

# Topped Out Need Not Mean Tapped Out

**Creative ways to reward veteran employees who are making the highest possible salary in their current positions.**

YOUR CERTIFIED OPHTHALMIC technician has worked for you for the last 25 years. Your insurance coordinator has served you for 30. They've both received all the merit increases and financial incentives possible for their outstanding job performances. Trouble is, they've reached the top of the pay scale in their current positions. They can't make anymore money without being promoted or leaving your medical practice.

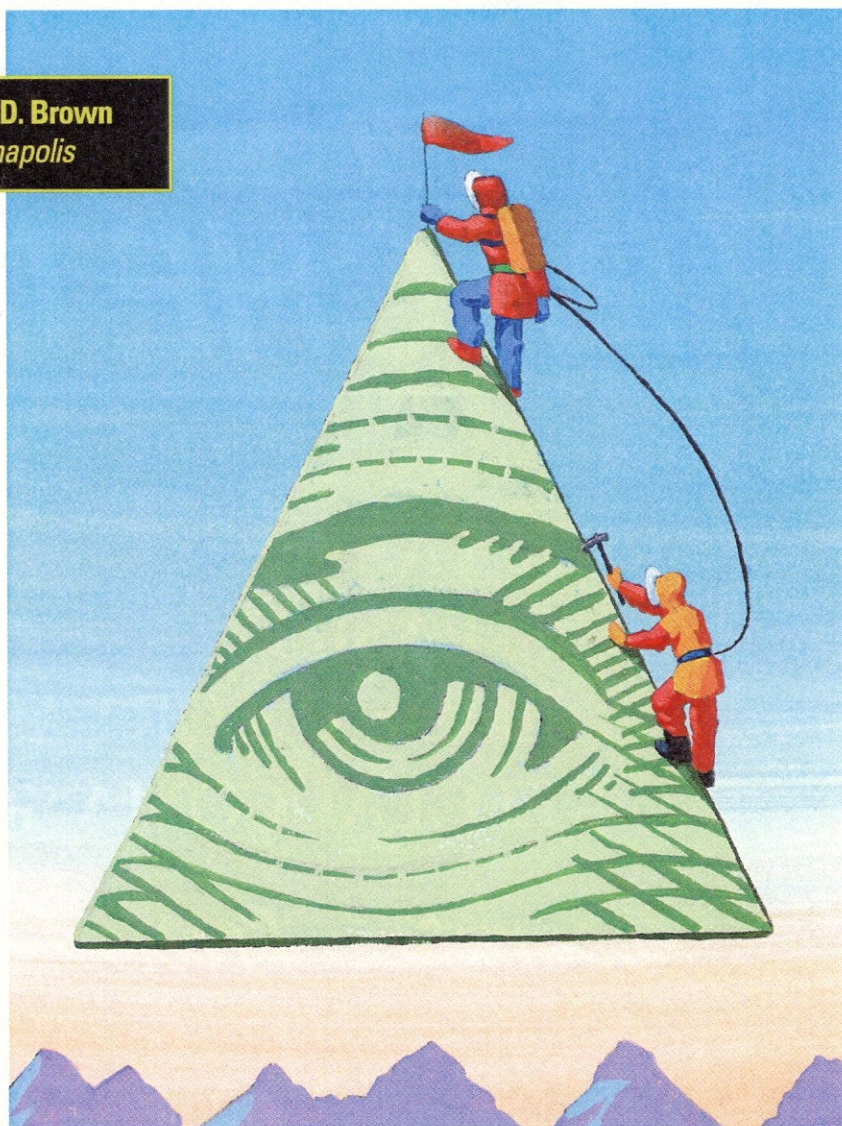
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So what do you do? How do you keep these employees motivated? How do you continue to reward them?

These are all good questions that I will answer in the following article. I'll discuss creative steps you can take to help keep your stellar, most loyal employees working for you. The key is to implement creative incentives with built-in flexibility to keep them encouraged, in high spirits, knowledgeable and happy, so they don't become disgruntled and eventually leave your organization.

## Loosen the Purse Strings

Like many ophthalmologists, you may have drastically cut merit increases for your staff or eliminated them





## ACULAR LS<sup>®</sup>

(ketorolac tromethamine ophthalmic solution) 0.4%

Sterile

### BRIEF SUMMARY

#### INDICATIONS AND USAGE

ACULAR LS<sup>®</sup> ophthalmic solution is indicated for the reduction of ocular pain and burning/stinging following corneal refractive surgery.

#### CONTRAINDICATIONS

ACULAR LS<sup>®</sup> ophthalmic solution is contraindicated in patients with previously demonstrated hypersensitivity to any of the ingredients in the formulation.

