The **Rehab Therapist's Guide** to **Business Benchmarks:** 34 KPI Targets for Financially Healthy Practices

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What's Inside

It's pretty safe to say that most rehab therapists didn't pursue a career in health care because of their passion for business.

And yet, for those therapists who want to expand their clinical reach and treat more patients, becoming a business expert is kind of a necessity. After all, you can only grow your clinical reach by growing your clinic, and that requires business know-how—including a deep understanding of financial management and KPI tracking. KPIs (or key performance indicators) are business metrics that matter. They help paint a clear and objective picture of your practice's financial health and overall performance. If you're not sure which KPIs to track (or which benchmarks to shoot for), no worries! That's why we created this reference guide. Read on to see which KPIs you should track—and what the numbers mean.

Business Operations

When you're running a business, you're constantly juggling a dozen different balls—many of which fall under the umbrella of business operations (or biz ops, for short). Anything that doesn't fall into the buckets of revenue, billing, or marketing lives here—and it's easy to feel overwhelmed by all the numbers you could crunch. But getting hyper-granular could actually work to your detriment. Ben Barron, WebPT's Vice President of Enterprise Sales and Business Development (and a former practice owner), recommends keeping your KPIs simple and sweet.

"I always wanted to look at the most deconstructed metrics so I could easily ask myself, 'What does this metric indicate that we need to focus on?' When you start combining metrics, they're less actionable—and you have to do more work to find the source of the problem."

Ben Barron, PT
WebPT VP of Enterprise Sales and Business Development

Visit Capacity

Total Number of Patients a Clinic Could Support When Operating at Full Capacity

Recommended Measure Cadence: N/A

Benchmark: N/A

What does this measure?

A clinic's visit capacity measures the number of patients a clinic could support if it operated at full capacity within a given period of time. This metric will vary greatly based on factors like physical clinic size, available equipment, number of employees, and area of specialty.

This metric is helpful for evaluating a clinic's growth potential.

How can I improve this metric?

Because visit capacity is more of a foundational metric than one that progressively measures business health, there's not necessarily a need to improve upon it. However, if you would like to increase the number of patients your clinic can see, consider:

- hiring more therapists, assistants, or techs;
- increasing your clinic space; or
- investing in more equipment.

"Visit capacity helps you understand your potential for growth. So if, on average, a small clinic could complete 100 visits in a day—but it's currently only seeing 50 patients a day—it's only at 50% of its potential, and it may be time to put dollars into marketing and referral generation. But if the same clinic is seeing 90 patients a day and sustaining that number, it may be time to consider opening a new practice. Without understanding those numbers, you have no ability to strategize how you can grow and enhance your business."

Heidi Jannenga, PT, DPT, ATC
WebPT Co-Founder and Chief Clinical Officer

Visits per Full-Time Therapist

Total Number of Visits / Total Number of Full-Time Therapists

Recommended Measure Cadence: Weekly

Benchmark: 55–70 visits per week

What does this measure?

Calculating your visits per full-time therapist is an excellent way to measure your clinic's productivity, thus giving you a read on the strength of your patient stream and the efficiency of your therapists. Compared to other metrics (e.g., visits per therapist), this formula better accounts for part-time therapists. Simply remember that two part-time therapists equal one full-time therapist.

We recommend tracking this benchmark on a weekly cadence and looking for trends over the course of several weeks.

How can I improve this metric?

If you're falling below the benchmark, look for ways your therapists can be more efficient. If they're spending a lot of time cleaning or completing administrative work, consider hiring a part-time therapy tech. If your therapists are spending too much time documenting, look for a more intuitive and efficient documentation software.

If you're too far above the benchmark, examine your scheduling practices and consider putting more space between patient appointments. Additionally, compare this KPI to your employee and patient satisfaction metrics. You may be sacrificing the satisfaction of your employees and patients for the sake of productivity.

> "There's a bell curve on this metric—a productivity sweet spot where we knew where we were making money without having the patient experience suffer."
>
> **Ben Barron, PT**
> WebPT VP of Enterprise Sales and Business Development

Visits per Case

Number of Visits in Closed Cases that Began During a Single Month / Total Number of Closed Cases that Began that Month

Recommended Measure Cadence: N/A

Benchmark: 10

What does this measure?

This metric helps you determine how engaged your patients are in their course of care. Are they staying long enough to improve their outcomes, or are they self-discharging? When calculating this KPI, remember to throw out the outliers: patients who come in for regular maintenance therapy and never discharge will skew your numbers.

Additionally, consider comparing this metric to your outcomes. If patients self-discharge because their outcomes are amazing, that's not necessarily a bad thing. But if your patients leave when they're still in pain, that could indicate a serious problem in your clinic processes.

How can I improve this metric?

