

Online Marketing is Moderate-Value for Building a Hand Surgery Practice

Authors: Orrin I. Franko

Background: The purpose of this study was to determine the value of Internet-referred patients as compared to other traditional referral sources for building and growing a hand surgery practice. These data have the potential to help practices develop efficient marketing and growth efforts in an increasing competitive healthcare market.

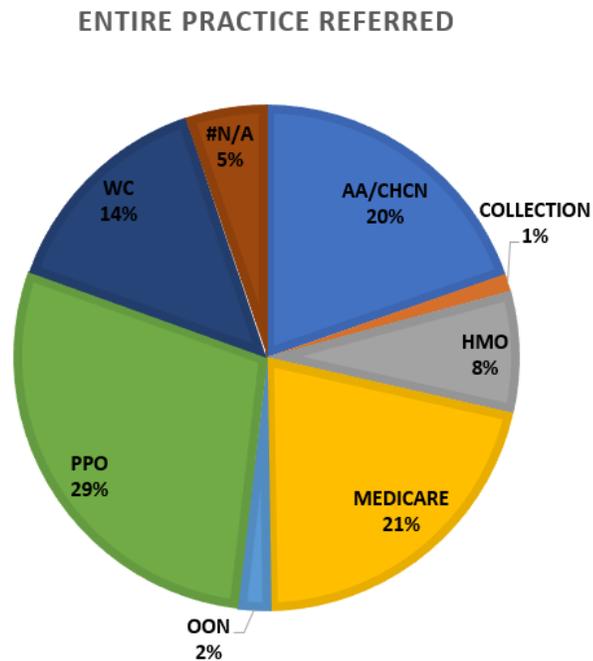
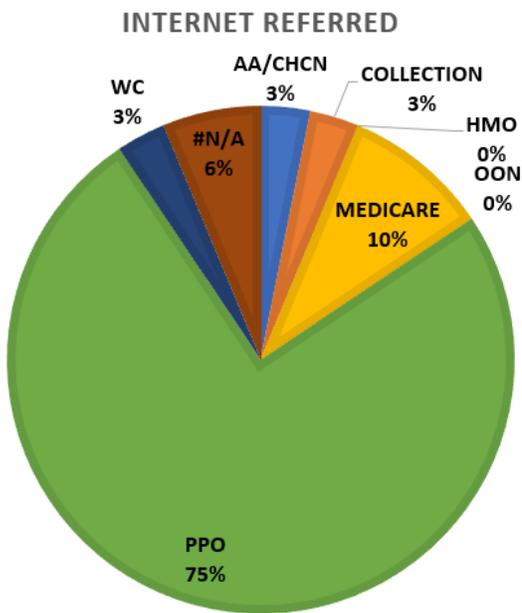
Methodology: Two years of professional fee billing and collection data were analyzed from a single practice management software and cross-referenced with patient referral sources. Using standard Microsoft Excel formulas, tools, and pivot tables the average percent collection, dollars per visit, and dollars per patient were calculated. Internet-referred patients were defined as those who called for an appointment based on reading online reviews or Google search for a hand surgeon. Further analysis of insurance type was performed to focus specifically on the demographic mix of Internet-referred patients.

Results: A total of 5,071 patients were seen and analyzed during a two-year period. The average collected dollars per visit was \$202, average collected dollars per hour was \$626 and average total collection per patient was \$692 (Table 1). From the perspective of total revenue, the most valuable referral sources were Surgeons, Workers Compensation, and Former Patients. When analyzed for revenue per hour, the most valuable referral sources were Surgeons, Former Patients, and the Emergency Department. The total value of internet-referred patients was below average with \$541/hour and \$442/patient. Internet-referred patients predominantly consisted of PPO insurance (75%) while the overall practice mix was represented by only 29% PPO insurance (Figure 2).

Conclusion:

- Common referral sources for hand surgeons have varying amounts of average revenue per patient or per time spent in the office
- Internet-referred patients represent a higher percentage of PPO insurance payors, but below average revenue per visit, per minute, and overall dollars collected
- The enthusiasm for pursuing aggressive online marketing referrals may depend on a surgeon's practice mix and existing schedule availability

Referral Source	# Pts	# Visits	% Coll.	\$/Visit	\$/Hr	\$/Patient
Surgeon	68	285	57.0	254.4	821.6	1066.3
Former Patient	27	104	50.0	230.8	733.0	889.1
Emergency Department	239	893	61.9	210.7	665.0	787.4
Friend/Family	84	303	63.2	212.1	664.2	765.0
Unknown	3461	11576	58.6	206.7	636.4	691.3
Primary Care	822	2666	60.9	198.4	606.6	643.5
Urgent Care	50	117	62.3	212.3	595.0	496.8
Internet Search/Reviews	147	334	63.5	194.6	540.6	442.3
Insurance Company	67	246	59.7	164.9	518.5	605.5
Workers Compensation	106	821	54.4	129.5	458.6	1002.7
Average for All Patients	5071	17345	59.1	202.2	625.8	691.6



*A subsequent analysis incorporating automated email review requests in conjunction with handing out review card requests further increased the rate of online review responses as shown below at month 16.

