

Special Report

Physician-Supervised Physical Therapy

by Nils A. Shapiro

It takes a special individual, one with a wide and varied background in both the healing and business sides of health care, to earn the respect of physicians nationwide, even internationally. Dr. Jon Segal has earned this distinction and we are confident that our readers will find great interest in the unique opportunities he and his staff have developed for medical doctors throughout the U.S.

Dr. Segal calls his unique concept “Physician-Supervised Physical Therapy” or PSPT. He has taken time from his busy schedule for the enlightening interview that follows. Dr. Segal’s unique professional background will help to underscore why his lectures are being attended by hundreds of physicians interested in ways to improve their patients’ overall physical well-being as their primary consideration, and at the same time increase their well-deserved incomes.

The PSPT concept was born when Dr. Segal’s experiences with his own patients revealed two important facts: (1) Many of his patients were suffering from pain issues that were not being addressed, because they never felt comfortable talking about unrelated health problems during visits to their doctors for other treatments; and, (2) Of those who did mention these other pain problems, almost all were referred by their primary doctors to specialists, and some continued to suffer because of improper follow-up care, over- or under-prescription of drugs, as well as matters related to inconvenience and cost.

Dr. Segal realized that, if physicians were more aware of their patients’ ongoing pain issues unrelated to the primary reasons for their visits, such physicians would want to be able to help these patients to the maximum degree possible. The solution, he decided, was to enable the primary physicians to better oversee their patients’ full range of pain issues that could be helped by medically-supervised physical rehabilitation.

The fact that such beneficial patient care could also result in added income to the physician gave Dr. Segal a well-balanced solution to a problem made even more predominant by the aging American population and the pain issues that accompany this demographic phenomenon.

Dr. Segal’s ability to make the benefits of his Physician-Supervised Physical Therapy system clear to listeners has made him one of the most powerful and successful speakers to medical professional audiences throughout the U.S. We asked Dr. Segal to explain the PSPT concept for our readers.

Innovative Healthcare: Dr. Segal, what is the purpose of your new Physician-Supervised Physical Therapy System as it relates to a physician's practice?

Dr. Segal: An MD's primary objective, of course, is to do everything possible to heal or alleviate the specific problems that a patient has brought to the physician's attention. What PSPT does is enable the doctor to expand those services to include his or her professional ongoing supervision of soft tissue rehabilitation by addressing additional musculoskeletal conditions that so many patients suffer with but fail to mention during a specifically focused office visit—things like low- or mid-back pain; wrist and hand pain; knee pain; fatigue; neck, shoulder or hip pain; ankle pain or muscle soreness.

In other words, it enables the physician to help patients with problems they may never have otherwise even mentioned.

That is precisely correct.

Specifically, what kinds of problems are you referring to?

There are three types of musculoskeletal conditions that can be treated in the average healthcare office. The first is a category that we can call "Non-Complicated Conditions." These involve sprains and muscle spasms, and such patients will receive modality care by a professionally trained physical therapist to resolve only acute pain syndromes.

The second category involves "Complicated Conditions." We're talking here about muscle spasms and possible or suspected disc and nerve involvement. Treatment of such patients will start with modalities with a conservative approach to "light" adjusting and modalities during the acute phase of care. Once the condition has stabilized and pain patterns are under control, high tech rehabilitation can begin.

Finally, the third category is "Complicated with System(s)." All of the same conditions as in the case of the "Complicated" patients are present here, but there must be at least one other system of involvement. Such a patient requires medical intervention after an initial period of "light" modality.

These sound complex, but the PSPT program includes full training of the physical therapist who has been hired by the participating physician to conduct the hands-on care of patients who have been referred to the Physical Rehab Room—the room that used to be simply just another extra treatment room in the office.

The benefit to patients is clear. Apart from being able to help alleviate additional patient suffering, what other benefits accrue to the doctor?

In order to be able to best serve patients, a doctor's overall practice must be successful and profitable from a business sense, as well. PSPT provides an extraordinary opportunity for any professional medical practice to increase its profitability several times over simply by using good

business judgement and placing priorities where they count most. When you consider the rising costs of malpractice insurance and other increasing costs hitting physicians today, the additional revenues that the PSPT program bring to a professional practice can make a substantial difference in the doctor's ability to have the necessary facilities, equipment and staff to care for patients most effectively...not to mention being able to pay the high malpractice premiums.

