

**WHAT TO EXPECT  
WHEN YOU'RE  
EXPECTING AN  
ASSOCIATE**

**DR. JULIE HELMUS, OD**

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**FINANCIAL DISCLOSURES**

Dr. Julie Helmus has no relevant financial relationships to disclose. The content and format of this course is presented without commercial bias and does not claim superiority of any commercial product or service.

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**HELMUS OPTOMETRY**

BOTH PARENTS RETIRED ODs  
OD to CEO

UNIVERSITY OF CALIFORNIA DAVIS

vsp Vision Care

California

Independent & Local  
Since 1986


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**QUALIFICATIONS**

"Super Single"	2022 \$3.5 mill	Mon-Fri 8AM – 6 PM	22 FTE staff total
5 ODs (FTE 2.25)	175 comp exam/week	>7,300 comp exams/year	2022 Rev/Refract \$468

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# QUALIFICATIONS



EMPLOYED  
6  
ASSOCIATES

4 AT  
PRESENT

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# OBJECTIVES



- DETERMINE IF, AND WHEN, YOU'RE READY TO ADD A DOCTOR
- EXAMPLES OF VARIOUS PAY MODELS
- RECRUITMENT & VETTING
- EMPLOYMENT CONTRACTS
- SET UP FOR MUTUAL SUCCESS

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# I. ARE YOU READY TO ADD AN ASSOCIATE?



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# ARE YOU READY TO ADD AN ASSOCIATE?

Have you maximized your efficiency first?

- Before adding an expensive doctor, consider instead:
  - Hiring additional staff
  - Delegating more
  - Compressing your schedule

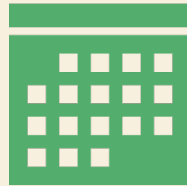


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## ARE YOU READY TO ADD AN ASSOCIATE?

Is Your Schedule Full with the Right Kind of Patients?

- Consider payer types: are you busy because you take poor-reimbursing plans?

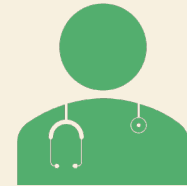


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## ARE YOU READY TO ADD AN ASSOCIATE?

Personal motivation/life goals:

- You're willing/eager to cut back your own schedule
- You're nearing retirement
- You want to transition from OD to CEO

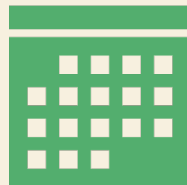


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## ARE YOU READY TO ADD AN ASSOCIATE?

Can you fill their schedule?

- 25% of patients will go to another practice if no availability within 2 weeks

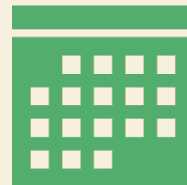


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## ARE YOU READY TO ADD AN ASSOCIATE?

Are you at Capacity?

- 150 exam slots/week with 150 booked 1-2 weeks out: 100% capacity
- 150 exam slots per week, 130 booked 1-2 weeks out = 87% capacity
- Consider making a move if you are at or above **80%** capacity



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## ARE YOU READY TO ADD AN ASSOCIATE?

You want to generate growth

You want to expand access to care/add more clinic hours

You want to add a specialty targeting a new patient population

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## ARE YOU READY TO ADD AN ASSOCIATE?

### Do you have the staff?

- "Rule of thumb": 4 hours' staff time:1 hour OD time
- Regional hiring challenges

### Do you have the space?

- Exam Rooms
- Pre-testing bottleneck
- Workstations for Extra Staff
- Sound mitigation

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## II. CAN YOU AFFORD AN ASSOCIATE?



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## CAN YOU AFFORD AN ASSOCIATE?