#### WARNINGS

There is the potential for cross-sensitivity to acetylsalicylic acid, phenylacetic acid derivatives, and other nonsteroidal anti-inflammatory agents. Therefore, caution should be used when treating individuals who have previously exhibited sensitivities to these drugs.

With some nonsteroidal anti-inflammatory drugs there exists the potential for increased bleeding time due to interference with thrombocyte aggregation. There have been reports that ocularly applied nonsteroidal anti-inflammatory drugs may cause increased bleeding of ocular tissues (including hyphemas) in conjunction with ocular surgery.

#### PRECAUTIONS

**General:** All topical nonsteroidal anti-inflammatory drugs (NSAIDs), including ketorolac tromethamine ophthalmic solution, may slow or delay healing. Topical corticosteroids are also known to slow or delay healing. Concomitant use of topical NSAIDs and topical steroids may increase the potential for healing problems.

Use of topical NSAIDs may result in keratitis. In some susceptible patients, continued use of topical NSAIDs may result in epithelial breakdown, corneal thinning, corneal erosion, corneal ulceration or corneal perforation. These events may be sight threatening. Patients with evidence of corneal epithelial breakdown should immediately discontinue use of topical NSAIDs and should be closely monitored for corneal health.

Postmarketing experience with topical NSAIDs suggests that patients with complicated ocular surgeries, corneal denervation, corneal epithelial defects, diabetes mellitus, ocular surface diseases (e.g., dry eye syndrome), rheumatoid arthritis, or repeat ocular surgeries within a short period of time may be at increased risk for corneal adverse events which may become sight threatening. Topical NSAIDs should be used with caution in these patients.

Postmarketing experience with topical NSAIDs also suggests that use more than 24 hours prior to surgery or use beyond 14 days post-surgery may increase patient risk for the occurrence and severity of corneal adverse events.

It is recommended that ACULAR LS<sup>®</sup> ophthalmic solution be used with caution in patients with known bleeding tendencies or who are receiving other medications, which may prolong bleeding time.

**Information for Patients:** ACULAR LS<sup>®</sup> ophthalmic solution should not be administered while wearing contact lenses.

#### Carcinogenesis, Mutagenesis, Impairment of Fertility:

Ketorolac tromethamine was neither carcinogenic in rats given up to 5 mg/kg/day orally for 24 months (156 times the maximum recommended human topical ophthalmic dose, on a mg/kg basis, assuming 100% absorption in humans and animals) nor in mice given 2 mg/kg/day orally for 18 months (62.5 times the maximum recommended human topical ophthalmic dose, on a mg/kg basis, assuming 100% absorption in humans and animals).

Ketorolac tromethamine was not mutagenic in vitro in the Ames assay or in forward mutation assays. Similarly, it did not result in an in vitro increase in unscheduled DNA synthesis or an in vivo increase in chromosome breakage in mice. However, ketorolac tromethamine did result in an increased incidence in chromosomal aberrations in Chinese hamster ovary cells.

Ketorolac tromethamine did not impair fertility when administered orally to male and female rats at doses up to 280 and 499 times the maximum recommended human topical ophthalmic dose, respectively, on a mg/kg basis, assuming 100% absorption in humans and animals.

#### Pregnancy:

##### Teratogenic Effects: Pregnancy Category C:

Ketorolac tromethamine, administered during organogenesis, was not teratogenic in rabbits or rats at oral doses up to 112 times and 312 times the maximum recommended human topical ophthalmic dose, respectively, on a mg/kg basis assuming 100% absorption in humans and animals. When administered to rats after Day 17 of gestation at oral doses up to 46 times the maximum recommended human topical ophthalmic dose on a mg/kg basis, assuming 100% absorption in humans and animals, ketorolac tromethamine resulted in dystocia and increased pup mortality. There are no adequate and well-controlled studies in pregnant women. ACULAR LS<sup>®</sup> ophthalmic solution should be used during pregnancy only if the potential benefit justifies the potential risk to the fetus.

#### Nonteratogenic Effects:

Because of the known effects of prostaglandin-inhibiting drugs on the fetal cardiovascular system (closure of the ductus arteriosus), the use of ACULAR LS<sup>®</sup> ophthalmic solution during late pregnancy should be avoided.

**Nursing Mothers:** Caution should be exercised when ACULAR LS<sup>®</sup> ophthalmic solution is administered to a nursing woman.

**Pediatric Use:** Safety and effectiveness of ketorolac tromethamine in pediatric patients below the age of 3 have not been established.

**Geriatric use:** No overall differences in safety or effectiveness have been observed between elderly and younger patients.