Please be more specific. When you refer to “using good business judgement and priorities,” what are you referring to?

Here is a very specific example—a rather simple one, but a key to the PSPT opportunity. Let's say that a physician has three or four treatment rooms, as is often the case, in order to move patients along in an orderly and efficient schedule and enable the doctor to maximize his or her time. And let's assume that the doctor sees about 100 patients each week.

Those three or four treatment rooms are not free; the doctor is paying rent for them as part of his office's overall rent. And yet, as a practical matter, unless every one of them is filled every minute of every day with a patient waiting to see the doctor, the loss of one of those treatment rooms would not materially affect the number of patients able to be seen by the doctor—nor would it affect the doctor's monthly income from patient visits.

It's very rare that every room would be occupied every minute of the day.

Precisely. And that's the key. What our several years of studies have found is that, by simply converting one of these treatment rooms into an active physical therapy center, the benefits for both the patients and the doctor are enormous. The patient enjoys professional, ongoing physical therapy under the doctor's supervision—conveniently, right in his or her doctor's office, rather than in some outside referred-to therapy center. And, for the doctor, this simple one-room conversion can literally bring added annual revenue of as much as \$250,000 to \$500,000 or more—without adding a single extra patient! It's simply a matter of providing these additional physical therapy services in one's own medical office instead of sending that business out for others to perform.

But don't these additional services take up much of the doctor's time and leave less time for taking care of other patients' primary needs?

Not at all. That's one of the advantages of the PSPT System. The physician, once informed of each patient's other issues—which until now have been left unspoken—simply refers the patient to his or her own physical therapy center (what used to be just an extra treatment room) where a physical therapy expert trained by Serenity Health Systems [which is owned by Dr. Segal]—together with the necessary equipment installed in the room by SHS—can attend professionally to the soft tissue and musculoskeletal needs of the patient. The net result is that the physician's practice is even better able than ever before to truly take care of a patient's overall needs. And the payment of these services, which before were referred to other healthcare providers, are now retained by the physician's own practice.

If a trained physical therapist does the actual work, what does the physician have to do?

The physician simply needs to set up a procedure in his or her office to find out what issues a patient has in addition to the primary reason for the actual visit. This can be done by having each patient fill out a Pain Analysis Survey listing other possible existing health issues—for example, arthritis in the neck, lower back pain, etc. The office receptionist or nurse can also serve to elicit this information.

One would imagine that most people who go to see a doctor also suffer from problems other than the one they have come to see the doctor about.

We know from several years of studies, and discussions with hundreds of physicians and patients, that this is precisely the case. You can safely assume that, for every ten patients seen by a doctor, at least one third of them have other problems that can be helped by a professional physical therapy regimen. Then, if you figure that only one third of those patients who have problems are able to be put on the therapy program—in other words, only eleven out of each one hundred patients seen by the doctor—the financial result for the physician’s practice using the PSPT Program is conservatively an additional annual revenue of \$250,000 or more...and that is a heck of a lot more than any doctor gets from having an extra treatment room.

What does the PSPT System actually do? How does it work?

Once the physician has decided to make better use of one treatment room, Serenity Health Systems will set up that room with baseline rehabilitation equipment, which includes: an electric muscle stimulation unit; an ultrasound unit; treatment tables; a Hydrocullator unit; a Cryotherapy system; a freezer; a massage unit; a traction unit; conductor gel and exercise bands. And all of that can be efficiently set up in a typical treatment room.

SHS also provides full training for the qualified physical therapist who will be hired by the physician to run this physical therapy center.

In addition, to launch the program successfully, Serenity Health Systems’ personnel will train the practice’s full staff on the proper use of forms necessary to implement the system—starting with the PSPT Pain Analysis Survey that patients complete, listing other health issues they would not typically mention during the regular office visit. The forms also consist of: a customized Fee Slip (Daily Encounter Form); Re-Examination Forms; Report Templates; all forms associated with ordering and providing Diagnostic Testing; Daily Soap Note Checklist...and, of course, we provide a full understanding of all applicable CPT Codes to the doctor, the staff, and the billing company if necessary.

That sounds rather comprehensive and complex. How easy is it for a doctor’s practice to understand the program and get it started?

