

Maximizing Ancillary Services in Orthopedic Practices

Source: Steve Fiore, CEO, Orthopedic Specialty Group, PC

What Are Ancillary Services?

- Clinical services provided within the practice
- Typically performed by mid-level providers and licensed technicians
- Generates additional revenue with physician involvement, but also requires significant investment

Impact of Ancillary Services

- Contributes 35% to physician compensation on average
- Must comply with DHS regulations (X-ray, MRI, DME, Therapy for Medicare).
- Revenue sources: 40% from operating room; 60% from office based services

Compensation Considerations

- Revenue allocation: Direct to providers vs. shared revenue models
- Referral tracking: Monitoring referrals from mid-level providers and external groups
- Capital investments: Impact of purchasing new ancillary equipment and services

Key Takeaways

Assess the role of ancillary services, understand the financial and operational impact of each, and align compensation models with service contributions.