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PODIATRIC **ECONOMICS**

PM's 39th Annual Survey

Surviving the Challenges of the Pandemic

Respondents embraced telemedicine—keeping patient numbers stable—while cutting some key costs to protect their eroding bottom line. And mode of practice made a big difference in earnings.

BY
STEPHANIE
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During 2020, the U.S. faced enormous public health and economic challenges associated with COVID-19. According to respondents to *Podiatry Management's* (PM's) 39th Annual Survey, podiatrists who fared the best took action: working in groups, embracing telemedicine, reducing expenses, and/or taking advantage of available funding programs to help small businesses.

According to the 877 doctors who answered PM's survey, those in solo practice were the hardest hit, with their median net income dropping 7 percent to \$106,750—the lowest we have seen in at least 20 years, taking inflation into account. Of course, the financial impact was likely greater than the numbers reveal, as some practices may have followed the trend of medicine as a whole and closed their practices during 2020 due to illness (self or family), fear of infection, economic reasons, or a combination of factors.

Never before have we seen such a pronounced income advantage to partnership/group practice, with doctors in group settings not only earning \$34,750 more than solo DPMs (their share of practice income) but experiencing a smaller drop in net income by percentage compared to the previous year.

Pivot became the operative word for survival as doctors shifted care to telemedicine. Its use rose dramatically between 2019 and 2020, with many practitioners embracing this technology for the first time. It ensured that some patients could be seen safely during the pandemic and helped sustain patient numbers—with the average of about 82 patients per week holding steady from PM's last count.

Respondents also took measures to shore up eroding revenue. They cut spending on gross salary payments, fixed equipment, and advertising. Without these cuts, net income amounts would have been much lower. Many practices took advantage of the newly available government-backed programs aimed at helping small businesses survive the pandemic. In fact, 45 percent of those surveyed took advantage of the Small Business Administration-backed Paycheck Protection Program (PPP) to keep valuable staff and help pay for key expenses. One of the few areas in which doctors spent more was on pensions—for both themselves and their staffs—protecting their own futures while rewarding employees for their hard work during the pandemic.

On the following pages is a summary of the data collected, discussion of the results, and trends that may impact future responses.

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CHARACTERISTICS OF RESPONDENTS & TRENDS

Little Change in Where DPMs Practiced

New York again topped the list of states where the most DPMs surveyed practiced (13.6 percent of respondents). Rounding out the top five states were California (10 percent), Florida (8.6 percent), Pennsylvania (6.7 percent), and New

Jersey (6.5 percent). This list mirrored our previous survey with the exception of New Jersey, which placed sixth last year behind Illinois. (This year, Illinois placed sixth at 5.1 percent.)

According to the U.S. Census Bureau (USCB), the top five states in terms of population in 2020 were California, Texas, Florida, New York, and Pennsylvania.

The region with the largest population gains between 2019 and 2020 was the South, especially those moving there from the West and the Northeast. Among those moving, according to the USCB, the top reason for doing so was housing-related: wanted to own a home, not rent; wanted a newer/larger/better home; wanted a better neighborhood/less crime; wanted cheaper housing; foreclosure/eviction; or other housing reasons.

Among those age 65 and older—a key demographic for podiatrists—the top five states in terms of *percentage* of population were Maine, Florida, West Virginia, Vermont, and Delaware.

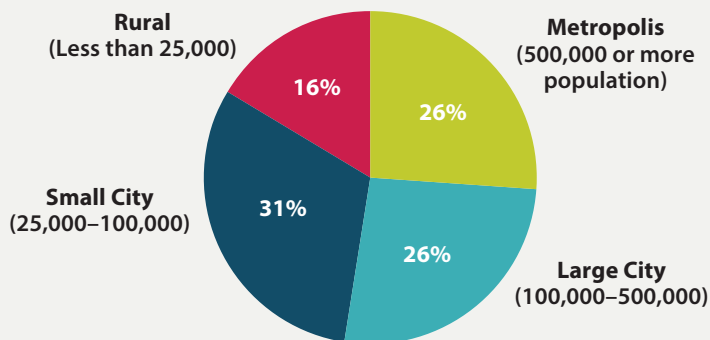
Looking ahead, as DPMs start new practices or look to areas with growing demand to relocate, the USCB data on population growth provides useful insights. Data covering July 1, 2020, through July 1, 2021, show the largest numeric population growth in Texas, Florida, Arizona, North Carolina, and Georgia. By *percentage* of population, the highest growth was reported in Idaho, Utah, Montana, Arizona, and South Carolina.

Among states that had the biggest numeric *drops* in population were New York, California, Illinois, Massachusetts, and Louisiana—with more than half a million leaving the first two states alone. By percentage, the top states in terms of population loss were District of Columbia, New York, Illinois, Hawaii, and California.

With New York City as the epicenter of the pandemic in its early days, and its high costs vs. other areas of the country, the population drop was not surprising. Meanwhile, California has increasingly wrestled with wildfires, homelessness, and crime combined with a high cost of living, especially compared to adja-

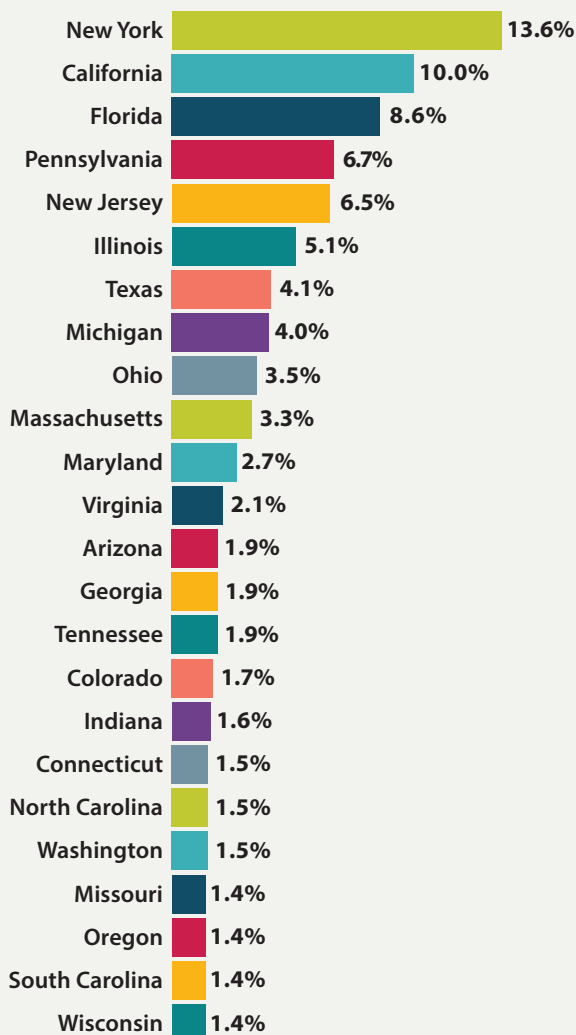
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Community Size



State of Practice

Distribution of respondents—top states



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.

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cent states. In fact, a report from the Texas Real Estate Research Center at Texas A&M University indicated that one-in-10 of those who moved to Texas in 2020 was from California, and other reports have indicated that relocation trend.

Thus we anticipate some shift in response percentage by state moving forward. Population shifts—and the migration of podiatrists to serve them—will also depend upon the ability of builders to meet emerging housing demands given pandemic-related factory closings, transportation delays, and port-capacity limits that we currently face.

Small Cities Remain on Top; Pandemic Effect Unclear

The largest percentage (31 percent) of respondents to our latest survey were in practice in small cities (population of 25,000-100,000).

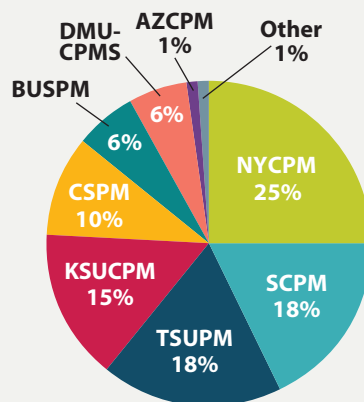
100,000-500,000), which remained unchanged from our previous survey. The percentage of rural DPMs (those practicing in populations of less than 25,000) edged up to 16 percent from 14 percent in our last report.

It is too soon to tell whether the desire for open space that emerged during 2020 will result in a major, long-term shift out of densely populated urban areas. While early reports indicated that city dwellers fled to the suburbs in droves, recent data suggests that urban locations have rebounded. We will continue to follow population shifts and the impact on PM's survey results.

Similar Years-in-Practice Distribution

The breakdown of respondents by number of years in practice

Podiatric College Graduates



practice categories listed. Other segments were either flat or ± 1 percent (see chart).

We have yet to see how COVID-19 and its variants reshape the age mix of the profession. It is likely that older practitioners who were close to retirement in 2020 may have accelerated their plans. The entire health care system experienced unprecedented attrition, according to numerous reports. In a 2020 survey from the Physicians Foundation (PF), 8 percent of doctors surveyed said they had closed their practices—which represented approximately 16,000 practices—and 37 percent said they wanted to retire in the next year. A recent University of Minnesota study found physicians were leaving medicine at a rate four times higher than before the pandemic. These changes will likely affect respondent mix moving forward, with

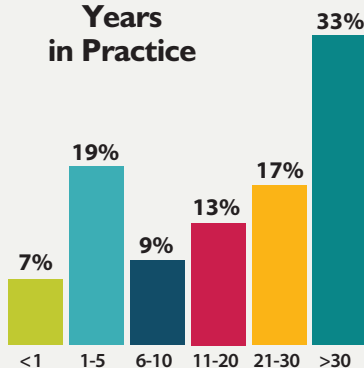
It is too soon to tell whether the desire for open space that emerged during 2020 will result in a major, long-term shift out of densely populated urban areas.

While small cities have held the top spot for more than two decades, there was a smaller percentage practicing there (down 2 percent).

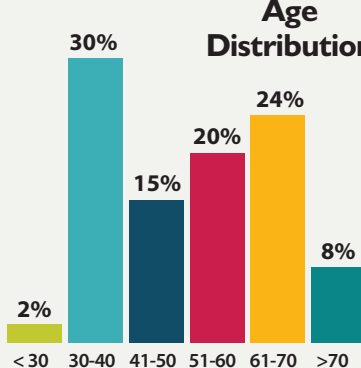
Twenty-six percent of the respondents practiced in a metropolis (population of more than 500,000), down from 27 percent last year, and 26 percent in a large city (population of

showed little change from our last report. There was a slight increase in the percentage of those practicing from one-to-five years, rising to 19 percent from 17 percent. Our oldest segment also decreased in participation by 2 percentage points, down from 35 percent to 33 percent. This was also the largest of the years-in-

Years in Practice



Age Distribution



perhaps lower percentages of DPMs in practice more than 30 years in near-future surveys.

Most certainly, COVID-19 contributed to feelings of burnout among the medical community. PM provided prevention techniques—as well as some treatments—

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in two recent articles by Mark Terry: “Preventing, Identifying, and Responding to Physician Burnout (October 2020) and “More Thoughts and Strategies for Preventing Physician Burnout” (March 2021).

Lower Percentage of Solo DPMs

The percentage of doctors in solo practice—either self-employed or in a solo professional corporation—fell from 43 percent in our previous survey to 37 percent of our latest respondents. This reverses a trend we’ve observed over the past three surveys, during which the percentage of solo DPMs increased each year.

Meanwhile, popularity of non-solo practice modes increased. Partnership/group DPMs—either in all-podiatrist practices, professional corporations with other DPMs, or multi-disciplinary settings—rose from 35 percent to 37 percent. Respondents employed by other DPMs grew from 7 percent to 8 percent, and those in Federal service (Veterans Administration (VA) or Indian Health Services) rose from 2 percent to 3 percent. Twenty-four percent said they hire other DPMs, which remained unchanged.

Cross-tabulations by sex showed that women were less likely to be in solo practice: 28 percent of female respondents practiced on their own, compared to 42 percent of male DPMs. Forty percent of women were in partnership/group practices (all types combined) vs. 38 percent of male DPMs. A considerably larger percentage of women than men were employed by another DPM (13 percent vs. 6 percent)

or practiced in hospitals (11 percent vs. 8 percent).

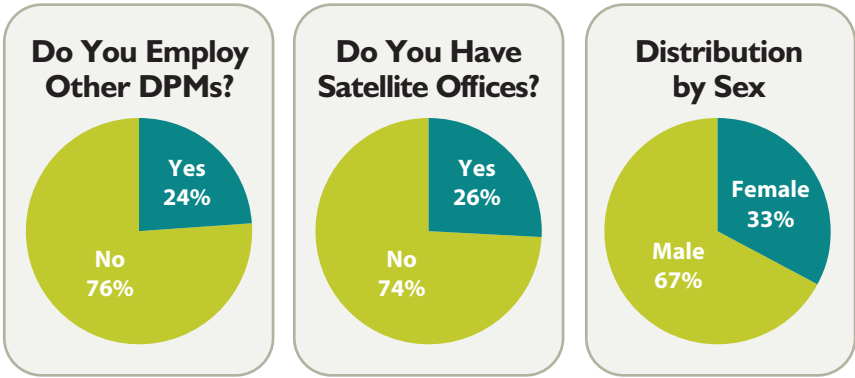
Advantages of partnership/group practice have long been touted in this magazine. They include the sharing of fixed costs associated with practice ownership (especially

pandemic’s challenges as a team.

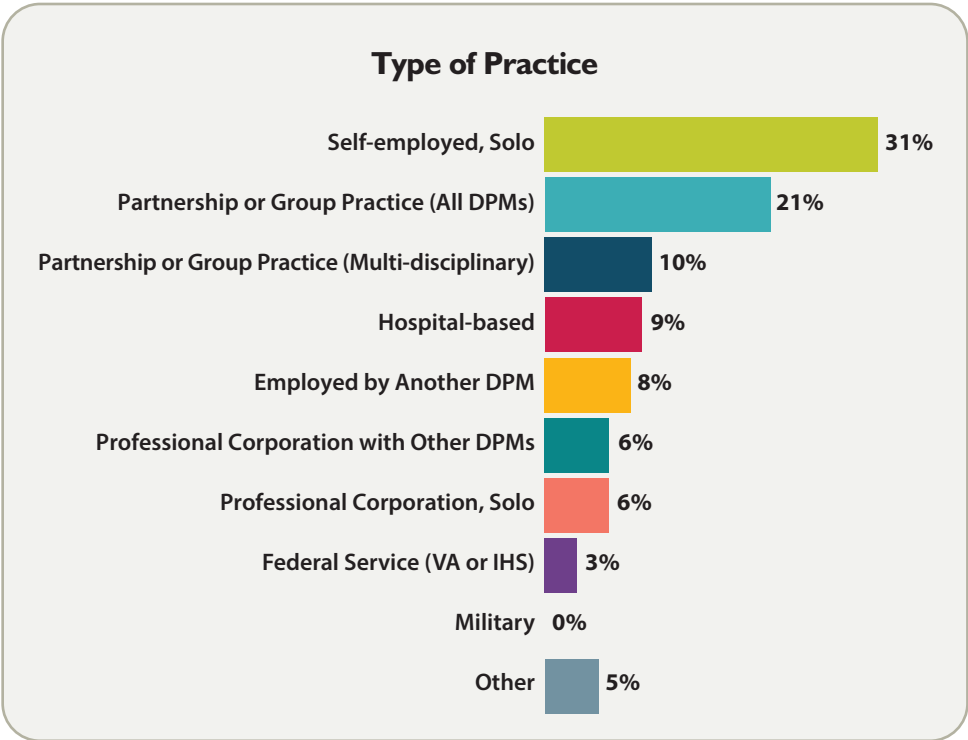
Supergroups are an increasingly popular multi-doctor mode, especially as private equity firms increase their investment in health care practices. “Podiatry Super Groups—The Upsides and Downsides” by Andrea Linne (PM, January 2022) presented several doctors’ experiences with supergroups, covering such issues as practice expansion, control, costs, staffing, and exit strategy.

Alternatively, a Medical Services Organization model contracts with large and small practices to provide practice management-related services including handling electronic health records (EHR), billing, human resources, and group purchasing. According to Michael J. King, DPM, in “Medical Services Organizations” (PM, January 2022), “Expect these options to grow in our field as we continue to see practices adapt to the complexities of 21st century healthcare.”

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office space and staffing costs); the ability to expand the appointment schedule; collegiality and the ability to discuss cases in-house; specialization possibilities (e.g., in pediatrics or foot and ankle surgery); and a potentially higher likelihood of getting on managed care organization (MCO) panels (which may require coverage that is not feasible for a solo doctor). During 2020, it is likely that those practicing in group settings were better able to tackle the



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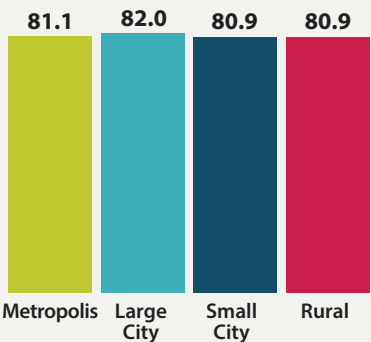
Lower Percentage of Satellite Offices

Twenty-six percent of those surveyed had satellite offices, down from 28 percent in our previous survey, and the majority (58 percent) had only one additional office. Of note is the fact that 11 percent of those who had satellite offices in our previous survey indicated that they had four or more; in 2020, only 7 percent reported four-plus additional offices.

