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FISCAL YEAR

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2018

ANNUAL REPORT

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THE PRIVATE PRACTICE SECTION OF THE AMERICAN PHYSICAL THERAPY ASSOCIATION

# PPS Mission Statement

Champion the success of the physical therapist in business

# PPS Vision Statement

Society demands access to physical therapists' businesses



# LEADERSHIP



# STRATEGIC PLAN



# MEMBERSHIP



# FINANCIALS



# LEADERSHIP

## OFFICERS

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**Vice President** | Chicago, IL



**AMY SNYDER, PT, DPT**  
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**Treasurer** | Plymouth Meeting, PA

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**ALI SCHOOS, PT**  
Bellevue, WA

## PRESIDENT'S MESSAGE

I am pleased to present to you the Private Practice Section's Annual Report for FY2018 (July 1, 2017 – June 30, 2018). The Annual Report is designed to outline the key accomplishments of the Section's Leadership, Committees, and staff, demonstrating the value you receive as a member and perhaps enlightening you about new services, resources, and benefits you may have missed during the year.

Highlights of this year's report include:

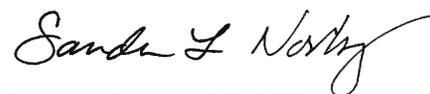
- The Treasurer's Report, showing continued financial strength and increased member value, all while keeping dues at the same level since 2001.
- An excellent year on Capitol Hill, highlighted by the end of the hard cap on payment for therapy services under Medicare.
- The launch of the new [www.ppsapta.org](http://www.ppsapta.org) website, a dramatically enhanced resource for members to access tools and member benefits and enable networking and information-sharing.
- The distribution of \$70,000 in Legal and Payment Assistance Grants to APTA chapters and private practice physical therapist organizations in the pursuit of supporting the economic viability of physical therapist-owned businesses.
- Continued development of the PT Value Proposition project, begun last year, with a major review of claims data to support the value of PT in the continuum of care for musculoskeletal conditions and private practitioners as cost-effective providers of that care.
- Our flagship publication, *Impact* magazine, continuing to provide timely and useful information, and the online version growing in popularity.

- A bylaws change, voted on by the membership in November 2017, to amend Board members' terms of service.

In addition to these and many other accomplishments, the Section revamped its volunteer structure to allow for more cross-collaboration and enhance transparency between and among Committees. This "Supercommittee," comprising the PPS Board of Directors and Committee Chairs, worked together over many months to create a new three-year strategic plan that kicked off on July 1 for the new fiscal year (FY2019). I look forward to reporting to you next year on our progress on these new and exciting goals and objectives.

The accomplishments of the PPS members who serve on your Board of Directors, Committees, Task Forces, as *Impact* authors, and who contribute to the Section in other ways great and small must not be overlooked. Please join me in thanking them for their outstanding work.

And thank you for your continued support of PPS and our profession. It is your membership that drives our efforts. Enjoy this report and find more information at [www.ppsapta.org](http://www.ppsapta.org).



**Sandra Norby, PT, DPT**

President

Private Practice Section, PPS



# STRATEGIC PLAN

## GOALS

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**1. ADVOCACY:** Actively represent physical therapists in business regarding federal, state, and association laws, regulations, and policies.



**2. PAYMENT:** Target and engage in opportunities to increase payment for physical therapists' services and reduce administrative burden.



**3. CONSUMER DEMAND:** Create and expand consumer demand for physical therapy.



**4. BUSINESS ACUMEN:** Deliver education and develop skills related to business management, profitability, and operational excellence.



**5. BUSINESS INNOVATION:** Facilitate the exploration and exchange of disruptive and innovative business practices.



**6. MEMBERSHIP:** Build and engage a large and diverse membership.



## 1. **ADVOCACY:** Actively represent physical therapists in business regarding federal, state, and association laws, regulations, and policies.

### OBJECTIVES

- 1.1 Promote access to physical therapists in business
- 1.2 Drive advocacy efforts that support the economic viability of physical therapist-owned businesses
- 1.3 Increase participation in leadership positions, including APTA governance, to promote and achieve PPS goals
- 1.4 Develop alliances with other entities in the business and healthcare communities to promote and achieve PPS goals

In pursuit of the objective to drive advocacy efforts that support the economic viability of physical therapist-owned businesses, PPS awarded \$70,000 in **Legal and Payment Assistance Grants** during FY2018. Grants were awarded to the Idaho, North Carolina, and Alabama Chapters of APTA to support their statewide efforts to achieve dry needling and direct access to PT services. In addition, significant financial support was given to the Independent Physical Therapists of California toward its successful lawsuit against One Call's business procedures.

In preparation for the two-year term of the 115th Congress (2017 and

2018), PPS's Legislative and Advocacy priorities were updated in December 2016 by the Board of Directors and the **Government Affairs Committee (GAC)**. These priorities are used by the Section's lobbyist to guide advocacy efforts on behalf of PPS membership. For the past two years, these priorities have been communicated to Congress as well as to other policy makers such as the Centers for Medicare and Medicaid Services (CMS), the Department of Labor (DOL), and the Medicare Payment Advisory Commission (MedPAC).

### ADVANCING LEGISLATIVE AND ADVOCACY PRIORITIES

■ **Pursue favorable resolution including repeal or replacement of the arbitrary per beneficiary therapy cap on outpatient rehabilitation covered by Medicare.** Legislation introduced in both chambers was endorsed by PPS and achieved a record number of cosponsors for the bipartisan Medicare Access to Rehabilitation Services Act (H.R.807/S.253). PPS Key Contacts lobbied their Members of Congress in response to Action Alerts and Advocacy Opportunities presented in monthly PPS Key Contact Legislative Updates. In order to

magnify our advocacy efforts for the common policy goal, PPS was an active member of the Therapy Cap Coalition, a group of provider- and patient-group stakeholders. As a member of the Therapy Cap Coalition, PPS negotiated with Finance, Ways & Means, and Energy & Commerce Committee staff to achieve a bipartisan, bicameral agreement to repeal the arbitrary per-beneficiary therapy cap on outpatient rehabilitation covered by Medicare and replace it with a policy which would allow for a targeted post-payment medical review of only some of the cases which had over \$3000 of spending on a single beneficiary. Letters were sent to the Congressional leadership in December 2017 and January 2018 urging immediate legislative action and arguing the negative impact of a hard cap on patient outcomes. The repeal of the therapy cap was achieved on February 9, 2018, when the Bipartisan Budget Act of 2018 was signed into law. Section 50202 of the law repealing the long-standing therapy cap for therapy expenses was effective January 1, 2018.

## STRATEGIC PLAN Goal 1: Advocacy

- **Achieve legislation that allows physical therapists in private practice to opt-out of Medicare or privately contract with Medicare patients.** PPS endorsed and gained cosponsors for the Medicare Patient Empowerment Act (H.R.4133), which would allow Medicare-enrolled providers (including physical therapists) to contract directly with their patients who are Medicare beneficiaries on a case-by-case basis. The decision to opt-out would not affect the entire practice, only the billing relationship between that patient and therapist. This was one of the issues brought to Congressional leaders by PPS Key Contacts during their April 2018 visit to Capitol Hill. PPS responded to CMS's request for information on Direct Provider Contracting (DPC) with comments that discussed how DPC could be utilized by private practice physical therapists and should be considered for physical therapy as it will be for primary care physicians and family practice medicine. PPS also argued that providers must not be allowed to offer incentives to beneficiaries that would induce patients to obtain their rehabilitation therapy from a participant practice or other designated suppliers and providers.
- **Address and mitigate the negative effects associated with physician self-referral.** PPS endorsed and gained cosponsors for the Promoting Integrity

in Medicare Act (H.R.2066), working with Congressional staffers to submit a question for the record to HHS Deputy Secretary Hargan asking how CMS would modify the Stark law's In-Office Ancillary Services Exception (IOASE) to remove those that are not same-day services. PPS responded to CMS's request for information on physician self-referral with formal comments urging the removal of PT from the IOASE and requesting increased accountability and transparency for referrals made utilizing the IOASE.

