



Charting a course,
is about knowing where to begin.

Executive Summary

PT Benchmark 2009 was conducted during the first half of 2009, using data from fiscal year 2008. Sixty-seven different companies with eighty-one locations from across the United States participated. Participants completed a user friendly Microsoft Excel[®] workbook detailing the business aspects of their physical therapy practice. The report is divided into six main parts, Part 1 discusses the results of the whole group (n=81) and the significance of the findings. Part 2 shows a customized comparison of each location's performance to the group as a whole. Part 3 describes 54 locations with less than \$1,000,000 in annual income. Part 4 describes 27 locations with \$1,000,000 or more in annual income. Part 5 describes 41 locations that are part of companies with multiple locations. Part 6 describes trends over the most recent five years studied.

Part 1 of the report contains information on demographics, operations, services provided, productivity, accounts receivable, payments, sources of income, labor expense, variable expense, fixed expense, profitability, and fees. The primary expense category is labor, accounting for a median value of 66% of services income. Net Operating Income (NOI), or profit, varied from a loss of 28%, to a maximum profit of 49% of services income.

Productivity ranged from 0.49 to 1.75 visits per hour of licensed personnel, and from 0.30 to 0.96 visits per hour for all staff. The services income generated per FTE staff member ranged from \$62,596 to \$181,810 showing a significant variation in the productivity of practices. If your combined cancel plus no-show rate is above 11% you are performing below average. If more than 17% of your accounts receivable balance is in the 120 days or more aging category you are worse than the median.

Part 2 provides a customized individualized report comparing the performance of a given location against that of all participants. **Part 3, Part 4** and **Part 5** provide customized individualized reports comparing the performance of a given location against that of its peer group. The customized peer group comparison showed the actual performance of the subject location, its percentile rank in comparison to the peer group and the minimum, median, average, maximum, standard deviation, 25th percentile and 75th percentile of the peer group.

Part 6 examines trends in the industry by comparing key metrics from the five years studied, FY2004, FY2005, FY2006, FY2007 and FY2008. The trends analysis examined 178 locations over the five years, 163 unique locations, which earned at least a ten percent (10%) profit, Net Operating Income (NOI), in a given year.

Benchmarking studies provide objective data that can be used to compare your performance to that of similar companies. These reports help a practice owner/manager pinpoint any inefficiency in their practice and fine tune their practice to improve its financial and productivity performance.