If you're falling below the benchmark, look at your patient retention strategies. Review patient feedback (if you have it), and examine your front office experience. The easier it is for patients to schedule appointments and pay their bills, the better. Additionally, evaluate your therapists' soft skills. Ask them questions like:

- How are you engaging your patients and establishing relationships built on trust?
- How are you demonstrating the value of your care?
- Are you using outcomes tools to help patients understand what therapy can help them accomplish?

If you're far above the benchmark, evaluate your discharge protocol. Are therapists keeping patients longer than necessary—even when outcomes have stagnated? This could lead to frustrated therapists and patients alike.

"The best way to improve your visits per case metric is to work on your retention strategies (by administering NPS® surveys, for example) and service recovery. Sending out an NPS survey within the first couple visits is awesome."

Scott Hebert, PT, DPT
WebPT Senior Director of Product Management

Early Dropout Rate

Number of Patients Who Dropped Out After 1–3 Appointments / Total Number of Patients

Recommended Measure Cadence: Monthly

Benchmark: 20% or less

What does this measure?

This KPI identifies the percentage of patients who drop out of care after attending three or fewer appointments. These are the patients who aren't sold on the value of continuing care at your clinic, and a high percentage of early dropouts could indicate some serious problems in your clinic. Ideally, you want this number as low as possible (some clinics have gotten it as low as 10–15%).

How can I improve this metric?

If your early dropout rate is higher than the benchmark, look at your patient retention strategies. Review patient feedback (if you have it), and examine your front office experience. The easier it is for patients to schedule appointments and pay their bills, the better. Additionally, evaluate your therapists' soft skills. Ask them questions like:

- How are you engaging your patients and establishing relationships built on trust?
- How are you demonstrating the value of your care?
- Are you using outcomes tools to help patients understand what therapy can help them accomplish?

If you're falling below this benchmark, that's great! Keep doing what you're doing.

"This is an incredibly modifiable metric, and you want it as low as possible."

Scott Hebert, PT, DPT
WebPT Senior Director of Product Management

Units per Visit

Total Number of Units Provided / Total Number of Visits

Recommended Measure Cadence: Weekly

Benchmark: 4 units

What does this measure?

This metric measures how many units you're billing for each visit on average. An hour-long visit should ideally generate four units. If you're billing more than four units per hour-long visit, then you're likely overbilling. On the other hand, if you're billing fewer than four units per hour-long visit, then you're likely underbilling. Additionally, look at how many of your units actively engage your clinical philosophy (e.g., 97110, 97112) versus those that do not (e.g., 97010, 97014). Remember: Passive modalities tend to pay worse than units requiring active clinical reasoning.

How can I improve this metric?

Whether you fall above or below this metric, it warrants a look at your billing practices. Ensure that you, your therapists, and your billers are familiar with your payer contracts as well as the protocols of billing timed and untimed units and adhering to one-on-one treatment best practices.

"Always do what's best for the patient, but research is also showing that passive modalities aren't why patients are in the clinic."

Heidi Jannenga, PT, DPT, ATC
WebPT Co-Founder and Chief Clinical Officer

Vacancy Rate

Total Number of Unbooked Hours / Total Number of Bookable Hours x 100

Recommended Measure Cadence: Weekly

Benchmark: As low as possible

What does this measure?

This KPI measures the percentage of open, unscheduled time on your therapists' calendars that should ideally be used to book patient appointments. A high vacancy rate indicates lost productivity—and therefore, lost revenue.

How can I improve this metric?

If this number is too high, you may need to ramp up your marketing efforts to book new patients or re-book existing patients—or look into lowering your cancellation and no-show rate. (Just be sure to leave time in your therapists' calendars for documentation.)

Cancellation and No-Show Rate

Number of Cancelled and Missed Appointments / Total Number of Appointments x 100

Recommended Measure Cadence: Weekly

Benchmark: As low as possible

What does this measure?

This KPI measures the percentage of appointments on your schedule specifically lost to cancellations or no-shows.

How can I improve this metric?

Improve your patient communication strategies. Send out appointment reminders and encourage patients to rebook their appointments when they call to cancel. Additionally, consider implementing a 24-hour cancellation or no-show fee (though you'll have to capture a patient signature agreeing to this policy).

And finally, remember to use a single definition of "cancellation" and "no-show" when measuring this metric. Barron's clinic, for instance, only counted a cancelled appointment as an official cancellation if the visit wasn't recaptured during the same week.

"The most important number for revenue is evaluations, in my opinion. It's getting someone to walk into the clinic for the first time and commit to coming back."

Ben Barron, PT
WebPT VP of Enterprise Sales and Business Development

Percentage of Initial Evaluations

Number of Initial Evaluations / Total Number of Appointments

Recommended Measure Cadence: Weekly

Benchmark: 12–15% of visits

What does this measure?