- **Achieve legislation that allows reimbursement through Medicare and Federal Health plans for physical therapy care through telehealth.** PPS continued to pursue the CONNECT for Health Act provision that would allow all Medicare-enrolled providers and suppliers to be reimbursed for care provided via telehealth which cost the same or less than traditional care and whose quality was as good or better than in-person care. We endorsed and gained cosponsors for two relevant bipartisan bills: CONNECT for Health Act (H.R.2556/S.1016) and the Medicare Telehealth Parity Act (H.R.2550). Telehealth legislation was another issue brought to Congress by PPS Key Contacts during their April 2018 visit to Capitol Hill. We achieved passage of two provisions of the CONNECT for Health Act: first, granting Medicare Advantage plans the authority to

expand their basic benefit coverage to include reimbursement for telehealth services, and second, the FAST Act (H.R.1148/S.431), which allows for the use of telehealth to assess strokes regardless of patient's geographic location.

- **Monitor and respond to Medicare payment reform proposals, and continue to fight for fair and equitable Medicare reimbursement for physical therapists in private practice.** PPS filed comments critical of the Comprehensive Care for Joint Replacement Model (CJR) bundling provisions and the proposal to expand the model beyond hip and knee arthroplasty to include patients undergoing surgical hip and femur fractures treatment (SHFFT) episodes. The plan to expand CJR to SHFFT was canceled and the original CJR program was scaled back to only 34 of the original 67 geographic areas selected in 2016. The fifth and final performance year of CJR will end on December 31, 2020.
- **Monitor the implementation of new evaluation codes and pursue appropriate values for each code.** The 2018 Medicare Physician Fee Schedule final rule implemented an increase in some work relative value units (RVUs) and a reduction of some physician expense (PE) RVUs. On November 17, 2017, PPS posted on its website an explanation of the advocacy process

and what's next. PPS President Sandy Norby, along with representatives from APTA, met with CMS staff to discuss how best to move forward to either mitigate the cuts to PE RVUs or prevent further cuts. PPS joined in a letter to MedPAC expressing concerns that its June 2018 Report to Congress, Chapter 3: "Rebalancing Medicare's physician fee schedule toward ambulatory evaluation and management services," would reduce reimbursement for physical therapist services. PPS and other stakeholders urged MedPAC to consider the full impact of all regulatory changes (including the Medicare Physician Fee Schedule) that affect physical therapist reimbursement before proposing policies in order to ensure fair and equitable reimbursement for services furnished by physical therapists.

- **Promote physical therapy as an essential health benefit (EHB) in all insurance plans.** PPS submitted comments to CMS's proposed rule to give states greater flexibility in defining the Affordable Care Act's (ACA's) minimum essential health benefits (EHBs) to increase affordability of coverage. Because the list of EHBs is in statute, the administration does not have the authority to remove any of the ten EHBs, but the final rule used regulatory authority to grant states the maximum amount of flexibility to

define habilitative and rehabilitative care. Erosion of coverage for these EHBs could lead to skimpier health plans on the individual and small group insurance markets and higher out-of-pocket costs for consumers. It is important to note that states are not required to alter the current list of EHBs. The rule affects health insurance plans starting in 2019. Seeking to reform the health insurance system, but unable to do so legislatively, the Administration proposed to expand the number and types of individuals who could purchase insurance through an Association Health Plan (AHP). PPS submitted comments which noted its appreciation for the consideration of options for small businesses to form groups for the purpose of purchasing health insurance for themselves and their employees, but urged the Department of Labor to not permit an AHP to offer benefit packages that bypass the consumer protections of existing laws, including standards related to the coverage of EHBs. The Administration also used its authority to extend the duration of "short-term" insurance policies up to a year. PPS submitted comments to CMS's proposed rule suggesting that the poorer quality, short-term insurance plans should remain capped at three months' duration, expressed grave concerns about the quality of short-term limited duration health

insurance plans that are not subject to the ACA's consumer protections—including standards related to the coverage of EHBs—and urged strong notice, certification, and coverage requirements be implemented to protect against erosion of plan quality and adverse selection impact on ACA-compliant plans.

- **Address and mitigate the negative effects of market control by insurance plans and related entities on physical therapists in private practice and their patients.** In comments submitted to CMS regarding Association Health Plans, PPS suggested that if AHPs are allowed to function across state lines, then it is paramount that strong certification and coverage requirements be implemented to protect against erosion of plan quality.
- **Pursue federal student loan repayment programs in underserved areas that enhance recruitment efforts of physical therapy private practices in these areas.** PPS endorsed and gained cosponsors for the Physical Therapy Workforce and the Patient Access Act (H.R.1639/S.619), which would authorize physical therapists to participate in the National Health Service Corps (NHSC) Loan Repayment Program. Access to this program would support recruitment of new therapists, provide a financial on-ramp for eligible clinic owners interested in increasing staff, as well

## STRATEGIC PLAN Goal 1: Advocacy

as improve patient access to essential physical therapy services in rural, remote, and medically underserved areas. This was another issue brought to Congress by PPS Key Contacts during their April 2018 visit to Capitol Hill.

- **Monitor, respond to, and participate in tax reform efforts to benefit physical therapists in private practice.** In December 2017, the tax reform law implemented a permanent flat 21% tax rate for corporations. PPS alerted members that some pass-through service business will also get a tax break. Specified service business owners such as physical therapists who pay their business taxes through their individual tax returns may be able to access a 20% tax deduction on qualified business income—but only when certain conditions are met, such as their taxable income is less than \$157,000 individually (or \$315,000 for married taxpayers filing jointly).
- **Promote policy that increases opportunities for Veterans to receive outpatient services provided by physical therapists in private practice.** Achieved passage of legislation in December 2017 that would authorize physical therapy assistants (PTAs) and occupational therapy assistants (OTAs) to provide services to TRICARE beneficiaries. Before reimbursement can occur, the Department of Defense must publish proposed regulations

to add PTAs and OTAs to the Tricare program.

The VA Maintaining Systems and Strengthening Integrated Outside Networks (MISSION) Act was signed into law in June 2018. The MISSION Act extends the Veterans Affairs' Choice Program for one additional year, including an extension of the community-based providers provision which has enabled private practice physical therapists to provide physical therapy to Veterans.

### **COMMUNICATING THE SECTION'S LEGISLATIVE AND ADVOCACY PRIORITIES TO THE CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)**

PPS submitted the following advocacy letters on behalf of the membership to the Centers for Medicare and Medicaid Services (CMS) at the Department of Health and Human Services or the Department of Labor (DOL) (all comment letters are available on the PPS website):

- October 2017: Comments to CMS sharing shortcomings of CJR model and offering suggestions for how to improve patient access to private practice physical therapists.
- November 2017: Comments on CMS Notice of Payment and Benefit parameters seeking to give states greater flexibility in defining the

Affordable Care Act (ACA)'s minimum essential health benefits (EHBs).

- March 2018: Comments on DOL proposed rule regarding Association Health Plans.
- April 2018: Comments on CMS proposed rule regarding Short-Term Limited Duration Health Plans.
- May 2018: Comments on CMS's Center for Medicare and Medicaid Innovation Request for Information regarding Direct Provider Contracting.

### **REGULATORY RELIEF EFFORTS**

- November 2017: Facilitated PPS Key Contact submissions to CMS advocating for the protection of EHBs regarding CMS Notice of Payment and Benefit Parameters.
- January 2018: Letter to CMS requesting suspension of application of hard therapy cap until issuance of adequate clarification on how the therapy cap would be administered.

### **GROWING THE KEY CONTACT PROGRAM AT THE FEDERAL LEVEL**

PPS's Key Contact Program has expanded rapidly since its establishment in 2013. The goal of the program is to have a PPS member assigned to every Member of Congress, especially those who are in leadership or sit on a committee of health jurisdiction (Senate Finance Committee, Senate Health Education Labor and Pensions (HELP) Committee, House Ways

and Means Committee, and House Energy and Commerce Committee). Now 290 members strong, PPS has filled its top-tier recruitment needs for 28 states.<sup>1</sup> Twenty-four states have a PPS Key Contact for each member of its delegation who serves on a committee of jurisdiction.<sup>2</sup> In seven states a PPS Key Contact is assigned to each Member of Congress from that state.<sup>3</sup> When the 116th Congress is seated in January 2019, some of the Members' committee assignments will change, but our deep bench of dedicated PPS Key Contacts will allow PPS to build upon their already established, robust relationships with new committee members.

