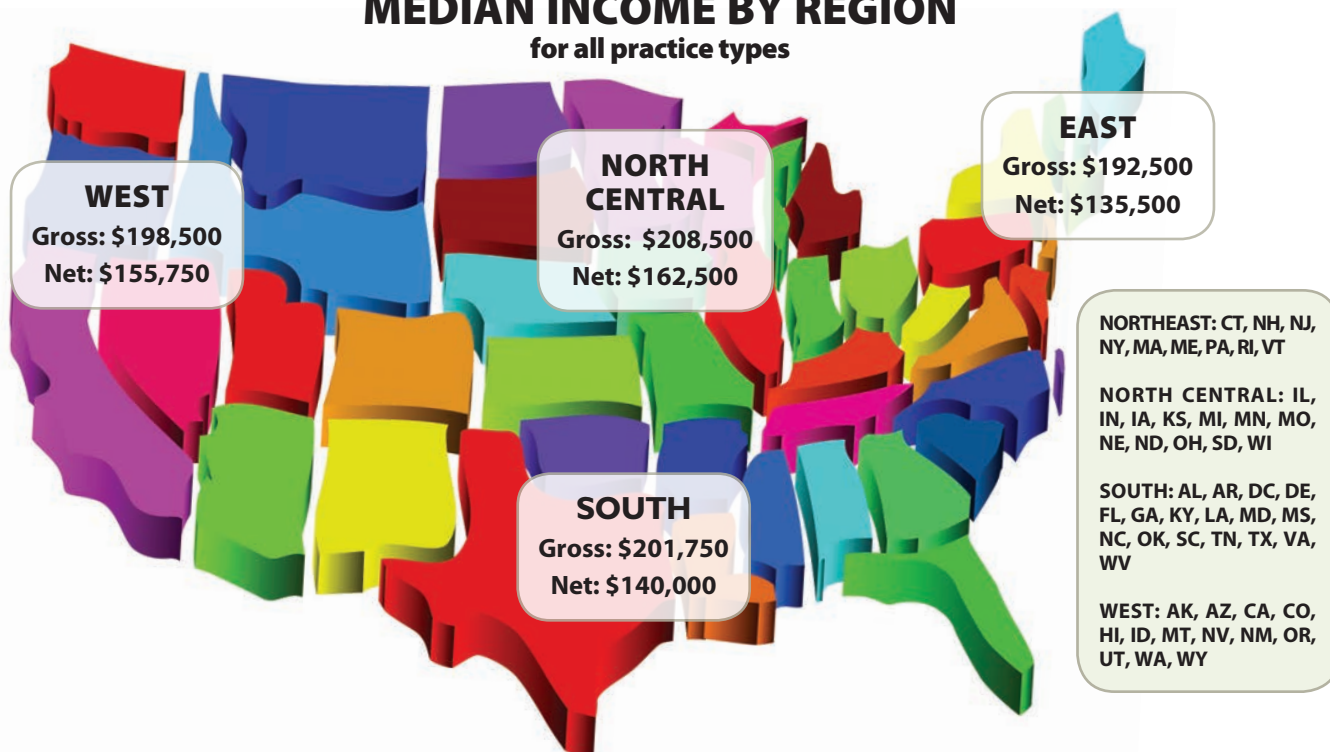
Newsletters provide similar information as well as updates on new treatments, services, and staff. Some practices provide these both in print and online. These can connect patients to the practice between visits and can spur questions on medications and procedures.

• **Radio**—Five percent of doctors surveyed used radio, down from 7 percent last year.

Using radio may not have been practical for the majority of solo doctors, who instead may have used lower-cost internet tools for promotion. Those who did use it had a wide choice of stations. According to Statista, a provider of market and consumer data,

Continued on page 114

MEDIAN INCOME BY REGION for all practice types



Survey (from page 112)

there are more than 15,500 radio stations in the U.S., and radio has a weekly reach of around 90 percent among U.S. adults. Thriving radio formats include public radio and country music. In 2018, Americans averaged 106 minutes of radio listening (mostly during commuting). These stations competed with commercial-free and online radio, such as SiriusXM and Pandora, which may have limited the reach for some practices.

- **Television**—Network television usage for advertising increased from 3 percent to 4 percent of respondents. Meanwhile, cable television advertising dropped a percentage point to 4 percent of the latest respondent pool.