*"When I hire an Associate, I expect to lose money the first year, break even the second, and profit on the third."*

Unknown author

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**CAN YOU AFFORD AN ASSOCIATE?**

Old Adage:  
 ready for your first Associate once you've hit **\$750,000-\$800,000** in gross revenue

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**SAMPLE MATH**

\$515 per day W2 wages x 260 weekdays per year (include 2 weeks paid PTO, 7 major holidays)	\$133,900/year
Payroll taxes (7.65% fed, state varies assume 2%)	\$14,860/year
Benefits	\$15,000/year
1 Optician: \$22/hour with taxes and benefits	\$63,000/year
1 Technician: \$16/hour with taxes and benefits	\$46,000/year
<b>TOTAL</b>	<b>\$270,000</b>
Assume 30% net: must earn <b>\$900,000</b> in revenue to break even	
\$900,000 / (Actual days worked 243): <b>\$3,700</b> daily to break even	

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**CAN YOU AFFORD AN ASSOCIATE?**

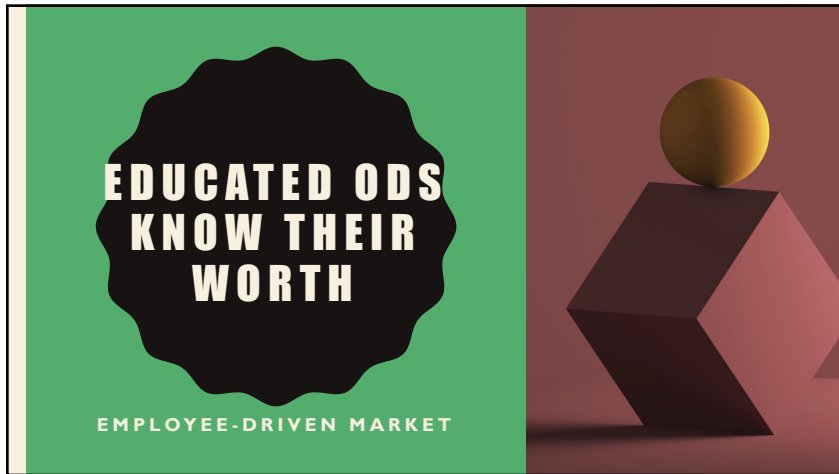
*"Most owners focus on **cost too much** and **too little on revenue growth**. Associates should be held accountable for seeing all the patients on their schedule in a reasonable amount of time and prescribing to the standard of care of the practice. If they do that, they should more than cover their wage."*

Nathan Hayes, IDOC

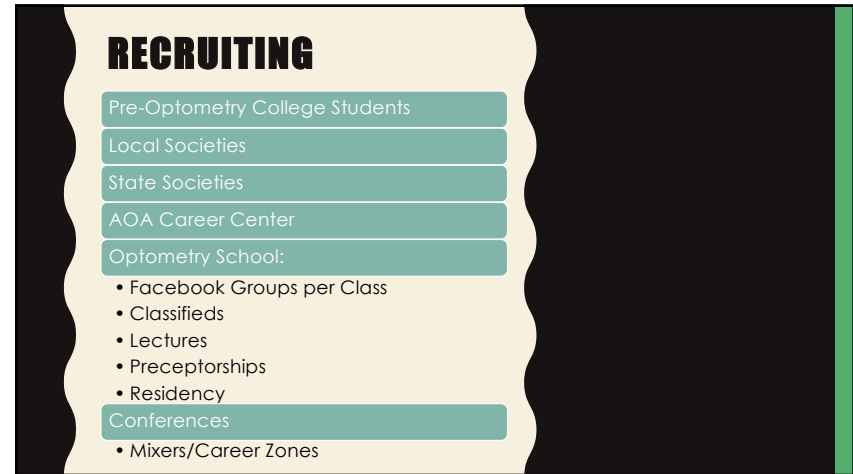
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III. RECRUITING AN ASSOCIATE