A monthly Legislative Update has been distributed to PPS Key Contacts since January 2016 to ensure they have the most up-to-date news regarding the legislative efforts and activity on Capitol Hill. These updates include a hyperlink to the list of the bill's cosponsors in order to enable the Key Contact to determine in real-time whether their target legislator has cosponsored the bills discussed. Beginning in September 2017, the Legislative Updates have included clear Advocacy Opportunities to empower and focus the energies of the grassroots network. In order to increase access to all members, the Legislative Updates are also published monthly in the form of a blog on the PPS website.

From April 29 to May 1, 2018, as part of APTA's Federal Advocacy Forum, 81 PPS members visited Washington, D.C., 22 of whom were sponsored by PPS to attend. During an exclusive PPS Key Contact break-out session, the PPS lobbyist highlighted activity and progress made on the PPS legislative priorities, the "nuts and bolts" of lobbying, and how to engage with the range of staffer personalities to achieve the best results. Selected PPS Key Contacts shared their experiences with difficult Members of Congress, how to use social media, and the value of hosting a practice visit for your Member or his/her staff for the benefit of PPS's advocacy agenda. Key Contacts then successfully lobbied their Members of Congress, sharing their perspective on a few of PPS's legislative priorities: adding physical therapists to the National Health Service Corps (S. 619/H.R. 1639), reimbursement for telehealth via CONNECT for Health Act (H.R.2556/S.1016), and adding physical therapists to the list of providers able to opt out of Medicare (H.R.4133). These visits and conversations resulted in additional cosponsors on key bills. ■

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1. AK, AL, AZ, CO, CT, DE, IA, ID, KS, KY, LA, MD, ME, MN, NH, NM, NV, OH, OR, PA, RI, SD, TN, UT, VA, WA, WI, and WY

2. AK, AR, AZ, CT, DE, IA, ID, KS, KY, LA, MD, ME, MN, MO, MT, NM, OR, PA, RI, SD, UT, WA, WI, and WY

3. AK, IA, KS, LA, MT, SD, and WY

## STRATEGIC PLAN Goal 2: Payment



### 2. PAYMENT: Target and engage in opportunities to increase payment for physical therapists' services and reduce administrative burden.

#### OBJECTIVES

- 2.1 Educate members and provide tools for achieving successful negotiations with payers
- 2.2 Increase awareness, influence, and participation in evolving payment models

In FY2017, PPS committed to a significant investment in the fight to influence the financial resources that are allocated for physical therapy and positively shift payment and decision-making power in our direction. PPS contracted with Milliman, a consulting group, to provide our members with persuasive, valid data to support the value of PT in the continuum of care for musculoskeletal conditions and private practitioners as cost-effective providers of that care. The project is designed to provide members with the tools needed to advocate for themselves and their businesses when it comes to negotiating with payers and highlighting the value private practice physical therapists bring to the health care system and to patients.

The final report, scheduled to be released in the fall of 2018 at the APTA State Policy and Payment Forum, as well as at the 2018 PPS Annual Conference in Colorado Springs, consists of analyzing

commercial claims data and collecting research and evidence on the effect of PT on low back pain. Members of the **Payment Policy Committee** will be presenting the study at these and other national events, as well as how members can use the findings in their own payer negotiations. The Committee has been actively engaged in creating education, tools, and other resources for members so that they will be equipped to take the message to local markets and establish strategic partnerships with relevant stakeholders who will benefit from the value physical therapy brings to their beneficiaries, subscribers, patients, or participants.

In addition, the Committee also has several workgroups focused on relevant reimbursement topics, including Emerging Payment Issues, Value-Driven Payment and Contracting, Out of Network/Cash-Based Practice, and Administrative Simplification. These topics and more will be presented at the Committee's very popular Payment Workshop as a preconference program of the PPS Annual Conference.

The Committee's work last year with health care law firm Hall Render to develop model language for payer

contracts continued to bear fruit in FY2018 with a webinar "How to Use PPS Model Contract Check List: Negotiation of Key Provisions in Payer Agreements," and accompanying *Impact* magazine article "What's in Your Payer Contract?" (authored by Payment Policy Committee member Rick Katz, PT, DPT, MA, in the September 2017 issue). Katz also authored an article, "Vertical Integration in Physical Therapy Private Practice" (February 2018), which described results from last year's survey conducted to assess member involvement in vertical integration and joint venture partnerships.

These resources, and many others including on Payer Contracts, Compliance, Telehealth, Collections, CJR, and Administrative Simplification, are available under the Payment Resources tab of the PPS website or in the PPS Learning Center. ■



### 3. CONSUMER DEMAND: Create and expand consumer demand for physical therapy.

#### OBJECTIVES

- 3.1 Develop, implement, and promote marketing and public relations educational programming
- 3.2 Provide marketing and public relation tools for individual member implementation with local media and communities
- 3.3 Compile and communicate data that demonstrate the comparative effectiveness of physical therapy

In order to expand consumer demand for physical therapy and promote the value of PT, PPS joined forces with APTA to hold a **contest for the best video** that tells a story about how physical therapists transform society by optimizing movement to improve the human experience, or a video that shows how physical therapy reduces overall health care costs and improves patient outcomes. The winning video was shown at the 2017 PPS Annual Conference in Chicago; it, along with second and third place winners, is available on the PPS YouTube channel.

The **Marketing and PR Committee** is divided into taskforces that each carry responsibility in realizing the initiatives the Committee undertakes.

Their work has resulted in the following accomplishments.

- **99 Marketing Ideas.** With the launch of the new PPS website in February 2018, PPS was able to release the first phase of “99 Marketing Ideas” to PPS Members. The purpose of this ongoing project is to arm members across multiple practice settings with proven marketing strategies to implement in their own clinics. PPS achieved 1,100 views within the first two months of tracking analytics on 99 Marketing Ideas and has a goal to increase viewership by 5% each month.
- **Annual PT Exam Toolkit & Webinar.** When, during the 2017 Annual Business Meeting in Chicago, a member put forth a motion to create an Annual PT Exam Campaign for members, the Marketing and PR Committee eagerly accepted the challenge and developed an Annual PT Exam Toolkit for member use. The Toolkit includes a newsletter, press release, and shareable social media content. The Annual PT Exam social media images are the most shared images/posts on the PPS Facebook and Twitter pages to date. To take this project from content-sharing

to education, PPS also presented a webinar to members about how to utilize the Annual PT Exam Toolkit to implement an Annual PT Exam campaign at their own physical therapy clinics. The webinar is archived in the PPS Learning Center.

- **@MyPhysTherapist.** As part of the @myphys therapist social media handle, PPS launched a consumer-facing Marketing Blog so that we could link back to our own content and push traffic to the website when sharing posts on social media. PPS contracted with a professional writer to generate shareable content for @myphys therapist and ensure sufficient content to update the new social handles regularly. A “Shareables” area was added to the marketing resources page that includes direct links to download all of the images that have been created for @myphys therapist in the past year.
- **Fit Factor.** PPS made the Fit Factor tool “social friendly” by generating customized links for each question in the Fit Factor Survey. This enables users and administrators to easily share specific questions on social media to drive traffic to the Fit Factor page.

## STRATEGIC PLAN Goal 3: Consumer Demand

Between May 2017 and May 2018, Fit Factor traffic more than quadrupled.

