

PRACTICE MANAGEMENT

A Growing Trend in Chiropractic: *Going Cash*

Why the Trend of the Cash-Based Practice is Growing

By Miles Bodzin, DC

After experiencing the challenges with insurance as early as the mid-1990s, the writing was on the wall. To thrive in practice in spite of insurance reimbursements getting lower while copays and deductibles were steadily on the rise, I had to master running a cash-based practice.

I tried all sorts of things, including the common practice of doing prepays. That seemed like a good approach, until I had one week in practice when three military families suddenly had to leave town due to being transferred. I had the pleasure of writing more than \$10,000 in refunds that week. (That was fun—not!) I realized I could not continue running my practice by borrowing money from my patients, and that's essentially what prepays are—borrowed money.

So after several years of practice, I finally figured it out; the key to running a successful cash-based practice had everything to do with changing my focus from getting more new patients to instead keeping patients longer. In order to be free from the shackles of insurance, I had to learn how to skyrocket my patient retention.

In practice, I developed new systems that focused on doing one thing very well. They all worked to remove the obstacles to patient compliance. I was tired of patients not following through with care and not getting the full benefits of chiropractic. Eventually, the practice of my dreams, the Chiropractic Wellness Center, unfolded before my eyes and people were staying for lifetime wellness care.

By the time I sold my practice in 2011, my stats showed that my average patient was with me for five or more years with a patient visit average (PVA) that was 24 times the national average. So instead of my patients dropping out when their pain resolved or when their insurance was exhausted, they were staying and getting the full benefit of the care plan I had recom-

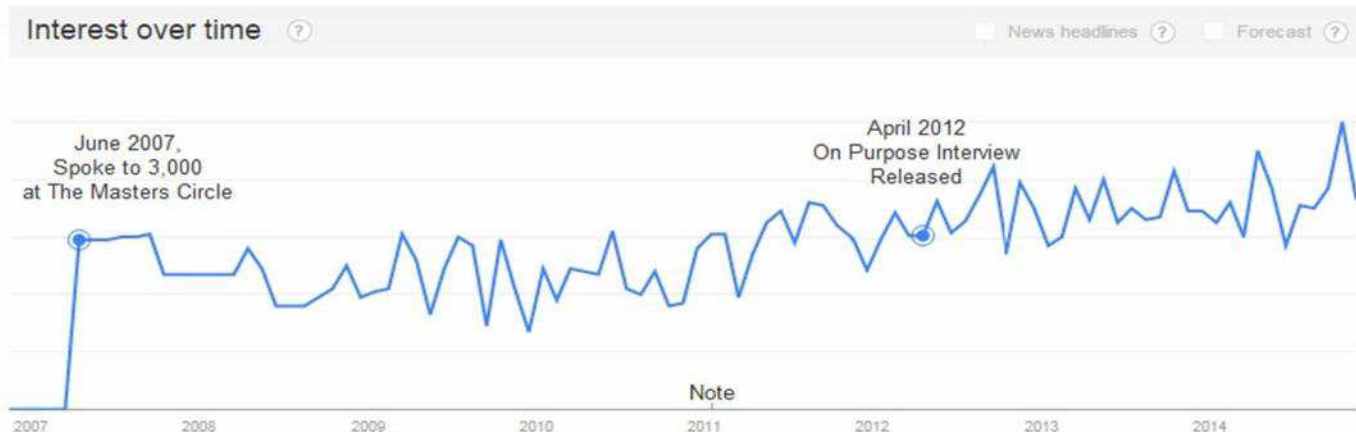
mended. I am happy to report that it has been three years since I sold my practice and nearly all of the patients I left behind still go to the chiropractor who took over their care.

Let me paint a picture of the times. Around 1996, every chiropractor in my city had ads in the Yellow Pages that showed the eight danger signals with lightning bolts flying out of a bent over person's back. Let's just say that chiropractic was all about pain, personal injury, and worker's comp. Wellness? What was that?

Word of my cash-based wellness practice model eventually spread throughout the local chiropractic community, and it was not long before others were asking me to teach them about what I was doing. Most of them were doctors who were sick of dealing with insurance. Local chiropractors would take me to lunch and pick my brain. Although I do not consider myself a coach, I even took on a few coaching clients back then. (I quickly learned I was not cut out for the coaching business.)

