

# Making Your Podiatric Practice Rewarding Again

Here's how to move away from the insurance company stranglehold and build a fee-for-service practice.

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*Note: The opinions expressed in this article are not necessarily those of Podiatry Management Magazine.*

The debate over healthcare insurance continues to rage on and both podiatrists and patients are caught in the crossfire. With the public discourse focused on regulating and reforming managed care organizations, the prospect of new and more effective means of administering healthcare services to our patients has been pushed aside. When we consider the important duty we as healers have taken on, interference by insurance companies and managed care organizations should not dictate the manner in which our services are provided, the quality of care we provide our patients, and the success of our individual practices.

A new approach for delivering healthcare services must be adopted. Now is the time for we podiatrists to re-establish respect for ourselves, our services, and assert the value

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in delivering quality care. I propose that podiatrists can ensure high levels of care, as well as operate a profitable practice, without succumbing to the pressures of insurance companies and thereby avoid becoming beholden to third party interests. This article will look at the problems of podiatric patient care associated with healthcare insurance plans, as well

as the effect of this interference on the quality of patient care and a podiatrist's professional practice. This article will also advocate for the fee-for-service method of providing pa-

#### Modern-Day Indentured Servitude

One of the goals of a private podiatric practice is to deliver quality care to patients in a skilled and professional manner. But when we

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deal directly with insurance companies, our efforts are no longer for the benefit of our patients, but are serving the interests of the insurance companies and their stockholders. This situation is further frustrated when insurance companies, in making decisions about cost and fees, do not consider a podiatrist's skill and training. They seem only to truly care about their own profits. Once you become involved with these groups, they, not you, determine what your services are worth and who can be your patient. Because of the virtual stranglehold of these groups over podiatrists in some markets, podiatrists feel pressured to participate in an insurance program in order to keep their practices running and prevent their market-share from diminishing.

Beside the financial concerns, contracting with insurance companies exposes a podiatrist to legal liabilities. Third-party interference with the patient-podiatrist relationship can

insurance company, and not the patient, in order to continue his or her provider contract. This is evident in HMO incentive programs, which demand care to be minimized in order to save money. In turn, the insurance company is only accountable to its stockholders and the "bottom line."

A podiatrist who works directly

ing trend in society to view health-care as an entitlement. If patients become personally responsible for their own healthcare costs, they begin to view healthcare more as a service. This will allow patients to plan outside insurance reimbursement, to formulate a healthcare budget. The patients can then shop

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### **Because of patient reliance on insurance companies to pay for healthcare expenses, there is a growing trend in society to view healthcare as an entitlement.**

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for a patient, without a third party in between, becomes more accountable to that patient, and therefore a better practitioner. The podiatrist benefits because the patient is now paying directly for the service, instead of having to deal with insurance companies to try to get a reasonable reimbursement rate. A direct patient relationship, without the complications of insurance companies,

around for the podiatrist they want instead of being locked into a select group of contracting providers.

If patients find their healthcare expenses unmanageable, they will place pressure on the healthcare industry to become more competitive, and therefore lower prices. In this scenario, control is given back to the patients and the podiatrists regarding important decisions as to the quality and cost of treatment. Both the patients and the podiatrists can work towards their own best interests—the patients gaining control over the services they want while the podiatrists gain the freedom to manage their own practices as they see fit.

There are several ways to provide healthcare services. Some examples are discounted care, routine care, and service value-added care. Each of these types of service will bring different patients, distinct in their social values and status, changing the composition of your practice as well. While discounted care tends to create more patient volume with less emphasis on care, service value-added care has less patient volume but more attention is paid to individual treatment.

Before a podiatrist decides to adopt a fee-for-service method, he or she should conduct a self-evaluation to determine the strengths, weaknesses, and desired clientele of his or her practice. While the service value-added method is the service I use and one I feel is best suited to

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lead to increased patient volume, aggravation and accumulated stress on the podiatrist, the need to delegate responsibilities to ancillary personnel, and the heightened risk of personal error during treatment. Because of the insensitivity of insurance companies, this is a recipe for potential malpractice. Another consequence of third party interference is the dwindling self-worth of the podiatrist, the loss of respect and trust within the community, and a personal loss of self-esteem.

#### **Accountability Is Critical to Effective Treatment**

Who is accountable to the patient? When you factor in the presence of a third party into the traditional patient-podiatrist treatment relationship, it results in accountability that is misguided and inappropriate. The podiatrist becomes accountable to the

mandates sensitivity to the needs of the patient. Working directly for the patient compels the podiatrist to sharpen his or her skills, thereby creating a greater demand for his or her services, instead of anticipating a fee set by an insurance company. The quality of treatment, not the quantity of patients, becomes the new goal of the podiatrist.

This approach may seem intimidating at first; yet over time this direct approach will be beneficial to your practice. Not only will this type of patient care result in better quality, but it will also have the cumulative effect of demonstrating that your service provides patient oriented care in a market of constrained practitioners.

#### **The Fee-for-Service Alternative**

Because of patient reliance on insurance companies to pay for healthcare expenses, there is a grow-

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the fee-for-service private practice of podiatry, your eventual choice of service will depend on your own expectations and what works best for you. To effectively implement a fee-for-service practice, I would suggest following a number of steps which I use in my own practice:

### **Patients Must Perceive Value in Your Care**

Patients should feel that they are attending a first-class practice. The podiatrist and staff should treat the patient with respect, dignity, and listen to the patient's problems with genuine empathy. Podiatrists should also be aware of their particular limitations and not overextend their practice into areas of treatment they are not competent to perform. Overextending diminishes the trust of patients and the reputation of a practice.

