

# REFERRAL TRACKING & MANAGEMENT

THE HEARTBEAT OF YOUR  
PT PRIVATE PRACTICE





# Why Referral Management is Important

Referral management is crucial to the success of your physical therapy private practice. In this guide, you will learn benchmarks for measuring referral success, how to track your referrals effectively, and finally, perhaps most importantly, how to improve your referral metrics!





# HOW TO TRACK REFERRALS

Tracking physician referrals isn't as difficult as you imagine. There are plenty of technical options available to assist you, some may be a part of your existing EMR system, however a simple spreadsheet is a good place to log your referrals if you are just getting started. Include the following information in your referral tracking log:

- Number of patients referred by each source (i.e. physician)
- The last time you reached out to each referral source
- The method you used to last communicate with your referral source (phone, email, in person)

- Number of patients you refer back to each source
- Frequency with which you receive referrals from each source (weekly, monthly, annually)
- Include a column for total number of referrals to your practice YTD

Identify the appropriate individual within your practice to track this data and be consistent! In many organizations, the person tasked with marketing duties manages this data collection, while the analysis of the data is performed by the owner and/or general manager so strategic adjustments can be made to positively impact the results.



## PRO TIP

Separate referrals by individual while noting if they are part of a larger group, this will come in handy for trend recognition.





## BENCHMARKS OF REFERRAL MANAGEMENT

To effectively manage your referral sources, you will need to understand how much you rely on each source. Calculate this with the following:

$$\begin{aligned} & \# \text{ of Evaluations for [Referral Source]} / \\ & \text{Total \# of Evaluations YTD} \\ & = [\text{Answer}] \times 100 \end{aligned}$$

This equation determines the percentage of referrals you receive from any given source. For physical therapy private practitioners, **no more than 5% of referrals should come from any one individual, and no more than 15% of referrals should come from any one group.**

If you discover you rely more heavily on a certain physician or group, your business may be at

unnecessary risk. Should the referral source retire, close their doors, or bring PT in-house it could have serious consequences to the financial health of your own practice. Take this opportunity to diversify your referral sources by adding new relationships and nurturing relationships that represent a lower percentage of your referrals.



# IMPACT TO PRACTICE VALUATION

Proper referral management and tracking has a significant impact on the valuation of your private practice. If you plan to sell your practice, a buyer will want to know the source of your patients. One of the methods used to do this is referral tracking. Referral tracking will tell a buyer how secure or at how at risk

your book of business is based on the diversity of your referral sources. The less diversified your referral sources are, the more risk that is added to the business which could negatively impact the selling price of your practice. So proper referral tracking is key to the value of your practice.

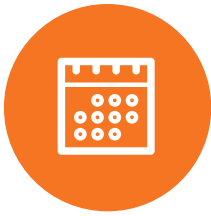






# IMPROVING REFERRAL MANAGEMENT

Consider the following tactics to create a more diversified referral network, increase referrals from existing sources, and achieve a better dialogue with new referral sources.



## What Do Physicians Need?

Understanding what physicians in your community need is key to earning their trust and converting them to a reliable referral source for your practice. You'll need to differentiate yourself to physicians as they speak to many PT practice owners each week. Try the approach of giving something to get something; for example, promising that you will be able to deliver same-day or next-day appointments for their patients may give your practice the advantage. Everyone wins in this scenario and it's a great way to build meaningful relationships with your physician referral network.



## Scripting

To be successful in speaking directly to physicians, be sure to plan out exactly what you are going to say in advance. Creating a script to follow can be a good way to accomplish this. Be sure to share this script with the rest of your team so that everyone at your organization can be consistent in the message you project.



## Maintain Open Dialogue (But Have a Legitimate Reason!)

There is a fine line between keeping an open dialogue and being annoying! Find legitimate reasons to engage with your referral sources. As an example, dropping by to have a plan of care signed off on in person, or to discuss a referral that has been difficult to schedule demonstrates your level of dedication. Additionally, be sure to report patient results to the referring physician so they can stay informed on their patient's progress and recognize their referral choice was the right one.



## Branded Collateral

When you cannot speak with a physician directly, attractive branded collateral can speak for you. Consider developing materials for the front desk team, practice manager, and the physician. These leave-behind materials can spread brand awareness to physicians and patients.



### Timing

Touch base regularly with your referral sources and recognize that consistency is key, the squeaky wheel gets the grease! Understanding the needs of your referral partners plays a key role in establishing the right communication cadence, but as a general rule, have a touch point with partners every two weeks, with a maximum of five weeks between periods of outreach.



### Differentiated Services

Stand out from other PT practices by offering different services. Balance and vestibular therapy are excellent differentiators and can help you unlock secret referral sources others cannot tap into!

## Secret Referral Sources for PTs



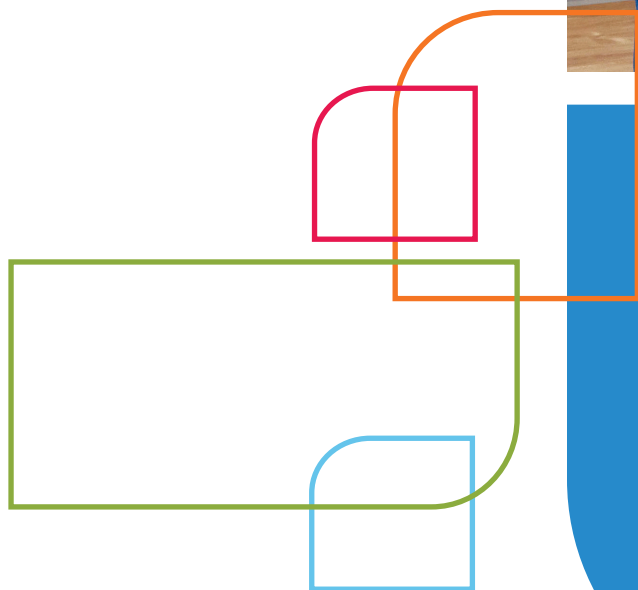
By differentiating your practice through added services like balance therapy, you open yourself up to a wealth of new referral sources including:

- |                  |                      |
|------------------|----------------------|
| Neurotologist    | Cardiologist         |
| Neurologist      | Endocrinologist      |
| Otolaryngologist | Ophthalmologist      |
| Audiologist      | Optometrist          |
| Gerontologist    | Dentist/Oral-Surgeon |
| Internist        | Podiatrist           |
| Psychiatrist     | Psychiatrist         |



# MEASURE YOUR SUCCESS

Now that you have created a system for tracking and managing your referrals, analyze your results. Replicate the tactics that are working effectively and replace those tactics that are not yielding results. Measure yourself against the benchmarks to keep an eye on your level of “referral risk.” With an excellent referral management system in place, you will drive more business, grow your practice, enhance its value, and improve the results of other programs in your business, such as marketing! The better your relationships with your referral sources, the better you’ll understand the needs of the community and build services that meet those needs into your business plans.



Interested in learning about more ways to monitor and improve the health of your private practice?

[Contact us for more information.](#)