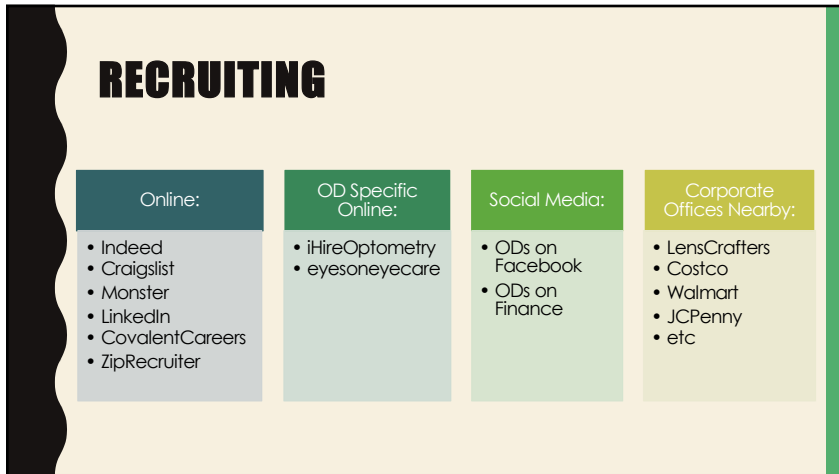
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## RECRUITING

ONE-TIME INVESTMENT	COST (RANGE)
Video to Recruit Associate	\$6,000 - \$8,000

Quote from Moxley Studios:

- Co-create a script
- Script professionally voiced
- Owner to list the tech, features, and city attractions you find most compelling
- 1-2 days of filming at practice and features in the city
  - Doctors/staff must be available
  - Patients/models/actors
- About 2 weeks of post-production (editing)
- 1-2 rounds of revisions

Example:  
<https://www.dropbox.com/s/twcmbn54osv005o/OptometricOpportunity2018.mp4?dl=0>

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## RECRUITING FIRMS

AKA HEAD-HUNTERS

- Examples:
  - ETS Vision
  - ATS Vision Recruiter
  - KMK Careers
- Contingency-based
  - No up-front fees
  - Only pay if you hire the candidate they find
- Have their own database of ODs across the country
- Can screen candidates for qualifications, interest
- Can schedule interviews and negotiate contracts as needed
- Expect to pay firm **\$16,000-20,000 per Associate**

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## ATTRACTING AN ASSOCIATE

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**Traditional Benefits:**

- 401k
- Holidays
- Health Insurance
- Sick Leave
- Materials Benefits
- Family-friend discounts

**Professional Benefits:**

- CE stipend
- Bi-annual Professional Licensure
- Society dues
- Malpractice insurance

**Extra Benefits:**

- Signing Bonus
- Student Loan Repayment
- Housing
- Company car

**BENEFITS**

Cost to practice:  
approximately  
\$12,000-14,000 per  
year for full-time  
Associate

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**V. VETTING AN ASSOCIATE**



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**VETTING AN ASSOCIATE**

- Do you share the same patient care philosophy?
- History of Medicare, Medicaid or insurance fraud?
- Board complaints, License verification
- Professional references

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**VETTING AN ASSOCIATE**

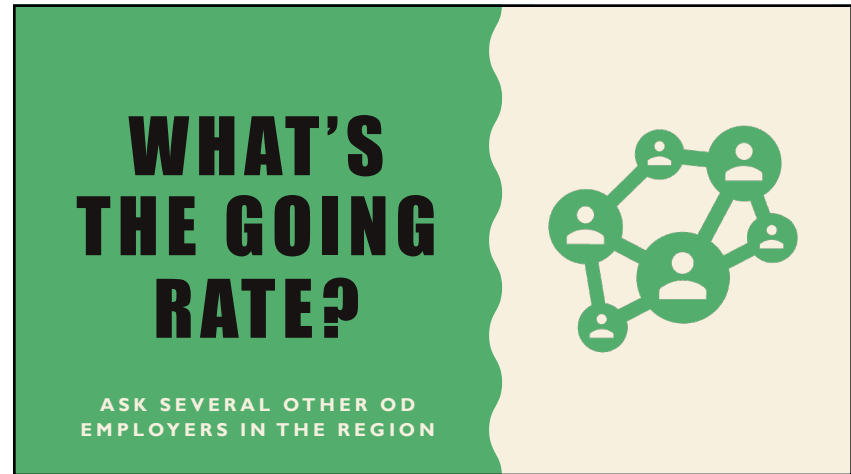
- Watch them with patients & staff
- Doctor-driven dispensing: can they "sell from the chair"?
- Personal Social media accounts
- DiSC personality assessment
- Dinner out with key office staff