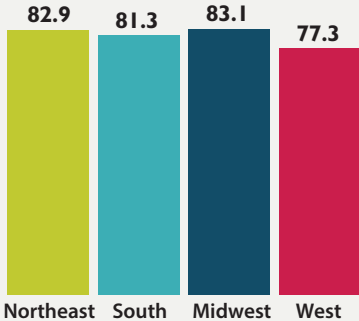
Cross-tabulations by region among those with satellite offices showed greatest prevalence in the Northeast and least popularity in the West.

More DPMs may turn to using telemedicine instead of opening up

Average Number of Patients per Week by Community Size



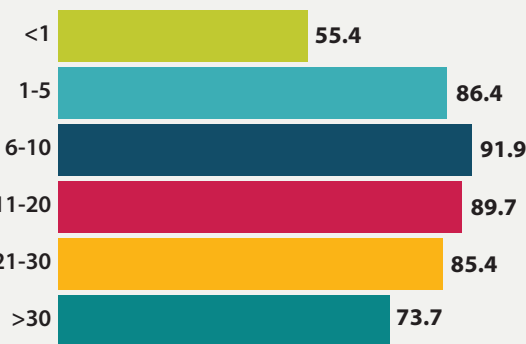
Average Number of Patients per Week by Region



satellite offices, especially with their earning struggles and lack of income to invest in new staff and facilities. The tight labor market and supply chain woes may also deter opening new offices. However, as practices move toward group settings, some locations may convert to satellites in future surveys.

Medicine (AACPM), 38 percent of DPM degrees conferred in 2020 went to women. What's more, women's enrollment figures by class reflect an upward trend: 41 percent for the class of 2021, 42 percent for 2022, 46 percent for 2023, 48 percent for 2024, and 50 percent for 2025, according to AACPM statistics. Thus we anticipate an increasing number of women answering future surveys.

Average Number of Patients per Week by Years in Practice



More Women Respondents

Women comprised 33 percent of respondents to our latest survey. That's an increase from the 27 percent reported last year.

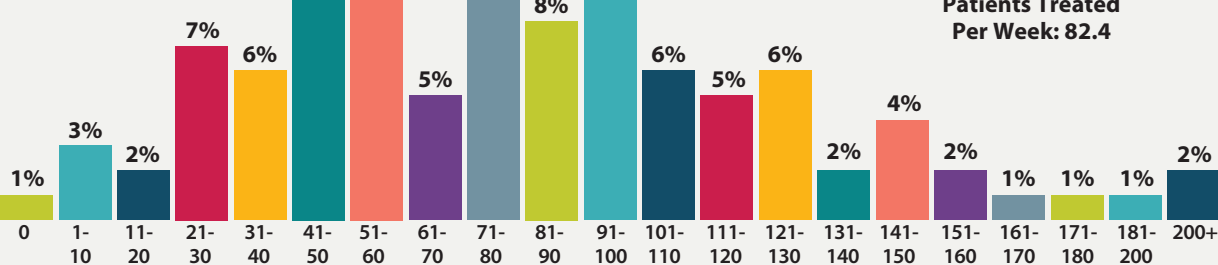
Our most recent data better reflects the proportion of women DPMs in practice. According to the American Association of Colleges of Podiatric

Despite COVID-19, Patient Numbers Remained Steady

Remarkably, respondents saw an average of 82.4 patients per week in 2020, nearly flat compared to 82.7 in our previous survey. Telemedicine may have accounted for the ability for practices to maintain this patient load. The slightly larger percentage of doctors in multi-disciplinary settings may have had an impact as well, especially if DPMs working in those facilities were better able to provide in-person patient care.

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Patients Treated Each Week



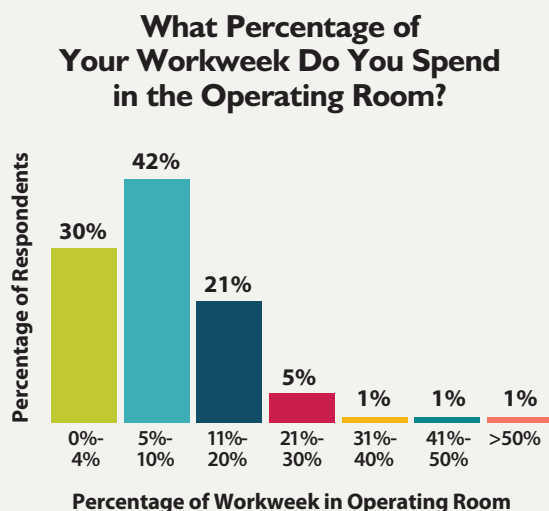
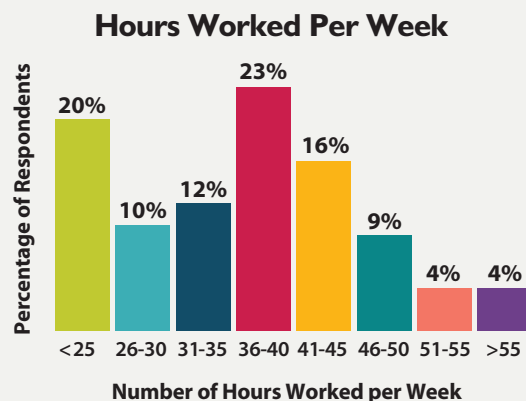
Average Number of Patients Treated Per Week: 82.4

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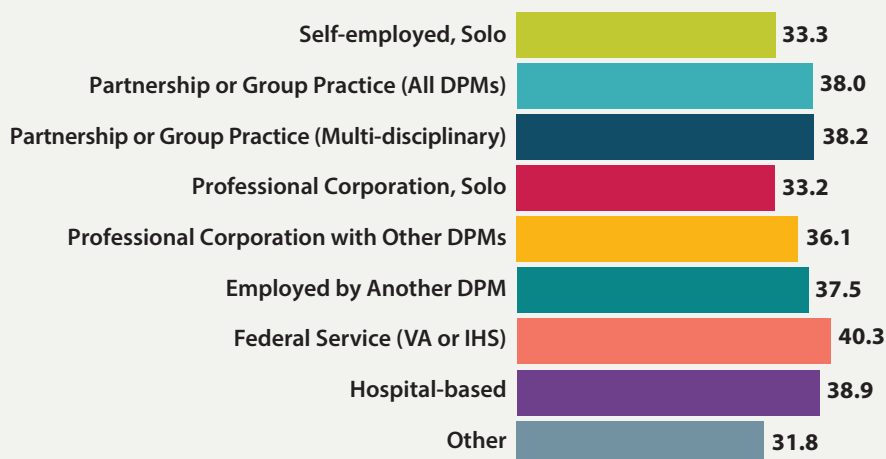
Cross-tabulations uncovered that doctors in practice six to 10 years saw the most patients, on average, at 91.9, while doctors in practice less than a year only saw 55.4 patients per week. By region, DPMs in the Midwest saw the most patients at 83.1, while those in the West saw the fewest at 77.3. There was little difference in number of patients by community size, with large-city DPMs seeing slightly more patients than podiatrists in a metropolis, small city, or rural area.

Comparing patient counts by sex, male DPMs saw 84.6 patients per week vs. 73.9 patients by females. Note that this difference is not as wide as last year, when male respondents saw 86.3 patients vs. female respondents' 73.3 patients per week.

While patient numbers may have remained steady, there was frequent discussion regarding the *quality* of those patient encounters during 2020, especially the virtual ones and the reluctance of patients to see treatment at the height of the



Average Numbers of Hours Worked Per Week by Type of Practice



public health emergency (PHE). According to the PF survey report previously mentioned, 72 percent of physician respondents indicated that COVID-19 “will have serious consequences for patient health in their communities because many patients delayed getting care they needed during the pandemic.”

Longer Workweeks Reported

The largest percentage of doctors (23 percent) worked 36-40 hours per week. The percentage of DPMs who worked more than 35 hours grew slightly from 55 percent last year to 56 percent in our latest survey.

Cross-tabulations by type of practice indicated that among solo and partnership/group practitioner categories, multi-disciplinary partnership/group practitioners worked the longest, averaging 38.2 hours per week. Solo DPMs in a professional corporation had the shortest work weeks at 33.2 hours. By community size, large-city DPMs worked the longest at 37.8 hours per week, and rural doctors reported the shortest average workweek at 34.4 hours.

Despite the fact that there was nearly an 11 patient-per-week difference between male and female respondents, male respondents only reported a slightly longer workweek compared to women surveyed: 36.1 hours vs. 35.5 hours, respectively.

Less Operating Room Time

Thirty percent of those surveyed spent no time in an operating room during 2020, which was up from 27 percent in 2019. Even doctors who continued to operate—spending more than one day

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per week in the operating room—dropped from 12 percent in 2019 to 8 percent in 2020. We anticipated a decrease, especially among immunocompromised DPMs, during the height of the pandemic when hospitals were overwhelmed with COVID-19 patients.

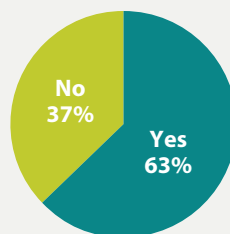
We anticipate that the rescheduling of elective surgeries that were postponed in 2020 will impact operating room data in future surveys.

On the technology front, reports indicate that artificial intelligence (AI) and robotic-assisted surgery will play an increasing role in the operating room, especially for minimally

Dramatic Increase in Telemedicine

In our last report covering 2019, we asked respondents about their use of telemedicine to provide a baseline upon which to compare data from 2020 and beyond. We saw a dramatic increase in 2020, with 60 percent of those surveyed indicating that they used some form of telemedicine (telephone only, video only, both telephone and video, or other method). Pre-COVID-19, only 36 percent indicated that they used telemedicine.

Refer Patients to Wound Care Centers/Clinics?



sician fee schedule services in April 2020, compared with 0.1 percent in April 2019, according to the Medicare Payment Advisory Commission (MPAC).

Among Medicare patients, surveys by MPAC indicate vast patient satisfaction with telehealth, especially during the early days of the pandemic in 2020.

The Commission's 2020 survey (fielded from April to October 2020) found that 91 percent of Medicare beneficiaries were satisfied with their video visits and 92 percent were satisfied with their phone visits, while 88 percent were satisfied with their overall health care.

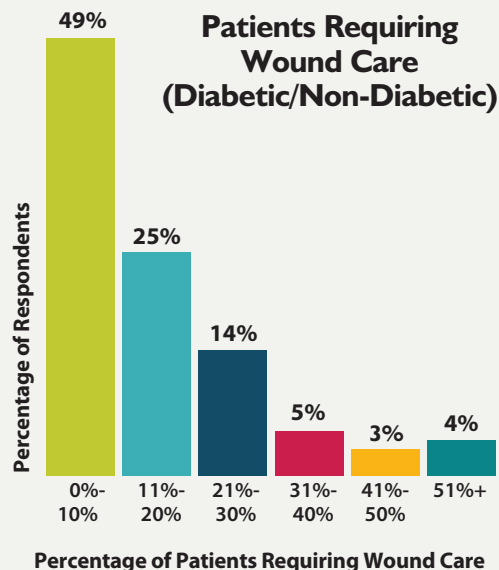
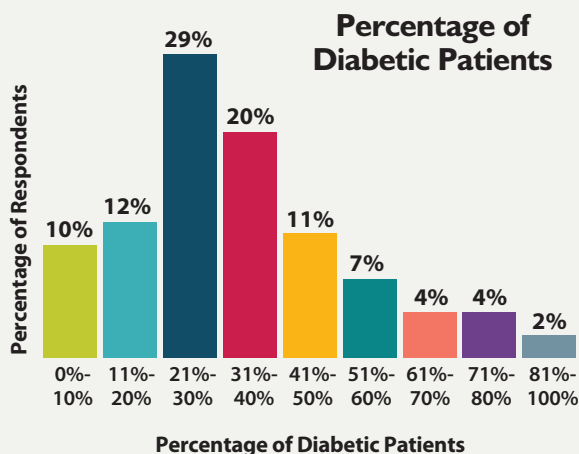
Despite the dramatic increase in telemedicine among PM's survey respondents and the medical community as a whole, there have been some roadblocks to effective use, according to a survey from Kaspersky, a global cybersecurity company. Issues cited by patient respondents included privacy and/or data concerns, a general lack of trust toward telehealth, unwillingness to appear on video, and the absence of correct equipment.

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Sixty percent of those surveyed...used some form of telemedicine (telephone only, video only, or both telephone and video).

invasive procedures. The latest robotic technology "tend to be much smarter, equipped with advanced software, sensors and WiFi," according to "The Reality of Robots Springs Past Fiction" (*The Wall Street Journal* (WSJ), January 23-24, 2021). While intelligent tools provide users with greater precision and control, costs remain high, with many hospital systems weighing the value of emerging technologies as they look for ways to trim costs.

According to the Centers for Disease Control and Prevention (CDC), during the first quarter of 2020, the number of telehealth visits increased by 50 percent compared with the same period in 2019. Expansion of the kinds of services that could be provided virtually by Medicare likely fueled much of this increase. In fact, telehealth accounted for 16 percent of total allowed charges for all phy-



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Internet speed and connectivity are pervasive problems as well. According to *Healthcare IT News*, “Broadband is the Achilles’ heel of telehealth,” with more than 14 million urban homes and nearly 4 million rural homes lacking broadband. In some cases, this makes telemedicine infeasible or, at best, impractical. These difficulties are also combined with a patient base that skews older and may not be able to navigate the technology.

Karna Morrow, CPC, RCC, CCS-P, cautions in her *PM* article “Telemedicine Considerations for Podiatry Practices” (January 2021) to “do your homework. Check the

The data indicates that DPMs saw slightly more diabetic patients in 2020 compared to 2019.

state regulations, especially if the practice and patient cross state lines. Ensure your risk management policy covers the additional services.” The risk of audits was explored in “Be Prepared for Telemedicine Audits” by Michael L. Brody, DPM (*PM*, October 2021).

After a recent bust by the Office of Inspector General charging physicians who prescribed DME via telemedicine, Paul Kesselman, DPM, cautioned readers to “be careful about companies that promise you big bucks to do telemedicine.” In his letter published in *PM* (February 2021), he suggested that DPMs “inquire about the telemedicine company’s relationship with DME companies. Perhaps it might be best to only engage in telemedicine with your own patients when they can’t get to your office.”

As we emerge from the pandemic, reimbursement status will likely determine whether telemedicine’s continued utilization is here to stay. According to a report in *USA Today* (March 21, 2021), Jessica Sweeney-Platt, Athenahealth’s vice president of research and editorial strategy, was quoted as saying, “There’s a lot of conversation on the policy front and payer community about the temporary changes that were made to reimbursement policies during the COVID pandemic. Should they be made permanent? That’s the biggest area of uncertainty for providers in particular.”

As podiatrists improve their virtual encounters, they may consider telemedicine certification, as described in “Becoming a Certified Telemedicine Professional” by Sa-jeeesh Kuman, PhD; Josh White II, MD; and Neil Baum, MD (*PM*, August 2021).

Slight Increase in Percentage of Diabetic Patients

The data indicates that DPMs saw slightly more diabetic patients in 2020 compared to 2019, with the largest percentage of respondents (29 percent) reporting that

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between 21 percent and 30 percent of their patient base was diabetic.

Regionally, Southern practitioners had the highest percentage of diabetic patients (36.1 percent), followed by those in the Midwest (34.4 percent), West (33.2 percent), and Northeast (32.8 percent).

There has not been any update to U.S. diabetes data from the CDC since its release of “National Diabetes Statistics Report 2020: Estimates of Diabetes and Its Burden in the United States” cited last year and based upon 2018 data. It indicated that 34.2 million people in the U.S. (10.5 percent of the population) had diabetes, including 26.9 million who were diagnosed and 7.3 million who were undiagnosed. The report indicated that 88 million people age 18 years or older had prediabetes (34.5 percent of the adult U.S. population), while 24.2 million people age 65 years or older had prediabetes.

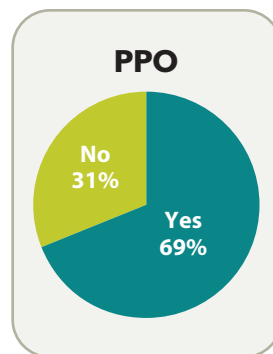
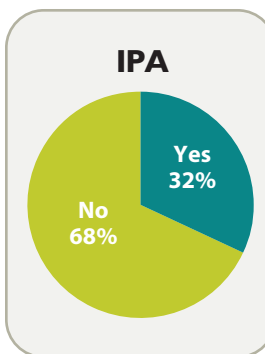
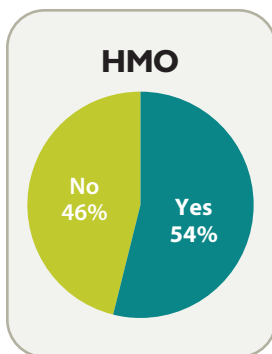
Newer data (2021) covering North America and the Caribbean from the International Diabetes Federation indicated that:

- One in seven adults (51 million) were living with diabetes.
- The number of adults with diabetes was expected to reach 57 million by 2030 and 63 million by 2045.
- One in four adults living with diabetes were undiagnosed.
- Diabetes caused 931,000 deaths in 2021.
- \$415 billion was spent on diabetes in 2021.