■ **Monthly *Impact* Articles.** Committee Chair Michelle Collie, PT, DPT, MS, has authored the following *Impact* articles in the last year to educate members on marketing and the resources available to them through PPS:

- **Preventing Burnout by Growing a Caseload of Desirable Patients** – July 2017
- **Five Tips for Successful Thought Leadership Marketing** – August 2017
- **Strengthen Your Practice with Strategic Partnerships** – September 2017
- **The Fit Factor** – October 2017
- **Marketing Physical Therapy** – November/December 2017
- **Marketing: It's Simply Messaging** – January 2018
- **99 Marketing Ideas** – February 2018
- **Seven Ways to Recruit a Rockstar Team** – March 2018
- **Six Tips for Being the Best Marketing Mentor** – April 2018
- **Marketing Your Practice? Ensure You Provide an Exceptional Patient Experience** – May 2018
- **Cultivating Referral Sources** – June 2018

■ **Monthly Marketing Toolkit Posts.**

PPS members have been provided a Monthly Marketing Toolkit every month since January 2017. The monthly toolkit is made up of free, ready-to-share content for marketing your physical therapy practice to your community. The toolkit includes monthly newsletter/blog posts, social media posts that members can share direct from PPS's @MyPhysTherapist Facebook and Twitter pages, and press release templates that can be copied and pasted, or customized with some simple edits. This year's toolkit topics were:

- **Why You Should Visit Your Physical Therapist Before Your Next Run** – July 2017
- **Which Bones, Joints, and Muscles Do You Want to Keep?** – August 2017
- **Physical Therapy's Scope of Practice Extends Beyond Aches and Pains** – September 2017
- **Ready, Set, Run! Combat Depression with Regular Exercise** – October 2017
- **Physical Therapists Are Trained to Treat a Wide Range of Illnesses and Injuries** – November/December 2017
- **See Your Physical Therapist to Nip Potential Injuries in the Bud** – November/December 2017

- **Ready, Set, Refresh! How Physical Therapy Can Help You Reach Your 2018 Fitness Goals** – January 2018
- **How Physical Therapy Helps Retirees Keep Dreams Alive During the Golden Years** – February 2018
- **Your Smartphone Could Be Rapidly Aging Your Spine** – March 2018
- **Regular Physical Activity Can Boost Cognitive Ability** – April 2018
- **Ask a Physical Therapist to Screen Your Movements This Spring** – May 2018
- **One Annual Health Checkup That's Probably Missing from Your Calendar** – June 2018 ■



#### 4. BUSINESS ACUMEN: Deliver education and develop skills related to business management, profitability, and operational excellence.

##### OBJECTIVES

- 4.1 Obtain and provide key practice benchmarking data
- 4.2 Provide and promote an educational series that establishes and advances business aptitude for physical therapist-owned businesses
- 4.3 Utilize technology to organize educational resources for ease of member access

The **Education Committee** inaugurated the Business Leadership Education Task Force, whose objectives are to create a positive image of business for educators and DPT students, deliver efficient and effective leadership and business education to DPT schools/ students, and advance the autonomy of DPT professionals so they can transform society. The Task Force collaborated with the American Council of Academic Physical Therapy to coordinate goals and plan for a cosponsored survey to perform a needs analysis on content necessary for new grads in the area of business or practice management.

The Committee continues to work to address the knowledge needs of PPS members. New content is continually

added to the PPS Learning Center, including archives of recorded webinars and session recordings from Annual Conference. A total of 18 new webinars were delivered in FY2018; all programs are available in the PPS Learning Center.

In addition to the Section's webinar series, the Education Committee continues its oversight of PPS's preconference course at the APTA Combined Sections Meeting. The program has been revamped and retitled *Kick-Starting Your Private Practice: A Day of Interactive Consulting*; it is aimed at helping new practitioners gain the foundational knowledge and skills needed to start a private practice or take their existing private practice to the next level of success.

The **Annual Conference Program Workgroup** continues its long history of success in presenting an outstanding program to attendees of the Section's marquee educational event. The 2017 PPS Annual Conference in Chicago set a new attendee attendance record and brought in two outstanding Keynote speakers in Mel Robbins and Sally Hogshead. The Work Group reviewed more than 120 presentation proposals

to present programming to meet member needs as measured by surveys, monitoring social media channels, and other feedback mechanisms.

The **Combined Sections Meeting (CSM) Program Work Group** worked diligently over the past year to provide cutting-edge educational content at CSM that strengthens the PPS brand and promotes business excellence in physical therapy practice management. PPS presented the *Kick-Starting Your Private Practice: A Day of Interactive Consulting* pre-conference workshop and 11 educational sessions at the 2018 Combined Sections Meeting, resulting in a total of 1,031 attendees accessing PPS content. ■

## STRATEGIC PLAN Goal 5: Business Innovation



### 5. BUSINESS INNOVATION: Facilitate the exploration and exchange of disruptive and innovative business practices.

#### OBJECTIVES

- 5.1 Support the growth of the Peer2Peer Networks program
- 5.2 Provide forum(s) for discussion to foster innovation in physical therapists' businesses
- 5.3 Inform members about innovative business models

The **Peer2Peer NetWorks Program** entered its third year with 122 practices in 20 peer groups. The three cohorts—known as the Classes of 2016, 2017, and 2018—met several times during the year, both in person and via conference calls, to share best practices and expertise, discuss their “keep you up at night” issues, analyze operations, and collectively problem solve to help each other improve the bottom lines of their businesses. For the second consecutive year, Peer2Peer participants contributed data for the analysis and benchmarking of 11 key performance indicators. The FY2018 data collection effort represented 436 traditional clinic locations, allowing participants to gauge their own performance against the high performers in the study.

The **Impact Editorial Board** meets twice each year to set strategy for the magazine and collaborate with our editorial partner Content Worx to analyze readership trends. With guidance received from *Impact* readership surveys and input from member satisfaction surveys and other data collected by PPS, the Editorial Board plans the annual editorial calendar and recruits new and returning authors to deliver the quality content readers have come to expect.

PPS built upon the successes of FY2017 by continuing outreach and engagement efforts across social media, which in turn have played an important role in driving traffic to *Impact* online. Unique users of *Impact* online grew 18 percent compared to last year, and total page views grew 20 percent over the same time. The most popular magazine issues included “Burnout: How to Prevent, Avoid, and Recover” (July 2017), “The Customer 360 Approach” (May 2018), and “Managing Stress: Recharge and Refocus” (June 2018).

The **Institute of Private Practice Physical Therapy's** annual “think tank”-

style meeting, The Graham Sessions, completed its 11th year with three days of presentations, discussions, and networking. The Graham Sessions presents topics within and affecting the business management, clinical, and educational components of physical therapy practice, and provides an environment where physical therapists from all practice settings can openly and productively engage in discussion, share views, ask questions, and listen to others. The FY2018 Graham Sessions was held January 11-13, 2018, in San Diego, California. ■



**6. MEMBERSHIP:** Build and engage a large and diverse membership.

**OBJECTIVES**

- 6.1 Recruit new members
- 6.2 Market business education to all APTA components
- 6.3 Promote resources to current members

At the 2017 General Business Meeting of the Section, held at the Annual Conference in Chicago, members approved a **bylaws change** affecting