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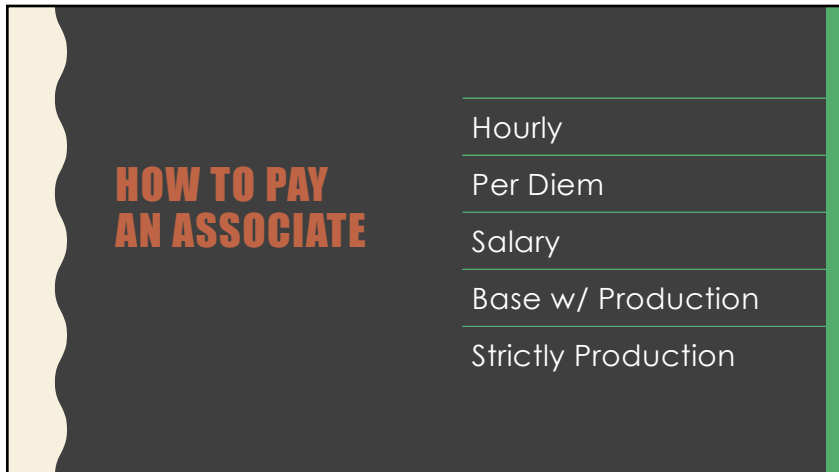




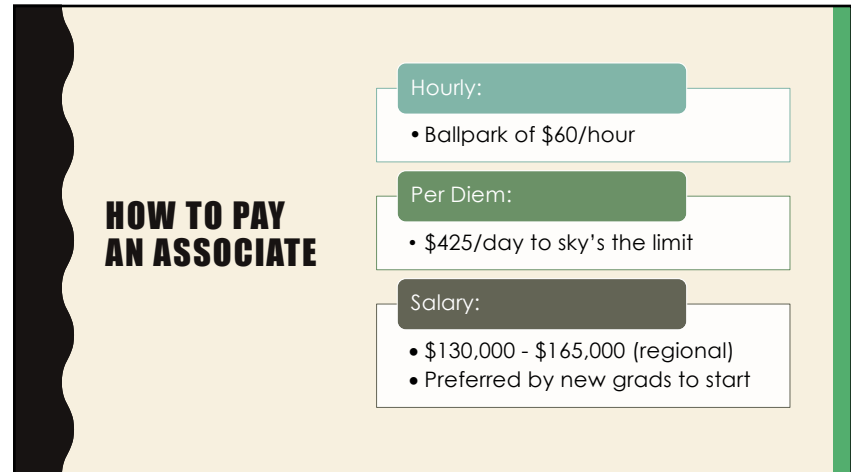
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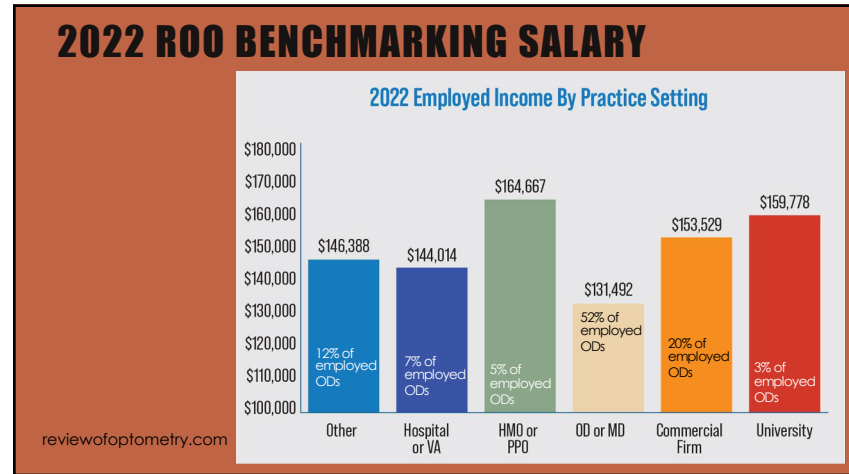


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## HOW TO PAY AN ASSOCIATE

Urban vs Rural

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## HOW TO PAY AN ASSOCIATE

Base w/ Production  
Strictly Production

Production Designs:

- Often impacts prescribing habits and RPP
- Percentage of collections tied to the associate's work, **not** the total practice collections
- Not what is billed, what is COLLECTED (gross revenue)

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## HOW TO PAY AN ASSOCIATE

Base w/ Production  
Strictly Production

Range:

- **14-18%** of all collections model: medical, CL fees, Optos, materials
- **30-36%** for Service-only collection models

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## HOW TO PAY AN ASSOCIATE

A full-time Associate should generate **\$1,000,000 to \$1,400,000 million** annually in gross collected top-line revenue

...15%

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### HOW TO PAY AN ASSOCIATE: EXAMPLE 1

Low-Overhead Setting:

- Base: \$375-425/day
- Bonus: \$25 per \$100 made over \$800-1,000
- Or Bonus: 10-15% above \$1,000 or \$1,200

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### HOW TO PAY AN ASSOCIATE: EXAMPLE 2

High Overhead Setting:

- Base: \$375-425/day
- Bonus: \$5 per any imaging such as OCT, topo
- Or Bonus: 10-15% above \$2,000 in sales

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### HOW TO PAY AN ASSOCIATE: EXAMPLE 3

Base Plus Tiered Production:

- Base \$425/day
- Plus tiered Production (for total pay, not in addition to base):
  - 14% of total production up to \$600,000
  - 15% if over \$600,000
  - 16% if over \$800,000
  - 18% if over \$1,000,000
  - Paid out quarterly: project first 3 quarters, and at end of year look at total production, multiply it by the percentage they earned, subtract total wages they earned that year and pay the difference as a bonus

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## HOW TO PAY AN ASSOCIATE: EXAMPLE 4

Base Plus Production:

- \$60 per hour or \$480 per full day
- Plus 15% production bonus minus base, plus or minus full benefits

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## HOW TO PAY AN ASSOCIATE: EXAMPLE 5

Base Plus Production:

- 5 days/week:
- \$120,000/year base
- (+) 15% production bonus
- (-) minus base
- (-) full benefits

• "The net result of this formula is that Professional is paid 15% of Professional's Net Collections, including the base salary, benefits, all direct employer costs associated with Professional's employment, and the performance bonus for each year under this Agreement."

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### MONTHLY BONUS CALCS

<b>Year:</b>	2022		
<b>Month:</b>	December		
<b>Payment:</b>	Base plus production		
<b>Days Worked:</b>	17		
<b>PTO/Holidays:</b>	1		
<b>TOTAL paid days:</b>	19		
<b>No Shows:</b>	26		
<b>Open Appt Slots:</b>	0		
<b>Base Salary:</b>	130,178	per year	

Monthly Base	Est. Benefit Cost	Total Guarantee	Minimum Production Needed	Actual Production	Bonus Earned	Total Comp. Package
\$10,848	\$1,250	\$12,098	15%	\$80,654	\$126,733	\$6,912
						\$19,010
						\$228,119.40
						ANNUAL EQUIVALENT WAGE

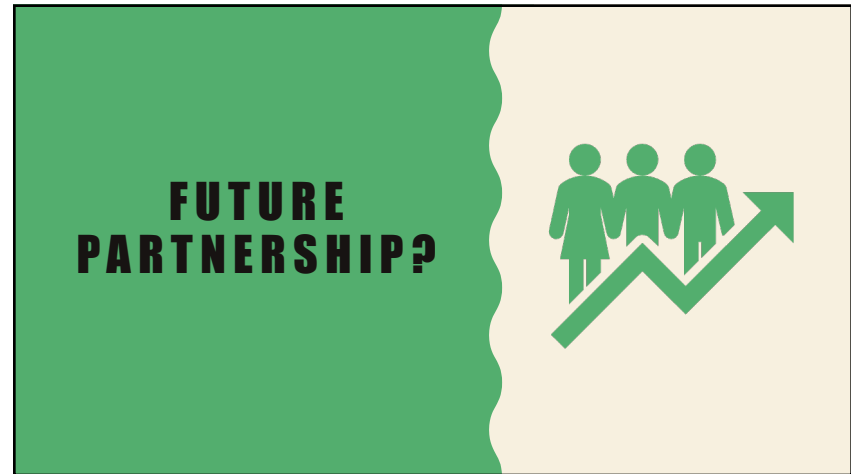
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### Monthly Production Report By Provider By CrystalPM