It’s actually very simple and streamlined...a turnkey solution. Our consultants are very proficient at working with a doctor’s office staff. By the time we spend a couple of days on site, review the procedures and forms, and even perform role-playing examples of the staff-and-patient interaction, it’s then only a matter of discussing who would be the right physical therapist, helping to locate and train that person, and launching the program. Depending on the type of program the doctor chooses, we may even provide marketing and promotional support. It is

surprisingly simple and effective. The main issue is for the doctor to make the decision that it makes sense to convert one existing treatment room into an opportunity for an additional \$500,000 a year in additional revenue. For most, that is not a difficult decision to make, as you can readily understand.

What does it cost a physician's practice to take advantage of the PSPT program?

A one-time consulting fee of \$29,900, plus the equipment, which is about \$5,000 wholesale.

You have referred several times to the potential of an added \$500,000 a year in a practice's annual revenue. How do you arrive at that figure?

I would suggest to any doctor considering adding this program as an added in-office ancillary service, they should anticipate earning at least \$250,000 a year. However, based on what we found is an average physician's practice; one that is seeing approximately 100 patients a week (assuming that these patients typically see the doctor only a few times a year), they could earn much more.

For example: Assuming that only one out of three patients claims to have additional problems, and only one out of those three accepts the doctor's prescribed physical therapy program, that's actually eleven out of one hundred patients. If that's the case, then the average SHS physician will start approximately 40 patients a month into the program—patients who would likely have been referred to outside providers for the same services.

The program requires patients to visit the office three times per week for treatment, for an average of about four weeks, which is a total of an additional twelve billable patient visits per month. The individual physical therapy treatments are low in cost; in combination, any given visit will range from \$87 for Medicare patients to \$179 for out-of-network patients. Using the low reimbursement Medicare model, the average visit would earn the practice \$87. When projected out, it totals approximately \$45,936 per month or a little more than \$550,000 per year.

Even after paying the cost of the physical therapist—who does most of the work—the net additional revenue should total close to \$500,000. A consultation with the PSPT representative could give a doctor a better understanding of what they could earn in their practice and exactly what it would take to provide this service.

I know that there has been a lot of emphasis on the money a practice can earn, but is that the real reason you created the PSPT Program?

I'm glad you asked that question. The financial issues are important, but they were secondary to my purpose in developing the PSPT Program. The physicians whom my staff and I speak to throughout the country during our year-round speaking engagements almost always focus their attention on the additional benefits that the program enables them to provide in terms of overall better health for their patients.

Take the average patient office visit as an example. Obviously, the doctor uses his or her professional skills and training to relieve whatever ailment that was the purpose of the patient's

visit in the first place. But if the individual is also truly suffering from pain that is unrelated to the original ailment, should the doctor not care about such suffering? Isn't it better for the patient if the doctor is, first of all, aware that the pain issues exist, and, second, does something to help? The answer, from the patient's point of view, is "of course."

What generally happens in today's healthcare environment is that, in cases where the patient is intelligent enough to take an pro-active role in his or her own health care—and mentions the pain problems to the doctor—most doctors refer the patient to one or more specialists to provide the needed treatments. Because he or she doesn't really have the facilities or staff to oversee the problem right there in that office, the doctor presently has no other choice.

It seems like, from the patient's point of view, what may be a necessary variety of treatments can mean visits to a number of different healthcare offices, the likelihood of higher combined costs, and a whole lot of personal inconvenience.

Perhaps even more important, and worse, is the risk that various medications may be prescribed by the different caregivers—which can create other problems. One result of multiple-doctor care—more paperwork and higher administrative costs—is higher healthcare costs for everyone...from the patient to the insurance company and even to the government.

I don't know if it is true, but I have heard that as much as 20% of the cost of healthcare is attributed to the referral system of medicine: extra costs for the higher priced specialists, extra costs for the added paperwork, plus emotional pain, patient suffering, and lawsuits caused by mistakes or misdiagnoses.

Keeping healthcare costs lower and increasing the quality of patient care are some of the real benefits that motivated me to develop the PSPT program, and the positive response by doctors nationwide confirms their understanding of the issues, as well as their commitment to the fullest possible care for their patients.

Thanks for taking to time to speak with us today.

My pleasure.