This KPI measures a clinic's ratio of initial evaluations to return appointments. Every clinic needs to see a certain number of new patients in order to support a healthy cash flow. A low ratio of initial evaluations to return appointments could indicate troubles in the coming months. Conversely, if evaluations boom for a few weeks, you can expect a boom in patient volume for the same amount of time.

How can I improve this metric?

If you're seeing a downward trend of initial evaluations—and it's not part of your standard seasonal cycle—then it's time to revisit your patient acquisition strategies. Double-check your referral sources and ensure that none have dried up. Then, evaluate your direct access marketing strategies and change tactics as needed.

Employee Net Promoter Score® (eNPS®)

Ask your employees: "On a scale of 0 to 10, how likely are you to recommend this company as a place to work?"

0–6: Detractors

7–8: Passives

9–10: Promoters

eNPS = Percentage of Promoters – Percentage of Detractors

Recommended Measure Cadence: Monthly

Benchmark: 14 or higher

What does this measure?

eNPS measures employee satisfaction and loyalty to your clinic. Tracking this month over month is an excellent way to gauge the headspace of your workers, watch for burnout trends, and address staff issues before they hit critical mass.

How can I improve this metric?

If your eNPS score is low, send out this survey to your employees with an open-ended follow-up question that asks them for the reason behind their score. Whatever feedback you get, act on it. The best way you can show your employees that you care about their opinions is by putting their thoughts into action. If you don't feel like you're getting enough honest feedback from your employees, make sure they can answer the eNPS survey anonymously. This will give them the security they need to answer truthfully.

Employee Turnover Rate

Number of Resigned or Terminated Employees / Total Number of Employees x 100

Recommended Measure Cadence: Monthly

Benchmark: 12%–15%

What does this measure?

This KPI tracks how often employees resign or are terminated from your clinic. If you run a smaller operation, it may be easier to see these trends outright, but as you grow, putting a hard number to your turnover rate can be enormously helpful. This statistic, coupled with eNPS, can be a wonderful way to measure and manage employee satisfaction and happiness.

How can I improve this metric?

If your turnover rate is too high, first reference any employee feedback you've collected in the past and look for trends that you can address. From there, examine your clinic processes. Ask yourself some hard questions, like:

- Are my employees overworked?
- Is the environment constructive and supportive?
- Are my employees given adequate recognition for their work?
- Are my salaries and benefits packages competitive in the local market?
- Am I asking my employees to blur the line between their personal and professional lives?

You may have to make some tough changes in order to reduce your turnover rate.

Revenue

Revenue to your business is like grease to a squeaky wheel: it keeps everything rolling forward smoothly. Understanding where your dollars are coming from (and where they're going) is critical when assessing a clinic's financial health and building a business strategy. After all, you can't plan for the future if you don't know what you're working with! But even though financial metrics may look intimidating, it all boils down to calculating your cost, revenue, and profit in a handful of different situations. Read on to see what we mean.

Cost per Visit

Total Costs per Month / Total Number of Patients Seen in a Month

Recommended Measure Cadence: Monthly

Benchmark: Less than your revenue per visit

What does this measure?

Cost per visit rolls all of a clinic's expenses together and measures roughly how much it costs to treat a single patient. When calculating this KPI, be sure to tally up each and every expense that goes into treating patients and keeping the doors open—everything from payroll, benefits, equipment, and supplies to rent, electricity, insurance, and technology systems.

How can I improve this metric?

Cut back your expenses wherever you can. Look out for cheaper rental locations—or haggle with your landlord. Optimize your electricity usage; cut back on unused or overly expensive supplies; swap out expensive equipment for cost-effective equivalents; and pick software that gives you the biggest bang for your buck. If you must look at personnel expenses, consider reorganizing open positions instead of backfilling one-to-one. For instance, if a therapist resigns from your office, hiring a therapist assistant might be better for optimizing your patient schedule. Of course, in dire situations you may need to consider cuts to your payroll overall.

"Understanding your contracts is critically important. Make sure that you're getting paid what you are supposed to earn for your expertise."

Heidi Jannenga, PT, DPT, ATC
WebPT Co-Founder and Chief Clinical Officer

Revenue per Visit (a.k.a. Payment per Visit)

Total Revenue per Month / Total Number of Patients Seen in a Month

Recommended Measure Cadence: Monthly

Benchmark: More than your cost per visit

What does this measure?

Revenue per visit is a pretty straightforward KPI. It measures how much money—on average—your clinic earns from each patient visit. It's also very easy to segment this KPI's data. For instance, you can manipulate the data to discover your revenue per patient per payer—which is incredibly useful when evaluating payer contracts. Or, you can look at revenue per therapist, thus helping you gauge each individual clinician's effectiveness and productivity.

