New! Aesthetic Industry Conversion Benchmarks & Secrets from the Top 10%

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About BSM Consulting

Who We Are: Practice Management Consulting specialists in Specialty Medicine for over 30 years

Our Focus: Medical Aesthetic and Ophthalmology

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Allergan/BSM Procedure Conversion Study

Administered the program for the past 2 years

Methodology

- 35 Allergan consultants gather approximately 100 consultations per practice

Assessment Results Include

- Conversion of patient consultations to procedures
- Consultation "no show" rates

As of September 2018

- 220 participating practices
- Over 25,000 patient consultations in database

Patient Conversion

Potential Patients

Conversion of Leads to Consultations

Consultations

Procedures

Conversion of Consults to Procedures
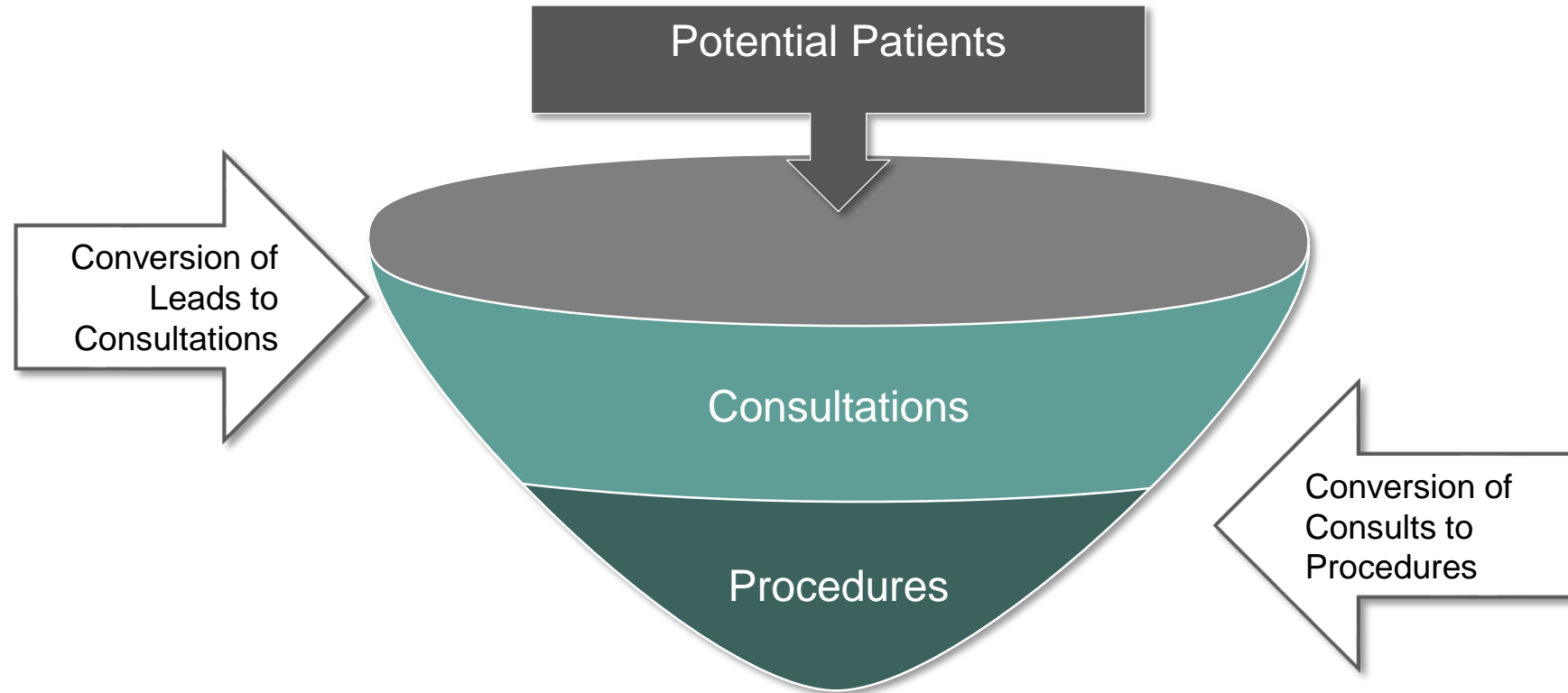
Procedure Conversion Study
Patient Conversions

Consults Scheduled	Patient No Shows	"No Show" Rates	
		Median	90th percentile[1]
25,232	2,247	8.9%	2.0%

Consults Conducted	Consults Converted	Conversion Rates	
		Median	90th Percentile
22,985	10,530	45.8%	66.7%

Footnotes:

1) Please note, the 90th percentile or "better performers" have the lowest "no show" rate.

