



A Cash-Based Reimbursement Model For Athletic Trainers

Definition- Athletic trainers (ATs) who are receiving or want to receive cash for services rendered and do not wish to bill third party payers.

Objective-To receive reimbursement directly from the patient for services delivered.

First Steps-Setting up a cash based reimbursement model for athletic training services is a viable alternative to receiving reimbursement from third party payers. There are many business settings that are appropriate for the cash model including sole practitioner clinic, partnership clinic, employee of a corporation, hospital rehabilitation facility or independent contractor doing outreach. Your current business situation/setting will guide your approach and your first steps. The information contained in this model should be applicable to most of those situations and can help you write your business model or plan. The cash based model may appear to be the simplest and it can be. It can also be the most complex because in some cases you will be conducting your business as an entrepreneur. You will have the challenges of performing assessments and therapies for your patients as well as the challenges of running a business. This model assumes that you will not have a corporate safety net to assist you. If you do work for a corporation, certain aspects of this model can be ignored or modified. This information should provide you with a starting point. If you have specific questions you may wish to contact a member of the Committee on Reimbursement for additional guidance. Check the NATA COR web page (www.nata.org) for contact information.

Typical Services Provided-Based on your professional capabilities and strengths, the strengths and capabilities of your partners and associates, and the laws of your state, an athletic trainer, working under the direction of a physician, may offer performance enhancement, mobility training, nutrition counseling, athleticism training, summer camps for athletes, seminars, strength and conditioning programs, rehabilitation services, post injury therapy conditioning, weight management counseling, wellness classes evaluations, and more. Since you are not concerned with whether a third-party payer will reimburse, the range of services provided is only limited by your imagination, your license/practice act and your training and education.

Who Pays?-The patient or athlete pays directly.

Audience and Patient Population-Contacting the state or community athletic commission, your local recreation department, and/or youth or sports club administrators in your market will help you determine what sports medicine and performance programs are desired or needed in your geographic location. They can point you to the right patient or client profile. Other groups to whom you may provide services are:

Developing Athletes-With this group you will be building future clients as well as current clients. Your approach to them should be “fun with a purpose.” Developing athleticism, teaching proper attitudes about nutrition and physical conditioning, encouraging appropriate interaction between athletes, coaches and parents are all things to consider with this group. Keep your programs short enough to be entertaining and long enough to be beneficial.

The Transitional Athlete- To cultivate this market you should develop a good relationship with the coaches, on-site ATs, parent organizations (booster clubs etc.) and sports organizations in your area. Educate these groups as to what services you can provide and the individual or team benefit to their athletes and children. Customer and patient feedback is also important. Ask your current and potential clients what they need or want from your clinic or program. Consider performance enhancement programs such as Frappier Acceleration[®], Sports Training (accelerationproducts.com), and summer camps for athletes, lecture programs, team building and lab sessions for future athletic trainers.

Elite Athletes- The elite athlete is your highest-level athlete and they will expect your best. It is imperative to create customized programs to their specific needs if you wish to serve this population. You should be well versed and be available as a resource to these trained and motivated individuals.

Mature Athletes-A growing numbers of mature adults are still very active in athletics. Their desires range from staying fit and competitive to learning more about wellness and health by attending seminars. Some are senior athletes and compete in Senior Olympic programs and in other competitive environments. This group desires performance enhancement training and classes.

Worker Athletes-These adults are looking for training and education in ergonomics and injury prevention. The market for this is large and growing and should be considered in most business plans. This group is primarily composed of blue-collar workers. Their employer(s) are the likely payers for these programs, which can be offered on-site at your clinic or both.

Recommended or Required Tools-1) A computer system and software programs that can be used to track patients and maintain clinical records, billing records and accounting/payroll information. 2) Depending on your exact business situation you may need to hire staff or outsource a service to complete forms and maintain records. 3) You should build a policy and procedure book. This book of policies and procedures (P&Ps) should cover all probable contingencies that could occur within the program and on your worksite. The P&Ps would include procedures for being HIPAA/FERPA compliant, a detailed procedure for billing and/or for accepting checks and credit cards. The P&Ps should be followed by all staff. This will provide consistency and equal treatment within your business. You will also wish to have Healthcare Common Procedure Coding System (HCPCS), Current Procedural Terminology (CPT) and International Classification of Diseases (ICD) manuals on hand and available for reference and documentation of the patient’s file. 4) You will need to locate and lease an adequate space or you may choose to sublet a space, such as renting a work area in a health spa, fitness center or physicians office. You will need enough space either on-site or readily available for storage of the patients’ files and documentation relating to their case.

Licenses and Regulations- You need to identify any state specific licensing and regulatory agencies involved in your profession and check with them for any required documents or licenses you may need. You must also check your state licensure/certification board and review your scope of practice and what patient population you can care for. You will need to check on city/county licenses and determine whether any are needed. You may have to receive clearance from the local health district. Assuming you

are running your own business, you should retain the services of legal counsel. Counsel can help you wade through the various laws and regulatory agencies and assist you in being compliant.