How can I improve this metric?

If your revenue per patient is looking a little low, first examine your billing practices. Are you billing the correct number of units for each visit? Are your billing practices clean as a whistle, or are you racking up a large number of denials and rejections? Are your therapists opting to provide passive modalities when they could provide better care (and receive better compensation) with direct one-on-one services? After that, take a look at your revenue per visit per payer. If some carriers aren't compensating you fairly, then it's time to negotiate for better payment rates—or decline to renew your contract when it expires.

Average Patient Lifetime Revenue

Average Revenue per Visit x Average Number of Visits During a Patient's Course of Care

Recommended Measure Cadence: N/A

Benchmark: N/A

What does this measure?

Average patient lifetime revenue is a foundational KPI that may not be too helpful on its own. However, you can use this specific KPI in conjunction with some marketing metrics to determine the ROI of your marketing strategy.

How can I improve this metric?

In order to increase your patients' lifetime revenue, first examine your retention strategies. Are your patients completing their full course of care—or are they self-discharging? Are your patients coming in at their prescribed frequency—or are they coming in less often than they should?

After that, examine your billing practices. Are you billing the correct number of units for each visit? Are your billing practices clean as a whistle, or are you racking up a large number of denials and rejections? Are your therapists opting to provide passive modalities when they could provide better care (and receive better compensation) with one-on-one services?

Then, take a look at your revenue per visit per payer. If some carriers aren't compensating you fairly, then it's time to negotiate for better payment—or decline to renew your contract when it expires.

Profit per Visit

Revenue per Visit – Cost per Visit

Recommended Measure Cadence: Monthly

Benchmark: A positive number

What does this measure?

Your profit per visit is one of the best indicators of your practice's financial health. Essentially, it answers one important question: Are you making or losing money at your clinic? If you're turning a profit, then congratulations! Your clinic is at least self-sustaining—if not thriving. However, if you're in the red, then you're losing money, and your business operations are not sustainable in their current state.

How can I improve this metric?

Review your revenue generators. Ensure you're not losing money by contracting with a poor-paying insurance carrier, and examine your billing practices to ensure you're securing every dollar you earn. Then, examine your costs. Cut unnecessary expenses—and get creative where you can! You'd be shocked at how crafty you can be when working on a tight budget.

Profit per Month (a.k.a. Profit and Loss, or P&L)

Total Revenue Generated in a Month –
Total Costs Accrued in that Month

Recommended Measure Cadence: Monthly

Benchmark: A positive number

What does this measure?

Is your clinic losing or gaining money each month? That's the question this KPI answers. It's important to measure profit and loss on a monthly timetable, because you can watch your practice's financial health trends in broad strokes without getting bogged down by the minutiae of payer- or therapist-specific statistics.

How can I improve this metric?

Review your revenue generators. Ensure you're not losing money by contracting with a poor-paying insurance carrier, and examine your billing practices to ensure you're securing every dollar you earn. Then, examine your costs. Cut unnecessary expenses—and get creative where you can! You'd be shocked at how crafty you can be when working on a tight budget.

Billing

If revenue is grease to a squeaky wheel, then your clinic's billing process is the wheel itself. After all, you can't roll forward without a healthy billing process. But you knew that already! So, here's how to measure your billing process and help it get into tip-top, roly-poly shape.

Payer Mix

Number of Active Patients with a Specific Payer / Total Number of Active Patients x 100

Recommended Measure Cadence: Monthly

Benchmark: N/A

What does this measure?

Assessing your payer mix (i.e., how many patients, on average, come from each payer) can help you manage your revenue stream in a more informed and purposeful way. For instance, once you know your payer mix, you can better predict how future changes to reimbursements (like an upcoming cut) will affect the financial health of your practice. Additionally, knowing your payer mix can help you understand your reimbursement cycle speed, as some payers reimburse claims faster than others. Finally, knowing your payer mix can help you determine whether your contracts are worthwhile. After all, if you're being underpaid by an insurer and not seeing many of those patients anyway, it may be time to reevaluate your contract.

How can I improve this metric?

We don't have a benchmark for this metric, because a payer mix that makes sense for a large, multi-clinic operation may not make sense for a single-provider clinic in a different location. That being said, we can say that in previous annual surveys of rehab therapy clinic leaders, we found that clinics typically have an even split between commercial and government payers—and that trend becomes even more apparent as clinics grow in size.

If you would like to change your payer mix, adjust your marketing efforts and try to target patients and referring providers associated with your desired payers.

Percentage of Receivables over 120 Days

Total Receivables over 120 Days / Total Receivables x 100

Recommended Measure Cadence: Monthly

Benchmark: Less than 10%

What does this measure?