These large diabetes numbers likely reflect the impact of the pandemic as well given the cumulative effect of changes to diet, exercise, and stress levels in 2020.

Telemedicine to reach the diabetic patient base was particularly important during 2020, according to

MANAGED CARE GROUP PARTICIPATION



David Armstrong, PhD, DPM, as indicated in a news report in *PM* (February 2021). “During the pandemic, we are urging [diabetic] patients to seek regular checkups because foot sores can creep up silently and quickly. A recent study showed that telemedicine is just as effective as office visits in stopping diabetes-caused foot infections.”

Sensor technology continues to expand health monitoring applicability, ranging from Oura ring’s mini sensors for heart rate, blood oxygen, and skin temperature to smart watches that can detect irregular heart rhythms and even the promise of ear buds that will gauge your health. The direct impact of technology for diabetics includes smart caps for insulin pens, continuous glucose monitoring, and once-a-week insulin in development.

There has also been a movement toward a more consolidated treatment of diabetes at medical centers popping up across the U.S., according to a report from *AARP magazine* (October/November 2021), “looking not just at blood sugar levels but also at the disease’s major effects on the heart, blood vessels, kidneys, and other parts of the body.”

The important primary care role

of podiatrists in treating diabetic patients was presented in “The Exploding Incidence and Prevalence of Diabetes” by Leonard A. Levy, DPM, MPH (*PM*, April/May 2021). “It is virtually inappropriate for and not in the best interest of the patient for podiatric physicians not to be an integral part of this team,” he wrote. “Indeed, having to wait one or two months or even longer until a patient with a serious chronic condition such as diabetes and hypertension visits their internist could be critical to their health.”

PM also provides in-depth coverage of the diabetic patient in each November/December issue. In 2021, a Diabetes Marketplace section was added to highlight new and innovative products and services focusing on the diagnosis, prevention, and treatment of diabetic foot problems.

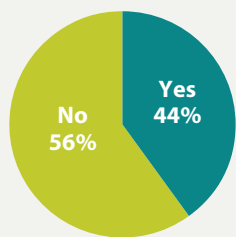
Medicare Diabetic Shoe Program

Forty-four percent of those surveyed said they participated in the Medicare Diabetic Shoe Program, down from 48 percent in our previous survey.

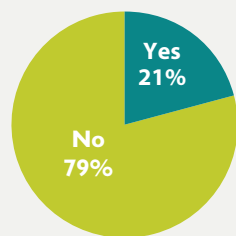
Paul Kesselman, DPM, provides ongoing coverage of this program through his “DME for DPMs” article in every issue of *PM* focusing on topics that range from coding to preventing claims rejections. Since the beginning of the pandemic, he has covered the changing audit landscape in light of the PHE. In “It’s Time for Podiatry to Say Something About DM Shoe Requirements” (April/May 2021), he pointed to paperwork as a reason why doctors do not participate, but

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Do You Participate in Medicare Diabetic Shoe Program?



Work in Nursing Home



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also mentions the issue of access. “In some areas of the country, there are no DMEPOS suppliers willing to participate in the Therapeutic Shoe Program,” he wrote. “This leaves many patients with the need to travel long distances or simply go without this needed service.”

The APMA has reportedly been working to address problems and concerns with the program, many of which have been presented online in *PM News* and in *PM*’s “Letters to the Editor.”

Patients with Wound Care: Little Change

The percentage of patients (diabetic and nondiabetic) who required wound care saw little change from our previous report. About half (49 percent) said that 10 percent or less of their patients required wound care. On the other end of the spectrum, 4 percent of those surveyed

Wound care technology continues to attract innovators seeking to find new approaches and tools to speed wound healing.

reported that *more than half* of their patients required wound care.

Respondents were slightly less inclined to refer patients to wound care centers/clinics, falling from 67 percent to 63 percent. Perhaps that would have fallen even further if DPMs surveyed had been able to treat some of the wounds themselves but did not due to office closure or limited in-person patient care. Instead, they may have referred to these clinics for treatment.

Regionally, Northeast respondents were most likely to refer patients to wound care centers, and Western DPMs were least likely.

Wound care technology continues to attract innovators seeking to find new approaches and tools to speed wound healing. Researchers at the National University of Singapore (NUS) and others have developed a smart, wearable sensor that can conduct real-time, point-of-care assessment of chronic wounds wirelessly via an app. According to a report by NUS, “The novel sensor technology can detect temperature, pH, bacteria type, and inflammatory factors specific to chronic wounds within 15 minutes, hence enabling fast and accurate wound assessment.” The abstract in *ScienceAdvances* (May 21, 2021), indicated that “this technology may facilitate more timely and personalized wound management to improve chronic wound healing outcomes.”

Among other wound care-related developments, researchers from the Rensselaer Polytechnic Institute have developed a way to 3D-print living skin, complete with blood vessels.

In each August issue, *PM* provides an in-depth look at wound care, covering such topics as diagnosing atyp-

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Survey (from page 73)

ical wounds, diabetes and endocrinology, improving the wound care patient's experience, treating plantar heel ulcerations, and wound care DME. *PM* recently added a useful Wound Care Marketplace section focused specifically on new products and technologies.

Multi-disciplinary organizations such as the Academy of Physicians in Wound Healing and the Association for the Advancement of Wound Care provide CE and lectures covering clinical, technological, and wound care-specific management topics, while the Council for Medical Education and Testing provides physician-specific certification in wound healing.

Nursing Home and Senior Living Insights

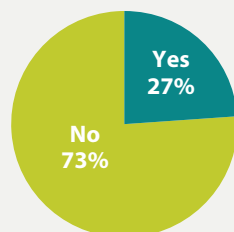
Surprisingly, 21 percent of those surveyed said that they worked in one or more nursing homes in 2020. Although that is 3 percentage points less than our previous report, we would have anticipated that COVID-19 restrictions would have prevented many doctors from treating these patients.

Telemedicine may have allowed DPMs to provide continuous care to this isolated patient population. Indeed, nursing homes were met with increased challenges as a result of the COVID-19 pandemic,

which telemedicine and telehealth helped to mitigate, according to "Telemedicine and Telehealth in Nursing Homes: An Integrative Review" in the *Journal of the American Medical Directors Association* (September 2021). "Measurable impacts such as reduced emergency and hospital admissions, financial savings, reduced physical restraints, and improved vital signs were found along with process improvements, such as expedient access to specialists," researchers concluded.

What's more, the demand for podiatric care in nursing homes could

Patients in Managed Care Programs



lish how much nursing homes must spend on direct care for residents. New York went as far as limiting how much nursing home owners/operators can profit while receiving state and Federal health care funding.

There were challenges for other types of senior residences as well in 2020. The senior housing industry was "severely impacted," according to data from the National Investment Center for Seniors Housing & Care (NIC).

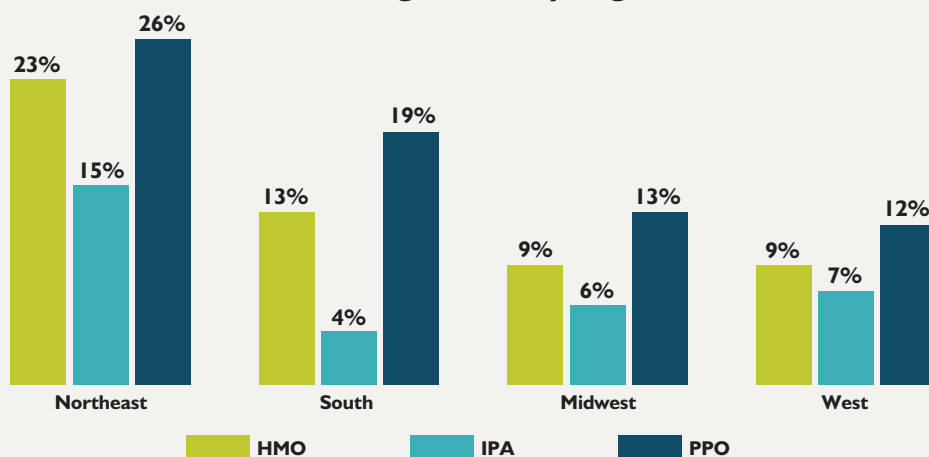
The occupancy rate for the senior rental market fell to a record low of 80.3 percent during the fourth quarter of 2020, including both independent

Nursing homes were met with increased challenges as a result of the COVID-19 pandemic, which telemedicine and telehealth helped to mitigate.

increase in at least three states that are focusing on improving nursing home care. According to a report in *AARP Bulletin* (December 2021), as a result of the "calamitous number of COVID-19 deaths," New York, Massachusetts, and New Jersey have set up the nation's first rules that estab-

and assisted living. The NIC attributed the decline, at least in part, to the high level of move-outs and weak demand during 2020 as a result of the pandemic. We anticipate a rebound in independent and assisted living residences post-pandemic, providing a viable patient base.

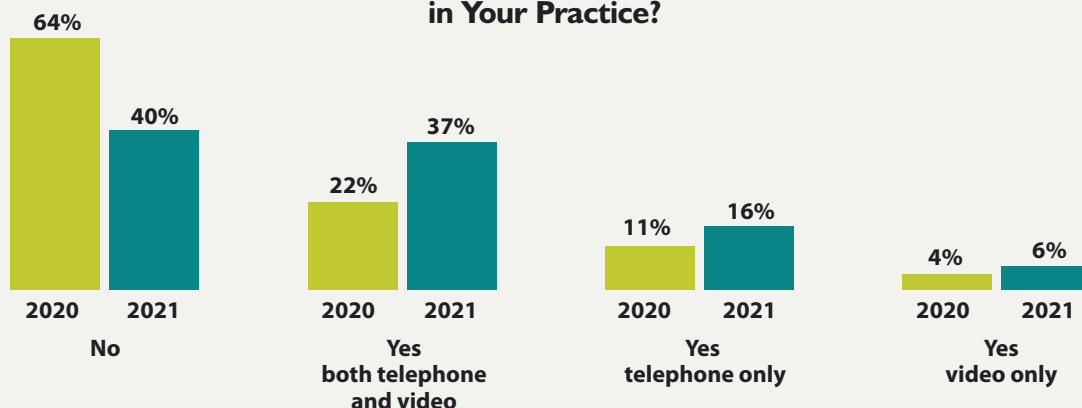
Managed Care by Region



Luxury senior living communities are another new potential opportunity for DPMs to reach patients where they live. "These upscale retirement homes cater to the affluent end of 'the silver tsunami'—the coming wave of aging baby boomers who are still socially and culturally active.... The vibe at these places is less dreary nursing home and more five-star wellness resort," ac-

Continued on page 76

Did You Use Telemedicine in Your Practice?



Survey (from page 74)

cording to a report in *The New York Times* (November 28, 2021). Additional emerging options include accessory dwelling units—small houses on property where a larger house exists; tiny homes (usually under 600 square feet); sustainable communities that allow residents to farm the

land; and communities that feature lifelong learning (usually near a college/university) and/or a focus on wellness.

The Magic housing model is another fairly new housing alternative gaining traction. Magic stands for multi-ability/multi-generational inclusive communities, where neighbor support is key. “Rethinking community in this way could reshape how and where older adults and people with disabilities live and receive care, while building symbiotic relationships between people of all ages,” according to a recent *WSJ* report (January 13, 2022).

Aging in place has continued to gain in popularity and even more so in 2020, when so many deaths were reported in nursing

homes and other senior-care facilities. Safety concerns have emerged for those remaining at home, with the CDC reporting that for adults 65 years of age or older, \$50 billion is spent annually on medical costs related to nonfatal fall injuries and \$754 million is spent related to fatal falls. The USCB predicts that people over the age of 65 will outnumber those under the age of 18 as soon as 2034, creating increasing demand for new senior-ready homes and retrofitting of current living arrangements to meet the elderly’s needs. Aging-in-place specialists—including those involved in construction as well as occupational therapists—are now available to guide seniors in designing homes and spaces in which they can age safely.

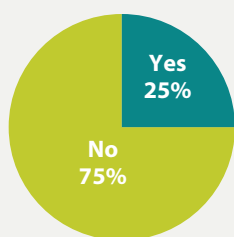
Among the newest technology is AARP’s HomeFit, a free augmented reality app on iOS that spots safety and mobility risks in the user’s home. Lowe’s and Home Depot have reportedly introduced merchandise specific to the needs of the elderly and disabled as well.

Indication That DPMs Signed on to Fewer MCOs

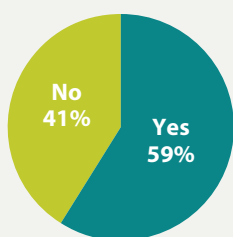
Overall, there was little significant change—notably, just some slight decreases—in the percentages of doctors who participated in the three types of MCOs in our survey: health maintenance organizations (HMOs), Independent Practice As-

Continued on page 78

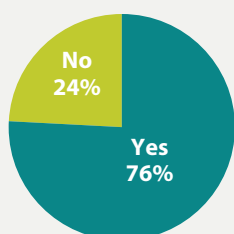
Are You a Participant in an Accountable Care Organization?



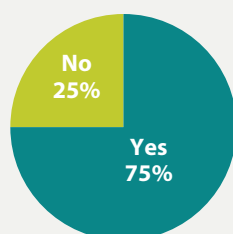
In Favor of Podiatrists Obtaining MD or DO Degrees



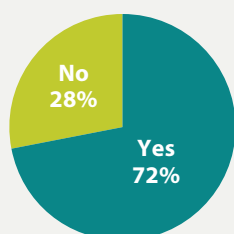
Board Certified



Membership in APMA



Do You Grind Nails?



Survey (from page 76)

sociations (IPAs), or Preferred Provider Organizations (PPOs). HMO participation dropped from 55 percent to 54 percent, IPA participation decreased from 33 percent to 32 percent, and PPO participation dropped from 71 percent to 69 percent. Twenty-seven percent of respondents' patients were in MCOs, up from 26 percent in our previous survey.

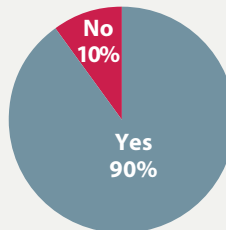
Breaking out each MCO type separately and cross-tabulating the data by region, a higher percentage of Northeast doctors participated in HMOs than any other region. The West and Midwest tied for the lowest percentage. For IPAs, the Northeast again came up on top, with the lowest participation

vey. While nearly one-fifth (19 percent) participate in eight or more programs, 41 percent only joined one or two. There seems to be a shift here, with a higher percentage of respondents limiting their participation compared to 2019, when only 34 percent participated in one or two programs.

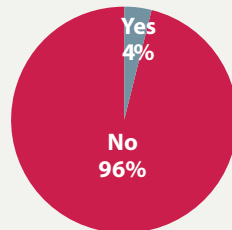
The number of programs doctors participated in varied according to practice setting. For example, DPMs in a professional corporation with other DPMs participated in an average of 5.5 programs, while VA doctors only signed

percent of those surveyed said *more than half of their income* came from MCO patients. That was up from 10 percent in last year's report. (See the

Do You Accept Medicare Assignment?



Have You Been Audited by Medicare?



Fourteen percent of those surveyed said *more than half of their income* came from MCO patients. That's up from 10 percent in last year's report.

percentage reported by the South. Lastly, the Northeast topped the list for PPOs, while the lowest participation for this MCO type was in the West.

Respondents signed on to an average of 3.9 programs, down from 4.3 programs in our previous sur-

vey. While nearly one-fifth (19 percent) participate in eight or more programs, 41 percent only joined one or two. There seems to be a shift here, with a higher percentage of respondents limiting their participation compared to 2019, when only 34 percent participated in one or two programs.

Despite the reductions indicated above, the average *income* derived from MCO plans increased from 22 percent to 24 percent. Breaking down the data even further, we see that 14

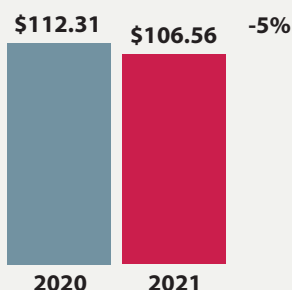
percent of those surveyed said *more than half of their income* came from MCO patients. That was up from 10 percent in last year's report. (See the

"Fees, Medicare and Audits" section in this report for data on percentage of fees respondents collected.) Cross-tabulations of MCO income by number of years in practice indicated that with one exception, the longer the doctors were in practice, the higher the percentage of income that came from their MCO patients. In fact, new DPMs (in practice less than a year) reported 21.6 percent of their income from these patients, with this percentage climbing to 30.3 percent for doctors in practice longer than 30 years. (The one exception was that doctors in practice 21-30 years indicated 29.7 percent of their income from these

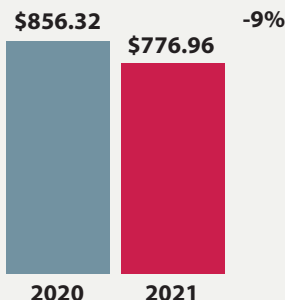
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FEES

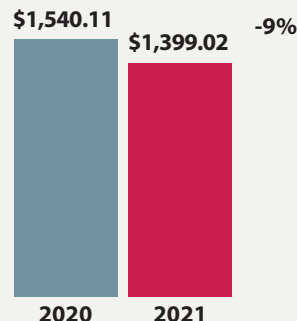
Injection, Small Joint/Bursa (20600)



Hammertoe Surgery (28285)



Bunionectomy with Osteotomy (28296)



Survey (from page 78)

patients, while those in practice 11-20 years reported a slightly higher 29.9 percent.)