Determine Costs/Set A Projected Budget-Initial start up costs are variable, depending on the software and hardware systems you will be using, internal or outsourced billing, your location and many other factors. Some ATCs currently operating cash based businesses suggest you not bill. Many recommend and insist on cash or credit card payment at time of service.

What knowledge, information and equipment you already possess as well as your specific setting (work and geographic) can also widely vary the start up costs.

We will not attempt to categorize or estimate costs for a cash based business, because the variables are innumerable. However, along with purchasing equipment, there are costs for building or modifying space. You need to factor items such as checking fees, check-clearing fees, credit card processing fees; all of these vary with the type of card(s) you accept. You will likely need to pay deposits on a lease, leased equipment, electrical and other utilities and phone service. You may also wish to buy personal/professional liability and malpractice insurance, auto liability, building and equipment insurance and coverage for your employees if you have staff. You might want to consider business interruption insurance and disability income insurance for yourself and any partners. Health/life insurance and property and casualty insurance costs need to be factored in. The state may require you to carry and pay for workers compensation insurance even on yourself. It is wise to have an emergency fund set aside. It is recommended that six months of expenses is an adequate amount for an emergency or contingency fund. Some of these costs are one-time charges and some are ongoing.

Marketing-You will need to market/advertise and sell your services. You cannot open shop and expect that you will always have clients. Once you've decided which group or groups you will be targeting, and you've decided on the range of services you will offer, then you can build a marketing plan. The plan could target physicians, hospitals, emergency room staff, coaches, youth leagues, club sports, teachers, labor union leaders, chambers of commerce and many, many others as referral sources. Your prospect list and list of referral sources is only limited by you and your paradigms. Include advertising dollars, brochure development and printing funds in your budget. Your target group(s) will dictate what costs will be necessary and/or allowable. Don't forget that your time is also a cost. You may want to consider using freelance marketers. Most print shops have in-house graphics departments that will charge for services but may be less expensive than a marketing or advertising firm. To control costs you may wish to barter for services. You may create scholarships and endowments as an alternative form of marketing. When investigating the feasibility of creating such funds you need to decide who has the money to fund these, are they approachable and what would they want out of the program? Physicians, successful attorneys and business people who were former athletes and still have an interest in local athletics and the success of local athletes would be prime targets for funding one of these programs. Naturally the supporter of the endowment should receive appropriate credit for their gift.

Education/Training-In addition to maintaining and renewing your NATA BOC certification and your state license (where applicable), you may want to take other adjunct classes to enhance your knowledge, abilities and marketability. In the medical arena you and your staff will need to learn how to document patients' files, how to complete and maintain records. The staff will need to use CPT, ICD and HCPCS coding systems, for client and patient documentation purposes.

Documentation-These following requirements should already be a part of your athletic training procedures for medical/legal reasons (State privacy laws, HIPAA, FERPA etc.). They are especially important when you are receiving reimbursement for services.

Initial evaluation, including plan of treatment and goals. (SOAP notes)

Appropriate medical history

Examination results

Functional Assessment

Type of treatment and body part(s) to be treated

Expected frequency and number of treatments

Prognosis

Goals should be functional, measurable and time based

Precautions and contraindications should be noted

A statement that the treatment plan and goals were discussed and understood by the patient and possibly by the guardian

Maintain daily treatment records

Record any changes in physical status, physician orders or treatment plan and goals

Weekly progress notes especially on goals should be kept (SOAP or function based)

Copies of notes to or from the referring physician's office whether by fax, e-mail, U.S. mail or by phone

A prescription or other state mandated documentation from a physician.

Pricing- How much can or should you charge for your services? There are several ways or methods to determine your fees: 1) Cost for a service, Cost = time +materials+ overhead+ expenses+ profit. 2) You may choose to use the CMS physician fee schedule.

The physician fee schedule that Medicare pays is available on the web at, https://www.cms.gov/PhysicianFeeSched/01_Overview.asp#TopOfPage. The government site is not the easiest to navigate for this information. You may choose to visit your local Medicare carrier's web site, as they may have a smaller and more regionalized set of fees posted. CPT codes 97005 evaluation and 97006- re-evaluation does not appear in the fee schedule as they are not paid under Medicare. You may wish to use the physical therapy evaluation and re-evaluation codes for pricing comparison only.

3) You can use any other fee schedule available, such as Usual, Customary and Reasonable. UCR is an average rate charged in your locale for a particular service or therapy and is commonly used by many third party payers. Whatever schedule you use, make certain the client/patient knows what the charges will be before services are provided.

Revenue potential-The revenue will be a variable depending on your program and how competitive your geographic and market area is. Revenue will also vary by type of patients/clients you have and types of

services you provide. NATA does not have a definitive revenue estimate but suffice to say that many ATCs are making a living and enjoying being in control of their own destinies with cash-based reimbursement programs.

Resources-There are resources available to assist you in getting started and in maintaining a cash based business. The NATA staff and volunteers working with COR can be real business and professional assets. You may also choose to use a business consulting service. There are several excellent free publications provided by the Federal Government's Small Business Administration and at the SBAs web site, www.sba.gov. There are also business publications such as INC. magazine that can provide useful information.

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