This KPI measures the timeliness of your collection processes. Ideally, clinics want their receivables to process in fewer than 120 days (preferably even faster) and therefore want this metric to be as low as possible. A higher percentage indicates that there are some bugs in your A/R process. Pro tip: Measure this KPI using the date of service—not the date the claim was filed.

How can I improve this metric?

Closely evaluate your claims and ensure that they're error-free and easy for payers to process. When you do receive denials, examine your billing procedures. Create payer-specific billing policies where necessary. Additionally, consider following up with outstanding accounts more often or increasing the frequency of your billing cycles.

Daily Sales Outstanding (DSO)

Total Current Receivables / Total Gross Charges x Number of Days

Recommended Measure Cadence: Monthly

Benchmark: Fewer than 35 days

What does this measure?

Your DSO tells you, on average, how long it takes your practice to collect payment. You want to keep this KPI low, as a high DSO may indicate that your cash flow has some hiccups. However, an ultra-low DSO may be an indicator that you're willing to adjust too many accounts. Keep in mind that larger organizations typically see higher DSOs and smaller operations typically see lower DSOs.

How can I improve this metric?

To lower your DSO, ensure that you're collecting patient payments upfront and that your claims processing operation is running smoothly. A high DSO could indicate that your billing department is understaffed or facing an inordinate number of denials.

To raise your DSO to a healthy number, ensure that you're not writing off too many accounts. If you're not, then your low DSO is great! Good work!

"A high DSO means that your cash flow is clogged up, and you need to clear the channel before it puts your financial health in hot water. After all, you don't want to be slapped with a bill that you don't have the means to cover."

Heidi Jannenga, PT, DPT, ATC
WebPT Co-Founder and
Chief Clinical Officer

Net Collection Rate

Total Payments / Total Payments Plus Adjustments During the Same Time Period x 100

Recommended Measure Cadence: Monthly

Benchmark: 50–60%

What does this measure?

Your net collection rate measures how effective your organization is at collecting due payments rather than simply writing them off.

How can I improve this metric?

Improve your net collection rate (i.e., make it go up) by tidying up your collections process. Be sure to collect patient payments at the time of service—and give first-time patients a rough estimate of what their appointment will cost them so they aren't surprised by the total. You could also offer patients additional payment options (e.g., a payment plan) if they balk at their total.

Next, take a peek at your billing processes. Evaluate your claims to ensure that they are error-free and easy for payers to process—and examine your billing procedures when you do receive denials. Create payer-specific billing policies where necessary. Additionally, consider following up with outstanding accounts more often or increasing the frequency of your billing cycles.

Denial and Rejection Rate

Total Dollar Amount of All Denied Claims During a Time Period / Total Dollar Amount of All Claims Submitted During the Same Time Period x 100

Recommended Measure Cadence: Monthly

Benchmark: Under 10%

What does this measure?

Your denial and rejection rate measures the percentage of your claims that receive denials or rejections from payers. While it's not possible to completely eliminate denials—even payers make mistakes, after all—ideally, this metric should be as low as possible.

How can I improve this metric?

Evaluate your claims and ensure that they are error-free and easy for payers to process—and create payer-specific billing policies when necessary. If you offload your billing to a third party, partner with a company that is known for its high clean claims rate.

Copay Collection Rate

Number of Copays Collected / Total Number of Copays Charged During the Same Time Period x 100

Recommended Measure Cadence: Monthly

Benchmark: 90% or more

What does this measure?

Your clinic's copay collection percentage indicates how many copays you collect at the point of service. This is an extremely valuable metric to track, because when copays are not collected at the point of service, fewer than a third of those copays are ever paid. This metric can help you keep that problem in check.

How can I improve this metric?

Implement clinic policies and training that prepare your front office workers to ask patients for payment before they leave the clinic—whether that's before or after they receive treatment. When it comes to new patients, setting expectations is key. Before new patients even walk through the door, tell them what they can expect to pay after their initial session and in the sessions they schedule beyond that. And write off copays sparingly—you have a right to pursue your income.

"Letting patients leave without paying for their treatment could seriously affect your bottom line. Basically, if you don't collect patient payments at the time of service, you can say 'sayonara' to a lot of that revenue. And don't count on sending the balance over to a collection agency. One study claimed that practices that offloaded debt to a collection agency recovered only $15 for $100 owed."

Heidi Jannenga, PT, DPT, ATC
WebPT Co-Founder and Chief Clinical Officer

"Understanding your actuals on a monthly basis—and having explanations behind them—is critical to your practice."

Heidi Jannenga, PT, DPT, ATC
WebPT Co-Founder and Chief Clinical Officer

Planned vs. Actual Collections

Actual Collections Made in a Specific Time Frame / Expected Collections During the Same Time Frame x 100

Recommended Measure Cadence: Monthly

Benchmark: 95% or more

What does this measure?