Procedure Conversion Database
Top 5 Procedures - No Show Rates

Procedure	Consultations Scheduled	No Shows	No Show Rates Median	Top 10%
Breast Augmentation	6,498	664	10.2%	4.0%
Tummy Tuck	4,029	441	10.9%	4.4%
Liposuction	3,667	311	8.5%	4.8%
Eyelid Surgery	2,999	143	4.8%	4.0%
Facelift	2,824	147	5.2%	4.7%

Procedure Conversion Database
Top 5 Procedure Conversions

Procedure	Consultations Conducted	Consultations Converted	Conversion Rates Median	Top 10%
Breast Augmentation	5,834	3,004	51.5%	70.9%
Tummy Tuck	3,588	1,487	41.4%	63.7%
Liposuction	3,356	1,567	46.7%	73.8%
Eyelid Surgery	2,856	1,307	45.8%	69.2%
Facelift	2,677	1,025	38.3%	65.8%

Patient Conversion

Potential patients
1,000

60% Conversion

70% Conversion

Before | After

Consultations

600 | 700

50% Conversion

65% Conversion

Procedures

300 | 455

30% Conversion
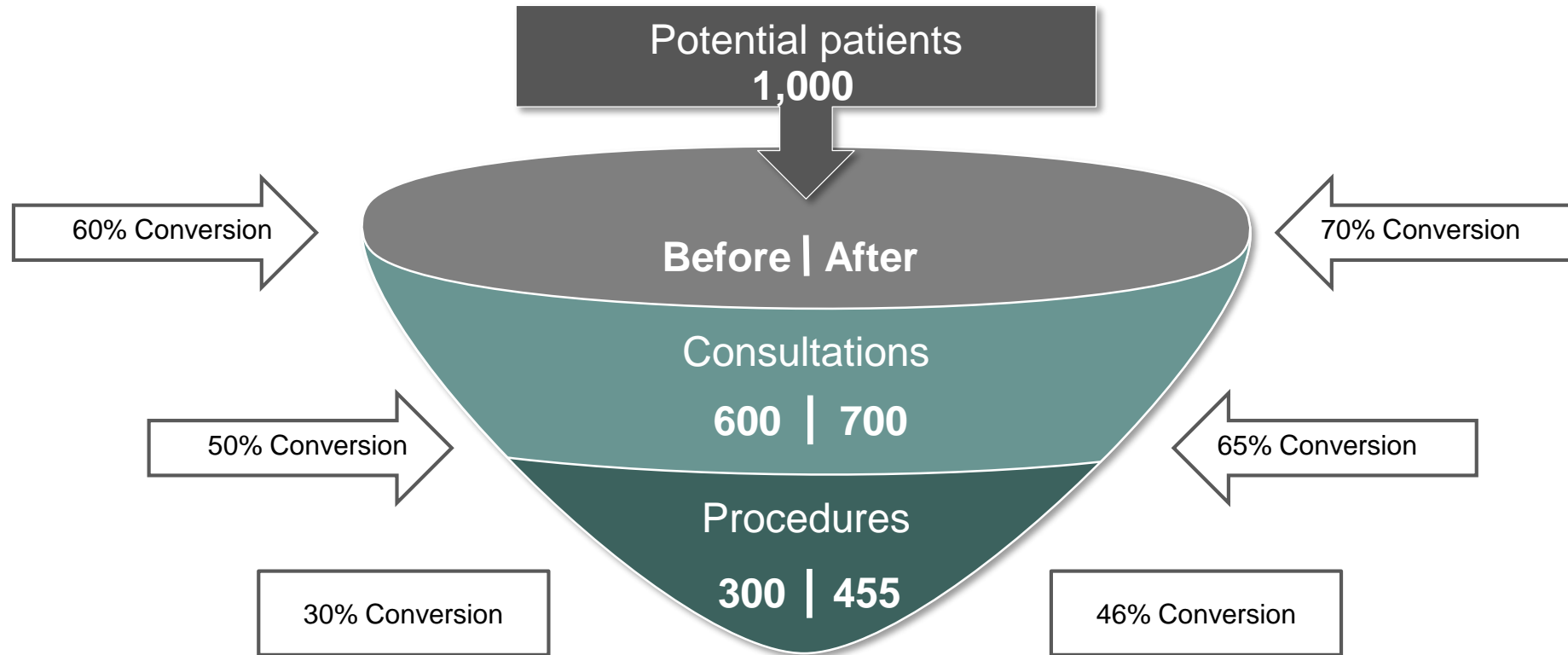
46% Conversion

Impact of Achieving Increased Conversion

Incremental Patients ✖ Revenue Rate per Procedure = Value of Increased Conversions

Example

155 ✖ $600 = $93,000

Do top tier practices drive more revenue?