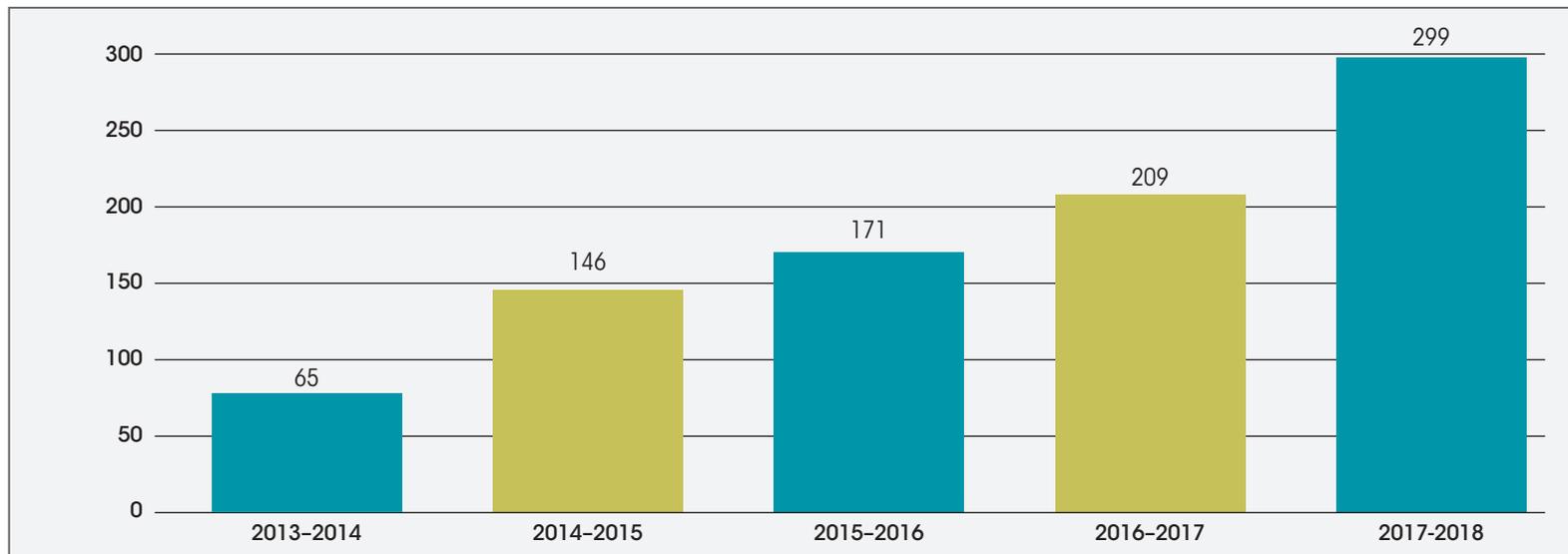
the Tenure of the Board of Directors. The amended bylaws now state that "No member shall serve more than two consecutive full terms in the same office."

In February 2018, the **PPS website** relaunched after a major design overhaul. The new ppsapta.org finally has a design that is consistent with the professionalism of the PPS brand and its membership. The site includes

simplified navigation, easy-to-access tools, integrated online networking, and a responsive layout for a consistent user experience across multiple devices.

New features of the site include a **myPPS** dashboard where every site user can manage their online actions with PPS. The dashboard includes a history of volunteer applications, conference registrations, Members with Content Knowledge listings, and more.

**Administrators Council Subscribers**



## STRATEGIC PLAN Goal 6: Membership

The former PPS message boards have been transformed into a modern, socially-integrated online community. Every PPS member has an account inside the online community, which has seen a rapid influx in traffic since the website's launch. Users are utilizing discussion boards to share ideas, network with other therapists, and as a go-to resource for getting questions answered related to managing a physical therapy practice. The interactive Members with Content Knowledge (MWCK) directory allows members with relevant expertise to connect with PPS members looking for answers to their questions.

Site users will find content on every page of the new site to be significantly more relevant to their needs and easier to access than resources on the previous site. Individual site areas for News, a Calendar of Events, Business Solutions, Opening a Private Practice, Advocacy, Payment Resources, and Marketing Resources each include tools and other resources pertinent to managing a physical therapy practice. The "Maximize Your Membership" section offers members a roadmap to all the member benefits and engagement opportunities offered by PPS.

The **Administrators Council** serves as an education and networking tool for nearly 300 administrators of PPS

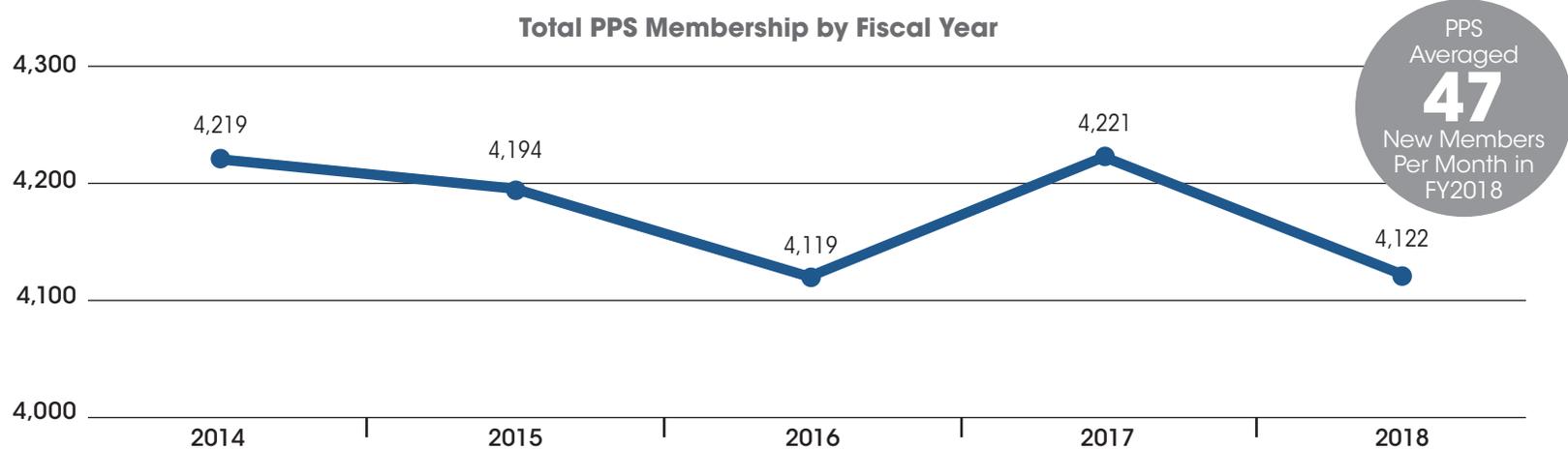
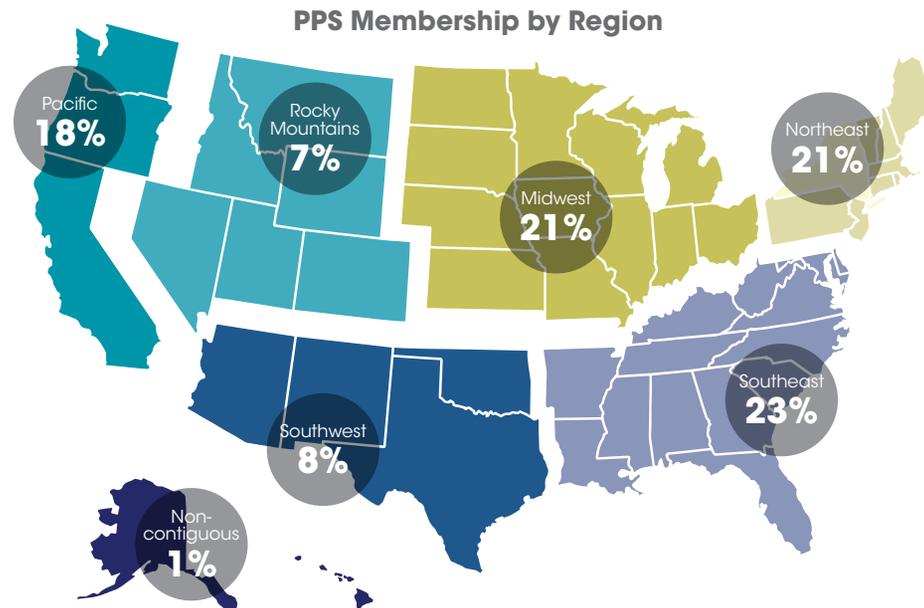
physical therapy clinics. The Council is committed to ensuring that PPS members have access to numerous resources to easily train their administrative staff, which is shown through the ongoing development and improvement of the Administrators Certificate program and Advanced Administrators Courses at PPS Annual Conference. During FY2018, the Administrators Council offered online learning opportunities as well with three free webinars on collections, compliance, and marketing. Administrators are kept informed about PPS resources through a series of automated email campaigns, quarterly newsletters, and the monthly Administrator's Edge column in *Impact* magazine. In addition, there are Administrators Council Liaisons to the Annual Conference Program Work Group, Government Affairs Committee, *Impact* Editorial Board, Marketing and PR Committee, and Payment Policy Committee to ensure that the insights and skill sets of these valuable members of the PPS family are utilized and shared.