This lesser-known billing metric compares your expected collections to what you actually bring in during a specific time frame. In a perfect world, these numbers should match; being able to consistently predict your clinic revenue is integral for budget planning and crafting a long-term business strategy.

How can I improve this metric?

If your actual income is lower than your expected income, it's time to evaluate your entire billing process. Use some of the metrics described in this section to find your billing pain points, as you could be experiencing problems from high denial rates, inconsistent patient collection protocol, or an overburdened billing process.

Claims Adjudication Rate

Payments Plus Adjustments / Charges Associated with Those Payments and Adjustments x 100

Recommended Measure Cadence: Monthly

Benchmark: 95% or higher

What does this measure?

This KPI tracks the percentage of your claims that are resolved (i.e., processed and paid correctly). You can only track this metric after you've been in business for a while, as it can sometimes take six months or more for all parties—primary and secondary payers as well as patients—to fully process a claim. Knowing that, it's best practice to calculate your adjudication rate going back at least six months.

How can I improve this metric?

Evaluate your claims and ensure that they are error-free and easy for payers to process—and examine your billing procedures when you do receive denials. Create payer-specific billing policies where necessary. Establish concrete patient collection procedures to ensure that patient payments are paid in full—and on time, to boot.

"Once you start tracking your claim denial rate, you can take a crack at pinpointing the common reasons for your denials—especially if you're keeping a denial management log. That's a best practice clinics should implement if they haven't already, by the way."

Heidi Jannenga, PT, DPT, ATC
WebPT Co-Founder and Chief Clinical Officer

First-Pass Claim Acceptance Rate

Number of Rejected Claims / Total Number of Claims Submitted in a Specific Time Period x 100

Recommended Measure Cadence: Monthly

Benchmark: 95% or higher

What does this measure?

Your first-pass claim acceptance rate provides insight on the number of claims that are rejected when you first send them to the clearinghouse.

How can I improve this metric?

Evaluate your claims and ensure that they are error-free and easy for payers to process—and create payer-specific billing policies when necessary. If you're offloading your billing to a third party, partner with a company that is known for its high clean claims rate.

Marketing

To those who weren't trained in the art of marketing, crafting a strategy that effectively attracts (and retains) patients may feel overwhelming. But if you adjust your marketing strategy according to your KPIs, you can craft a unique marketing engine that's perfectly tuned to draw patients into your specific therapy clinic. According to Shawn McKee, WebPT's Chief Marketing Officer, patience is key.

"Be patient; be diligent. Don't give up! When you're adjusting your marketing strategy, you're playing a game of inches. If you get 1% better every day, your results will significantly improve by the end of the year."

Shawn McKee
WebPT Chief Marketing Officer

Retention

Net Promoter Score® (NPS®)

Ask your patients: "On a scale of 0 to 10, how likely are you to recommend [practice name] to a friend or colleague?"

0–6: Detractors

7–8: Passives

9–10: Promoters

NPS = Percentage of Promoters – Percentage of Detractors

Recommended Measure Cadence: Monthly

Benchmark: 25

What does this measure?

NPS measures patient satisfaction and loyalty to your clinic. Tracking this month over month is one of the best ways to gauge how likely your patients are to not only stick to their plan of care through discharge, but also refer their friends and family to your practice. It's also a great way to identify problems with your patient experience.

How can I improve this metric?

If your NPS score is low, include an open-ended follow-up question in the survey that asks patients to explain the reasons behind their score. Whatever feedback you get—act on it. The best way you can show your patients that you care about their opinions (and that you value their patronage) is by taking meaningful action.

"The higher your NPS, the more likely you are to have patients complete their full course of care."

Scott Hebert, PT, DPT
WebPT Senior Director of Product Management

Activation

Percentage of Direct Access Patients

Total Number of Active Direct Access Patients / Total Number of Active Patients x 100

Recommended Measure Cadence: Weekly

Benchmark: 5–20%

What does this measure?

This KPI measures how many of your patients are self-referred (i.e., come directly to your clinic without a referral from another provider). This can help you measure how effective your inbound marketing machine is at attracting new patients. Conversely, it can help you keep an eye on your referrals. If you notice that your percentage of direct access patients is increasing—but you aren't attracting a higher number of those patients—then you know something is awry with your physician referral pipeline, and you can investigate further.

How can I improve this metric?

The ideal benchmark for this KPI varies a lot from location to location due to factors like state practice acts, payer restrictions, and patient demographics. That said, if you want to increase your percentage of direct access patients, pour your attention and resources into your inbound marketing engine. Invest in ad spend, community outreach, and email campaigns.