In the late '90s, I was buying all kinds of cool things on a new website called eBay. It was really a lot of fun bidding against other buyers. I even bought a few cars and a boat, and in fact, the truck and car I own today were purchased years ago on eBay. Many times, the thought crossed my mind, "What could I sell on eBay for fun?" Finally, around 2000, I started selling one of the software programs I developed for running my cash-based practice. From my background in engineering, I had developed some simple software for creating customized payment plans so patients could purchase my care plans.

Within just a few months, several hundred chiropractors had purchased it. I could not believe the demand at the time, but what really blew me away was the feedback I received from some of the doctors who purchased my Cash Plan Calculator. Dozens of the doctors told me the program skyrocketed their case acceptance. They were starting more patients on long-term corrective and wellness care plans than ever before.



Source: 11/13/2014 Search of "Cash Practice" on Google Trends

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Was this the beginning of a trend? I immediately thought to myself, "Chiropractors clearly need this." More importantly, their patients needed it. So in 2001, I registered the domain name CashPractice.com so I could start offering my systems to the profession through, at the time, a brand new, state-of-the-art technology called "software as a service," or SaaS. This allowed the ability to offer an application as a service over the Internet.

Over the next several years, the growth trend was slow but steady. During the first few years, we simply used one of my extra adjusting rooms as an office space. From those humble beginnings, we eventually grew to help several hundred chiropractors increase their cash collections. Eventually, we had to move the staff from the single chiropractic adjusting room to their own office space.

By the mid-2000s, the trend really started to pick up steam. It almost felt like a movement was starting. So we incorporated the company in 2007. I recall that our membership grew to more than 1,000 chiropractors shortly thereafter. We used to have a jar of marbles to represent our growth, and every time another chiropractor joined our movement, a marble was added to the jar. Thinking back on it, it was kind of fun for everyone to watch that jar fill up.

In 2008, the United States Patent and Trademark Office granted us several registered trademarks including the mark "Cash Practice." To think, this all started as a result of finding

a way to build a practice focused on patient retention, rather than a constant flow of new patients. This ultimately led to a cash-based practice that was not dependent on insurance. Other chiropractors found value in what I was doing and wanted to learn to do the same. It was almost too much to fathom.

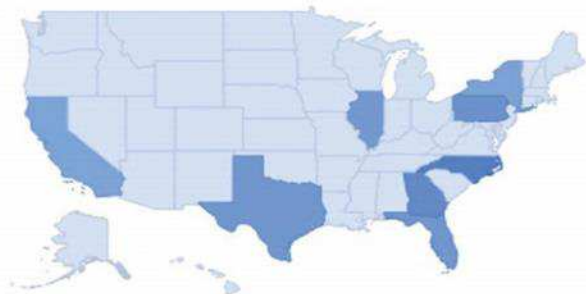
By this time, in an effort to gain further momentum, I shared my ideas and systems with numerous leaders of the profession who began referring their clients to us. We also formed an alliance with ChiroTouch in 2007 that led to us becoming the primary provider of their payment processing. It has been a thrill to see how their company has grown and helped chiropractic so much.

Well, it is now 2014 and it is very interesting to see how the trend continues. As I travel the country teaching on my "Freedom from Insurance Dependence" tour, I hear, more often than ever, from doctors talking about how they want to "go more cash."

It got me thinking. Was this just in my own mind? Was I hearing this because I was more focused on it? Kind of like when you buy a car or TV, it suddenly seems like everyone else bought the same car or TV.

I decided to look into this trend to learn more. Google has a great service, appropriately named, Google Trends. Like their search engine, you enter a search term to see how it is trend-

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ing. So I visited www.google.com/trends and entered "cash practice."

Google shows that the term "cash practice" was not even on their radar until early to mid-2007. What changed in 2007 to suddenly cause the term "cash practice" to show up on Google Trends? Was this a tipping point?

Well, in early 2007, I spoke in front of the largest crowd of chiropractors in my career. The Masters Circle invited me to Chicago to speak in front of nearly 3,000 chiropractors and staff. The buzz in the air at that event was palpable. Is it a coincidence that from that point "cash practice" showed up on Google's radar and has been climbing steadily?

Then there was another significant event that likely helped spread the word. I was interviewed for *On Purpose* in April 2011, and in that interview I shared with Dr. Patrick Gentempo and his thousands of listeners my ideas and concepts on freeing themselves from insurance dependence. The interview was released in April 2012. Was that interview the cause of the additional interest in "cash practice" you see on the graph?

