

# Tap Into National Contracts on Day 1 with FYZICAL for 'Increasing' Reimbursements

As a private PT practice owner, declining reimbursements are unavoidable... unless you're a part of the fastest growing network of independent physical therapists in the world!

## Increasing ~~Declining~~ Reimbursements

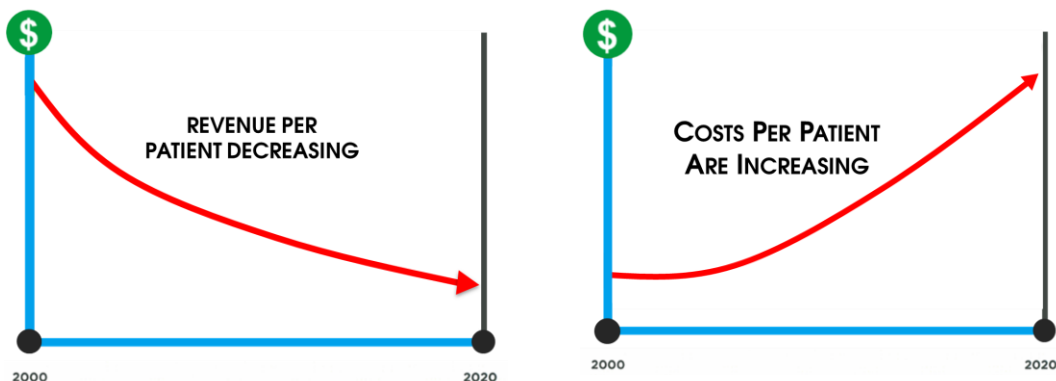
Surprised to see the word "increasing" for a change? When FYZICAL launched three years ago, increased reimbursements through national contracts was a dream that could only be realized after establishing scale throughout the United States. With 300+ locations in 37 states, FYZICAL has become the 800-pound gorilla when working with insurance payers, thus providing an exceedingly positive effect for all FYZICAL franchisees, who have recently taken advantage of higher reimbursements as members of the FYZICAL family. You could tap into these national contracts on day 1 with FYZICAL!

### Why is Reimbursement Declining?

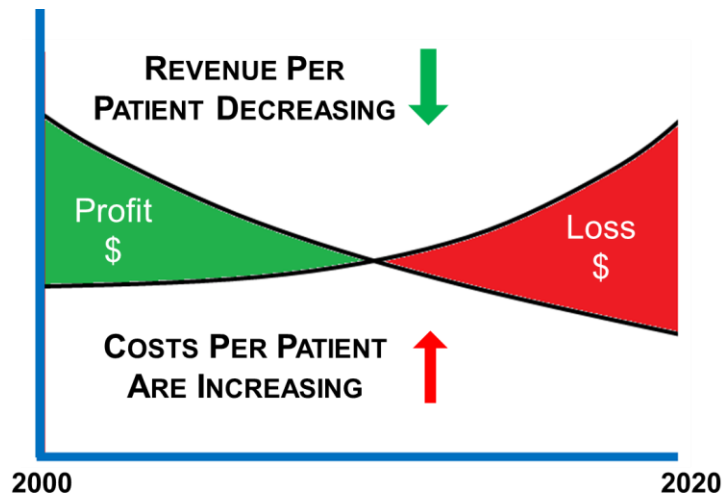
Over 10,000 Baby Boomers are added to Medicare every single day. More people, as a percentage, are not working today compared with those who are. What does this mean? More money is flowing out of Medicare than into Medicare. Put simply, on your own, declining reimbursements are a fundamental business challenge you will live with for the rest of your life.

### The Traditional PT Business Model is Obsolete

With declining reimbursement, revenue per patient is decreasing. On the opposite side of the spectrum, to no surprise, the cost of doing business is increasing. For example, your practice overhead is increasing (rent, utilities, insurance, etc.), in addition, your labor costs are most likely increasing. Unless of course, you have employees who want to be compensated less next year compared to this year.