Benchmark Range:
$1,000,000 – $1,800,000

Revenue per FTE Physician

Legend: ■ 90th Percentile ■ Median
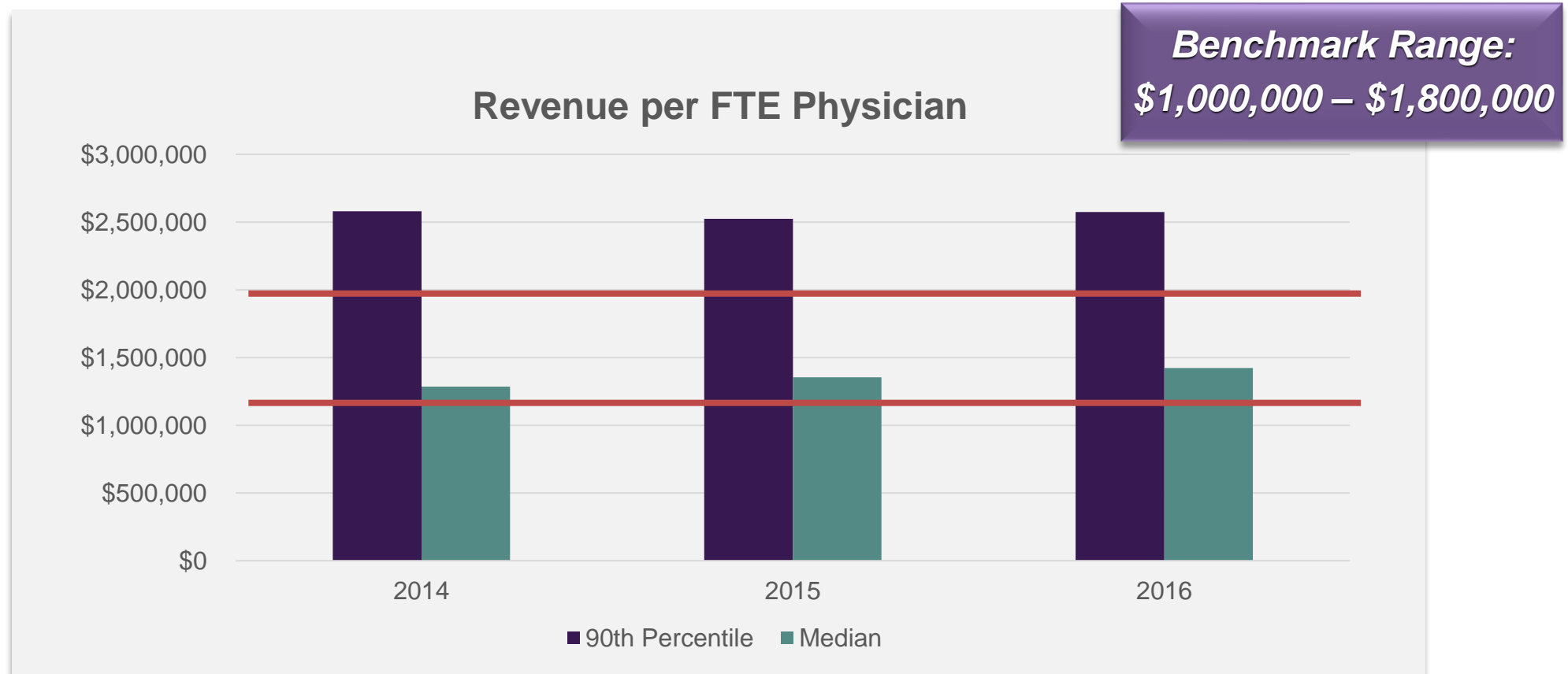
Year	2014	2015	2016
90th Percentile	$2,580,154	$2,523,976	$2,574,670
Median	$1,285,288	$1,354,452	$1,424,221

Do top tier practices drive more revenue?