One in four doctors said that they participated in an Accountable Care Organization, down from 29 percent in our previous survey.

Not included here are the growing number of practices that have adopted an all-cash or concierge model. As practices struggle with reduced insurance reimbursements, we will see if this movement gains some traction and will perhaps add a question about opting out of insurance plans in a future questionnaire.

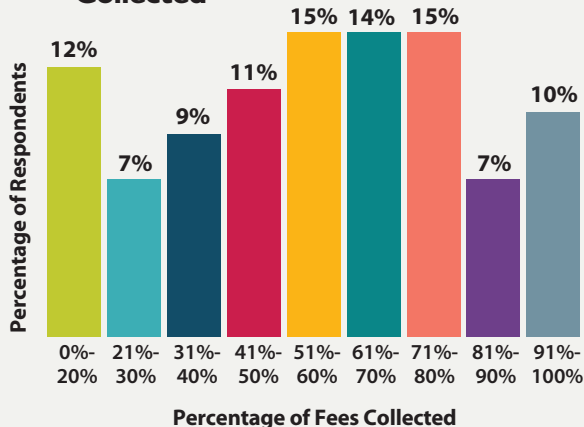
Percentage of Uninsured Relatively Stable

While we expected the upheaval of 2020 would cause the proportion of uninsured individuals in the U.S.

to skyrocket, that percentage (i.e., those having neither public nor private health insurance) increased just a fraction of a percentage point: from 8 percent in 2019 to 8.6 percent in 2020, according to the USCB. The South had the highest per-

centage of uninsured (11.8 percent), followed by the West (8.2 percent), the Midwest (6.2 percent), and the Northeast (4.8 percent). Besides having the lowest uninsured rate, the

Percentage of Fees Collected



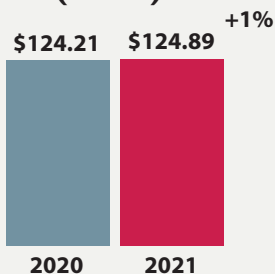
Northeast also experienced the smallest increase in uninsured compared to 2019, up only 0.1 percent.

Private health insurance cover-

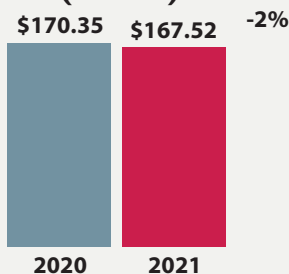
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FEES

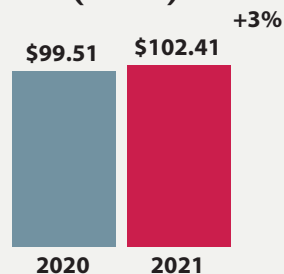
Initial Exam (99203)



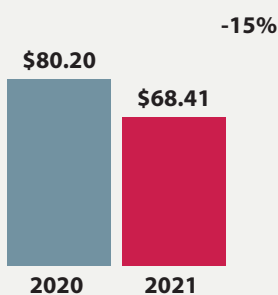
Initial Exam (Level 3)



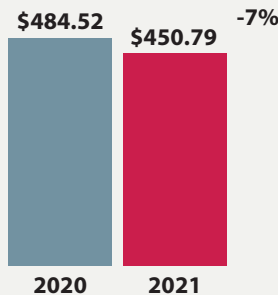
Subsequent Visit (99212)



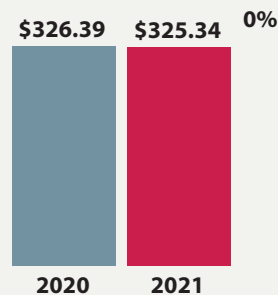
X-Rays (1 Plate) 2 Views (73620)



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



Matrixectomy, Partial Permanent (11750)



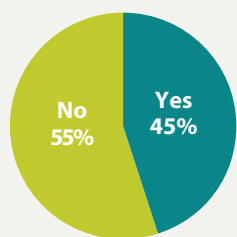
Survey (from page 80)

age was more prevalent than public coverage, at 66.5 percent and 34.8 percent, respectively. Some people may have had more than one coverage type in 2020. Employment-based insurance was the most common subtype of health insurance, covering 54.4 percent of the population for some or all of the calendar year, according to the USCB.

An eHealth survey of health insurers (November 2021) gave some indication as to COVID-19's impact on insurance rates and coverage in the near future. Eighty-eight percent of insurers surveyed said they did not anticipate raising rates due to the pandemic, while 5 percent anticipated raising rates up to 5 percent. In addition, while most insurers surveyed said they were unlikely to make changes to plan benefits as a result of the pandemic, those that did plan to focus on benefits for telehealth, home visits, and mental health.

We will watch for legislation that looks to tackle the disparities in access to health care. Changes under consideration include expansion of Medicare and Medicaid, lowering drug prices, and providing a Federal public option for health insurance.

Did You Receive a PPP Payment?



APMA Membership: Key Benefits During 2020

Three quarters of those surveyed belonged to the American Podiatric Medical Association (APMA), down slightly from 76 percent in our previous survey.

Having the support of the APMA during the height of COVID-19's first wave was particularly important to many practices. The organization provided a robust section of COVID-19 resources geared specifically to podiatrists, including information on financial assistance

were represented during this period of fast-paced legislative changes. Topics included telehealth, personal protective equipment (PPE), support for rural facilities, loosening scope-of-practice restrictions, and numerous clarifications to ensure that podiatrists were included with other physicians.

Non-COVID-19-related benefits of APMA membership include Young Physicians resources (including student debt management, coding and reimbursement resources, a career center, and leadership opportunities); practice management and reimbursement resources; educational resources (annual meeting, podcasts, webinars, CE, and publications); and

Having the support of the APMA during the height of COVID-19's first wave was particularly important to many practices.

for practices/provider relief funds, telemedicine, Centers for Medicare & Medicaid Services (CMS) updates, nursing home guidance, and more.

Perhaps of greatest impact was the APMA's role in advocacy for the profession during 2020. Its website listed 19 COVID-19-related comment letters covering a rich array of timely recommendations to ensure that podiatrists and their patients

useful public health information.

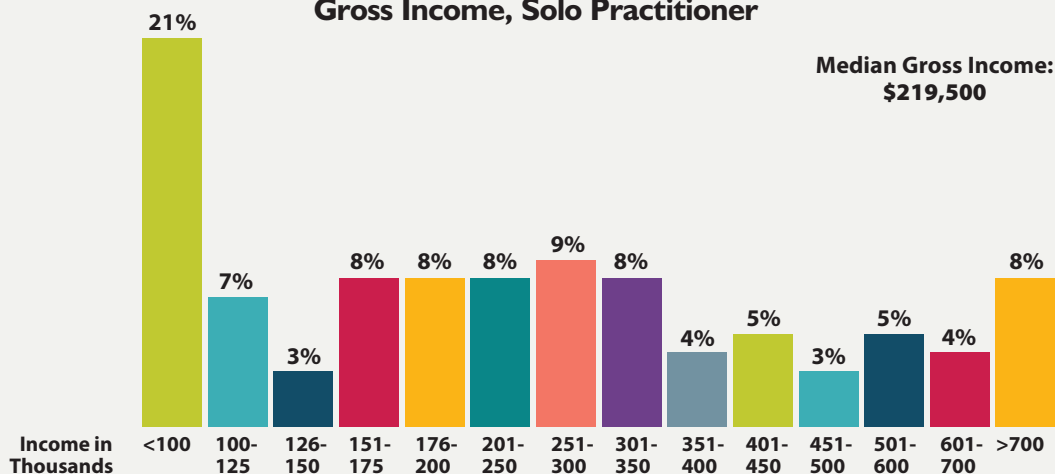
Note also that APMA members earned more than nonmember colleagues in our latest survey. (See "Net Income" section for details.)

Board-Certified Relatively Stable

The percentage of those Board Certified fell slightly from 77 percent to 76 percent.

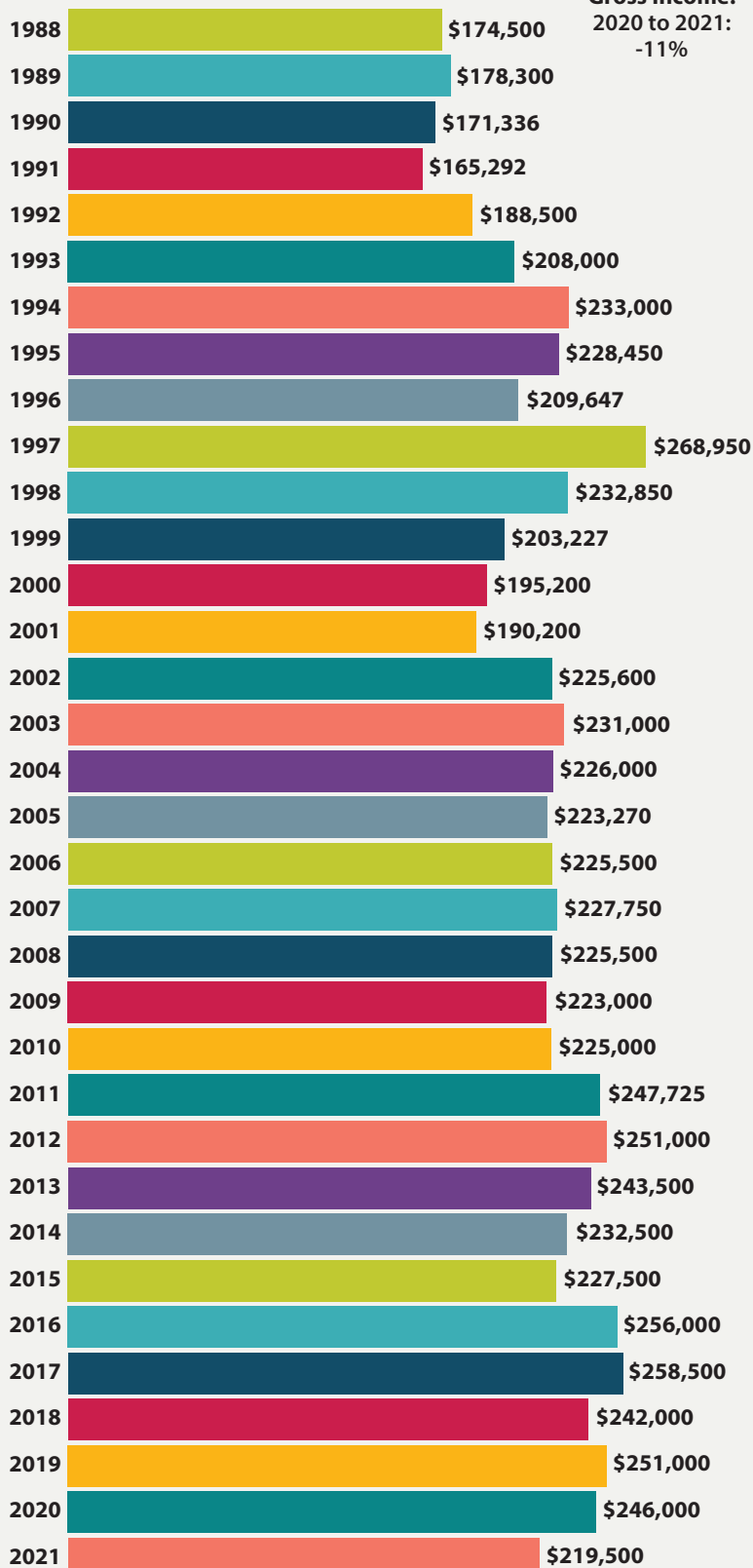
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Gross Income, Solo Practitioner



Cumulative Gross Income, Solo Practitioner

Change in
Gross Income:
2020 to 2021:
-11%



Survey (from page 82)

We expect that this relatively stable percentage reflects two diverse phenomena. First, there was a slight increase in the percentage of new DPMs—many of whom may not have had the experience required as yet to become Board Certified. Meanwhile, other podiatrists may have used the additional at-home time in 2020 to study for Board exams.

Board Certification has a well-documented practice growth and financial impact. MCOs often make Board Certification a requirement to joining their panels. Patients increasingly seek this credential when choosing a provider from on-line lists. Board Certified respondents earned more than colleagues who were not certified in our most recent survey (see “Net Income” for details) as well as every year we have cross-tabulated the data, going as far back as the report covering 2004.

Less in Favor of Degree Change

The percentage of those in favor of podiatrists obtaining an MD or DO degree fell significantly compared to our previous survey, dropping to 59 percent from 67 percent. That is the lowest percentage we have reported since 2012.

Degree change and scope of licensure continue to be a recurring topic in *PM* and *PM News*. An expert panel discussed advantages and disadvantages, reimbursement, and other issues in “Licensure and Podiatric Medicine” by Marc Haspel, DPM (June/July 2021). *PM* Editor Barry Block’s October 2021 editorial, “Are Our Leaders Listening?” presented results of a *PM* Quick Poll indicating that the vast majority of respondents (68 percent) were in favor of the proposed American Medical Association (AMA) resolution allowing podiatric students and residents to take the USMLE exams.

When a recent *PM* Quick Poll asked whether podiatrists have achieved parity with allopathic physicians, 77 percent of the 917 respondents said no.

Continued on page 85

Survey (from page 84)

FEES, MEDICARE & AUDITS

Initial exam and subsequent visit fees compared to 2019 were up 1 percent, to \$124.89, and 3 percent, to 102.41, respectively, while initial exam (Level 3) fees dropped 2 percent, to \$167.52.

Meanwhile, fees for every other procedure listed fell compared to last year's data. X-rays dropped the most, down 15 percent to \$68.41. Fees for radical bunionectomies and hammertoe procedures were each down 9 percent to \$1,399.02 and \$776.96, respectively.

Doctors have long indicated that the fees they specified were rarely what they were paid. Thus we asked, for the first time, what percentage of their fees they generally collected (combining insurance payments and patient payments/co-pays averaged across all plans). Responses varied widely (see chart). It's interesting to note that about one in eight doctors (12 percent) collected 20 percent or less of their set fees. Averaging all responses, doctors collected 56 percent of their listed fees.

It is interesting to note that many employed respondents (working in hospitals, the VA, an HMO, and partnership/group practices, among other settings) said they did not know what fees were charged or the percentage collected. Others expressed frustration as to the percentage collected. Noted one such respondent: "Insurance companies pay us way less than veterinarians."

Fewer Participated in Medicare; Audits Stable

The percentage of DPMs who participated in Medicare dropped from 93 percent to 90 percent.

As we reported last year, CMS and Congress took action in early 2020 to mitigate the financial impact of the pandemic on U.S. health care providers. CMS accelerated Medicare payments to hospitals and advanced payments to physicians and other providers to minimize the effects of revenue shortfalls.

Audit figures among respondents remained unchanged from our previous survey, with 4 percent indicating that they had been audited. Pay-back amounts, however, appeared to drop year-to-year, with no doctors surveyed required to pay back more than \$10,000 as a result of an audit. This compares to 4 percent last year who were required to pay back between \$10,001 and \$100,000. The vast majority (86 percent) were required to pay back \$1,000 or less. Due to the PHE, CMS suspended most medical reviews and audits during the first few months of the pandemic. Now that audits, especially to DME, have been reinstated, the percentage reported in our next survey may be slightly higher.

Dr. Kesselman provides an inside look at audits in his article, "Inside the Mind of an Auditor—Part 1," on page 31 in this issue.

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Survey (from page 85)

GROSS INCOME

The median gross income for solo practitioners fell 11 percent to \$219,500. This was the lowest top-line number we have seen since our report covering the year 2000 and does not take into account inflation. (Taking into account inflation, it is the lowest gross income we have reported in the history of this survey.)

Contributing to this decrease was the fact that more than one in five doctors surveyed (21 percent) took in less than \$100,000. In our previous survey, only 14 percent of respondents reported such low revenue. Not even the slight increase in high-earning practices (those grossing more than \$500,000) could prevent the resulting low median revenue amount.

Partnership/group practitioners fared much better than their solo colleagues, and, in fact, reported a 7 percent *increase* in median gross income at \$201,000. Note that this gross

Partnership/group practitioners fared much better than their solo colleagues, and, in fact, reported a 7 percent increase in median gross income at \$201,000.

income figure was substantially less than solo colleagues because it represents the doctor's *share* of the total gross income.