Network TV advertising may have been too expensive for the larger percentage of solo doctors surveyed.

Perhaps doctors who used TV advertising moved to cable and/or were able to negotiate more flexible schedules and cost-effective, shorter commercials. For instance, according to *Radio + Television Business Report (RTBR)*, there was an 18 percent increase during our survey period in 15-second advertisements and a 36 percent increase in six-second ads. While each of these may be too short for the average practice advertising, it indicates a willingness for networks and cable stations to strike deals.

Another emerging advertising strategy impacting both TV and internet advertising is targeted promotions on streaming services, such as Roku and Amazon Fire TV. “Companies are shifting more of their budgets from traditional TV to those streaming platforms and elsewhere, where they can craft marketing campaigns aimed at very precise demographics,” according to the *WSJ*. Data analytics can be used to determine users interested in a certain product or service category. This limited reach may be more effective and less expensive than the broader reach of network and cable TV.

- **Other advertising**—Eleven percent of those surveyed said that they advertised in other ways not listed above. Survey respondents listed church bulletins, billboards, digital/electronic signage, magazines, movie theaters, and promotional items (such as magnets).

- **Cleaning and Maintenance**—There was a big jump in cleaning and maintenance, with doctors averaging \$2,319 for these services. This 21 percent increase over last year’s report can be related directly to the larger percentage of solo doctors, who had to bear this cost, plus an expected moderate increase in fees.

In some areas, the cleaning and maintenance business is becoming more competitive, with the cleaning services category topping some of the nation’s biggest franchise lists. More competition may lead to a drop in cost in the future.

- **Other Expenses**—Respondents listed a number of other expenses other than those covered above, including the costs for billing services, gasoline and car leasing, employee health insurance, landscaping, travel, and independent contractors. In addition, they itemized bank interest, fees, and the costs associated with credit cards.

NET INCOME

The median net income for solo practitioners was \$131,250, an increase of 11 percent from our previous survey. Partnership/group colleagues reported a median net of \$142,500, a drop of 2 percent compared to last year.

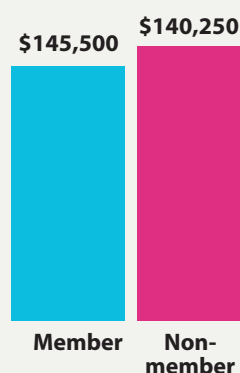
One of the reasons for the big increase for solo doctors may be the older respondent pool. For example, doctors practicing more than 30 years reported a median net income of \$140,500. Reflecting a trend in the population as a whole, DPMs may be working more actively into their 60s and 70s (i.e., perhaps keeping a full-time schedule longer rather than reducing their hours) than they had in the past.

The income gap closed slightly comparing last year’s and our most current median income figures. Women reported a median net of \$122,000, a 7 percent gain, while men reported a median net of \$154,250, up 5 percent. Thus women earned 79 percent of what their male colleagues earned, up from 77 percent in our previous survey. However, women podiatrists lagged behind the national average, as the BLS reported that women’s median wages were 81.1 percent of men’s median wages during our survey period.

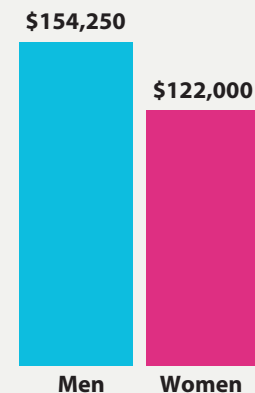
According to our survey results, membership in the APMA seemed to have a positive impact on net income. APMA members (for all practice types) reported a median net of \$145,500 compared to \$140,250 for non-APMA members.

Board certification had an even greater affect on income. Respondents who were Board Certified reported a median net income of \$158,500 vs. \$108,000 for doctors who lacked that certification.