Revenue per FTE Physician Assistant / Nurse Practitioner

Benchmark Range: $350,000 – $750,000

Legend: ■ 90th Percentile ■ Median
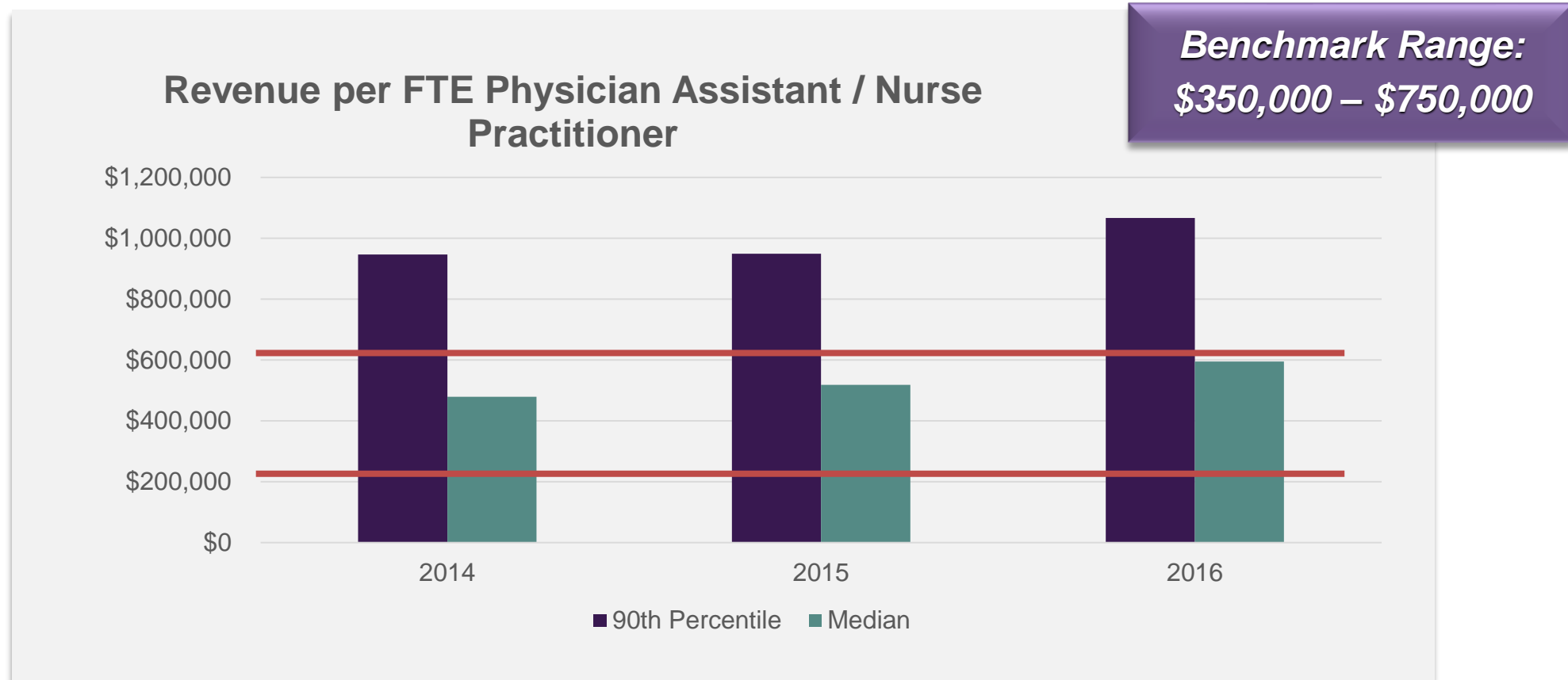
Year	2014	2015	2016
90th Percentile	$946,619	$949,444	$1,066,888
Median	$478,971	$517,932	$595,105

Accountability at all levels

Track, Measure, Manage Key Performance Metrics

Culture of self-examination, refining

What do the top tier practices do to get such outstanding results?

Top 10% Practice Ideals

Providers and staff are highly **productive, engaged,** and feel:

- The practice has a **Clear Mission and Vision for the future** and inspires the team to want to achieve this. **Practice Goals** align with mission and Vision

- **Roles and responsibilities** are clear.

