

The Business Side of Medicine™

The case for hiring a physician liaison for relationship marketing

EDITOR'S NOTE: In part one and part two of a three-part series, a marketing plan for a vein practice was examined as a strategy that is designed to achieve specific growth goals. Effective strategic planning must be understood as a process that equally emphasizes internal and external factors affecting the practice. The medical practice undertaking this process must be willing to challenge the very core of its business in light of patient needs, external primary care physician's (PCP) referral patterns, and the strengths and weaknesses of your current staff. In part one, we covered tailoring clinical and administrative operations to be more time-sensitive and reliable than your competitors when dealing with PCP referrals. In part two, we went into detail about how to find, train, motivate and support the right physician liaison candidate. Part one can be found in the June/July issue in the archive section on the website at www.VeinTherapyNews.com. Part two can be found in the August/September issue, also in the archive section.

By David Schmiege



David Schmiege

The following information came from a three-year case study using five clients of Vein Specialists of America in 2011, 2012 and 2013. The 2011 and 2012 revenue tracked without a physician liaison, and 2013 tracked using a physician liaison.

ANALYSIS PARAMETERS

Revenue was tracked for the following procedures performed on each new patient referred to the practice as a direct result of

physician liaison relationship marketing activities:

- Initial Consultation (99202, 99203)
- Return Office Visit (99212, 99213)
- Duplex Ultrasound (93970, 93971)
- Endovenous Laser Ablation (36478, 36479)
- Cosmetic Sclerotherapy (36468)
- Ultrasound Guided Sclerotherapy (36470, 36471, 76942)
- Ambulatory Phlebectomy (37765, 37766)
- Compression Stockings

The liaison comp model and marketing budget (\$91,300)

- \$35.00 per hr / 24 hrs per week (Tues, Wed, Thurs). \$43,680 plus payroll taxes and benefits. (Approximate cost \$70,000).
- \$525 month expense allowance (auto + cell allowance). \$6,300 total.
- physician liaison marketing budget \$15,000

PRACTICE NO. 1

2011 New Patient Consults 217 total
2012 New Patient Consults 266 total
2013 New Patient Consults **417 total** (with physician liaison)

OBSERVATIONS:

New patient consults increased by
151/avg. 12.58 per month

Receipts increased by \$584,974, an average of \$35,478.08 per month

The average receipt for each new consult was \$3,874.00.

Gross Receipts of \$584,974 less the cost to employ the physician liaison of approximately \$91,300 leaves a net gain to the practice of \$493,674.

RETURN ON INVESTMENT

For every \$1.00 spent on the physician liaison program, relationship marketing activities generated \$6.41.

After paying for the physician liaison program, relationship marketing activities generated \$493,674.00.

PRACTICE NO. 2

2011 New Patient Consults 96 total
2012 New Patient Consults 113 total
2013 New Patient Consults **176 total** (with physician liaison)

OBSERVATIONS:

New patient consults increased by
63/avg. 5.25 per month

Receipts increased by \$259,434, an average of \$21,619.50 per month

The average receipt for each new consult was \$4,118.00.

Gross Receipts of \$259,434 less the cost to employ the physician liaison of approximately \$91,300 leaves a net gain to the practice of \$168,134.

RETURN ON INVESTMENT

For every \$1.00 spent on the physician liaison program, relationship marketing activities generated \$2.84.

After paying for the physician liaison program, relationship marketing activities generated \$168,134.00.

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PRACTICE NO. 3

2011 New Patient Consults 328 total
2012 New Patient Consults 274 total
2013 New Patient Consults **382 total** (with physician liaison)

OBSERVATIONS:

New patient consults increased by
151/avg. 9.00 per month

Receipts increased by \$425,736.92, an average of \$48,747.83 per month

The average receipt for each new consult was \$3,492.01.

Gross Receipts of \$425,736.92 less the cost to employ the physician liaison of approximately \$91,300 leaves a net gain to the practice of \$334,436.20.

RETURN ON INVESTMENT

For every \$1.00 spent on the physician liaison program, relationship marketing activities generated \$4.66.

After paying for the physician liaison program, relationship marketing activities generated \$334,436.20.

PRACTICE NO. 4

2011 New Patient Consults 178 total
2012 New Patient Consults 195 total
2013 New Patient Consults **242 total** (with physician liaison)

OBSERVATIONS:

New patient consults increased by
47/avg. 3.92 per month

Receipts increased by \$188,846.32, an average of \$15,737.19 per month

The average receipt for each new consult was \$4,018.01.

Gross Receipts of \$188,846.32 less the cost to employ the physician liaison of approximately \$91,300 leaves a net gain to the practice of \$97,546.32.

RETURN ON INVESTMENT

For every \$1.00 spent on the physician liaison program, relationship marketing activities generated \$2.07.

After paying for the physician liaison program, relationship marketing activities generated \$97,546.32

PRACTICE NO. 5

2011 New Patient Consults 287 total
2012 New Patient Consults 346 total
2013 New Patient Consults **467 total** (with physician liaison)

OBSERVATIONS:

New patient consults increased by
121/avg. 10.08 per month

Receipts increased by \$487,367.43, an average of \$40,613.95 per month

The average receipt for each new consult was \$4,027.83.

Gross Receipts of \$487,367.43 less the cost to employ the physician liaison of approximately \$91,300 leaves a net gain to the practice of \$396,067.43.

RETURN ON INVESTMENT

For every \$1.00 spent on the physician liaison program, relationship marketing activities generated \$5.34.

After paying for the physician liaison program, relationship marketing activities generated \$396,067.43

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