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Hi, it's Dr. Weitz. Thanks so much for joining me for this episode of the private medical practice academy. Last night, during the private medical practice, Academy's monthly live Q and a session, we had a lively discussion about hiring practice managers. Now, if you're first starting out, you're probably wondering when do I need to hire a practice manager? The answer is that before you can determine whether you need a practice manager, you first need to know what do they do today. I'm going to talk to you about practice managers and how they fit into your team. Let's start by talking about the difference between an office manager and a practice manager.

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In the end in the office manager and a practice manager are essentially the same thing. Sometimes people try to differentiate between these two, by implying that an office manager manages a smaller practice, maybe they have fewer responsibilities and that a practice manager manages a bigger practice. Maybe with more providers or more offices don't fall into this trap. If you hire someone to manage your practice, regardless of how small or how big it is that employee is a practice manager. As with every employee you hire, it's not about the title that you assign them, but the tasks that you expect them to perform.

0 (1m 27s):

I want you to realize that your expectations are going to change over time as your business evolves. And as it grows, I'll tell you from personal experience that the person I needed when I first launched my private practice is not the person that I needed when we had 50 plus employees in 11 providers. Now, certainly some practice managers can grow along with you, but this is pretty unusual because the skillset tends to change more often than not. You'll have more than one practice manager during the time you own the practice. So what are the tasks that practice managers may be responsible for?

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Probably the most important and biggest set of tasks that your manager will be responsible for. It is human resources, hiring and training, new staff, as well as managing that staff on an ongoing basis is at the core of what you're going to want them to do. This includes everything from developing personnel policies, defining and negotiating employee benefits, writing and maintaining your employee handbook, holding staffing meetings, resolving conflicts, you name it. Basically they manage every aspect of your staff. The practice manager is going to also be responsible for ensuring compliance with all government guidelines, and they make sure that all of the legal obligations for your practice are being met.

0 (2m 58s):

Some practice managers. This is pretty typical. We'll actually oversee billing. Now this doesn't mean that they do the billing, but they do have to understand revenue cycle management. They should be able to run and understand and evaluate your revenue cycle reports. The practice manager may be responsible for payroll paying bills and certainly coordinating outside relationships. So what do I mean by outside relationships? But if you have outsource billing, if you have a CPA, if you have an attorney, all of these, or

you have consultants, all of these people that basically interact with your practice, your practice manager is going to have a relationship with some other tests that they may do include guaranteeing that medical records are properly stored and making sure that equipment and supplies are ordered and maintained.

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Now, depending on how big your practices, it may be that the practice manager does this task or set of tasks themselves, or they may actually delegate that set of tasks, whatever it is to some other staff member, but they're still responsible for overseeing it. One of the questions that I'm frequently asked is how much should I pay my practice manager? Well, as you can imagine, the skill sets required are going to vary based on the tasks you're expecting the practice manager to handle that in turn translates into a wide salary range. So the answer to the question is not a set amount.

0 (4m 34s):

In my experience, there are three general categories of practice managers and salary ranges. First. There's what I would describe to you as the starter. You know, when you're first getting started and you have only a few employees and the complexity of your practice and the tests that are required is pretty limited. The starter practice manager is likely to have a salary in the 35 to \$45,000 per year range at this level, you're primarily going to get what I would call a worker bee. They'll execute tasks you assigned to them, but it's really hard to get people who are going to be independent thinkers at this level.

0 (5m 16s):

Now, as your practice evolves and grows, so will the complexity of running the business and you're likely to need a practice manager with higher level skills. The second category of practice manager has more, more staff to manage more billing, to look at more expenses, to manage more providers, more everything. The salary range for this category is harder to estimate since it really depends on the education and experience level of the candidate and how big and complex your practices that said 60 to a hundred thousand dollars per year as a ballpark spread practice managers in this range have as a whole better critical thinking skills than those in the starter category.

0 (6m 3s):

For example, they can help you work on processes to improve your practices efficiency. When you get to the stage of adding new providers, satellite offices, and multiple additional revenue streams, you're going to want a practice manager who maybe has a college degree in health administration who has prior bookkeeping and clinical experience who has strong business acumen who has strong leadership abilities. This is the third category of practice manager. If you're at this stage, you need someone who has the ability to help you grow rather than simply manage her practice.

0 (6m 42s):

Needless to say, the salary range for this category is going to be the highest. It's probably going to be a

hundred thousand dollars a year or more, but before you completely freak out on me, understand that you're only going to need this level of practice manager when your revenue more than justifies that salary level, finding a good practice manager can play a significant role in your practices success, but it's not always easy to find the right fit. No other position has the potential to routinely touch upon every area of your practice. So before I go on, I want to tell you something that's very important.