### **Medical Practices Must Strive to Exceed Patient Expectations**

Let your patients know that you are looking out for them and care about the outcome of their treatment. If the situation calls for it, podiatrists should not be afraid to refer their patients to another physician or other podiatrists, even if it is for a condition you are competent to perform. The other practitioner may have specialized expertise suited to the problem. In my experience, referrals create greater trust between patient and podiatrist, contribute to a practice's success, and will not result in a podiatrist losing patients.

### **Doctors and Staff Must Be Consistent**

A practice should avoid the "do as I say and not as I do" philosophy. A successful fee-for-service practice requires you, the podiatrist, to pay your debts on time, just as you expect of your patients. Your behavior

will become known in the community and you cannot expect from others what you are unwilling to do yourself.

### **Believe in Your Services to Generate Goodwill**

If you are consistent in your office and financial policies, you will develop and maintain a successful fee-for-service practice. While it is true that a fee-for-service practice will not have as many patients as a practice reimbursed by insurance companies, the patients that you do have will appreciate your services. They will not carry along with them the misguided expectations and preconceptions of healthcare administered by insurance companies. It is important to be consistent in your care, listen to what your patients are really saying, understand their needs, and work towards a common goal.

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### Welcome Patients into Your Office

Have a pleasant voice on the phone and greet patients as if they were guests in your home. This may sound like common sense, but a recurring complaint about physician offices is that they are crowded and the staff inefficient, jaded, and rude. Surprise your patients by showing them that your practice is not like what they know as the “normal” physician’s office. This friendly, patient-oriented atmosphere helps to foster a relationship in which the patient knows that you are committed to his or her well-being. This not only benefits your practice financially, but it also means that your patient will be more likely to follow your proscribed course of treatment.

### Reform Your Office Procedures

Inefficient scheduling can be easily avoided. Efficient scheduling serves to benefit the patient as well as placing your practice in a positive light. Stay on time and schedule by service and not by ten-minute intervals. This will leave enough time to see every patient scheduled. You then can and should bill for the amount of time you spent with the patient individually. This type of scheduling and billing is similar to that used by other professionals, such as attorneys and accountants.

“Horizontal” scheduling, while differing from that used by other professionals, is also recommended in that it allows the podiatrist to go from room to room for different services. This results in better patient flow and a more efficient practice. Patients who are seen close to their appointed time will appreciate your practice more, adding value to your practice. It is important to remember that your fee should be appropriate to cover all your expenses and still secure a financial benefit.

### Have a Written Financial Policy Prepared

Outline to your patients in clear language what is expected from them. Spell out how a patient should pay for your services and by what means. Also explain the patient’s

payment options, such as deposits, credit card plans, or signed payment plans for larger services with higher fees. Make sure you also have a statement regarding procedures for late or delinquent bills and be consistent with your collection policies.

### Inform Patients of Your Financial Relationship

Patients should be made aware that any relationship with an insurance company does not affect their

as disgruntled as practitioners and are demanding better care. We need to start treating our patients’ health rather than helping them contribute to their insurance companies’ coffers. We need to rediscover our own worth and start getting paid for it.

Instead of excess regulations and interference, freedom and choice should be the watchword of our profession. We must begin to challenge the intrusion of government into the health care system and instead shift the focus to the

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**Have the courage to ask to be paid for your knowledge and ability.**

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treatment or payment relationship with your practice. Make sure your patients have a copy of their own insurance policies. Be honest with your patients. Tell them when something is or isn’t covered under their policy. You may take the risk of being perceived as expensive, but this trumps being viewed as a slave to insurance companies.

### Set Fees Consistent With Your Level of Care Delivered

Have the courage to ask to be paid for your knowledge and ability. It is up to you to decide where you fit into the healthcare system, not the insurance companies. This also means that the patient also has the freedom to choose what care he or she wants. This will dispel the notion that all care is equal and everyone is entitled to treatment. We must begin viewing our practices as services, and we are permitted to receive higher fees for higher quality treatment.

According to the Heritage Foundation: “The health sector is the most heavily regulated sector of the American economy. In every other industry Americans recognize that regulation drives up prices, restricts innovation, dries up competition, and forces business to respond to regulators and not consumers. That is exactly what is happening in the health sector.” (*Heritage Foundation Background-er*, No. 1207, July 24, 1998) I believe that now is the time for action. We need to take stock of the situation because patients are becoming

true stake-holders: the patient and the podiatrist. We should be treating our patients and not charts. We should be focusing on providing quality care to our patients instead of managing paranoia from threats by insurance companies, HMOs, and managed care organizations over losing our market-share. Podiatrists need professional autonomy and patients need control and ownership of their healthcare coverage.

Podiatrists must demand the respect they have earned, and must expect to get paid for the skills they have and the services they provide. The security gained from participation in a healthcare plan, an argument advanced by some of my colleagues, is nothing more than a fiction. The only real security is maintaining one’s own freedom and building security through work, dedication, and perseverance. We must stop giving up our individual freedoms away in return for a false sense of security. Once we have the power to determine our own course of treatment without interference by third parties, there will be enough power for all Americans to say NO to national healthcare and insurance plans. **PM**



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