Regionally, for all practice types combined, DPMs in the Northeast and West reported the highest median gross income at \$209,500 in each region. The South grossed \$192,500, and the Midwest region took in \$191,000.

We also broke out gross income data by community size for all practice types and found the highest median gross revenue in large cities and rural practices (each at \$214,500). Doctors in a metropolis followed at \$189,750, and small-city respondents grossed \$188,500.

YOUR OVERHEAD EXPENSES

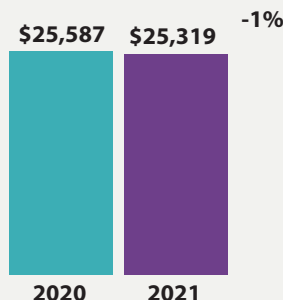
Gross Salary Payments



New Data: Paycheck Protection Program

Because of its relevance to income, expenses, and overall practice sustainability during the height of the COVID-19 crisis in 2020, we asked respondents whether they had received

Office Space



and the average amount received was \$57,615. Perhaps some practices furloughed staff (see the section covering gross salary payments in “Expenses”) and did not qualify for loan forgiveness. Others may have taken advantage of other government grants available to small businesses during this period.

EXPENSES & TRENDS

COVID-19 shutdowns and high infection rates during 2020 played a big role not only in what doctors took in but in what they spent. Inflation was relatively low at 1.2 percent during the year, according to the U.S. Bureau of Labor Statistics (BLS), despite the price gouging evident for some COVID-19-related goods.

While we expect the financial impact of COVID-19 to dissipate over time, other issues, such as global warming, extreme weather, and an aging infrastructure will likely have an increasingly negative impact on practice costs. What's more, the even higher inflation rate—hitting a 40-year high of 7 percent in 2021—will undoubtedly drive up costs reported in next year's survey.

For now, here is a rundown of respondents' 2020 expenses, how these costs compared to 2019, and what may be in store for each category in the near future.

Continued on page 87

a PPP loan. The PPP, established by the CARES Act, was implemented by the Small Business Administration with support from the Department of the Treasury and provided small businesses with funds to pay some payroll costs including benefits. Funds could also be used to pay interest on mortgages, rent, and utilities. PPP loans made to eligible borrowers qualified for full loan forgiveness if certain criteria were met during the eight- to 24-week covered period following loan disbursement. This program encouraged employees to maintain their workforce during the pandemic.

Forty-five percent of those surveyed said they received this loan,

Survey (from page 86)

• **Gross Salary Payments**—During 2020, when many practices had to shut down and temporarily furlough staff, salaries across the nation fell. Survey respondents reported spending an average of \$94,243, an 8 percent drop compared to last year. Looking at salaries by region, Northeast DPMs spent the most, at \$111,135, followed by the South (\$91,660), the Midwest (\$82,887), and the West (\$80,357).

We would have expected this drop to be much more pronounced if not for the aforementioned PPP. (The PPP ended on May 31, 2021.) Even those practices that kept their staff on payroll found that some did not want to risk COVID-19 exposure and left the workforce voluntarily.

We anticipate that gross salary payments will rebound in our next survey and may surpass previous costs due to the low unemployment rate. In fact, according to the BLS, the job of medical assistant is expected to grow 18 percent between 2020 and 2030—much faster than average. That compares to an overall employment increase for this period of 7.7 percent.

Podiatry is not alone in its quest to hire and retain top-notch staff. A *Medical Economics* article (December 31, 2021) cited hiring and retaining staff as physicians' top challenge of 2022. While the U.S. workforce is tight generally, other factors contributing to a dearth of medical staff are fear of contracting COVID-19, a desire to work virtually, lack of advancement, and higher salaries in other industries.

• **Office Space**—The amount spent on office space fell just a few hundred dollars to \$25,319 in our latest survey. Regionally, DPMs in the Northeast spent the most, at \$29,701, followed by the South (\$25,869), the West (\$24,002), and the Midwest (\$19,346).

Multiple factors may have contributed to the stable cost in this category. Despite the upheaval caused by COVID-19, doctors surveyed were likely already tied into their schedule of lease or mortgages payments—and still made them even when their offices may have been vacant. (Telemedicine provided a way to continue seeing patients outside the usual office setting and gave DPMs an income stream so that they could continue to make their payments; see the telemedicine section for further discussion. The PPP also provided funding here.)

While some doctors likely negotiated lower rent amounts or even a rent abatement during the height of COVID-19 closures, others may have taken advantage of the soft commercial rental market to move to equivalent spaces or even expand their office size at a lower per-foot cost. In fact, asking rent per square foot of medical office buildings in nine out of 10 selected markets in the U.S. dropped in 2020 compared to 2019—with Miami and New York City showing the biggest decreases, according to a report by Statista.

Relatedly, LinkedIn reported a 357 percent rise in remote job offerings between May 2019 and May 2020—a trend that will likely continue in a tight job

Continued on page 88

Survey (from page 87)

market and as companies become more comfortable with managing

staffs remotely. The impact on office rent? The resulting glut in office space will likely drive prices down, at least for the short term

and perhaps into the distant future, especially as tech tools continue to enhance virtual workspaces.

Mortgage rates dropped in 2020 due to the Federal Reserve lowering rates in response to COVID-19. Doctors who purchased buildings or refinanced may have reduced their monthly costs in this category.

Future office spaces may look dramatically different than the ones with corralled patients in waiting rooms that we saw before the pandemic. Digital check-in tools have increasingly led to more hotel-like check-ins at many practices. Larger spaces may be used for doctors who are hiring or partnering with other DPMs (especially given the larger percentage of both in our survey results) or adding new services and/or equipment. Expansion will likely continue to become more affordable as the U.S. economy shifts—perhaps permanently—to a part- or full-time remote workforce and the commercial real estate market remains soft.

• **Fixed Equipment Expenses**—

It is no surprise that doctors spent less on fixed equipment during 2020, dropping 20 percent to \$3,487. Revenue was down, so less funds were available for equipment expenses and upgrades. In addition, telemedicine became more widely used, reducing the need for in-office diagnostic and treatment equipment. Even equipment maintenance costs, if included by respondents here, were likely far less due to the reduced wear and tear and the likely postponement of on-site servicing.

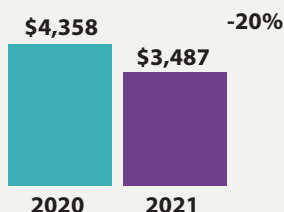
Doctors who did spend money on equipment likely upgraded their telecommunications capabilities to improve the doctor-patient telemedicine experience. Items they may have purchased include new laptops, lighting, microphones, monitors, and related equipment. Even sales of desktop computer systems experienced a rebound during the pandemic, according to a *WSJ* report (December 30, 2021).

Those who budgeted for equipment in 2020 may have leased or purchased chairs, tables and carts; digital x-ray equipment; pressure as-

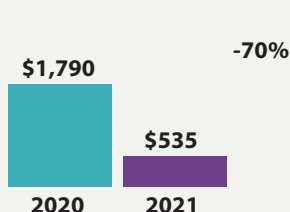
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YOUR OVERHEAD EXPENSES

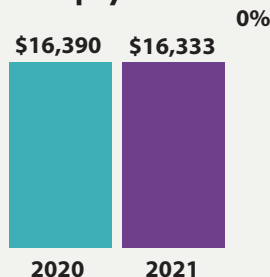
Fixed Equipment Expenses



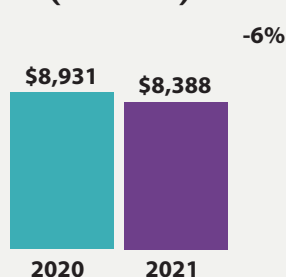
Bio/Pathology Laboratory Expenses



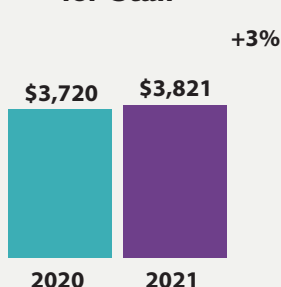
Student Loan Repayment



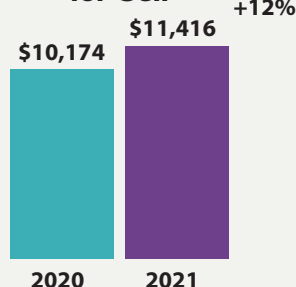
Laboratory Expenses (Orthotic)



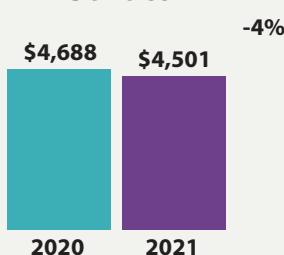
Pension Contribution for Staff



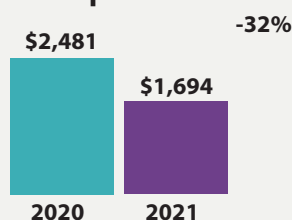
Pension Contribution for Self



Utilities

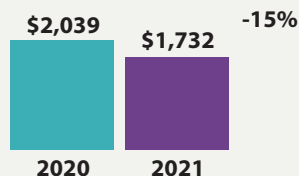


Educational Expenses

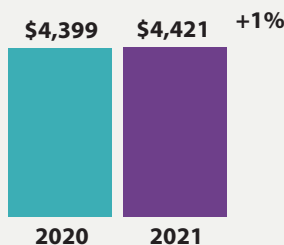


YOUR OVERHEAD EXPENSES

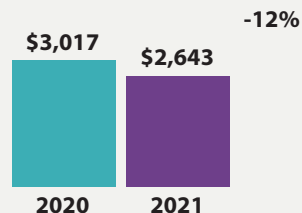
Professional Dues



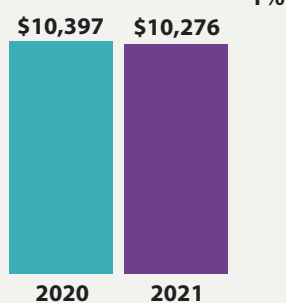
Office Supplies (Non-Medical)



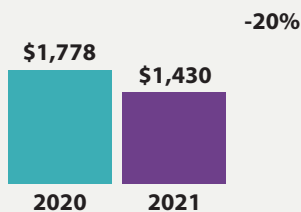
Non-Malpractice Insurance



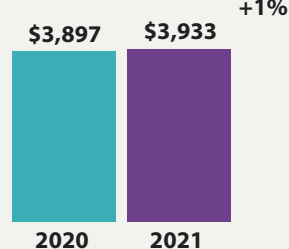
Disposable Medical Supplies



Cleaning & Office Maintenance



Legal & Accounting Expenses



Survey (from page 88)

assessment devices; laser systems (for pain management, skin lesions/warts, nail fungus, etc.); ultrasound devices; peripheral artery disease and vascular screening devices; microwave therapy systems; acoustic wave/shock wave technology; surgical power systems; oxygen wound therapy devices; neuropathy and chronic pain treatment devices; and scanners (for custom orthotics, braces, diabetic inserts, etc.). Equipment selection and—most relevant to our survey—return on investment considerations are covered in *PM* (see “If You Buy It, Will They Come?” by Andrew Schneider, *DPM* (March 2021)) and in discussions among colleagues in *PM News*.

The percentage of respondents who said they incorporated digital x-ray technology dropped 3 percentage points to 66 percent. However, another 20 percent of DPMs indicated that they planned to incorporate this technology into their practices within the next two years.

• **Computer Service/Maintenance and the Internet**—The cost for computer-related services dropped 17 percent to \$4,870—undoubtedly as a direct result of the pandemic. Doctors surveyed may have postponed needed maintenance, especially in-office servicing. However, we do expect that as they made the switch to tele-

against Zoom, Microsoft, Facebook and Twitter. “The number of hacking incidents reported in health care climbed for the fifth straight year in 2020...jumping 42 percent in 2020,” according to “Increased Cyberattacks On Healthcare Institutions Shows The Need For Greater Cybersecurity,” by Nick Culbertson on *forbes.com*.

Data security breaches and cyberattacks have increasingly put confidential and financial data at risk.

medicine, respondents relied on computer experts to help them prepare their systems for patient encounters.

Data security breaches and cyberattacks have increasingly put confidential and financial data at risk. In 2020 alone, health care giant Magellan Health fell victim to a phishing scam and ransomware attack that affected 365,000 patients across eight affiliates and health care providers. Other major attacks were reported

In fact, a recent *PM* Quick Poll of 430 DPMs revealed that 19 percent had been hit with a ransomware attack in their office and/or hospital.

These threats will likely accelerate, especially as large companies yield to the demands of cyber criminals. *PM* covered incidents and advice specific to health care professionals in “Cybersecurity in the Healthcare Industry” by Julie Anne

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Survey (from page 90)

Chua, PMP, CAP, CISSP, and the 405(D) Task Group (August 2021) and “What You Need to Know About Ransomware” by James D. Krickett (October 2021).

On the internet front, broadband costs continue to rise as providers make up for pay-TV losses and cable cost-cutters. Given that the internet is a lifeline for those working remotely, we expect those internet costs to continue to rise as fast as or faster than inflation.

• **Utilities**—The cost for utilities dropped 4 percent in our most recent survey to \$4,501, even after a 16 percent drop in last year’s report. We would have expected this cost to drop even further, as the need for heat, electricity, etc., likely plummeted with reduced numbers of patients seen in-office.

Some cost declines were reflected in national energy figures. For example, the cost of electricity for commercial buildings dropped about 9 cents per kilowatt hour—down slightly less than 1 percent, according to data from U.S. Energy Information Administration.

Heating costs (oil, gas, electricity, etc.) for respondents in many areas were likely lower, given that 2020 was one of the three warmest on record, and rivaled 2016 for the top spot, according to a report by the World Meteorological Organization. Also, given the large response rate in the Northeast, there was likely a correlation between the warmer temperatures and lower costs.

Data from the BLS showed a 4 percent rise in costs for natural gas, a 2.2 percent increase for electricity, and a 20 percent drop in the cost for fuel oil between 2019 and 2020.

Lower costs in this category may be short-lived. We expect these utilities to increase in cost dramatically given that electricity, gas service, and heating fuel rose 6.3 percent, 24.1 percent and 41 percent, respectively during 2021. Also driving utility cost increases will be higher utilization as practices return to pre-pandemic patient levels.

Water costs continue to escalate

as many areas experience drought. According to an extensive report on climate threats in *The New York Times* (January 2, 2022), the entire middle of the country has been experiencing drought, while there have been heat waves in the Northwest and wildfires in the Southwest. Straining already existing water systems is the escalated rate of housing starts that continue unabated. In the Northeast, the maintenance costs for an aging water infrastructure are passed on to con-

• **Educational Expenses**—Doctors surveyed spent 32 percent less on educational expenses, averaging \$1,694 during our survey period.

COVID-19 undoubtedly impacted this cost, with the cancellation of just about all in-person events from March 2020 through the end of the year. Hotel, travel, meal, and other related costs literally disappeared from budgets. Even as doctors pivoted to online offerings, uncertain income levels may have led doctors to choose free or low-cost programs.

Organizations administering continuing education pivoted quickly to provide extensive online offerings.

sumers and will likely continue to push up rates.

A report by Bluefield Research covering water and wastewater utility bills for 50 U.S. cities showed a cost increase of 6.37 percent between 2019 and 2020—the biggest jump in more than five years.

New technology is likely to impact the cost of these utilities. Solar roofing shingles—which may be more aesthetically pleasing than large solar panels, and thus may have a larger commercial appeal—are already on the market; floating offshore wind turbines are in the works, potentially expanding the use of energy generation in deeper waters; and there are prototypes of equipment that can turn garbage into clean fuel. Even nuclear power is again being considered as an alternative energy source—but on a smaller scale—to reduce costs and greenhouse gas emissions.

Cellular telephone fees, also included in this expenses category, may have been lower with fewer employees and increased competition and incentives by major wireless companies. Also, since partnership/group practitioners share utility costs, the overall per-person rate for both cell and in-office business phone systems may have been lower in 2020 than it was in our previous survey.

Organizations administering continuing education pivoted quickly to provide extensive online offerings, taking advantage of virtual platforms to attract a wide array of experts both geographically and by specialty.

We anticipate that there will be a slight uptick in spending for education in our next survey, and an even larger amount will likely be spent when the pandemic is fully behind us—especially due to the pent-up demand for in-person events post-COVID-19.

• **Professional Dues**—DPMs surveyed spent 15 percent less on professional dues compared to last year’s respondents, averaging \$1,732.

Doctors surveyed undoubtedly looked to their fellow members for guidance during the early days of COVID-19. As previously mentioned, DPMs may have been unable or unwilling to attend live association gatherings in 2020, with many organizations stepping up their online offerings. They used Zoom, Microsoft Teams, and other platforms to provide not only CME but resources to navigate the plethora of practice management issues doctors faced during this period. The APMA, in particular, provided (and continues to offer) a robust toolkit to help podiatrists with these challenges. (See the

Continued on page 94

Survey (from page 92)

APMA section for COVID-19-related details.)

Note that some local business organizations shared their resources with nonmember businesses at no cost at the start of the pandemic and encouraged members to share their information with nonmember colleagues.

- **Professional Liability**—Respondents spent \$8,651 on professional liability, a decrease of 4 percent from our previous report.