#### ADVERSE REACTIONS

The most frequently reported adverse reactions for ACULAR LS<sup>®</sup> ophthalmic solution occurring in approximately 1 to 5% of the overall study population were conjunctival hyperemia, corneal infiltrates, headache, ocular edema and ocular pain.

The most frequent adverse events reported with the use of ketorolac tromethamine ophthalmic solutions have been transient stinging and burning on instillation. These events were reported by 20% - 40% of patients participating in these other clinical trials.

Other adverse events occurring approximately 1% - 10% of the time during treatment with ketorolac tromethamine ophthalmic solutions included allergic reactions, corneal edema, iritis, ocular inflammation, ocular irritation, ocular pain, superficial keratitis, and superficial ocular infections.

**Clinical Practice:** The following events have been identified during postmarketing use of ketorolac tromethamine ophthalmic solutions in clinical practice. Because they are reported voluntarily from a population of unknown size, estimates of frequency cannot be made. The events, which have been chosen for inclusion due to either their seriousness, frequency of reporting, possible causal connection to topical ketorolac tromethamine ophthalmic solutions, or a combination of these factors, include corneal erosion, corneal perforation, corneal thinning and epithelial breakdown (see **PRECAUTIONS, General**).

#### Rx only

U.S. Pat. 5,110,493

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## REVIEW PRACTICE MANAGEMENT

altogether because of a reduction in revenues that has resulted from the sluggish economy. And this trend, unfortunately, will probably continue in the upcoming year. But you don't have to banish salary increases across the board. Consider the following:

- **Assess salary parameters.** Meet annually with your office administrator, attorney, consultant and your accountant to look at the Consumer Price Index. Compile statistics on incentive programs and healthcare salaries from the Medical Group Management Association and the American Academy of Ophthalmology. These organizations will give you the salary benchmarks you need to make modifications to your current salary parameters, so you can stay in tune with industry averages for your demographic region. Do this for each position in your practice. They'll also give you examples of the different types of incentives with which you can reward your employees.

All positions have salary ranges that include a minimum, midpoint and maximum level. So, assess whether or not you should increase these parameters to reward your stellar and most loyal employees. It may be 1 to 3 percent one year or 4 percent another year. Discuss bonus scenarios that you can incorporate into your practice, and figure out ways to create jobs to promote your veteran staff members. Salary increases should be based on merit, initiative and other performance-review standards such as quality and quantity of work, and even profitability.

- **Reward only your best employees.** If your practice has suffered monetarily over the past couple of years due to the recession, just focus on giving merit raises to your best employees who've been with you the longest. Don't reward those who are doing a poor job. Of your 25 staff members, for instance, maybe only eight will receive a raise. You don't want to reward the incompetent people and hurt the eight who are really cooking.

Unfortunately, many ophthalmologists get into the habit of giving increases to everybody whether they deserve it or not. It may be 2 or 3 percentage points, but that's inappropriate. You need to set up a merit fund and give your most loyal people the money first. Then, work on the others who are incompetent. Ask yourself "why are they working for me anyway?" Challenge yourself by asking that question, and then do something about it.

Additionally, avoid the common mistake of hiring someone at the midpoint of their salary range. In five to 10 years, they will reach their maximum level and won't be able to go any higher. These are basic business principles that all ophthalmic medical practices need to implement. You don't want to hurt your good people. They're much too hard to find, especially in ophthalmology.



## Promote from Within

Giving an outstanding, veteran employee a promotion when she's maxed out in salary is the logical next step. If there's no position available within her department, you may need to create one. Otherwise, you'll risk losing her to another medical practice. And as I mentioned earlier, good, loyal people in ophthalmology are hard to find.

- *Consider a team-leader position.* If your employee isn't disgruntled, but has simply reached his highest possible annual salary, offer him a position in administration if he's qualified or promote him to team leader within his area. I'm a big believer in team leadership. It's a way of creating an effective, functional position. Every department in your practice should have one. That would include the front office, where your secretary, receptionist and transcription person resides; the back office, where the clinical people, scribes and COTs work; the business office, where accounts receivable, accounts payable, the insurance and precertification departments operate, along with the computer-software support team and the buyer. All these areas need team leaders, especially the front office, because of the high turnover rate.