- Personal accountability is a **cultural norm, from top to bottom in the organization**.
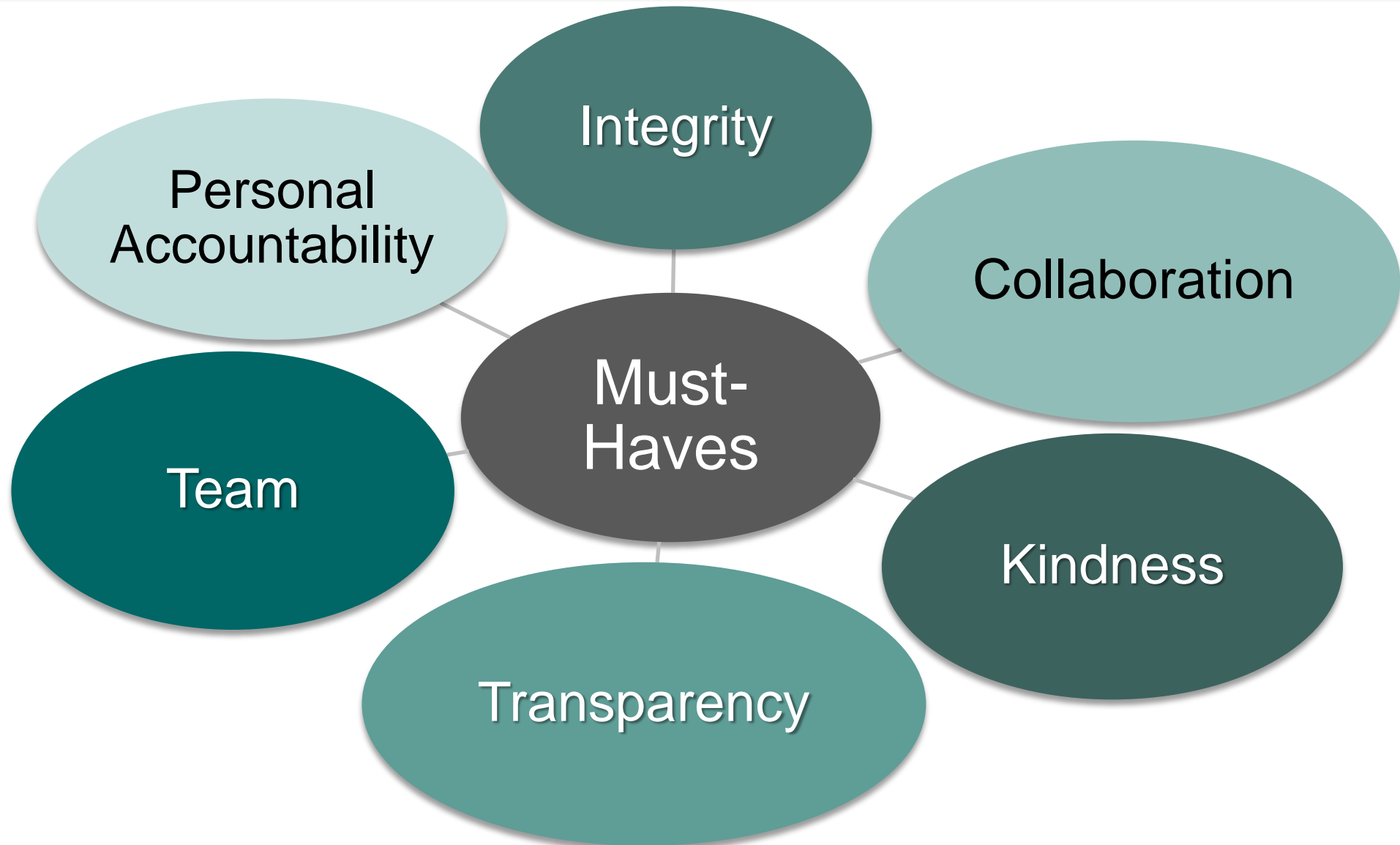
What do our superstars say inspires them?

Mission focused, greater good (not just a warm body)

Trust and respect (not micro-management, or minimized)

Opportunities to grow (and think, and collaborate)

Connectedness

The ability to contribute

Ongoing challenge (no boredom zone)

No-drama zone (no victims, bullies, or martyrs)

Compassion and kindness

Service excellence is architected from systems and processes you control.

In Medical Aesthetics, The TEAM = The Brand

Patients don't distinguish between staff and provider or brand. To the customer, your staff ARE your brand. Your phones are your brand.