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## ONBOARDING AN ASSOCIATE

- Credentialing**
  - Bill using their name and NPI #, though payments come to your corp/tax ID
- Preparation:**
  - Business Cards
  - Website Photo & Bio
  - Uniform, Name tag
- Associate Clinic Guide**
- Shadow Established ODs**
- Eye exams on employees**
- "Soft Opening"**
- Schedule: 1-hour exams > 45-min exams > 30-min exams > 20-min exams**

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## IX. HOW TO FILL YOUR ASSOCIATE'S SCHEDULE



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## FILL YOUR ASSOCIATE'S SCHEDULE

### INTERNAL MARKETING

- Advertise to patients:
  - Word-of-mouth
  - Internal referrals
  - Photo shoot
  - Email blast
  - Social Media
  - Patient testimonials

### EXTERNAL MARKETING

- Website
- Social Media
- Print Ad
- Google
- Nextdoor

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## MEET DR. EXAMPLES

**COME MEET OUR NEWEST EYE DOCTOR!**

**Helmus Optometry** is thrilled to announce the addition of **Dr. Andrawis Zada** to our team of Optometrists



"He was very thorough, listened to my concerns, and told me what he was doing. A very kind and empathic physician."  
— Joy E.

353 2nd Street, Davis • (530) 758-2122  
helmusoptometry.com

HELMUS OPTOMETRY

Come Meet our Newest Eye Doctor!



Helmus Optometry is thrilled to announce the addition of **Dr. Andrawis Zada** to our team; with five Optometrists on staff, a second opinion is just one door down.

Dr. Zada is accepting new patients, from pediatrics to geriatrics, with availability next week. Tricky contact lens prescription? Chronic dry eye? He's your guy!

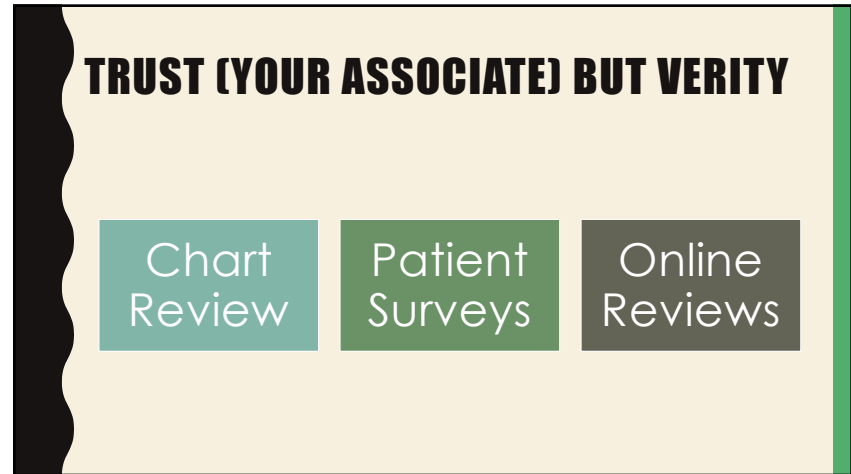
Anticipating the busy Holiday season since 1886  
Call or Text 530.758.2122