Median Net Income APMA Member



Median Net Income Comparison by Sex



Continued on page 117

PRESCRIBING & DISPENSING

Analgesics (Oral)

	2019	2018
Tylenol	15%	11%
Ibuprofen	15%	16%
Hydrocodone	10%	9%
Aleve	9%	8%
Norco	9%	11%
Percocet	9%	11%
Advil	8%	10%
Motrin	5%	6%
Tylenol #3	5%	4%
Ultram	4%	3%
Vicodin	3%	4%
Others	1%	1%
Prescriptions per week	5.1	5.5

Antifungal (Oral)

	2019	2018
Lamisil	82%	83%
Diflucan	4%	2%
Gris-PEG	1%	1%
Others	1%	1%
Prescriptions per week	3.5	3.6

Steroids (Topical)

	2019	2018
Triamcinalone	22%	20%
Betamethasone	21%	22%
Hydrocortisone	13%	16%
Lotrisone	8%	8%
Topicort	6%	8%
Lidex	5%	4%
Diprolene	3%	3%
Medrol	3%	2%
Temovate	3%	2%
Kenalog	2%	3%
Aristocort	1%	1%
Desonate	1%	—
J+Kera HC (Bako)	1%	—
Others	1%	2%
Prescriptions per week	2.7	3.0

Enzymatic Debriding Agents

	2019	2018
Santyl	62%	66%
Medihoney	6%	4%
Amerigel	3%	3%
Accuzyme	3%	3%
Panafil	1%	1%
Elaste	1%	1%
Kerasal	1%	2%
Others	1%	0%
Prescriptions per week	2.7	2.8

Graft Products (for Wounds)

	2019	2018
EpiFix (Mimedx)	14%	18%
Apligraf	10%	8%
Integra	6%	4%
Graftex	5%	7%
Dermagraft	5%	7%
Oasis	4%	2%
Primatrix	3%	2%
Graft Jacket	2%	1%
Acell	2%	2%
Kerecis	2%	—
Amnioexcel	1%	1%
Omnigraft	1%	—
Others	6%	5%
Prescriptions per week	2.9	2.7

Antiseptics/ Topical Antibiotics

	2019	2018
Bacitracin	18%	18%
Bactroban	17%	13%
Betadine	10%	10%
Neosporin	10%	10%
Mupirocin	9%	8%
Triple Antibiotic	7%	10%
Silvadene	6%	6%
Amerigel	5%	5%
Gentamicin	3%	5%
Iodosorb	2%	2%
Povidone-Iodine	2%	2%
Polysporin	1%	2%
Others	1%	0%
Prescriptions per week	5.3	5.5

Survey (from page 114)

PRESCRIBING & IN-OFFICE DISPENSING

For the 28th year in a row, *PM* tracked the pharmaceuticals, by brand name, that respondents prescribed, recommended, and/or dispensed from their office, and which brand primarily from each category (see charts). We update these lists annually to include new market entries and brand name changes.

Opioid addiction, which has been covered extensively by *PM* over the past year, remains a nationwide problem. In an effort to reverse the crisis, the National Institutes of Health awarded \$945 million in fiscal year 2019 funding for grants, contracts, and cooperative agreements across 41 states through the Helping to End Addiction Long-term Initiative. The effort aims to improve treatments for chronic pain, curb the rates of opioid use disorder and overdose, and achieve long-term recovery from opioid addiction.

Advances in measuring pain are helping doctors

PRESCRIBING & DISPENSING

Topical Pain Relievers		
	2019	2018
Voltaren Gel	32%	34%
Biofreeze	19%	20%
Lidocaine	14%	12%
Capsaicin	4%	6%
Lidoderm	4%	3%
Ben Gay	2%	2%
Emla Cream	2%	2%
Flector Patch	2%	2%
Hempnesic	1%	1%
Solaraze Gel	1%	—
Others	7%	7%
Prescriptions per week	4.7	4.3

better prescribe pain relieving medications, according to “A New Prognosis for Pain Care” in the *WSJ*.

Continued on page 118

Survey (from page 117)

Use of cannabidiol (CBD) for pain management has been presented and discussed as an alternative to opioid use in this magazine, with nearly half (47 percent) of respondents to a *PM* online poll indicating they dispense or recommend these products.

Technology is playing an in-

creasing role in drug development. Some drug manufacturers and biotechnology startups are reportedly

using AI to speed the discovery of new pharmaceuticals. A machine

Continued on page 120

Some drug manufacturers and biotechnology startups are reportedly using AI to speed the discovery of new pharmaceuticals.