The Top 10% Self-examines

Scorecard Measures

Common Key Performance Indicators (KPIs) – Scorecard Guidance

Human Resources

KPI	Formula
Turnover Rate	Total number of employees terminated (f... year divided by total number of employee...
Staff Expense Ratio	Total salary expense divided by total net ...
FTE staff per FTE MD	Full-time equivalent employees divided b... MDs
Patient visits per FTE staff member	Total patient visits divided by FTE staff
Overtime hours	Total overtime hours (usually by departm...
Revenue per FTE	Total net collections divided by FTE staff
Attendance rate	Total possible hours during time period m... hours used divided by total possible hour...
Staff Satisfaction	Conduct regular staff satisfaction surveys...

Front Office

KPI	Formula
Check-in: patients per staff hour	Total number of patients seen during time... total hours worked by check-in personnel
Check-out: patients per staff hour	Total number of patients seen during time... total hours worked by check-out personne...
No-Show rate	Total number of no shows during time pe... patient visits during time period
Patient satisfaction	Minimum expected rating for front office... by type of patient satisfaction surveys wh... least 2 times per year
Information Capture ratio	Number of patient records that have the ... requirements captured divided by total n... seen during given time frame
Data Entry error rate	Data entry errors divided by total data en...
Rate of readiness	Amount of time from patient check-in unti... next step in exam
Date of service collection ratio	Number of copays, deductibles, refractio... same day items collected day of services ... number of items that should have been c...
Timeliness percentage	Total number of charges posted within 24... appointment time divided by total number... (office visit or surgery)
Recall rate	Office specific – dependent on recall proto...

Call Center

KPI	Formula
Incoming calls per FTE staff	Total number of income calls divided by FTE phone staff
Outgoing calls per FTE staff	Total number... programs, etc.
Hold time	Average time... calculate)
Abandonment rate	Number of lost...
Data Entry error rate	Data entry erro...
Patient satisfaction	Minimum expe... measures dete... which are con...
Information Capture ratio	Number of new... information rec... insurance type...
Average Call time per FTE staff	Total phone m...
Recall rate	Office specific...

Accounts Receivable

KPI	Formula
Claims error rate	Total number ... electronic clai... errors in data ... given time peri...
Claims per FTE staff	Total claims pr... staff
Cost per claim	Total staffing, ... divided by num...
Days outstanding	Total net acco... after contractu... collections (tot... days in the tim...
Aged Receivable Analysis	Place account... claim was first... following 0 -30... percentages o... divided by tota... the practice
Patient satisfaction	Minimum expe... measures dete... which are conducted at least 2 times per year
Coding accuracy ratio	Number of accurately coded claims divided by total number of claims (usually determined by an audit of claims)

Clinical

KPI	Formula
Patients per FTE	Total patients per FTE clinical staff
Patients per hour	Total office visits divided by total hours
Office visits per FTE technician hour	Total office visits divided total clinical staff hours
Tests per FTE technician hour	Total number of tech conducted special tests (e.g., VF, FA, OCT, Ascan) divided by total clinical staff hours
Special test percentage	Number of tech required special tests (e.g., VF, FA, OCT, Ascan) divided by total office visits
Timely ratio	Number of patients called back within XX minutes of appointment time (most practice use 20 minutes as the standard) divided by total patients during the measured time period
Coding accuracy ratio	Number of accurately coded claims divided by total number of claims (usually determined by an audit of claims)
Testing error rate	Number of diagnostic tests that have to be repeated due to error divided by total number of diagnostic tests
Patient satisfaction	Minimum expected rating for technician customer service measures determined by type of patient satisfaction surveys which are conducted at least 2 times per year

The Top 10% Collaborates

Daily Huddle in 5 Steps

- ✓ What are the watch-outs on the schedule today?
- ✓ Where are you stuck? Can we help?
- ✓ All appointments confirmed?
- ✓ All consults pre-consulted?
- ✓ What's our progress towards achieving key numbers in our business?