Online Appointment Request

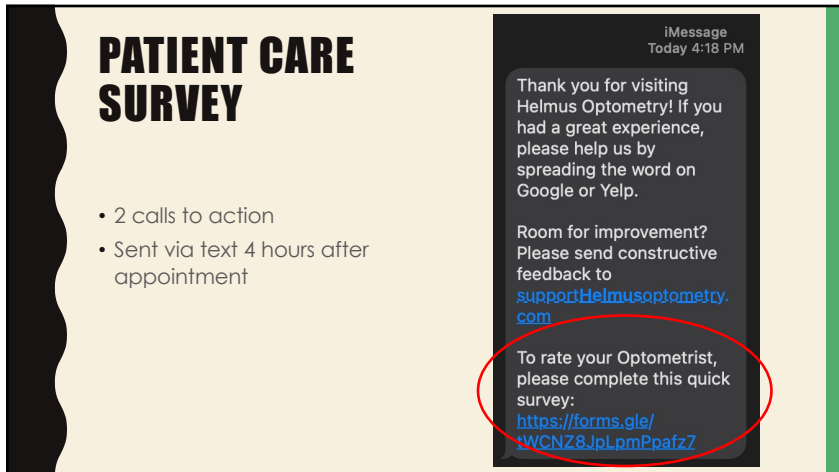
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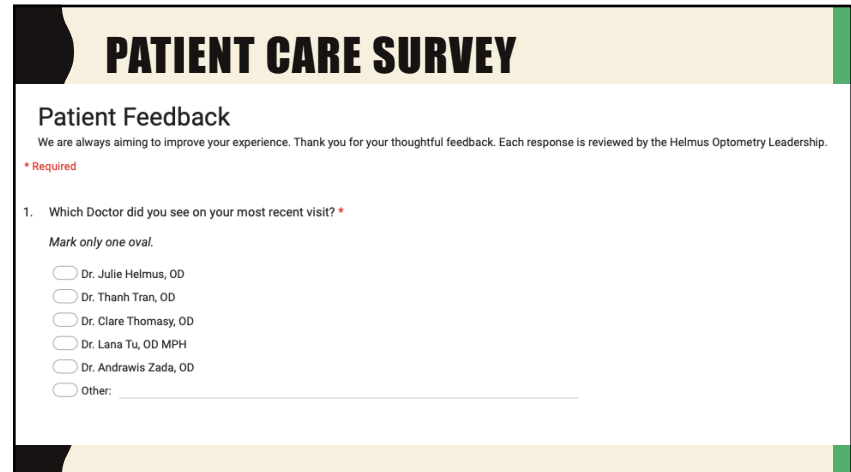
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**PATIENT CARE SURVEY**

2. How would you rate the proficiency of your Optometrist? \*

*Mark only one oval.*

Very Poor

1

2

3

4

5

Exceptional

61

**PATIENT CARE SURVEY**

3. How well did your Optometrist listen and address your ocular concerns? \*

*Mark only one oval.*

Very Poorly

1

2

3

4

5

Exceptional

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4. How well did your Optometrist inform you of your outcomes or findings from your exam? \*

*Mark only one oval.*

Very Poorly

1

2

3

4

5

Exceptional

5. Would you recommend your Optometrist to family and friends in the future? \*

*Mark only one oval.*

Yes

No

Maybe

6. Any Additional Feedback?

**PATIENT CARE SURVEY**

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## KEEP YOUR ASSOCIATE HAPPY



FEEL VALUED & RESPECTED



ABLE TO CARE FOR PATIENTS TO THE BEST OF THEIR ABILITY



STAFF SUPPORT



ROUTINE FEEDBACK AND CHECK-INS



QUARTERLY DOCTOR + DIRECTOR MEETINGS



QUARTERLY OPTICAL MEETINGS



COMMUNICATION



OFF-SITE EVENTS

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## CONCLUSIONS

- If you want growth, you'll eventually need to hire AODs
- Different hiring and vetting practices for medical professionals vs staff
- Numerous pay methodologies
- Most expensive employees on payroll
- Represent you and your practice
- Added liability
- Build wealth together
- Quality hire → colleague/peer/equal → bonding and fun!

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# THANK YOU!

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## REFERENCES

<https://www.reviewofoptometry.com/article/2022-income-work-smarter-not-harder#:~:text=Down%20%25%20from%20the%20annual.out%20following%20the%202019%20epidemic...>

<https://www.reviewofoptometry.com/article/2018-income-survey-where-do-you-stand?fbclid=IwAR1LWKSCsxudQpfBzhxsbrV8n5OAIvAFEnGbwIYMqrOr4j2NA7MofmPRxW8>

<https://www.reviewofoptometry.com/article/2022-income-work-smarter-not-harder>

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