If you would like to decrease your percentage of direct access patients, then focus your attention and resources on physician referral marketing campaigns. If you're receiving fewer referrals from your current contacts, reach out to them and start troubleshooting. If you need fresh referral sources, contact local physicians and orthopedic or surgical specialty centers to establish relationships with them.

"It's important to ask yourself if you can drive self-referred or direct access patients in case one of your physician referral sources dries up. Do you have those capabilities?"

Shawn McKee
WebPT Chief Marketing Officer

Customer Acquisition Cost (CAC)

Total Dollar Amount Spent Marketing /
Total Number of Net New (Scheduled) Patients

Recommended Measure Cadence: Weekly

Benchmark: Less than your patient lifetime revenue

What does this measure?

Your CAC measures how much money it costs to acquire one patient—referred or direct access. This number can vary widely depending on your clinic's resources, but generally speaking, you want your CAC to be much lower than your patient lifetime revenue.

How can I improve this metric?

If your CAC is too high, then reevaluate your marketing strategy and consider how effectively you're using your marketing dollars. If one acquisition source is less effective than your other sources, redirect your funds to supercharge your more effective marketing strategies. Take a look at the funds you spend on social media ads, search engine ads, physician marketing, event marketing, etc.

"From a marketing and cost perspective, your CAC goes down when patients come back into your practice."

Keith Jensen
Executive Healthcare
Marketing Consultant

Conversion Rate

Number of Patients Who Book an Appointment After Interacting with a Specific Marketing Campaign / Total Number of Patients Who Interacted with that Marketing Campaign

Recommended Measure Cadence: Weekly

Benchmark: N/A

What does this measure?

Your conversion rate measures the effectiveness of your marketing efforts. It tells you how many patients you actually schedule and bring into your clinic after making contact—or even interacting—with them. You can (and should) measure your conversion rate at many different patient touchpoints, including:

- Paid ads,
- Emails,
- Physician referrals,
- Website leads,
- Events outreach, and
- Phone calls.

Your ideal conversion rate benchmark will vary depending on the patient touchpoint you're measuring. For example, a 10% conversion rate on a paid ad is considered very good—but if only 10% of your patient phone calls convert into actual appointments, you have a serious problem.

How can I improve this metric?

Your strategy for improving this metric will depend on the patient touchpoint you're measuring. If your paid ads or emails have a poor conversion rate, try A/B testing your copy and/or design—or better tailoring your messaging to your target audience.

If your physician referrals don't convert well, consider reaching out to the physicians in question to initiate a conversation about the types of patients you're receiving. Perhaps they are not sending the right demographic to your clinic—or perhaps you could fine-tune your interactions with them. If your phone calls are not converting well, then examine your customer service processes. You may need to make it easier for new patients to schedule an appointment—or even improve your front desk staff's conversation skills.

And so on, and so forth.

"Many companies take an approach where they consider a conversion a click-through to make an appointment—but they don't track to see how many appointments a person made total. It's important to track all the way through the funnel—all the way to appointment scheduling to create a patient log. Then you can see how many times a person comes back—and this gives you a true idea of how much money you're spending on new patient acquisition."

Keith Jensen
Executive Healthcare Marketing Consultant

Paid Ads

Return On Advertising Spend (ROAS)

Total Average Lifetime Patient Revenue Collected from a Particular Ad Campaign / Total Cost of Ad Campaign

Recommended Measure Cadence: Per ad campaign

Benchmark: 4

What does this measure?

Your ROAS measures the effectiveness of a paid ad campaign (e.g., on Facebook or Google Ads). Ideally, you want to earn $4 for every $1 spent on an advertising campaign. Keep in mind that if you want to successfully track this metric, you will need to add some kind of code or keyword to the ad that the patient can present to you when they come in for their first appointment. Then you can track exactly how many patients were captured by this particular campaign.

If you send your ad traffic to a landing page, you can also track leads that way—either by using a contact form or a unique phone number. And, if you're not sure exactly how to set up and manage landing pages, you can enlist the help of a marketing software (like WebPT Reach) to handle it all for you.

How can I improve this metric?

If your ROAS is low, then reevaluate your campaign strategy. Employ A/B tests to fine-tune your ad's appearance and copy. Consider targeting a different audience with your message—perhaps one who will better resonate with the ad's copy and design. Alternatively, if you have the funds to do so, attempt a campaign on a different platform. For example, if an ad you ran on Instagram or TikTok performed poorly, try putting it on Facebook.

Emails

Open Rate

Number of People Who Open an Email /
Number of People Who Received the Email x 100

Recommended Measure Cadence: Per email blast

Benchmark: 20%

What does this measure?

This KPI measures the number of people who open an email that you blasted out to a group. Ideally, if you've segmented your audience correctly and you're sending valuable information to your segments, you should achieve an open rate of 20% or higher.