0 (7m 25s):

I want to stress to you that you, the practice owner cannot abdicate your responsibilities to the practice manager. If you're first starting out, the practice manager cannot and should not be the person who defines every aspect of how to run the practice in order to be successful. It's on you in all honesty, even when you're super successful and have a highly skilled practice manager, they are there to implement your vision. This is your business. Yes. They may have more sophisticated, critical thinking skills and they may be more independent, but no matter how great your practice manager is, it is ultimately your business and you need to lead it.

0 (8m 12s):

Okay, now that I'm off my soap box, now that I've told you the list of potential tests that you're going to want your new practice manager to take on. I'm sure. You're wondering, where are you going to find somebody who possesses all of these characteristics? The answer is that it's incredibly likely that you're going to find anyone who checks off every single box. So if you have to choose one quality, that's essential in a good practice manager, what would it be? Hands down it's interpersonal skills, regardless of what stage you're at your practice manager needs to have excellent communication skills in order to communicate with everyone in the practice, including the patients, physicians and other employees.

0 (8m 60s):

I'll give you an example. One of the private medical practice academy members was telling our group about her practice manager. Apparently the practice manager, interrogate staff who call in sick, demanding proof of why they took a day off. And if they say that they went to the hospital and had blood drawn, she wants to see their arm. This is absolutely contentious. And if you think about it, it creates a very difficult work environment. This is not what you want. You want somebody who's going to be friendly, calm, composed, and now going, but who's able to hold people accountable. It has to be done in a way that's not intimidating or contentious though, right?

0 (9m 44s):

So I can't stress enough how important this is to patient employee and your satisfaction as the business owner, to find somebody with great interpersonal skills. I guarantee you that everyone will be much happier. If you do before writing the ad for this new practice manager, you need to understand the tasks that you want. The person to be responsible for. This in turn is going to help you to write the job description complete with the qualifications that you want your successful candidate to have. So here are some of the things that I

want you to consider when looking for that practice manager.

0 (10m 25s):

For example, if your practice has poor financials, you're going to want to look for somebody who is strong in revenue cycle management, or maybe you need more help with managing your clinical staff. In that case, you may want to hire someone who has more of a clinical background. You need to understand what things you need, the practice manager to really focus on in order to help focus on what experience you want them to have an education to come with frequently practices we'll promote a hardworking medical assistant or a biller to be their first practice manager. And while this can sometimes work out, okay, I caution you to be very careful doing this just because somebody is good at a specific task.

0 (11m 13s):

And they're loyal doesn't mean that they have the leadership and communication skills that are really necessary for that practice manager position. Next you're going to want to check the candidates previous work experience. Even in the beginning stages, you're going to want a practice manager who has at least two to five years of prior work experience as a practice manager. And you want to specifically know what tasks they were responsible for. For example, if you want the practice manager to come in and handle the billing, finances, staff and or bookkeeping needs of your practice, you're going to want to know that they did those tasks previously, probably the most important thing though, is to look for the necessary personality characteristics, hiring the right person to be your practice manager is all about fit in order for your practice manager to be successful, they have to be empathetic, compassionate, and they have to be able to pay attention to detail.

0 (12m 20s):

They need to enjoy talking and listening to others. Look, needless to say, it's a big red flag. If your potential candidate lacks an interest in the people that they interact with, regardless of whether it's the patient employees or other physicians. Another red flag is when a candidate speaks negatively about the practice or people at their current or past jobs. You're going to want to ask interview questions that really focus on fit. Personally, I love role playing in an interview because it allows you to test people in different scenarios. Your practice manager is really your right hand person.

0 (13m 3s):

You want to ask questions that will really allow you to evaluate whether the person can share in your vision. And then you want to be sure that your successful candidate is able to delegate tasks. You're hiring your practice manager to help run the practice. It's completely unrealistic to think that the practice manager is going to be able to perform every task. And this is especially true. As your practice grows. The ideal practice manager has excellent task delegation capabilities and is able to judge what tasks do they need to do themselves? And what are they able to delegate?

0 (13m 44s):

And last but not least, of course, you're going to want to conduct a background, check and speak to the references that your candidate provides. Talk to doctors that the applicant has worked with. Find out how well they get along with all of the employees, as well as the physicians and the patients. You really want to know this on the front end. Thanks for joining me. Please be sure to sign up for my newsletter below. I'll be sending you tips on how to start a practice, grow a practice, and then to add multiple services so that you can maximize your revenue.