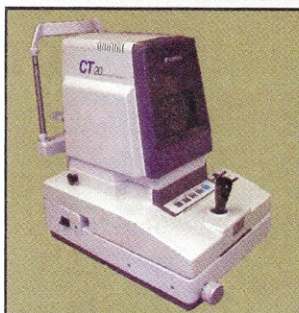
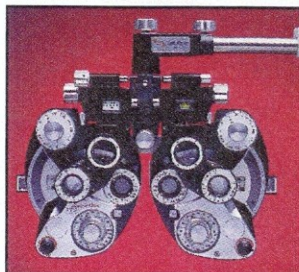
And don't forget your optical shop if you have one. The most important person in optical, aside from the certified opticians, the buyers and salespeople, is your team leader. He or she can help build profitability by encouraging the buyer to make good purchasing decisions. Optical profitability is based on good buying decisions. That's where it starts. You can measure that person's leadership qualities by assessing her buying principles and quantifying incoming revenue. Further, you can give the team leader bonuses based on the number of glasses and add-ons sold.

- *Focus on seniority and qualifications.* If you ever find it difficult to choose a team leader because all six people in your business office are fabulous, always choose the one who's the most outstanding and has worked for you the longest. To measure the quality and quantity of her work, have job-performance standards in place. You can't just say, "I think I like you. Or, I think you're doing a good job, so I'm going to promote you." You must have job-performance review standards by which you can measure the quality of her work.

## Bonuses and Incentives

Here's where you can get creative and set yourself apart from other ophthalmic practices.

- *Strengthen your 401k plan.* If you don't offer a retirement savings package, you should. Employees who are 55-years-old and older and who have been with you 20 years or more are concerned about retirement benefits. You can



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increase the amount of matching dollars you currently contribute to the plan. You can offer your staff better investment choices to help diversify their portfolios from the brokerage firm with which you associate. And you can structure your retirement savings plan so that it will allow higher amounts of money to be contributed on a pre-tax basis.

- *Develop a profit-sharing program.* Unlike a 401k savings plan that enables you to contribute a fixed amount of money for you and your staff, profit sharing, also called a standard employee program (SEP), offers more flexibility. Whatever the corporation makes, you and your employees share in the percentage that you get to define year after year.

You can give each staff member 3 percent of his salary this year or 7 percent next year based on company profit. Or, if it's a boom year, you can offer employees 15 percent of their salaries. Keep in mind that if you give yourself 15 percent of your salary, you must afford everyone else 15 percent. What's good for the goose is good for the gander. You can't give yourself 15 percent and give your staff members 3 percent.

Too often, ophthalmologists increase employee salaries too much and neglect to invest in retirement savings plans that are great tax write-offs. When 47 cents of every dollar you make goes to Uncle Sam, why wouldn't you invest in a retirement fund? I still see many ophthalmologists give an employee a \$50,000-a-year salary with no retirement plan, when in reality they're paying that person \$65,000, because \$15,000 of it is going to the government. So good, solid tax planning via profit sharing and other retirement programs are obviously vital.

- *Watch your gift giving.* Over the years, I've watched many ophthalmol-

gists give very extravagant gifts to their employees. This can stir up jealousy and dissension among your staff members, especially if you give in a discriminatory manner. And it can hurt you financially if you're not paying close attention to incoming revenues, operating expenses, profits and other monetary issues concerning your medical practice.

**Implement creative incentives with built-in flexibility to keep your stellar and most loyal employees encouraged, knowledgeable and happy, so they don't become disgruntled and leave your organization.**


- *Give them time off.* Aside from money, the number one thing your loyal employees want is more quality time spent with their families. They want Fridays or Mondays off. They want to go to their grandson's soccer games or granddaughter's dance recitals. Find out what their individual needs are, and try to accommodate their lifestyle. Be creative and shuffle the job schedules around to cater to them. Maybe they can take time off when you're not going to be in the office on a certain day. If it's a key staff person, let him take some days off when there's downtime. Be flexible and willing to cooperate.

- *Invite them to industry meetings.* There's nothing more satisfying than taking your star employees to the annual meetings of the American Soc-

iety of Cataract and Refractive Surgery, the Association for Research in Vision and Ophthalmology and the American Academy of Ophthalmology. These are the mechanisms that will keep them motivated, strengthen their skills and fire them up. Look for regional meetings within driving distance of your office that they can attend if airline travel expenses are an issue. Everyone typically receives a \$500 spending allowance for business trips.

Don't just expect them to work 50 hours a week. Encourage them to get out of the office to attend continuing medical education classes or training courses with the American Society of Ophthalmic Administrators, which offers educational programs to ophthalmic practice administrators and general staff. If one of your employees wants to become certified, encourage and challenge him to accomplish that goal in one year.

I'm a strong advocate of training. Each year, afford every staff member the opportunity to attend a clinical, business or insurance training course. Give them the option to bring their spouses along, and count the business trip as a regular workweek. Don't deduct it from their vacation time.

The point here is to be as creative as possible when dealing with salaries, bonuses and promotions, and when developing retirement and profit-sharing programs. Your goal is to keep your top-notch, veteran employees happy, successful and on your team for many years to come. 

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