Consistency and continuity at every touch point
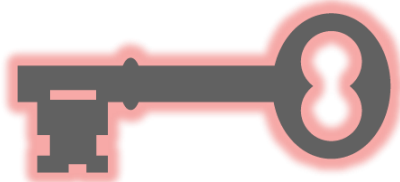
Key Elements:

- Engage, build connection
- Credential the practice/provider

Patient Experience is Measure of Our:

- Listening skills,
- Tone of voice,
- Ability to build rapport and relationships
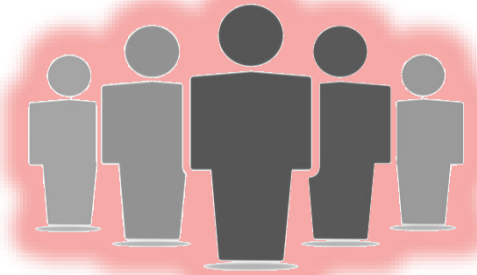
Top 10%
PRIORITIZE
these things at all levels

How Do I Push Re-set?

If I'm caught in a cycle of, **catching things done wrong, or double checking to ensure things are done the right way….**

Key Success Factors

Create
a Great
Culture
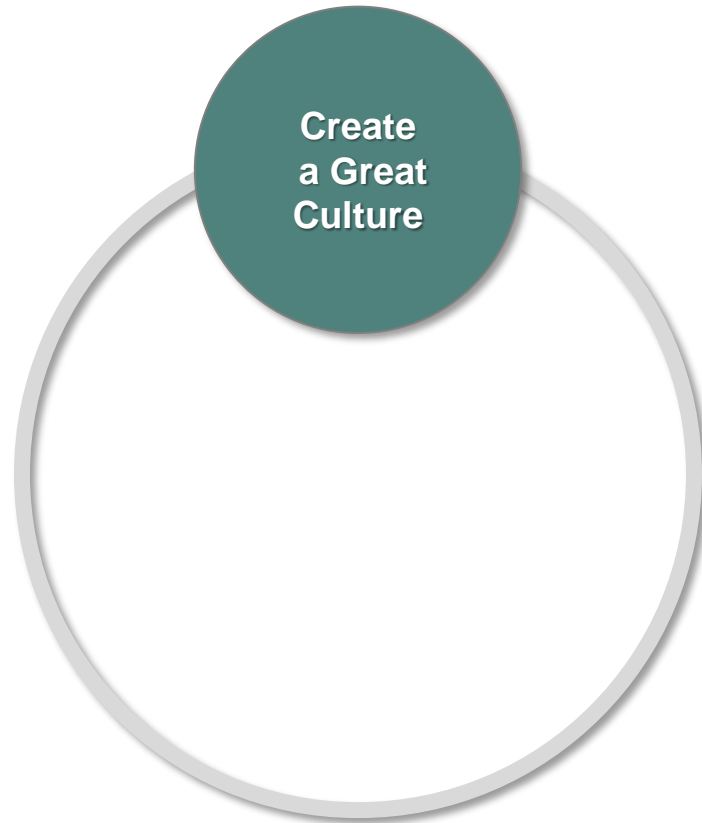
Create a Great Culture

- Establish core values

- Build trust and respect among all employees

- Show appreciation

- Celebrate success

Key Success Factors

Create a Great Culture

Achieve Employee Engagement
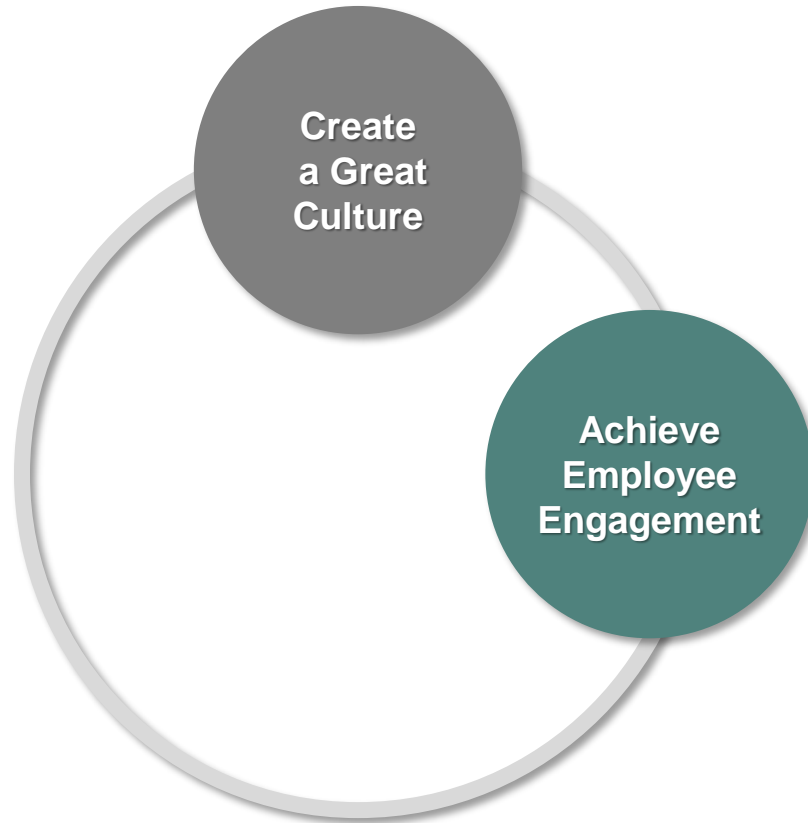
Achieve Employee Engagement