The **Nominating Committee** presented a slate of outstanding candidates for the PPS Board. The **Awards Committee** selected the best of the best to receive the Section's highest honors, including the Robert G. Dicus award, which in FY2018 was awarded to Past PPS President Tom DiAngelis, PT, DPT. ■

# MEMBERSHIP



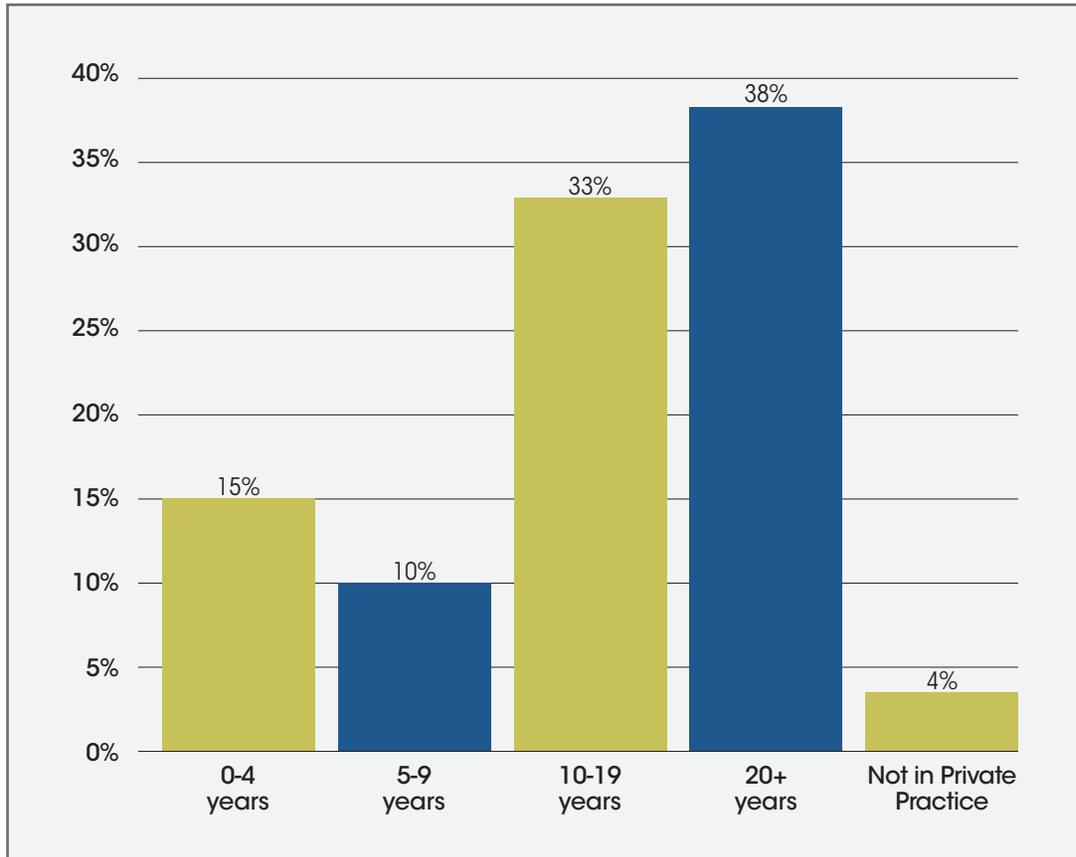
SECRETARY'S REPORT | Amy Snyder, PT, DPT



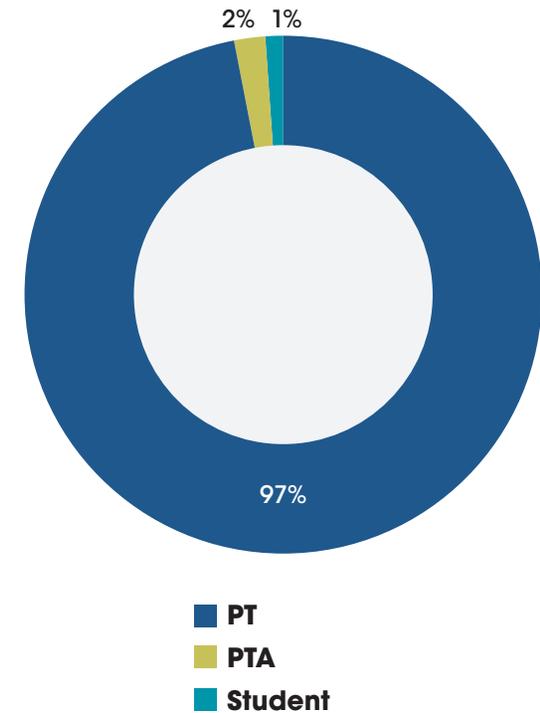
*\*This represents a 2% decrease in membership in FY 2017-2018*

## MEMBERSHIP

### PPS Membership by Years in Private Practice



### PPS Membership by Member Type



Not included in the PPS membership statistics above are 209 Administrators' Network members who are active participants in Section volunteerism, educational programming, and events. Administrators' Network membership increased by 22% in FY2017-2018.



## TREASURER'S REPORT | Jeff Ostrowski, PT

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The Board of Directors seeks to deploy our financial resources in ways to optimize the value of membership, move the physical therapy industry in a positive direction, and run the Section responsibly and efficiently. With that said, I am pleased to report to you on our Fiscal Year 2018 (July 2017 through June 2018) results.

Let's start with the FY2018 Budget. Recognizing our good financial footing due to our growing reserves and a desire to effectively invest those reserves, the Board approved an operational budget that would have yielded a loss of approximately \$479,000. Keep in mind, this budget deficit would still have left our reserves comfortably within recommended ranges for professional associations. Actual results for 2018 resulted in an operational loss of approximately \$411,000. So, while we did not hit our deficit target, you can see we made progress on our objective to utilize our reserves.

On the revenue side, FY2018 continued a succession of sound financial performance for PPS. Our vendor partners helped us generate \$1.15 MM in revenue from advertisements, exhibit booth fees, and more. This is a great sign of the vitality of our Section and our industry. The popularity of our annual conference and new programs such as Peer2Peer generated

\$1.8 MM in member-generated revenue, our highest ever. Our investment portfolio has yielded nice returns in recent years, contributing to the good news.

Running PPS is a big business. Expenses came in at nearly \$3.4 MM. We've invested in new programs (e.g., Fit Factor, Peer2Peer, PT Value Proposition Project), and enhanced existing programs (e.g., the PPS website, Advocacy fly-ins, Legal and Payment grants, lobbyists) specifically to drive value to members. Finally, we've increased and upgraded office staff to better serve you.

Our Section is a driving force for improvement in our industry. We encourage you to share your ideas on how we can continue to effectively and responsibly use our resources toward your individual success and our collective prosperity in health care today and tomorrow.