This decrease was particularly surprising given the premium data increases reported for medical practices during our survey period. According to the AMA's "New Data Show the Highest Prevalence of Medical Liability Premium Increases in 15 Years," 14 states reported medical malpractice premium increases of 10 percent or more between 2019 and 2020. Some increases were much high-

Litigation surrounding COVID-19-related cases is just beginning. We will follow how this might impact malpractice premiums in future surveys.

er, such as in Kentucky and South Carolina, where premiums jumped 27 percent or more.

Litigation surrounding COVID-19-related cases is just beginning. We will follow how this might impact malpractice premiums in future surveys.

- **Non-Malpractice Insurance**—On the tail of an 18 percent decrease last year, the cost of insurance such as general liability, fire, theft, flood, practice-related automobile, and business interruption, and related coverages dropped another 12 percent to \$2,643.

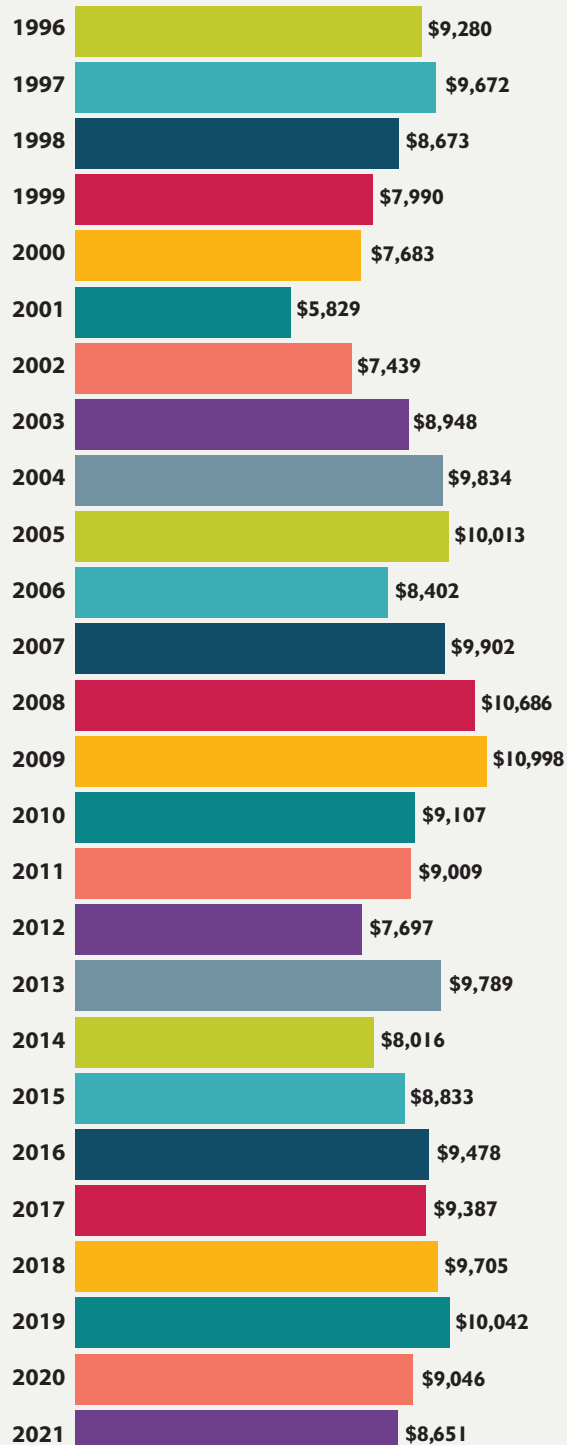
We would have anticipated a slight increase given that, according to the National Association of Insurance Commissioners (NAIC), average commercial premium rates—which included general liability, commercial property, commercial auto, workers' comp and umbrella insurance—rose 3.6 percent during the same period. As with other expenses previously mentioned, respondents may have reported lower rates due to the higher percentage of partnership/group doctors, who divide this cost.

A top emerging insurance risk in its report covering 2020 is cybersecurity, notably network intrusion, data theft, and ransomware incidents. NAIC also anticipated flooding risk to increase. In fact, there were 22 catastrophic events in 2020 costing \$1 billion or more compared to 14-16 events for each of the four previous years. Top of the 2020 list, by cost, were Hurricane Laura, Western wildfires, Midwest Derecho, and Hurricane Sally.

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Professional Liability

Change in Professional Liability
2020 to 2021: -4%



Survey (from page 94)

• **Legal and Accounting Fees**—Legal and accounting fees remained relatively flat, edging up only 1 percent to \$3,933.

According to the Thomson Reuters (TR), legal fees rose 4.9 percent in 2020. Much litigation was postponed during 2020, although some doctors may have needed legal assistance for new leases and mortgages. The legal cost may escalate in the future as the courts catch up with their case backlog. And as previously mentioned, we have yet to see if COVID-19-related legal actions impact future costs in this category.

TR also reported that average CPA firm profitability, measured by income per partner, rose 4.8 percent between 2019 and 2020. That was slightly lower than the 6 increase during the two previous years.

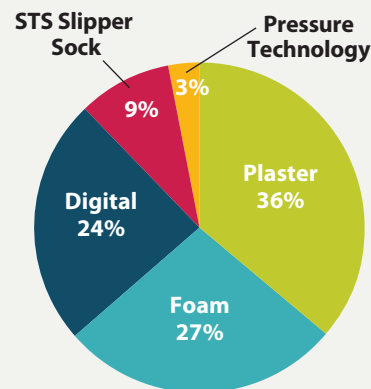
We anticipate an increase in accountants' fees for 2021 as many

report, doctors appeared to at least partially make up for lower net income with these pension payments. DPMs rewarded staff as well, which should help with retention. We anticipate that staff pensions will be an increasingly valuable benefit in the tight labor market.

• **Student Loan Repayment**—Student loan repayment remained flat year-to-year, averaging \$16,333 in our latest survey.

We expected a drop in payments given that starting March 13, 2020, the U.S. Department of Education enacted a Federal student loan payment pause, or administrative forbearance, that included a suspension of loan payments, a 0 percent interest rate and stopped collections on defaulted loans. (The measure is scheduled to end on May 1, 2022.) Perhaps payment suspension was offset by the amounts that needed to be repaid by the slightly larger group of DPMs in

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



use of telemedicine, which reduced the need for these supplies. What's more, scarcity was common at the height of the pandemic in 2020, driving up costs as Americans stockpiled these items for personal use.

CPT® 99072 provided some financial relief in light of the increased PPE spending during 2020. According to the AMA, the code covers "additional supplies, materials, and clinical staff time over and above those usually included in an office visit or other non-facility service(s), when performed during a Public Health Emergency as defined by law, due to respiratory-transmitted infectious disease." Published in September 2020, this code may have provided some end-of-year financial relief for some practices.

• **Orthotics**—The amount spent on orthotic lab expenses dropped 6 percent to \$8,388. The number of pairs of true custom orthotics sent to an outside lab each week was 2.1 pairs, down from 2.6 pairs in our previous survey. Respondents dispensed more prefabricated orthotics weekly, rising from 5.8 pairs to 6.7 pairs.

Plaster remained the top preferred method of foot measurement for prescribing orthotics, with 36 percent of DPMs making that their first choice. Next popular was foam (27 percent), optical or laser digital (24

Continued on page 98

Despite lower net income levels, doctors surveyed provided larger average pension contributions for both themselves and their staff members.

firms likely had to assist practices with PPP and other loan paperwork, employee issues, and other COVID-19-related matters in 2020 and early 2021 and may have not been billed for those services until 2021. According to *Forbes* (August 18, 2020), when it came to applying for COVID-19-related governmental funding, its 2020 State of Small Business Research found that 73 percent of small business owners with an accountant said their accountant's advice was important in applying for loans and grants.

• **Pension Contributions**—Despite lower net income levels, doctors surveyed provided larger average pension contributions for both themselves and their staff members. DPMs' average pension rose 12 percent to \$11,416, while staff pensions were 3 percent higher at \$3,821.

As mentioned at the top of this

practice five years or less. Also, some respondents may have had private loans, which did not qualify for this pause.

• **Bio/Pathology Lab Expenses**—The cost for bio/pathology lab expenses plummeted 70 percent to \$535 among survey respondents. This is likely directly connected to the reduced in-person care patients experienced during 2020.

• **Disposable Medical Supplies**—Despite greater use of telemedicine, disposable medical supply costs dropped by 1 percent year-to-year to \$10,276. Undoubtedly, the dramatic increase in personal protective equipment (PPE)—referring to protective clothing, face masks/shields, helmets, gloves, goggles, or other equipment designed to protect the wearer from injury or the spread of infection or illness—was offset by the greater

Survey (from page 96)

percent), STS Slipper Sock (9 percent), and pressure technology (3 percent).

The most popular off-loading procedure remained post-op shoe/boot/walker, with 73 percent choosing that method (down from 76 percent). Modifying existing footwear was used by 14 percent of respondents, up from 11 percent, and TCC showed no change in use at 12 percent.

The average number of AFOs prescribed for all types were down slightly compared to our previous survey. Gauntlet AFOs were most often prescribed, at 2.7 per month vs. 3.2 in our last report. Next were solid AFOs at 2.6 per month (down from 2.9), functional hinged AFOs (Richie type) at 2.3 (down from 2.7), and Dorsiflex Assist AFOs at 1.9 (down from 2.3).

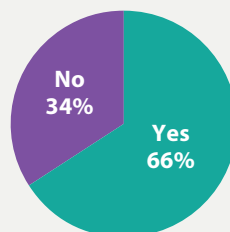
Undoubtedly, many of these decreases were the result of the suspension of in-person care during 2020 or patients delaying podiatric visits due to the pandemic. Many patients may have reduced their activity, re-

sulting in fewer foot and ankle injuries (especially the elderly, who remained largely homebound). These numbers will likely rise post-COVID.

Branding options and new technology can provide practitioners with a much-needed additional income stream. Customized orthotics with practice branding connect patients to the practice, while orthotics technology (such as sensory insoles allowing for remote patient monitoring) can link patients to the practice over the long term. New technologies and treatments in the area of orthotics and biomechanics are covered in *PM* annually in the September issue.

AI-powered shoes in the works could also help identify early signs of motor disorders, according to a re-

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



port in the *WSJ* (July 9, 2021). Developer Damiano Zanotto is quoted as saying his SportSole system could “help diagnose neurological disorders that affect motor functions, quantify the efficacy of medical treatments, or reduce the risk of accidental falls among the elderly by flagging haphazard step patterns.”

• **Office Supplies (Non-Medical)**—The cost of office supplies remained relatively flat, rising 1 percent to \$4,421.

We would have expected a dramatic drop in office supplies given office closures and the move toward telemedicine. The need for paper, ink, and other standard office items likely dropped during our survey period. However, doctors may have included other items in this category such as disinfecting products (cleaners, wipes, etc.), partitions, and signage as COVID-19 numbers rose and they prepared their offices for larger patient numbers post-COVID-19. During the survey period, some items increased in cost considerably, and many were difficult to find—such as toilet paper, paper towels, hand sanitizer and disinfecting wipes—perhaps prompting some practices to stockpile needed items if they were able to find an ample supply (and were not limited to a single item, as was often the case).

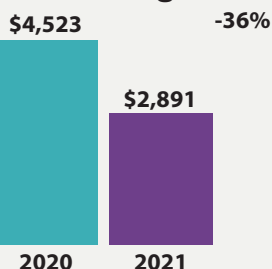
• **Products for Sale**—In-office dispensing remained relatively stable during 2020, with the percentage of doctors who sold over-the-counter (OTC) products dropping only 1 percent to 63 percent. Another 10 percent indicated that they planned on dispensing OTC products within the next 12 months. Respondents spent \$2,840 on items in this category, a 6 percent drop from our previous survey.

The vast majority surveyed (82 percent) indicated that income derived from product sales was small

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YOUR OVERHEAD EXPENSES

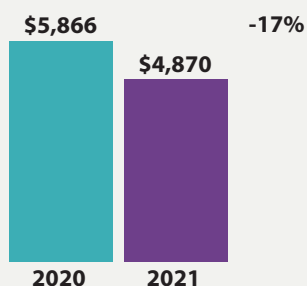
Advertising



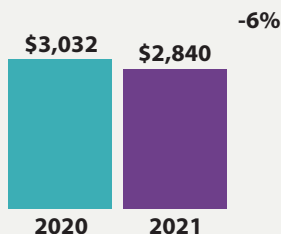
Type of Advertising

	2020	2021
Internet	56%	51%
Yellow Pages (Print)	14%	14%
Mailings	12%	9%
Newspapers	11%	9%
Yellow Pages (Web)	10%	8%
Radio	5%	4%
TV Cable	3%	3%
TV Network	3%	2%
Other	9%	9%
Do Not Advertise	25%	29%

Computer Service Maintenance & Internet



Products for Sale



Survey (from page 98)

(less than 10 percent of their income). However, we did note a slight increase overall in the amount derived from these sales comparing the results with our previous numbers.

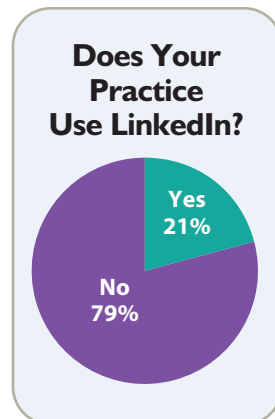
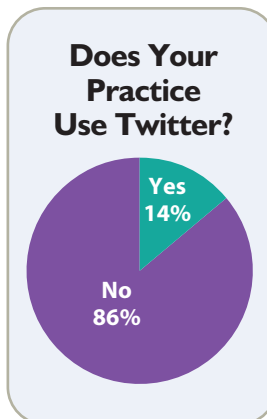
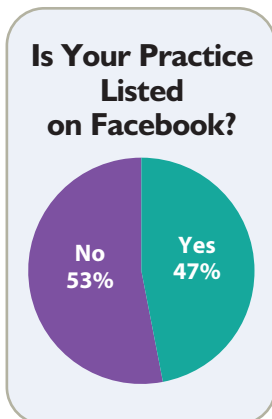
With fewer patients in-office, we expected a bigger decrease in this expense. But perhaps more DPMs focused on these sales to shore up their eroding income.

Items for sale include shoes, socks, insoles, splints, nonprescription creams, lotions, medicated nail polishes and removers, and neutraceuticals. During 2020, doctors who recommended or prescribed items made in the U.S. may have maintained a more steady supply—and income—than those dependent on shipments originating overseas.

One challenge in the post-pandemic environment will be capturing patient interest in OTC products as practices move away from bullpen-like waiting rooms. The large kiosks used in the past may be replaced by small, tabletop displays at various patient touchpoints in the practice (check-in/out, treatment room, etc.). Such placements may make it easier for doctor and staff to bring up items for sale in conversations during practice visits.

- **Advertising**—Doctors spent 36 percent less on advertising year-to-year—a drop that was expected given the COVID-19 health care environment during 2020 with office closures, movement to telemedicine, and reduction in cosmetic and nonessential, elective surgeries. Lower revenues likely also contributed to the lower expense. Twenty-nine percent of those surveyed said they did not advertise, an increase from 25 percent in our previous survey.

Those who did ad-



vertise spent an average of \$2,891. Campaigns likely focused on patient education: what types of foot- and ankle-related issues warranted immediate care, COVID-19-related issues, and other timely topics. The captive audience for all media was likely a boon for advertising practitioners in terms of relationship-building and establishing the DPMs as health care authorities.



and prospective patients.

For those who advertised, here is a breakdown of the various media.

- **Yellow Pages** (print and web)—There was no change in the use of print *Yellow Pages* compared to a year earlier, holding steady at 14 percent of those who advertised. Web-based *Yellow Pages* were used by 8

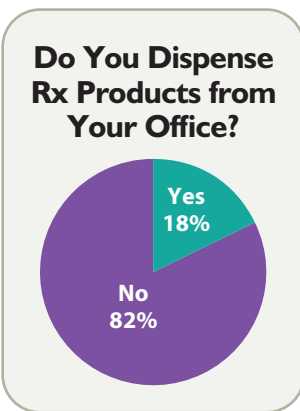
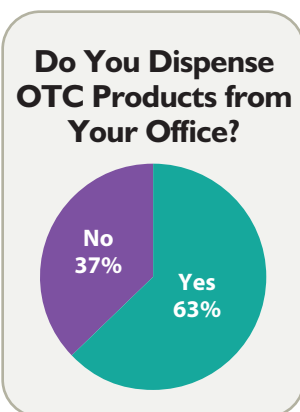
percent of respondents, down from 10 percent in our previous survey.

One reason that printed *Yellow Pages* may still be used for advertising is that a key patient demographic—those aged 65 and older—are the most likely to have a landline and refer to these directories as needed. Data from the National Center for Health Statistics (June 2020) indicated that 10.4 percent of this population had a landline vs. 0.3 percent to 2.7 percent for every other age category. As the population ages and landline use plummets, we anticipate a continued drop in the number and size of printed directories.

Online *Yellow Pages* offer advertisers the ability to be among a categorical search and allow consumers to search by locality. The elderly are becoming increasingly tech savvy, which will make online *Yellow Pages* even more practical for the advertising podiatrist.