PRESCRIBING & DISPENSING

Topical Dressings for Matrixectomies

	2019	2018
Amerigel	22%	16%
Bacitracin	14%	15%
Silvadene	11%	10%
Triple Antibiotic	9%	9%
Neosporin	8%	9%
Bactroban	6%	7%
Cortisporin Otic	5%	5%
Betadine	4%	5%
Band-Aid	2%	3%
Gauze	2%	2%
Gentamicin	2%	2%
Sodium Hydroxide (Gordon)	1%	—
Phenol EZ Swabs	1%	—
Polymem	1%	1%
Others	3%	1%
Prescriptions per week	5.1	5.3

Antibiotics (Oral)

	2019	2018
Cephalexin	29%	27%
Augmentin	22%	20%
Keflex	11%	14%
Doxycycline	11%	7%
Bactrim	7%	11%
Amoxicillin	4%	4%
Clindamycin	3%	3%
Duricef	3%	2%
Omnicef	2%	—
Cipro	1%	3%
Levaquin	1%	1%
Cleocin	1%	1%
Others	1%	1%
Prescriptions per week	4.3	4.3

Anti Inflammatories (Oral)

	2019	2018
Meloxicam	19%	16%
Ibuprofen	17%	17%
Naprosyn/Naproxen	12%	12%
Mobic	11%	9%
Aleve	8%	8%
Advil	8%	9%
Diclofenac	4%	8%
Motrin	3%	2%
Duexis	3%	7%
Voltaren	2%	2%
Celebrex	2%	2%
Feldene	1%	1%
Relafen	1%	1%
Others	2%	3%
Prescriptions per week	8.2	8.7

Antifungal (Topical) (Skin)

	2019	2018
Lamisil	17%	16%
Lotrimin	11%	8%
Lotrisone	10%	11%
Naftin	10%	10%
Loprox	8%	8%
Formula 3/Formula 7	6%	7%
Spectazole	6%	6%
Clarus (Bako)	5%	5%
Nizoral	5%	3%
Fungi-Foam	3%	3%
Oxistat	2%	2%
Ertaczo	2%	2%
Cidacin	1%	1%
Ecoza	1%	3%
Luzu	1%	2%
Others	7%	9%
Prescriptions per week	6.6	6.2

Survey (from page 118)

learning-enabled drug-discovery platform may identify molecular targets for new drugs and optimize drug candidates. This may result in speedier market entry than was previously possible. Pharmaceutical companies have released smart pills containing miniaturized computer chips

Direct-to-consumer pharmaceutical TV advertising reached \$6.6 billion during our survey period...and was the fourth-largest [advertising] category.

to track patient health, with the data transmitted back to doctors by 5G. With the venture capital interest previously mentioned, we expect the pharmaceutical industry to go through some significant changes over the next decade.

Pharmaceutical companies' direct reach to consumers to influence prescription selection continues unabated. According to *RTBR*, direct-to-consumer pharmaceutical TV advertising reached \$6.6 billion during our survey period (Q1 2018 to Q1 2019) and was the fourth-largest

category after retail, finance/real estate, and technology. Top advertisers were Pfizer, AbbVie, and GlaxoSmith-

Continued on page 122

PRESCRIBING & DISPENSING

Drying Agents (for Odor)

	2019	2018
Drysol	30%	35%
Betadine	15%	13%
Certain Dry	12%	10%
Bromi Lotion	4%	4%
Clean Sweep	4%	—
Formadon	4%	3%
Lazerformalyde	3%	4%
Tineacide Shoe Spray	3%	3%
On Your Toes	1%	2%
Onox	1%	1%
Others	5%	6%

Prescriptions per week 2.8 3.0

Most Prescribed, Recommended and/or Dispensed:

1. Drysol
2. Betadine
3. Certain Dry

PRESCRIBING & DISPENSING

Wart Medications

	2019	2018
Cantharidin/Cantharone	21%	24%
Salicylic Acid/Sal Acid Plaster	15%	14%
Aldara	8%	6%
Duofilm	8%	6%
Mediplast	7%	5%
Compound W	5%	6%
Canthacur	4%	4%
Efudex	4%	3%
Vircin	3%	3%
Verucide	2%	1%
Lazerformalyde	1%	1%
Durasal	1%	1%
Wartpeel	1%	1%
Formadon	1%	2%
Plantarstat	1%	—
Virasal	1%	1%
Others	2%	5%

Prescriptions per week 3.3 3.3

Most Prescribed, Recommended and/or Dispensed:

1. Cantharidin/Cantharone
2. Salicylic Acid/
Sal Acid Plaster
3. Aldara, Duofilm

Emollients/Moisturizers

	2019	2018
AmLactin	24%	30%
Lac-Hydrin	12%	9%
Eucerin	8%	6%
Urea 40%	8%	9%
Kera-42 (Bako)	6%	6%
Carmol 40	5%	5%
Cerave	4%	4%
Kamea	3%	3%
Aquaphor	3%	3%
Foot Miracle	3%	2%
Amerigel	3%	3%
Kerasal	2%	1%
Gormel	1%	3%
RevitaDerm	1%	2%
BARE	1%	—
Flexitol Heel Balm	1%	1%
Lactinol Lotion	1%	—
Others	5%	4%

Prescriptions per week 7.2 6.1

Most Prescribed, Recommended and/or Dispensed:

1. AmLactin
2. Lac-Hydrin
3. Eucerin, Urea 40%

Survey (from page 120)

Kline. Pharma companies are also taking advantage of analytic tools to target prospective patients directly. For example, during our survey peri-

We may see more transparency in pharmaceutical advertising, especially in light of the Trump administration's move last year to try to list prices for drugs in television ads. Mobile apps such as GoodRx and RxSaver already

We may see more transparency in pharmaceutical advertising, especially in light of the Trump administration's move last year to try to list prices for drugs in television ads.

od, these companies increasingly used sitcoms to reach their target markets. "Pharma accounted for 12 percent of the 2017-18 'The Big Bang Theory' ad spend, with treatments for diabetes/blood disorders, stroke/cholesterol/heart disease and psoriasis leading the pack," according to a report in *AdAge*.

give patients comparison pricing information, and the federal government is looking for new ways to make health-care costs transparent to consumers. We will track any related regulatory changes—in pharmaceuticals as well as in other relevant aspects of health-care—in future reports. **PM**

Stephanie Kloos Donoghue of Ardsley, NY, writes and lectures on management, marketing, and economic trends, and has analyzed podiatric and other medical professional data for more than three decades. She is a small business owner, consultant, and adjunct assistant professor of management at Pace University's Lubin School of Business in Pleasantville, NY, focusing on small business management and entrepreneurship. Learn more at skloos.com.

Data was compiled and tabulated by Thomas Lewis, MBA, of Hartsdale, NY. Lewis is a research professional with extensive experience in the planning and implementation of research programs designed to gauge audience and information delivery across all print media platforms. He currently serves as the editor-in-chief and primary media analyst for the Housing and Urban Development Daily News Brief, TechMIS LLC. His survey research experience includes senior positions at GfK MRI, the leading print media audience research organization servicing all major publishers and media buying agencies.

PRESCRIBING & DISPENSING

Wound/Ulcer (Topical, Non-Graft)

	2019	2018
Amerigel	13%	11%
Santyl	12%	11%
Bactroban	12%	9%
Silvadene	8%	7%
Betadine	8%	7%
Iodosorb	4%	6%
Aquacel	4%	4%
Prisma	4%	3%
Hydrogel	4%	3%
Medihoney	3%	7%
Triple Antibiotic	3%	5%
Regranex	3%	2%
Gentamicin	2%	2%
Neosporin	2%	5%
Polymem	1%	1%
Helix	1%	2%
Saline	1%	1%
Silvasorb	1%	—
Others	4%	2%
Prescriptions per week	5.0	4.8

Most Prescribed, Recommended and/or Dispensed:

1. Amerigel
2. Santyl, Bactroban
3. Silvadene

Antifungal (Topical) and Keratin Debris Exfoliants (Nail)

	2019	2018
Penlac	13%	11%
Formula 3/Formula 7	10%	11%
AmLactin	10%	7%
Jublia	9%	8%
Clotrimazole	8%	6%
Clarus (Bako)	7%	7%
Tolcylen	7%	5%
Urea 40%	5%	6%
Lamisil	5%	2%
Kerasal	4%	4%
Kerydin (Pharmaderm)	2%	6%
Carmol	1%	3%
Tineacide	1%	2%
Cidacin	1%	—
Gordochom	1%	1%
Naftin	1%	2%
RevitaDerm	1%	1%
Others	2%	3%
Prescriptions per week	6.7	6.2

Most Prescribed, Recommended and/or Dispensed:

1. Penlac
2. Formula 3/Formula 7, AmLactin
3. Jublia

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The companies and organizations listed at the end of this report are the sponsors for this year's Annual Practice Survey. They have made it possible for PM to collect, organize, and disseminate the formidable amount of data used to create this once-a-year analysis of the profession. Please support them by emailing, calling, or visiting their websites.

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