Certainly, there is more to this trend than me simply speaking about it. It would be totally silly and egotistical to think it is because of me. The reality is that the topic of "cash practice" has been around for a long time. I recall first getting out of school in 1993 and hearing about running a cash-based practice from leaders such as Dr. Dennis Nikitow, Dr. CJ Mertz, Dr. David Singer, and others. I remember listening to tapes (yeah, cassette tapes) of Dr. Larry Markson talking about how "your fee is your fee."

I really think the trend has been growing for the very same reason we have seen the explosive rise of solar power and hybrid cars. Most everyone agrees that the significant rise in fuel costs created greater demand for these technologies. The "environment" changed, thus creating demand. In recent months, I have read several articles addressing the fact that now that fuel prices are dropping to levels not seen in years, will the demand for these newer technologies drop as well?

The healthcare reimbursement environment has changed steadily over the past 20 years. Certainly, the stories of chiropractors earning Ferrari-level incomes in the 1980s are legendary. It seemed that every doctor just had to open their practice door, hang their shingle, and submit claims to insurance for a big fat check to arrive in the mail. Oh, the hangover that it created for so many.

What began in Southern California, the HMOs, PPOs, etc., has steadily crept across the nation over the past two decades. I've heard it said many times that what starts in California will eventually spread across the nation. The days of low deductibles and low copays are disappearing state by state. In some places, we now see chiropractors being excluded from coverage. Yes, the landscape of reimbursement has changed.

It seems that the worse the insurance is for a given state, the more interest in a "cash practice," which seems pretty logical. It is fascinating that Google can show you where the search term is getting the most interest. Above is a map of the US along with a table of the top eight states interested in "cash practice." It just so happens that these same states have some of the biggest challenges with third-party reimbursement for chiropractic.

Recently, I attended the Congress of Chiropractic State Association's annual convention in New Orleans and had the opportunity to speak with many of the state association executive directors. Nearly every one of them I spoke with told me their members were asking more and more about how and where they could learn more about running a "cash practice." Needless to say, the trend is continuing and my speaking schedule is starting to look more like a rock concert tour schedule. Be on the lookout for the Cash Practice Tour Bus coming to a city near you. (Kidding, of course!)

The need for doctors of chiropractic to learn what it takes to run a successful cash-based practice is great for sure. Whether a doctor wants to go 100% cash or simply reduce their dependence on insurance, it is possible. It starts with the decision that it is possible. Clearly, the trend is continuing to grow the movement. The question is, will you be part of the movement or not?



Dr. Miles Bodzin, founder and CEO of Cash Practice® Systems is a chiropractor who became known as "the king of patient retention." He's appeared in the Wall Street Journal and on The Brian Tracy Show, contributed to the number-one best-selling book SuccessOnomics with Steve Forbes, and speaks internationally on the topic of client retention. His company offers web-based software for chiropractors to implement his 4-Step Process™ resulting in increased patient retention. The Wellness Score® System, Cash Plan Calculator® System, Auto-Debit System®, and Drip-Education® Email Marketing System all work together to help free a doctor from the shackles of insurance dependence. Learn more at www.CashPractice.com or call 877-343-8950. To book Dr. Bodzin for interviews and speaking, call 877-343-8950, ext. 201.



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“If insurance was gone tomorrow, would you survive in practice?”

If you're not 100% sure, read on to learn how my company, Cash Practice® Systems, can help you not only survive but thrive in spite of a worsening insurance climate.

With all the uncertainty in health care insurance and “Obamacare”, **there has never been a more important time for you to take decisive action to ensure your future success.** For over a decade, our systems have helped thousands of doctors of chiropractic free themselves from the shackles of insurance dependence.

We can help you too! Our systems have one sole purpose - increase your patient retention and care plan compliance, resulting in freedom from insurance dependence. Nobody else even comes close to the retention levels we see. Our members routinely have PVA's well over 100 visits.

Join us, and you will skyrocket your patient retention & cash collections, reduce your stress and help more people get well.

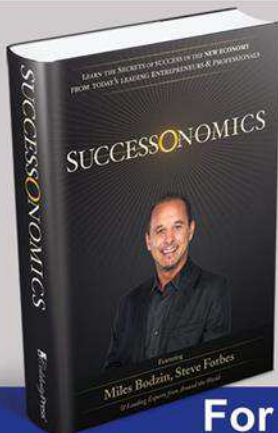
Membership Includes:



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- ✓ Staff Bonus System
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