- **Internet**—Advertising on the internet dropped from 56 percent to

Continued on page 102



Baby Boomers—a prime segment of doctors' practices—are really three segments, according to a report in *Adweek* (December 6, 2021). "Nostalgic Conservatives, Seniors Living Simply and Progressive Nesters—each have vastly different lifestyles. While the first category tends to be the oldest and most likely to be retired, over half of the last two categories have made a purchase online in the last 30 days, take active vacations, and keep in touch with friends and family on Facebook," according to the report. This suggests that doctors moving toward digital advertising platforms may find increasing success in reaching patients

Survey (from page 100)

51 percent but still remains the most popular advertising medium among respondents. Its benefits include its relatively low cost (compared to other media); wide, targeted reach; and available tracking and analytics tools. In addition, health care reviews have become widely used in the doctor selection process, so online presence is critical. In fact, various studies indicate that consumers trust reviews as much as personal recommendations, thus making a stellar online presence a key priority for successful practices.

Besides embarking on their own internet advertising, some doctors surveyed also indicated that they advertised on websites of orga-

allowing DPMs to stay in touch with patients via letters and newsletters during our survey period.

Some doctors surveyed also indicated that they advertised on websites of organizations with which they were affiliated, such as hospitals and HMOs.

nizations with which they were affiliated, such as hospitals and HMOs.

Internet usage may have also included email management tools such as Constant Contact the Mailchimp,

When asked if the practice had a website, 77 percent responded affirmatively, down from 79 percent previously. Forty-seven percent of respondents said they had a prac-

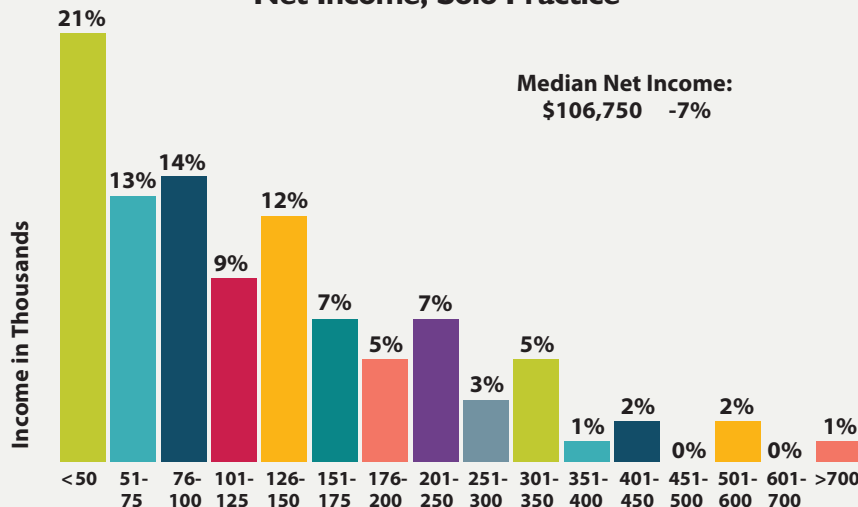
tice Facebook business page, down from 51 percent. The use of Twitter and LinkedIn did not change from our previous data and were used by 14 percent and 21 percent, respectively. Tips for making podiatry websites more effective were covered in “Making Your Podiatric Practice Website a Supercharged Marketing Tool” by Mark Terry (*PM*, October 2021).

Even TikTok videos have been used by DPMs with some success and can be part of an all-inclusive marketing plan. In “Meet Dana Brems, DPM, TikTok Star (*PM*, April/May 2021), Dr. Brems said, “Instagram photos and Facebook are the platforms that put you in front of your established followers....TikTok and Instagram Reels have relatively high potential for virality if it’s a video with a broad appeal.”

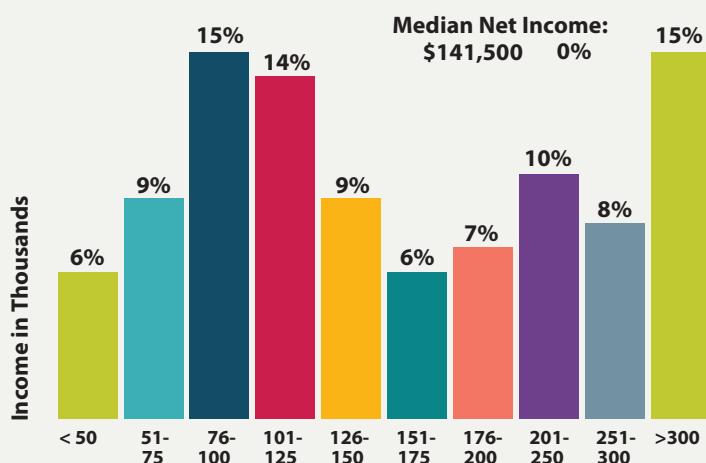
PM has provided a number of other articles over the past year that cover online advertising, websites, and social media tips, including “Are You Optimizing the Use of Social Media?” by Rem Jackson (April/May 2021); “Advertising Your Podiatric Practice” by Lawrence F. Kobak, DPM, JD (June/July 2021); “The Patient Journey” by Jim McDannald, DPM, and Lynn Homisak, PRT, covering online and in-clinic marketing (October 2021); “Viral Marketing in

Continued on page 103

Net Income, Solo Practice



Net Income, Group Practice



Survey (from page 102)

Healthcare” by Brittney C. Bauer, PhD, and Neil Baum, MD (November/December 2021); and “Social Media: Benefits, Challenges, and Pitfalls for Physicians” by Juliana Vanalstine and Janis Coffin, DO, FAAFP, FACMPE (January 2022).

• *Newspapers*—The use of newspapers among those who advertise dropped to 9 percent from 11 percent.

The pandemic hit newspapers hard and sounded the death knell for a number of large, national publications and even weeklies. According to research by Penelope Muse Abernathy University of North Caro-

With much of the U.S. working from home at the height of the pandemic in 2020, the coveted drive time radio slots lost much of their appeal.

lina’s School of Media and Journalism entitled “The Expanding News Desert,” almost 1,800 papers closed between 2004 and 2018, including more than 60 dailies and 1,700 weeklies, and the pace continues at nearly 100 closings per year.

According to Pew Research Center (PRC) in its annual *State of the News* report, 2020 circulation of weekday and Sunday newspapers dropped 6 percent from a year earlier.

While news outlets in smaller U.S. cities and in small-town weeklies may have gotten a “COVID bump” in readership due to the nation’s captive, stay-at-home audience, many of the advertisers—such as restaurants, spas, local service businesses, and the like—were shut down and/or needed to funnel advertising funds to essential business costs, such as payroll and rent. Thus surviving newspapers became thinner, and many ramped up their online offerings to cut costs. We anticipate local digital newspapers will be an increasingly useful advertising vehicle for doctors’ practices.

• *Mailings*—Nine percent of respondents who advertised used mailings, down from 12 percent in our previous survey.

While a captive audience might have provided a new incentive to use postcards, letters, and other physical pieces to promote their practices, DPMs may have suspended their mailings during 2020—especially if they furloughed staff who would normally help produce them.

The direct mail industry as a whole saw sales fall 8.2 percent between 2019 and 2020, according to a direct mail advertising industry report from C. Barnes and Co. This industry encompasses such tools as Val-

pak coupon envelopes and mailing list services, both of which may be tools that doctors use for advertising.

• *Radio*—Four percent of those who advertised used radio, down from 5 percent.

With much of the U.S. working from home at the height of the pandemic in 2020, the coveted drive time radio slots lost much of their appeal. According to PRC, the percentage of Americans over the age of 12 who listened to AM or FM radio in any given week fell to 83 percent in 2020 compared to 89 percent in 2019.

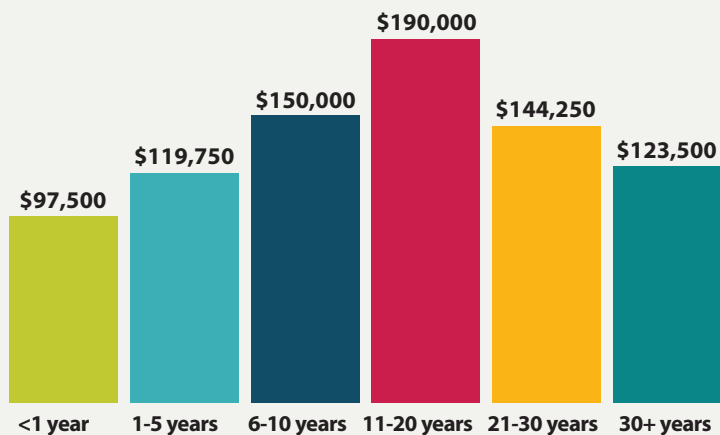
Meanwhile, online audio listening has leveled off. According to PRC’s 2020 figures, 68 percent of Americans ages 12 and older had listened to online audio in the past month, while 62 percent had listened in the past week. Since we did not specify the type of radio used for advertising by respondents, some may have chosen the online option.

• *Television*—Among DPMs who advertised, 2 percent did so on network TV, down from 3 percent last year. This expensive medium was likely used by the largest practices surveyed.

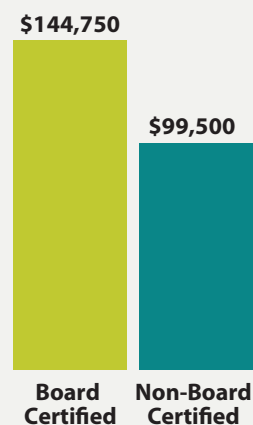
Cable TV usage remained steady, used by 3 percent of those who advertised.

Continued on page 104

Median Net Income Years in Practice



Median Net Income Board Certified



Survey (from page 103)

- *Other advertising*—Nine percent of practitioners who advertised said they used other media channels not included above. Their write-in responses included billboards and signs, sports team sponsorship, church bulletins, magazines, and local event banners.

- *Cleaning and Maintenance*—Respondents' average cost for cleaning and maintenance dropped 20 percent to \$1,430. This possibly reflects the increasing use of telehealth

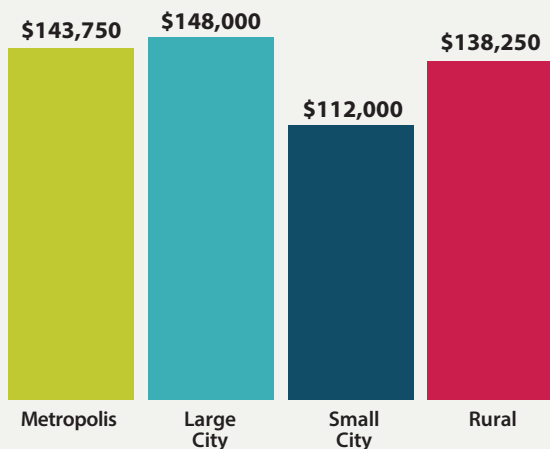
during the period and fewer patients being seen, especially if offices were closed. This amount might have dropped even further but was likely offset by an *increase* in disinfection protocols when patients were seen in-office.

- *Other Expenses*—Doctors spent an average of \$5,373 on expenses that did not fit into categories above—more than five times the amount reported last year. Among the items respondents listed were payroll service fees; payroll taxes; billing services; bookkeeper salary;

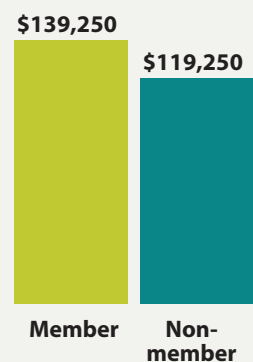
licenses; automobile expenses/maintenance; contract labor; health, life, and dental insurance for doctor(s) and staff; trash removal and recycling; x-ray services; skin grafts; and gifts/bonuses. As previously mentioned, some doctors may have included the additional PPE spent during 2020 here instead of in the Disposable Medical Supplies category above.

Continued on page 106

Median Net Income by Community Size



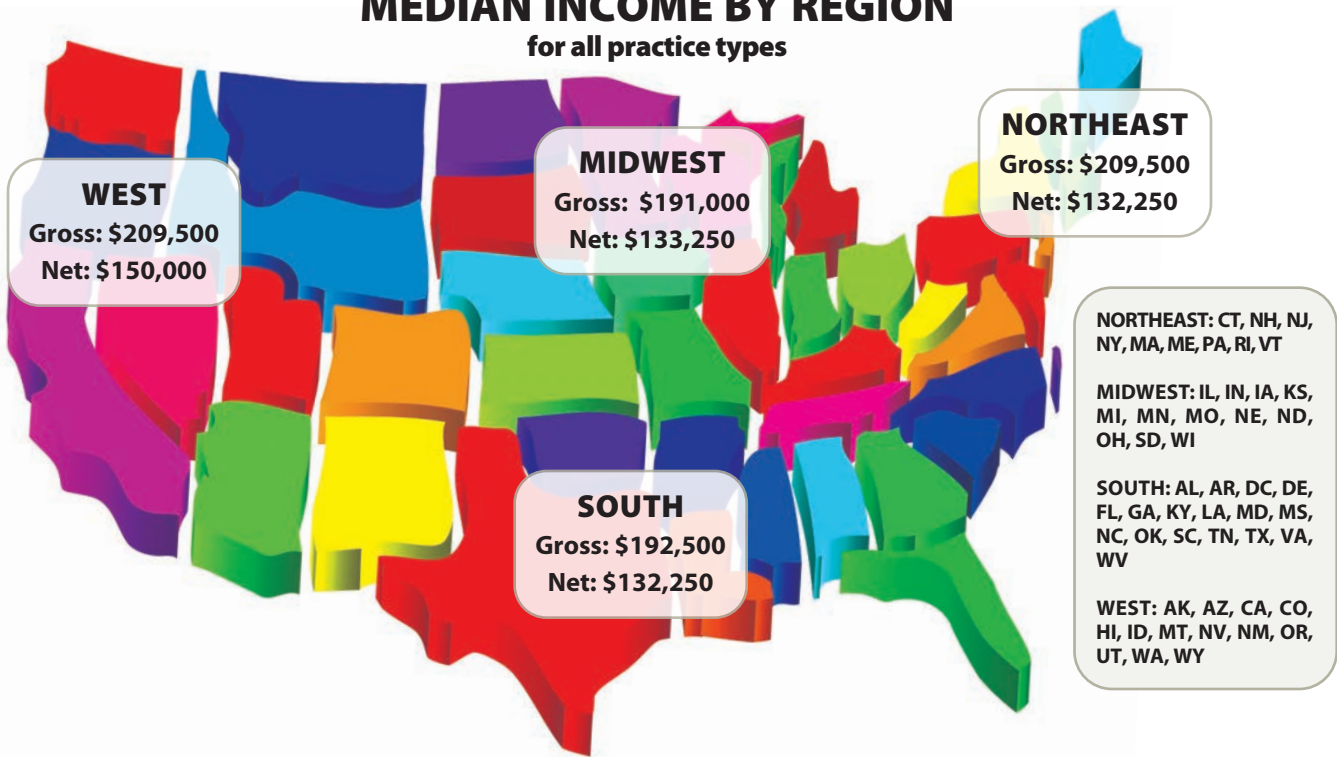
Median Net Income APMA Member



Median Net Income Comparison by Sex



MEDIAN INCOME BY REGION
for all practice types



Survey (from page 104)

NET INCOME

As mentioned in the beginning of this report, the median net income for solo practitioners dropped 7 percent from our previous survey to \$106,750. Like with our solo gross figures, the large percentage of very low earners seemed to bring down this average considerably. In fact, those netting less than \$50,000 grew from 14 percent in 2019 to 21 percent in 2020.

The income benefits of partnership/group practice were evident in the data collected. The median net income reported by these doctors was \$141,500—nearly 33 percent more than solo colleagues. What’s more, the median net income for multi-doctor practices was up \$250—statistically flat, but an indication that there is strength in numbers.

Notable among the data from partnership/group doctors is the finding that there was actually a fairly significant increase in the percentage of doctors netting more than \$250,000: 23

percent of our latest respondents vs. 18 percent of our previous doctor pool.

Regionally, for all practice types combined, DPMs in the West reported the highest median net income at \$150,000. Midwest DPMs were next at \$133,250, followed by a tie for third place between the Northeast and the South at \$132,250.

There were dramatic differences in

25 percent, netting \$97,500. Those in practice 11-20 years saw an increase of 1 percent to \$190,000, and those in practice 21-30 years saw their net increase by 2 percent to \$144,250. Hardest hit were those in practice six to 10 years, down 15 percent to \$150,000, followed by a 7 percent decrease for those in practice between one and five years (\$119,750) and a 4 percent reduction in median

The earning gap did not budge, with women still earning just 76.7 percent of their male colleagues.

median net income by community size (for all practice types). The highest median net income was reported in large cities at \$148,000. Doctors in a metropolis netted \$143,750, those in rural areas took home \$138,250, and those in small cities only earned \$112,000—\$36,000 less than their large-city colleagues.

Cross-tabulation by number of years in practice (all practice settings) revealed that new DPMs and those in practice 11-20 or 21-30 years earned more than last year. Those in practice less than a year saw an increase of

net income for respondents in practice for more than 30 years (\$123,500).