**Jeff Ostrowski, PT**  
Treasurer  
Private Practice Section, APTA

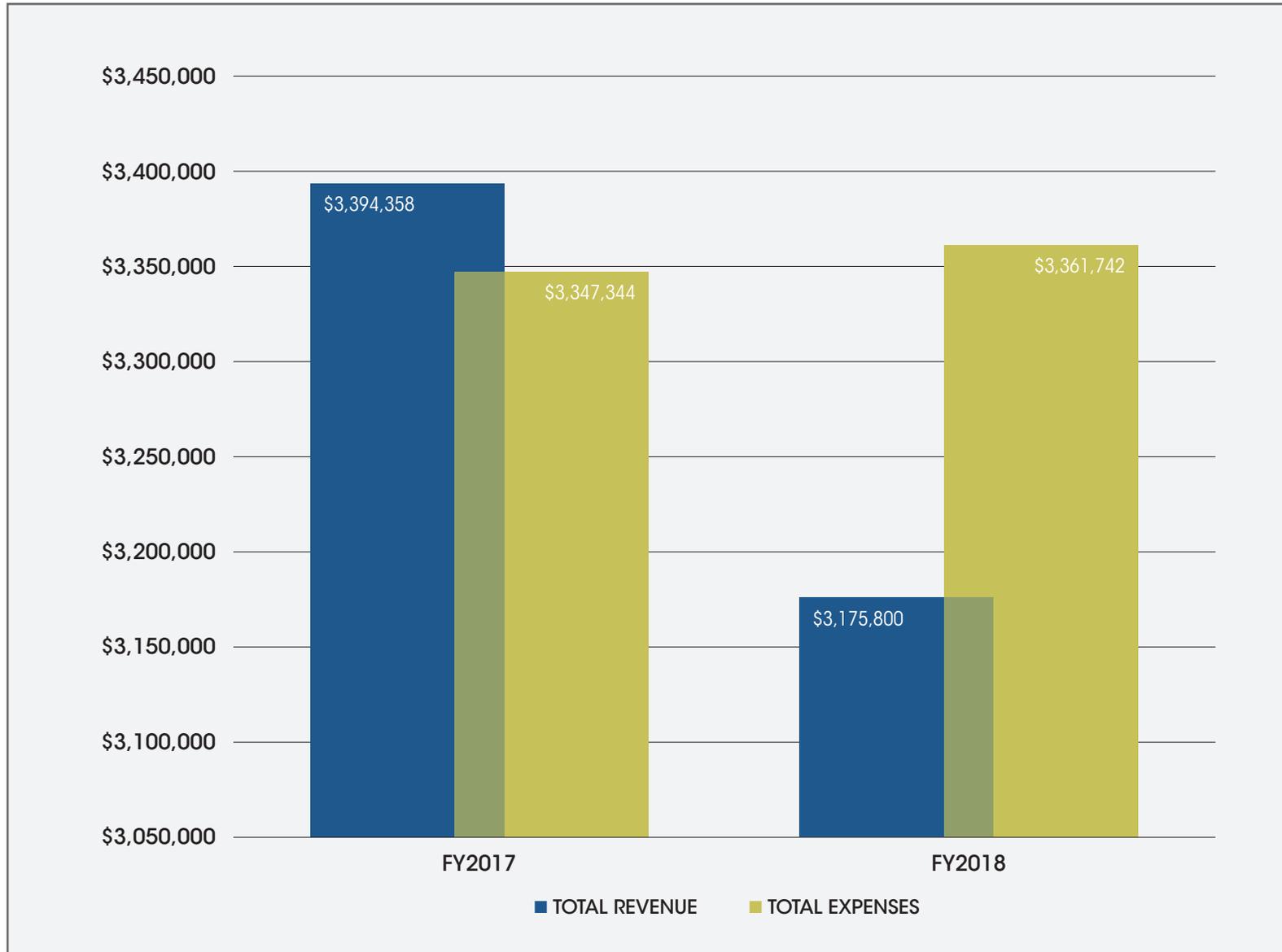
## FINANCIALS

### PPS Statement of Financial Position | June 30, 2018

ASSETS	
<b>CURRENT ASSETS</b>	
Cash in Checking	\$1,402,175.00
Accounts Receivable	
Accounts Receivable - Member Dues	\$46,148.32
Accounts Receivable - Other, net	\$86,234.00
Total Accounts Receivable	\$132,382.32
Prepaid Expenses	\$123,351.91
<b>TOTAL CURRENT ASSETS</b>	<b>\$1,657,909.23</b>
<b>OTHER ASSETS</b>	
PIMCO All Asset Fund	\$711,911.17
Vanguard funds	\$2,735,872.60
<b>TOTAL OTHER ASSETS</b>	<b>\$3,447,783.77</b>
<b>TOTAL ASSETS</b>	<b>\$5,105,693.00</b>

LIABILITIES AND NET ASSETS	
<b>CURRENT LIABILITIES</b>	
Accrued Expenses	\$183,606.52
<b>DEFERRED REVENUE</b>	
Membership Dues	\$363,269.00
Annual Conference	\$843,674.00
Advertising	\$25,812.00
Other, net	\$2,951.73
<b>TOTAL DEFERRED REVENUE</b>	<b>\$1,235,706.73</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$1,419,313.25</b>
<b>UNRESTRICTED-UNDESIGNATED NET ASSETS</b>	
Unrestricted-Undesignated Net Assets, 7/1	\$781,149.98
Transfers To/(From) Unrestricted-Undesignated Fund	(\$342,682.50)
Year-to-Date Net Revenue/(Loss)	(\$137,642.14)
<b>TOTAL UNRESTRICTED-UNDESIGNATED NET ASSETS</b>	<b>\$300,825.34</b>
<b>UNRESTRICTED-DESIGNATED NET ASSETS</b>	
Board Designated Fund, 7/1	\$500,000.00
Year-to-Date Net Revenue/(Loss)	(\$48,299.34)
<b>TOTAL BOARD DESIGNATED FUND</b>	<b>\$451,700.66</b>
Nine Month Reserve Fund, 7/1	\$2,591,171.25
Transfers To/(From) Nine-Month Reserve Fund	\$342,682.50
<b>TOTAL NINE-MONTH RESERVE FUND</b>	<b>\$2,933,853.75</b>
<b>TOTAL UNRESTRICTED-DESIGNATED FUNDS</b>	<b>\$3,385,554.41</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$5,105,693.00</b>

FY Statement of Activities (P&L) Comparison



## FINANCIALS

### PPS Statement of Activities | June 30, 2018

	Year to Date Actual	Budget Annual	Budget Balance
<b>OPERATIONAL ITEMS - REVENUES</b>			
420 Membership Dues	\$658,232.10	\$700,000.00	\$41,767.90
423 Bank Interest	773.95	1,000.00	226.05
444 Miscellaneous	4,664.74	0.00	(4,664.74)
451 CSM Registrations	86,568.82	48,000.00	(38,568.82)
452 AC Registrations	889,845.00	753,000.00	(136,845.00)
453 Continuing Ed Registrations	52,494.00	100,000.00	47,506.00
454 Webinar Registrations	0.00	0.00	0.00
455 Peer2Peer Registrations	86,520.00	80,000.00	(6,520.00)
456 Exhibit Booth Fees	413,267.00	388,200.00	(25,067.00)
467 Administrator Subscriptions	7,927.35	9,000.00	1,072.65
468 Industry Subscriptions	42,000.00	37,000.00	(5,000.00)
496 Tax Refunds	586.93	0.00	(586.93)
503 Ads: IMPACT Magazine	389,784.00	600,000.00	210,216.00
504 Ads: Website/Microsite	71,000.00	60,000.00	(11,000.00)
505 Ads: AC Program Book	18,745.00	20,000.00	1,255.00
510 Sponsorships	168,000.00	150,000.00	(18,000.00)
517 Commissions	23,397.95	0.00	(23,397.95)
520 Royalties	11,999.20	16,000.00	4,000.80
525 Publication Sales	18,881.00	20,000.00	1,119.00
526 Printed Magazine Sales	0.00	0.00	0.00
527 Mailing List Sales	5,800.00	4,000.00	(1,800.00)
<b>TOTAL REVENUE</b>	<b>\$2,950,487.04</b>	<b>\$2,986,200.00</b>	<b>\$35,712.96</b>

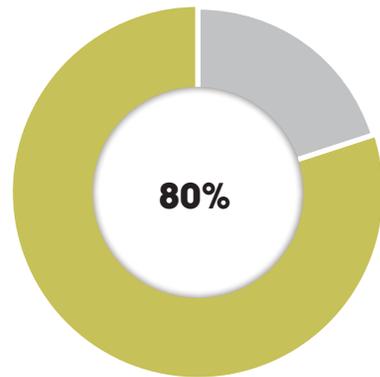
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PPS Statement of Activities | June 30, 2018 (continued)