When you put these two fundamental challenges together (declining revenue + increasing costs) the existing PT business model looks like this:



Couple this obsolete PT business model with the alarming rate private practice physicians are disappearing and the challenges compound. When there are less private practice physicians, what does this mean for PTs in private practice? Less private practice referrals! Hospitals and large regional medical providers are acquiring physicians at a rate we have never seen before. How are you going to respond?

### **“Plan, or Be Planned For”**

Right now, Medicare is planning on paying you less and big companies are planning on taking patients away from you. What’s your plan? Right now, you are at a crossroads and you can either plan, or be planned for.

Think about your business. What you’ve built. What it means to you... to your family... to your employees... to all of the patients you’ve helped over the years. Declining reimbursements don’t have to define you.

In every business, there are answers. There is a distinct reason why most private PT practices are eroding, but, how are some thriving? How can this be? Everyone is competing and facing the same business challenges. Those that are thriving have a plan. A plan to beat the hospitals, a plan to become less dependent on insurance reimbursement, a plan to operate using an innovative PT business model that challenges the way business is conducted today.

### **You Can’t Keep Doing What You Have Always Done**

Even if you are operating an extremely efficient and profitable business, you cannot keep doing what you have always done. You can only increase your referrals, productivity, referral conversion percentage, arrival rate... so much until you cannot improve any longer. Once you are operationally excellent and cannot improve your existing business, what are you going to do during the next reimbursement cut? Most private practice PT owners can’t comprehend the impact a 10% cut in reimbursement has on their bottom line. For example, if you are a \$1 million dollar practice operating at a 20% pre-tax profitability, (the minimum level of profitability you should be operating at), a 10% cut in insurance reimbursement will wipe out **50%** of your profitability!

<u>Today</u>		<u>Tomorrow (10% Cut)</u>	
Revenue	\$1,000,000.00	Revenue	\$900,000.00
Labor	\$450,000.00	Labor	\$450,000.00
Overhead	<u>\$350,000.00</u>	Overhead	<u>\$350,000.00</u>
Profit	<b>\$200,000.00</b>	Profit	<b>\$100,000.00</b>

When the next reimbursement cut takes place you can't pay less rent, you can't pay your clinicians less... the cut directly affects your profitability. Now, let's assume your practice is only 10% profitable using the same example above. You will now be left with \$0 in profitability. When accounting for inflation, reimbursement has decreased over 32% in the past two decades! This is why you can't keep doing what you have always done.

### **There Are Answers – Stay Independent & Thrive**

How can you stay 100% independently owned, have the same resources as large regional competitors and hospitals, increase your insurance reimbursements, and reap the benefits of an innovative business model that reduces your dependency on insurance? The answer can be found in the FYZICAL Franchise Network.

The general concept of “franchising” in physical therapy is new to the profession. Many wonder how there can be cookie cutter physical therapy centers. There can't. Physical therapy is a service business and cannot be standardized.

FYZICAL launched in 2013 with an innovative business model that changes the way private practice PTs do business. Franchisees across the country are thriving by implementing a proven and evidenced system without losing their independence, and remain 100% owners of their business. New start-ups to \$10 million dollar PT practices alike are aligning with FYZICAL hand over fist – there must be a good reason for this.

FYZICAL has invested over \$6 million developing the 'S.Y.S.T.E.M.' as it exists today. In addition to collecting the best operational procedures, training protocols, and intellectual property from locations across the nation, FYZICAL has quickly emerged as the fastest growing healthcare franchise in the world. S.Y.S.T.E.M. is an acronym that stands for Save Yourself Substantial Time Energy and Money.

As a business owner, you've taken on a responsibility for yourself, your family, your employees, and your patients. Declining reimbursements are a real business challenge. If you don't have the answer to combat them, you can't just hide your head in the sand... you need a plan. Fortunately, FYZICAL has the answer. It's proven, it works, and it will work for you.

**Watch this short webinar to learn  
more about FYZICAL**