

Consultant offers tips for evaluating staff pay

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Keith Borglum, C.H.B.C., a practice management consultant based in Santa Rosa, Calif., writes that both job descriptions and state labor laws can influence salary or wage decisions. Geographic factors can also influence pay, including higher costs of living, attracting talent, and local unemployment rates. Professional factors such as licensure, experience, and on-the-job skills also need to be taken into account when setting salaries or wages.



These issues often reemerge when staff members ask for a raise. Borglum suggests relying upon data to evaluate the merits of a raise, including assessing market rates. If a raise is warranted, he suggests tying it to a merit or productivity bonus for obtaining further certifications or seeing more patients. Borglum also urges practices who are getting a lot of raise requests (often accompanied by turnover) to evaluate why staff is unhappy, which is often associated with raise requests. To control for staff costs, practices should benchmark similar practices, and can utilize data from the National Society of Certified Healthcare Business Consultants, which estimates that median staffing for small primary care practices is three to four full-time equivalent support staff per doctor (assuming 20 to 25 patient office visits per day), costing about 20 to 24 percent of gross collections.

"Once you have tailored the benchmarks to suit your circumstances, you will have a custom benchmark that you can use to evaluate staff costs and easily can update it annually to compare with the national surveys," Borglum writes.

More information: More Information

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