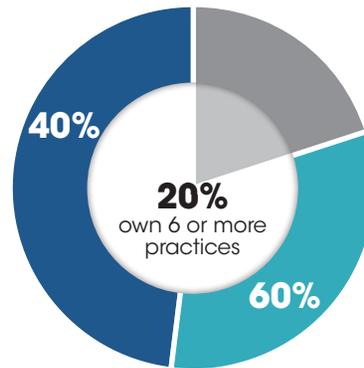
	Year to Date Actual	Budget Annual	Budget Balance
<b>OPERATIONAL ITEMS - EXPENSES</b>			
600 Salaries	\$140,531.33	\$0.00	(\$140,531.33)
602 Employee Benefits	40,319.80	0.00	(40,319.80)
603 Payroll Taxes	11,242.51	0.00	(11,242.51)
608 Contractual Fees	733,714.21	1,062,425.00	328,710.79
611 Equipment Maintenance	4,355.01	5,000.00	644.99
613 Rent	14,100.00	0.00	(14,100.00)
614 Stationery & Supplies	19,637.50	12,300.00	(7,337.50)
615 Telephone & Fax	1,307.79	2,000.00	692.21
616 Postage/Ship/Courier	40,362.11	54,130.00	13,767.89
617 Mailhouse	7,715.73	14,150.00	6,434.27
620 Printing	116,045.04	150,000.00	33,954.96
625 Audiovisuals	276,384.69	170,000.00	(106,384.69)
628 Training & Education	2,656.22	5,000.00	2,343.78
629 Staff travel/expenses	35,164.41	34,000.00	(1,164.41)
630 Member travel/expenses	165,113.31	216,440.00	51,326.69
632 Speaker travel/expenses	40,347.17	64,600.00	24,252.83
634 Advertising	600.00	8,200.00	7,600.00
635 Meeting Services	662,427.55	669,300.00	6,872.45
636 Honoraria	32,482.65	68,200.00	35,717.35
637 Legal Aid Grant	69,672.50	50,000.00	(19,672.50)
638 Lobbyist Fees	153,300.00	144,000.00	(9,300.00)
639 Exhibit Fees	0.00	5,000.00	5,000.00
640 Professional Fees	449,298.81	387,400.00	(61,898.81)
641 Non-cash Awards	2,126.69	1,700.00	(426.69)
642 Cash- Awards & Gifts	1,484.63	1,800.00	315.37
643 Commissions	111,973.88	115,000.00	3,026.12
646 Board Stipends	48,750.00	50,000.00	1,250.00
651 Dues & Subscriptions	4,249.09	7,750.00	3,500.91
653 Processing Fees	66,990.47	60,000.00	(6,990.47)
660 Charitable Donations	200.00	500.00	300.00
661 Graham Session Sponsorship	40,000.00	30,000.00	(10,000.00)
695 Doubtful Account Expense	13,630.00	2,000.00	(11,630.00)
696 Federal & State Taxes	55,113.86	64,000.00	8,886.14
699 Miscellaneous	445.00	0.00	(445.00)
<b>TOTAL EXPENSES</b>	<b>\$3,361,741.96</b>	<b>\$3,454,895.00</b>	<b>\$93,153.04</b>
<b>SUBTOTAL OF OPERATIONAL ITEMS</b>	<b>(\$411,254.92)</b>	<b>(\$68,695.00)</b>	<b>(\$57,440.08)</b>
<b>NON-OPERATIONAL ITEMS</b>			
421 Investment Dividends/Interest	\$100,560.68	\$75,000.00	(\$25,560.68)
422 Unrealized Gain/(Loss)	28,306.11	0.00	(28,306.11)
424 Realized Gain/(Loss)	96,446.65	0.00	(96,446.65)
<b>SUBTOTAL OF NON-OPERATIONAL ITEMS</b>	<b>\$225,313.44</b>	<b>\$75,000.00</b>	<b>(\$150,313.44)</b>
<b>TOTAL NET REVENUE/(LOSS)</b>	<b>(\$185,941.48)</b>	<b>(\$393,695.00)</b>	<b>(\$207,753.52)</b>

The average PPS Private Practice Annual Gross Revenue averages \$1 to \$1.9 million

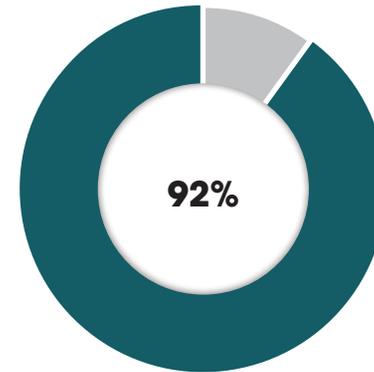
Member percentages:



■ Sole Owners/Partners



■ Own 1 clinic  
■ Own 2 or more clinics



■ Influence the purchasing decisions of their practice

## THANK YOU TO THOSE SERVING ON PPS COMMITTEES

### Annual Conference Program Work Group

- Janet Albanese, PT, Chair
- Thomas Barba, PT
- Susan Clinton, PT, DScPT
- Bryan Cummings, PT
- Deborah Gulbrandson, PT, DPT
- Brenda Grumley
- Robbie Leonard, PT
- Staci Lyons, PT

### Administrators Council

- Connie Zicarelli, Chair
- Brenda Grumley
- Jim Hall
- Scott Spradling
- Kim Stamp
- Scott Wick

### Awards Committee

- Kelly McFarland Lawrence, PT, DPT, Chair
- Andrew Clarke, PT
- Steven Davidson, PT
- Curt DeWeese, PT
- Thomas DiAngelis, PT, DPT
- Patrick Graham, PT, MBA

### CSM Program Work Group

- Lisa Mackell, PT, Chair
- Julie Ellis, PT
- Audrey Lewis, PT, DPT
- Lee Miller, PT, DscPT
- Roy Rivera, Jr. PT, PhD, DPT, MCHES

### Education Committee

- Jason Sanders, PT, DPT, Chair
- Thomas Carlton, PT, DPT
- Amy Gulledege, PT
- Jennifer Leach
- Yogi Matharu, PT, DPT, MBA
- Tim Vidale, PT, DPT

### Finance Committee

- Jeff Ostrowski, PT, Treasurer
- Jennifer Lesko, PT, DPT
- Andrew J. Levy, PT, DPT, MBA
- Chet Sternfels, PT, DPT

### Government Affairs Committee

- Thomas DiAngelis, PT, DPT, Chair
- Mark Anderson, PT
- James Buenaventura, PT, DPT
- Eileen Carter, PT, DPT, MBA
- Cristina Fauchoux, PT
- Mark Reitz, PT
- Scott Spradling

### Impact Editorial Board

- Stacy M. Menz, PT, DPT, Managing Editor
- Kristen Wilson, PT, DPT, Assistant Managing Editor
- Richard Andrascik, PT
- David Bright, PT, MPT
- Eric Cardin, PT
- Michael Connors, PT, DPT
- Jean Darling, PT
- Olajide Kolawole, PT, PhD

- Phyllis D. Levine, PT, DPT
- Susan Nowell, PT, DPT
- Subha Nagasubramanian, PT, MS, DPT
- Anthony Sinacore, PT, DPT
- Katie Schmitt, PT, DPT
- Ingrid Sparrow, PT
- Steve Stalzer, PT, MSPT
- Kim Stamp

### Marketing and PR Committee

- Michelle Collie, PT, DPT, MS, Chair
- Stephen Albanese, PT, DPT
- Jamie Bryant
- Darren Rodia, PT, MS, DPT
- Jan Schorpion, DPT
- Scott Wick

### Nominating Committee

- Jerry Durham, PT, Chair
- David Qualls, PT
- Karen Litzzy, PT, DPT

### Payment Policy Committee

- Janet Shelley, PT, DPT, Chair
- Lanchi Nguyen Bombalier, PT, JD/MPH
- Steve Chenoweth, PT
- Helene Fearon, PT, FAPTA
- Rick Gawenda, PT
- Jim Hall
- Holly Johnson, PT, DPT
- Rick Katz, PT, DPT, MA
- Bill Lewis, PT, DPT
- Kelly Sanders, PT, DPT, ATC

PRIVATE PRACTICE SECTION



American Physical Therapy Association

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