How can I improve this metric?

To improve your open rate, be sure that you're sending valuable and relevant information to all of your recipients. That doesn't mean sending individual emails; instead, provide relevant content by segmenting your email list via statuses like:

- Area of treatment,
- Injury,
- Active patient status,
- Age,
- Preferred appointment times, or
- Level of activity.

By doing this, you can tailor your emails so they feel personal—even when sent out in a blast. This will naturally improve your open rate.

"Don't send out frivolous updates. Make sure your emails are always relevant and valuable to patients. And remember, not everything that's relevant and valuable to you is relevant and valuable to your patients."

Alexie Chavez
WebPT Marketing
Automation Specialist

Click-to-Open Rate

Number of People Who Took an Action After Opening an Email / Number of People Who Opened the Email x 100

Recommended Measure Cadence: Per email blast

Benchmark: 15%

What does this measure?

Your click-to-open rate will tell you what percentage of people took an action in an email you sent (e.g., by clicking a link) versus those who solely opened the email. The higher your click-to-open rate, the more successful your email blast.

How can I improve this metric?

To improve your click-to-open rate, include calls to action in your emails that are valuable and relevant to the recipients. Hone in on the wants and needs of the people on your email list by segmenting that list via statuses like:

- Area of treatment,
- Injury,
- Active patient status,
- Age,
- Preferred appointment times, or
- Level of activity.

By doing this, you can tailor your emails so they feel personal—even when sent out in a blast.

"It is automation, but if you structure it the right way, it can feel very personal and can be a great way to build a foundation of communication with patients."

Scott Hebert, PT, DPT
WebPT Senior Director of Product Management

Unsubscribe Rate

Total Number of Unsubscribes for One Blast /
Total Number of Emails Delivered x 100

Recommended Measure Cadence: Per email blast

Benchmark: 0.3%

What does this measure?

Your email unsubscribe rate gives you an idea of how receptive your patients are to your email marketing efforts. Ideally, you want to keep your unsubscribe rate as low as possible.

How can I improve this metric?

If your unsubscribe rate is unusually high, then you're not providing information, resources, or deals that are valuable or relevant to your email list. Hone in on the wants and needs of the people on your email list by segmenting that list via statuses like:

- Area of treatment,
- Injury,
- Active patient status,
- Age,
- Preferred appointment times, or
- Level of activity.

This will help you tailor your content to your patients' needs. Your emails will feel more personalized, and they'll feel less inclined to unsubscribe.

Keep your rehab therapy business firing on all cylinders with the industry's leading end-to-end software solution.

From documentation and billing to marketing and analytics, WebPT's robust suite of products and services will empower you to optimize your metrics—and intelligently grow your practice.

See the many ways that the most-used platform in rehab can positively impact your organization's performance.

Request a free demo now.

About WebPT

With more than 90,000 Members and 17,000 clinics, WebPT is the leading software platform for outpatient physical, occupational, and speech therapists. Simple and affordable, WebPT makes it easy for therapy professionals to transition from paper and outdated software to a user-friendly, cloud-based solution. With WebPT, therapists, directors, owners, billers, and front office staff have access to patients' medical records, schedules, and claims anywhere, anytime, from any web-enabled device.

WebPT's therapy-centric design and scalable architecture make it a great fit for clinics of any size, and the web-based application alleviates any large, upfront investments; costly IT support; or bulky, in-office servers. It provides an integrated method to manage patient documents and progress as well as clinic schedules, analytical reports, and billing. WebPT has an intuitive workflow, allowing therapists to efficiently create compliant and consistent documentation.

In addition to documentation, WebPT offers the tools necessary to run an organized clinic, including a multiuser scheduler with appointment reminders and the ability to upload external patient documents. With WebPT Analytics, therapists and staff can track productivity, cancellations, and no-shows as well as referrals. Therapists can also benchmark and track patient progress through WebPT's outcomes tracking product and obtain continuing education units entirely online through WebPT CEU. Additionally, WebPT empowers practices to gain and retain patients through our powerful patient marketing software and improve patient compliance with our interactive, mobile-friendly home exercise program (HEP). Lastly, WebPT's billing options—including the WebPT RCM Service and Billing Software as well as integrations with several certified billing partners—ensure clinics receive reliable, accurate claims submission and processing as well as speedy, maximized reimbursements.

With WebPT, rehab therapists have a modern and intuitive end-to-end software platform that's well-suited to their needs, empowering them to be better in business—and more importantly, enabling them to provide better patient care.

Headquartered in the historic Warehouse District in downtown Phoenix, WebPT has a 99.9% uptime rate and a 99% customer retention rate. It was named to the Inc. 5000 list of the nation's fastest-growing companies eight years in a row and to the Deloitte Fast 500 list in 2016.