- Implement rigorous recruitment, onboarding, and collaborative training

- Cultivate your "stars"

- Manage out "underperformers"

Key Success Factors

Create a Great Culture

Achieve Employee Engagement

Focus on Patient Experience
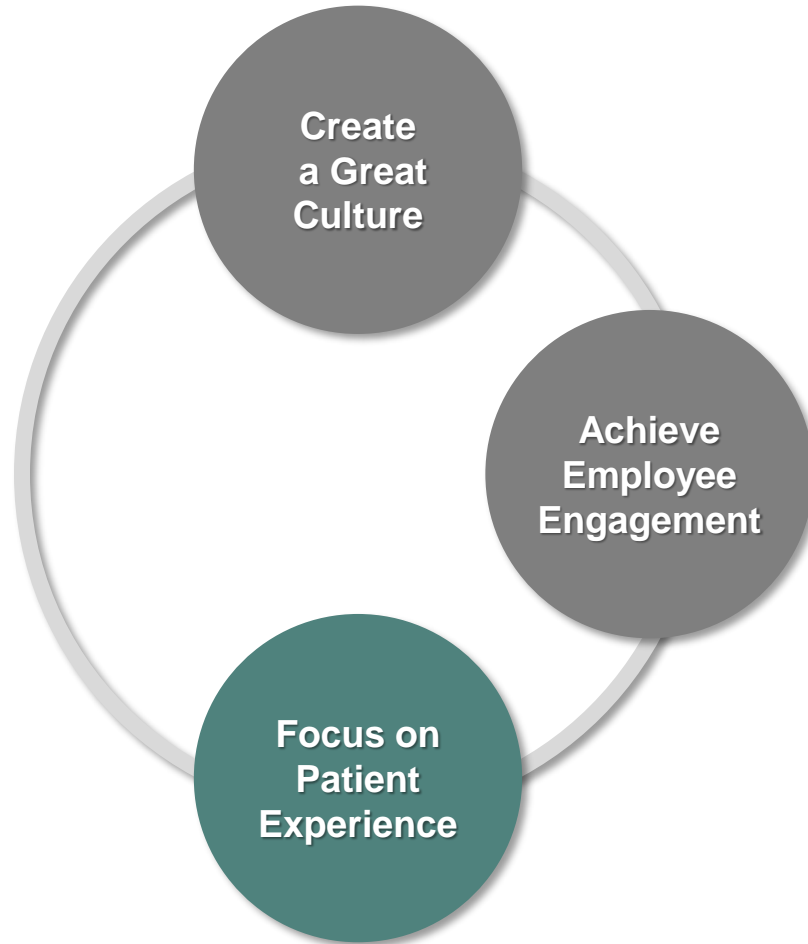
Focus on Patient Experience

- Measure key drivers
- Survey your patients
- Act on patient feedback

Key Success Factors

Create a Great Culture

Discipline of Planning and Execution

Achieve Employee Engagement

Focus on Patient Experience

Commitment to Business Planning

- Annual planning
- Engagement of team
- Commitment to execution
- Focus on a few vs. many

Key Success Factors

Leadership

- Alignment of the ownership and management

- Acting the part

- Engage with your team

- Share your success

Key Success Factors

Key Questions

- Do we create an **environment of over-achievers?** Continually raise the bar and challenge the process of how we do what we do?

- Do employees feel valued, and relate hard work and excellent performance to tangible and intangible rewards?

- Do we motivate others to want to struggle to achieve the **practice's mission and vision?**

- Do we **model the way**?

BEGIN with the END in Mind

Culture of accountability and collaboration

Culture that aspires to be great

Thank you for attending!

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