Median net incomes for men and women DPMs each fell by 2 percent. Male respondents reported \$147,250, while women earned \$113,000. The earning gap did not budge, with women still earning just 76.7 percent of their male colleagues. This is a wider gap than the national figure reported by the BLS, which indicated that women earned 82 cents for each dollar men earned in 2020.

Continued on page 107

PRESCRIBING & DISPENSING

Anti Inflammatories (Oral)

	2021	2020
Meloxicam	22%	18%
Ibuprofen	14%	19%
Naprosyn/Naproxen	13%	11%
Diclofenac	9%	7%
Mobic	8%	6%
Advil	7%	11%
Aleve	7%	7%
Motrin	4%	3%
Celebrex	3%	2%
Duexis	3%	3%
Voltaren	3%	3%
Feldene	1%	1%
Relafen	1%	1%
Anaprox	1%	—
Others	3%	2%
Prescriptions per week	7.0	7.3

Topical Pain Relievers

	2021	2020
Voltaren Gel	42%	46%
Biofreeze	14%	14%
Lidocaine	9%	9%
Capsaicin	7%	4%
Lidoderm	4%	4%
Emla Cream	2%	2%
CBD Clinic	2%	1%
Hempnesic	1%	—
Ben Gay	1%	1%
Flector Patch	1%	1%
Kerasal Neuro Cream	1%	—
Ortho-Nesic (Blaine)	1%	—
Solaraze Gel	1%	1%
Topricin	1%	—
Others	2%	5%
Prescriptions per week	5.2	5.5

PODIATRIC ECONOMICS

Survey (from page 106)

APMA membership and Board Certification were correlated to higher earnings for all practice settings combined, according to the data. APMA members earned \$139,250, and Board Certified podiatrists netted \$144,750, both down 2 percent. Meanwhile, non-APMA members earned significantly less than members (\$119,250), and their median net income dropped by 6 percent. DPMs who were not Board Certified were particularly hard hit, with their net income dropping 14 percent to \$99,500.

It should be noted that nationally, median household income decreased 2.9 percent from 2019 to 2020, according to USCB data. This was the first statistically significant decline in median household income since 2011.

Continued on page 108

PRESCRIBING & DISPENSING

Analgesics (Oral)

	2021	2020
Ibuprofen	19%	16%
Tylenol	14%	12%
Percocet	12%	8%
Norco	9%	11%
Aleve	8%	8%
Hydrocodone	7%	8%
Motrin	6%	6%
Advil	6%	12%
Tylenol #3	3%	5%
Ultram	2%	5%
Vicodin	2%	2%
Lortabs	1%	1%
Neuremedy	1%	—
Colig-10	1%	—
Vicoprofen	1%	—
Others	2%	1%
Prescriptions per week	5.0	5.0

Enzymatic Debriding Agents

	2021	2020
Santyl	63%	60%
Medihoney	6%	6%
Amerigel	2%	—
Elastase	2%	1%
Accuzyme	2%	2%
Panafil	1%	2%
Kerasal	1%	2%
Others	1%	1%
Prescriptions per week	2.8	3.2

Survey (from page 107)

PRESCRIBING & IN-OFFICE DISPENSING

For three decades, *PM* has tracked the pharmaceuticals, by

brand name, that respondents prescribed, recommended, and/or dispensed from their offices, and which brand primarily from each category. Drug lists are updated annually to reflect product additions (respondents could write in their pharmaceuticals of choice if not listed) as well as items that are no longer available (see charts).

Total pharmaceutical advertising spending topped \$6.58 billion in

2020, according to Kantar Media, just slightly more than the \$6.56 billion reported in 2019. That's noteworthy in a year that saw U.S. advertising spend drop by 13 percent overall. Pharma digital video—desktop and mobile—increased 43 percent, while print advertising dropped by 16 percent, according to Kantar.

Data from Statista indicated that U.S. pharmaceutical TV advertising

Continued on page 110

PRESCRIBING & DISPENSING

Antiseptics/ Topical Antibiotics

	2021	2020
Bacitracin	17%	15%
Bactroban	14%	19%
Betadine	13%	13%
Triple Antibiotic	10%	7%
Neosporin	9%	10%
Mupirocin	8%	6%
Silvadene	8%	9%
Amerigel	6%	5%
Povidone-Iodine	4%	3%
Gentamicin	2%	3%
Polysporin	2%	1%
Iodosorb	1%	2%
Others	1%	1%
Prescriptions per week	5.1	5.8

Antibiotics (Oral)

	2021	2020
Cephalexin	29%	33%
Augmentin	19%	20%
Keflex	14%	12%
Doxycycline	12%	8%
Bactrim	6%	8%
Amoxicillin	4%	4%
Duricef	3%	2%
Cipro	2%	2%
Omnicef	1%	1%
Clindamycin	1%	3%
Ceftin	1%	1%
Dicloxacillin	1%	1%
Others	2%	1%
Prescriptions per week	4.4	4.1

Antifungal (Topical) (Skin)

	2021	2020
Lamisil	19%	18%
Lotrisone	13%	13%
Lotrimin	10%	11%
Loprox	9%	8%
Naftin	7%	10%
Fungi-Foam	6%	3%
Spectazole	6%	5%
Clarus (Bako)	4%	6%
Formula 3/Formula 7	4%	5%
Nizoral	3%	2%
Oxistat	2%	2%
Ertaczo	2%	1%
Cidacin	1%	1%
Luzu	1%	1%
Others	9%	7%
Prescriptions per week	6.0	5.9

Graft Products (for Wounds)

	2021	2020
Apligraf	13%	7%
EpiFix (Mimedx)	9%	14%
Dermagraft	6%	5%
Graftix	6%	5%
Integra	5%	5%
Oasis	4%	5%
Stravix	2%	—
Acell	1%	3%
ActiGraft	1%	—
Graft Jacket	1%	2%
Kerecis	1%	2%
Neox	1%	1%
Omnigraft	1%	—
Amnioexcel	1%	1%
Others	8%	6%
Prescriptions per week	2.8	2.5

PRESCRIBING & DISPENSING

Antifungal (Oral)

	2021	2020
Lamisil	85%	80%
Diflucan	3%	4%
Others	1%	1%
Prescriptions per week	3.9	3.9

Steroids (Topical)

	2021	2020
Triamcinalone	22%	22%
Betamethasone	21%	25%
Hydrocortisone	16%	15%
Lotrisone	8%	5%
Lidex	4%	4%
Topicort	4%	6%
Temovate	3%	3%
Diprolene	2%	1%
Medrol	2%	3%
Kenalog	2%	4%
Aristocort	1%	1%
Desonate	1%	1%
Others	1%	1%
Prescriptions per week	2.7	3.1

Topical Dressings for Matrixectomies

	2021	2020
Amerigel	18%	19%
Bacitracin	18%	15%
Triple Antibiotic	10%	7%
Neosporin	9%	11%
Silvadene	9%	11%
Cortisporin Otic	5%	5%
Betadine	5%	4%
Bactroban	4%	7%
Band-Aid	3%	2%
Gentamicin	2%	1%
Gauze	1%	2%
Phenol EZ Swabs	1%	—
Polymem	1%	—
Others	2%	3%
Prescriptions per week	5.1	5.2

PRESCRIBING & DISPENSING

Wart Medications

	2021	2020
Cantharidin/Cantharone	29%	22%
Salicylic Acid/Sal Acid Plaster	13%	14%
Duofilm	7%	5%
Aldara	6%	8%
Compound W	6%	5%
Canthacur	4%	3%
Mediplast	4%	4%
Vircin	3%	2%
Efudex	2%	5%
Verucide	2%	3%
Virasal	2%	1%
Lazerformalyde	1%	1%
Wartpeel	1%	1%
Formadon	1%	1%
Gordofilm	1%	—
Others	3%	5%

Prescriptions per week 3.4 3.9

Most Prescribed, Recommended and/or Dispensed:

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

Drying Agents (for Odor)

	2021	2020
Drysol	34%	33%
Betadine	15%	15%
Certain Dry	10%	9%
Clean Sweep	4%	4%
Bromi Lotion	4%	4%
Lazerformalyde	3%	3%
Tineacide Shoe Spray	3%	3%
Formadon	2%	2%
SweatStop	1%	—
On Your Toes	1%	1%
Onox	1%	—
Others	7%	3%

Prescriptions per week 2.8 3.2

Most Prescribed, Recommended and/or Dispensed:

1. Drysol
2. Betadine
3. Certain Dry

Emollients/Moisturizers

	2021	2020
AmLactin	25%	26%
Urea 40%	13%	13%
Lac-Hydrin	9%	10%
Aquaphor	6%	5%
Kamea	5%	3%
Kera-42 (Bako)	5%	6%
Cerave	5%	3%
Foot Miracle	4%	2%
Eucerin	4%	8%
Carmol 40	4%	3%
RevitaDerm	2%	3%
Amerigel	2%	2%
Gormel	1%	1%
Flexitol Heel Balm	1%	1%
Hydro-Cutis (Bako)	1%	—
Kerasal	1%	1%
Lactinol Lotion	1%	—
Others	5%	4%

Prescriptions per week 6.4 6.4

Most Prescribed, Recommended and/or Dispensed:

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

Survey (from page 108)

expenditures rose 20.8 percent between 2019 and 2020 and accounted for 75 percent of the total advertising spend. Marketers attributed the increase to companies' desire to reach those stuck at home and Americans' increasing concern for their health in light of COVID-19.

Eighteen percent of our survey respondents said they dispensed Rx products from their offices in 2020. That was down from 21 percent in our previous report. That's a small decrease considering that many practices may have had limited in-person access for some time during 2020. Perhaps this reflects greater utilization of direct-to-patient shipping services available and certainly much appreciated by patients during the pandemic.

DPMs who dispensed from their offices may have been able to monitor pharmaceutical use at a time when patients needed it most. According to the CDC, there were 93,331 drug overdose deaths in the U.S. in 2020—a 29.4 percent increase from 2019. *PM* has covered the opioid crisis and prescribing considerations, including the article "An Appraisal of Cultural Competency and Opioid Prescribing" by Robert G. Smith, DPM, MSC, RPH (November/December 2021).

Five percent of those who did not dispense these products in 2020 said they were planning to do so within the next 12 months. This percentage may increase as

Continued on page 111

Survey (from page 110)

doctors look for additional revenue streams. We expect that DPMs will want to maintain some control over the products used by patients who might otherwise substitute OTC items. In addition, dispensing products may be of particular service to patients who don't want to venture out to drugstores with the still-looming risk of COVID-19 and its variants.

Looking ahead, virtual reality (VR) is emerging as a tool to speed up drug-discovery research, according to "VR Rx" (*WSJ*, September 10, 2021). Author Sara Castellanos indicated that "some scientists expect that VR will become a widespread tool, helping to shorten the yearslong drug design and discovery process and potentially get drugs to market faster."

Technology may also come to the aid of Rx management in the future in the form of drones. Cardinal Health Inc., in a pilot program with drone operator Zipline International, plans to start deliveries to pharmacies this year (pending Federal Aviation Administration approval), according to a report in the *WSJ* (November

16, 2021). Other companies, such as United Parcel Service, Merck, and Walmart are testing the use of drones for shipment of medical products and supplies as well, according to the report. With the recent shipping issues and supply chain delays, such deliveries to doctors' offices may make it easier for them to provide prescriptions reliably to patients. **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 and consultant as well as a college instructor focusing on business management and entrepreneurship at Pace University's Lubin School of Business. 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)

	2021	2020
Amerigel	13%	12%
Bactroban	13%	12%
Betadine	8%	7%
Santyl	8%	10%
Silvadene	7%	8%
Medihoney	6%	4%
Aquacel	6%	3%
Prisma	4%	6%
Iodosorb	3%	5%
Hydrogel	3%	4%
Neosporin	3%	4%
Triple Antibiotic	3%	2%
Silvasorb	2%	2%
Regranex	2%	3%
Gentamicin	1%	3%
Puraply	1%	1%
Helix	1%	1%
Panafil	1%	—
Polymem	1%	1%
Saline	1%	—
Others	2%	1%
Prescriptions per week	4.7	5.0

Most Prescribed, Recommended and/or Dispensed:

1. Amerigel, Bactroban
2. Betadine
3. Santyl

Antifungal (Topical) and Keratin Debris Exfoliants (Nail)

	2021	2020
Formula 3/Formula 7	12%	11%
Penlac	12%	11%
Jublia	10%	10%
Clotrimazole	8%	7%
Tolcylen	7%	8%
Urea 40%	7%	7%
Lamisil	5%	4%
AmLactin	4%	9%
Clarus (Bako)	4%	7%
Kerasal	4%	4%
Tineacide	2%	1%
Cidacin	2%	—
Carmol	2%	2%
Fungi-Foam	1%	—
Kerydin (Pharmaderm)	1%	1%
Gordochom	1%	—
Naftin	1%	1%
Terpenicol	1%	—
Nonyx	1%	1%
Nuvail	1%	—
Others	5%	4%
Prescriptions per week	6.0	6.4

Most Prescribed, Recommended and/or Dispensed:

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

ADVERTISERS' INDEX

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.

ADVERTISER	WEBSITE	PHONE	PAGE
20/20 Imaging	2020imaging.net	866-734-6234	69
20/20 Imaging	2020imaging.net	866-734-6234	117
Allied OSI	alliedosilabs.com	800-444-3632	33
American Academy of Podiatric Practice Management (AAPP)	aappm.org	517-484-1930	57
American Board of Foot and Ankle Surgery (ABFAS)	abfas.org	415-553-7800	67
American Society of Podiatric Medical Assistants (ASPMA)	WWW.ASPMA.ORG	888-88-ASPMA	38
AMERX	amerxhc.com	800-448-9599	7
AMERX	amerxhc.com	800-448-9599	83
Apis Footwear	apisfootwear.com	888-YES-APIS (937-2747)	97
Arize (HP)	ArizeClinical.com		63
Bako Diagnostics	Bakodx.com	855-422-5628	5
Bergmann Labs	bergmannlab.com	800-323-8267	132
Bianco Brothers	biancobrothers.com	800-217-0817	15
Blaine Labs	blainelabs.com	800-307-8818	79
Comfort Fit	comfortfitlabs.com	888-523-1600	81
Cutting Edge Laser Technologies	celasers.com	800-889-4184, x400	21
Dia-Foot	dia-foot.com	877-405-3668	65
Dia-Foot/Pure Stride	Purestride.com	877-405-3668	115
Dr Jill's Foot Pads	DrJillsFootPads.com	866-FOOTPAD	101
Dr Jill's Foot Pads	DrJillsFootPads.com	866-FOOTPAD	30
Drymax	drymaxsports.com		93
DT Insurance	dtinsuranceagency.com	866-516-6046	95
Fiber Labs	fiberorthotics.com	800-451-1719	11
Forward Motion	fdmotion.com	435-251-8500	32
Foundation Wellness	powerstep.com	888-237-FOOT (3668)	34
Gordon Labs	gordonlabs.net	800-356-7870	2
Healthlight	healthlightllc.com	312-669-1053	77

ADVERTISERS' INDEX

ADVERTISER	WEBSITE	PHONE	PAGE
Heron (Zynrelef®)	zynrelef.com/podiatry	858-251-4400	26-28
International Foot and Ankle Foundation (IFAF)	internationalfootankle.org	866-286-6973	61
Jan L.	janlinc.com	609-261-1133	24
Jan L.	janlinc.com	609-261-1133	25
Kevin Root Medical	Kevinrootmedical.com	877-767-3338	17
Medi-Dyne	medi-dyne.com	800-810-1740	103
Midwest Podiatry Conference	midwestpodconf.org		118
ModMed	Modmed.com/pod-time	561-710-feet	41
Neurogenx	Neurogenx.com	800-335-7624	37
Nolaro	nolaro24.com	877-792-4669	123
OHI	ohi.net		13
Orpyx	orpyx.com	855-996-7799	42
Ortho-Rite	ortho-rite.com	914-235-9100	131
Pedicis	pedicis.com	800-748-6539	19
Pedifix	pedifix.com	800-424-5561	23
Physician Claim	physicianclaim.com	877-385-0257	99
Physician Leaders	Physicianleaders.org	800-562-8088	112
Pilgrim Shoes	pilgrimshoes.com	888-493-2859	58
Podiatry Content Connection	podiatryCC.com	917-572-5088	58
Podiatry Institute	podiatryinstitute.com	888-833-5682	89
Practice EHR	praacticeehr.com	469-305-7171	52
Present Podiatry Online	Podiatry.com		47
Present Residency Education Summits	ResEdSummit.com	201-723-1066	75
Present Superbones/Superwounds East	SuperbonesSuperwoundsEast.com	201-723-1066	45
Remy Laser (ZFT)	www.zuckermanft.com	856-229-2939	91
Richie Brace	richiebrace.com	877-359-0009	9
Tetra	thetetracorp.com		51
Tetra	thetetracorp.com		71
Tetra	thetetracorp.com		73
Tetra	thetetracorp.com		85
Tetra	thetetracorp.com		87
Tetra	thetetracorp.com		107
Tetra	thetetracorp.com		109