



PRACTICE PEARLS

Corporate Chiropractic (Pt. 1): Let's Consider the Advantages

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When I graduated from chiropractic school many years ago, I needed a job. I had two choices: either supply my own job by working for myself, or work for someone else, most likely another chiropractor. That was about it.

Today (you can guess where I'm going with this) opportunities are more numerous. DCs are working in VA hospitals, military bases, hospital-based clinics, HMO clinics, occupational medicine clinics, American Indian reservation clinics, and numerous multidisciplinary "integrated" clinics, with a variety of ownerships and partnerships.

Yesteryear, other than starting a practice from "scratch," a young DC could work for another chiropractor as an associate doctor. A salaried position was not often found, and if one existed, it usually did not pay much. More commonly seen was a young doctor starting in the office of an established DC and paying 40-50 percent of gross income as overhead expenses.

If the practice were extremely busy and the new associate would be in the office when the other doc was gone, prosperous things could happen. But there were seldom any guarantees.

Now, back to the "opportunity talk." Many of the clinic types I mentioned have become affiliated with or been bought by for-profit health care corporations. As we look around most communities, these corporations and especially franchises are becoming quite visible. They own stand-alone emergency departments, men's health clinics, pediatric kiosks in pharmacy chain stores, geriatric medicine clinics in retirement communities, and finally, the emerging chiropractic office franchise, owned by whoever has the money to own it.

Today (you might *not* have guessed yet where I'm going with *this*) I want to make the case that the corporate trend in chiropractic practice actually might be positive for the profession.

The Case for Corporate Chiropractic

First of all, the whole country seems to be one big franchise. With the exception of a few ethnic restaurants, most retail businesses are corporation businesses. In health care delivery, even massage therapy has become franchised. Is it any wonder that chiropractic corporations, publicly traded and owned by entrepreneurs, have arrived?

Second, in a [previous article](#) in *DC* [Feb. 1, 2015 issue], I discussed how the majority of new physicians are working for a salary, since most have huge student loans and need a guaranteed income to pay them off. Chiropractic, podiatry and dental graduates are no exception. Most doctors of any kind do not want to be business people, hire and fire employees, pay the sundry maintenance and insurance costs, or manage accounts receivable. Thankfully, opportunities to work in corporate clinics can offer alternatives.

In a corporate business environment, there can be collegial efforts to delivery better quality care, identify as a team member, and have the support of a trained staff. There can be paid vacations, a 401K and health insurance. But all of this is tempered by how many dollars one takes home at the end of the contract. How much money does one need or want? It can all be negotiable. To a younger doctor, a bonus for treating over a certain number of patients per week might be important in a contract, whereas an older doc might demand a 20-minute nap at lunch time.

The Benefits of Corporate Culture

Corporate culture is a worthy topic. I don't really know what a "well-managed" corporation is supposed to be, but I can understand what a "healthy and happy" environment might be. In business schools all across the country, the topic of making a profit while still keeping everybody happy is practically an MBA 101 course. Case studies abound in other industries, but in health care, it is a fledgling field to study.

In chiropractic corporations, the balance between profit and job satisfaction is practically unknown. But chiropractic franchises can be owned by one or more chiropractors, not just business investors. Who better than a DC to understand job satisfaction in a chiropractic business?

Corporations delivering chiropractic care might also be advantageous to DCs moving toward semi-retirement or bone-dry, real retirement. If a doctor decides to sell their active practice, the question is not who will buy it, but "how" the new owner will pay for it. The "gradual buy-in" by an associate is fraught with risky nuances, and I have heard stories of the "smooth transition" tactic from Old Doc to New Doc turning out to be less than smooth.

Besides, it may be difficult for almost any graduate with \$100,000 in student debt to come up with the money to buy Old Doc's practice for cash. So, a new trend is for a franchise to purchase Old Doc's practice, and Old Doc to become a part-time employee. Old Doc can work there a little (or not), but no longer has the overhead costs of rent, salary, etc.

The Biggest Professional Benefit?

My hope for the corporate practice of chiropractic, is that the model can attract the high percentage of the population that has never been to a chiropractor. Corporations or franchises using social media marketing and brand recognition might be quite successful in this regard. The younger generation gets it.

Will this be one way chiropractic can grow? Can chiropractors adapt and still maintain professional autonomy? It's definitely trending and worth watching.

