

Practice Management Joint Project

National Council of Schools and Programs of Professional Psychology - Education and Pedagogy Committee (Chair, Lavita Nadkarni, University of Denver-GSPP)
American Psychological Association – Practice Organization (David Ballard, Assistant Executive Director-Corporate Relations and Business Strategy)
American Psychological Association-Psychologists in Independent Practice, Division 42 (Jeffrey Barnett & Debbie Klingender)

Information was obtained from the following sources:

American Academy of Family Physicians Practice Management website (aafp.org)
American Bar Association – Law Practice Management Section website (abanet.org/lpm)
American Psychological Association- Practice Directorate and Practice Organization Web sites (apa.org/practice; apapractice.org)

Syllabi were forwarded from:

Rodger Bufford, George Fox University – *Supervision and Management of Psychological Services* (1 hour for two semesters)
Jenny Cornish, University of Denver-GSPP – *Professional Issues in Psychology* (2 credits, required)
Monica Neel, Loyola University- Maryland – *Business Issues in Professional Practice* (2 hours for 1 semester)
David Sacks, Argosy University/Washington, DC – *Survey of Business for Psychologists* (3 credits, elective, taught by Grace Klinefelter)
Ken Solberg, Argosy University/Twin Cities – *The Business of Private Practice* (1 credit, elective, taught by Joy Piccolino)
Stephanie Wood, Forest Institute – *Business Basics* (4 hours for 9 weeks)

Practice Management Syllabus Fall 2008

Course Title: Business Issues in Professional Psychology

Course Specifics:

It is proposed that the contents of this syllabus be required in some manner, with the flexibility for each school and program to concentrate on certain topics as they see fit. Options include: overview survey course in first year; advanced level course with applied assignments for practice; once a quarter/semester colloquium for all years; or seminars for community/alumni.

Course Description/Objectives:

This course will introduce students to business principles as they apply to professional psychology. Students will think through various business of practice decisions, such as starting, managing, marketing and diversifying a psychology practice, and consider the related legal, ethical and financial issues.

Topics Covered:

The following topics are listed under the headings of Legal/ethical; Business of practice, Career opportunities, and Personal. Some of the topics may be applicable to more than one broad heading.

Legal/ethical

- Licensure issues – postdoc vs. job vs. private practice; becoming and keeping informed about state licensing requirements; supervision towards licensure (finding a supervisor, hours, cost, etc); preparation for the licensing exam; mobility issues
- Legal issues – risk management; subpoenas, testimony, grievances; contracts
- Ethical decision making – models and application to business aspects of practice
- Insurance issues – professional liability (claims-made vs. occurrence coverage, and tails); life; health; disability; key personnel insurance; property insurance
- Personnel management and supervision, ethical conduct, compliance with relevant laws, regulations (e.g., HIPAA) and the APA Ethics Code (e.g., maintaining confidentiality); use of technology such as computers, the Internet, faxes, etc.
- Contracts, the use of attorneys as consultants, etc.
- Therapist absence due to disability/death; planning for continuity; professional wills

Business of practice

- Entrepreneurship & business strategy – cultivating an entrepreneurial mindset; creating a mission statement; developing a business plan; evaluating business opportunities; case examples of business minded psychologists
- Business decisions for private practice – individual vs. group; specialty vs. multi-specialty; multidisciplinary group practice; generalist vs. niche; considering different legal models of practice (e.g., PC, S-Corp, LLC)
- Different types of practice – medical/health; neuropsychology; child & adolescent; academic; forensic; community; industrial/organizational; assessment; special considerations for the rural or small-town practitioner
- Practice finances – projecting realistic startup and operating costs, revenues, and a break-even point for your early years in practice; setting fees/sliding scale issues; income and expenses; billing and collection; taxes; establishing a realistic budget that takes into account student loans, cost of practice, timeline, etc; effective use of consultants (e.g., accounting, IT, graphic designers); understanding basic financial statements; using financial and operating data to enhance practice
- Office space – choosing a location; negotiating a commercial lease; purchasing or building a space; subletting or subleasing space; management; human resources issues; clerical support; reception area; accessibility issues; safety issues; décor; sound proofing
- Policy issues – developing policies and procedures that are fair and workable for your practice; documents/forms; recordkeeping; HIPAA compliance; privacy & security; staff functions

Marketing Strategies

- Marketing your practice – networking, developing referral sources, advertising, consulting or acting as a liaison with local community healers/networks; becoming connected/involved in the community; establishing an identity/professional image for your practice; understanding market trends, and identifying opportunities/developing services to meet emerging needs; understanding your target clientele; public education
- Technology and private practice – Web site development, email, newsletters, etc.; technology infrastructure, including billing and claims submission options, vender/product/service selection, accepting credit cards

Career Opportunities

- Health policy issues – basic overview of healthcare system and positioning of psychologists; advocacy; understanding of health care financing (e.g., HMO, PPO, POS, indemnity, Medicare, Medicaid); involvement on insurance panels; coding and reimbursement issues
- Issues of diversity/social justice and private practice – sliding scale, pro bono work, accessibility, etc.
- Practice maintenance, growth and diversification – expansion
- Preparing for leadership/administrative positions within the broader marketplace; learning to apply psychology skills, knowledge, and abilities to business activities in various organizational settings; creative thinking about the role of psychology and psychologists in improving the performance and functioning of individuals, groups, organizations and communities, strategies for obtaining additional education and training in business (both formally and informally)

Personal

- Professional affiliations, resources, and advocacy for practice issues – seeking support/mentoring and considerable assistance through the APA Practice Organization and APA divisions; state, provincial and territorial psychological associations; APAGS
- Self-care –identifying and addressing your needs; preventive measures; self-care strategies; temperament; work-life balance/family issues
- Professional practice issues - peer consultation; continuing education/specialized training; professional development; establishing and maintaining effective boundaries; accurately assessing your abilities and limitations; identifying and addressing risks to safety

Following are required textbooks and/or readings, supplemental readings, and web resources mentioned in the syllabi that were submitted as resources for this joint project. Please feel free to augment this potential reading list.

Required Textbooks:

Hunt, H. (2005). *Essentials of Private Practice: Streamlining costs, procedures, and policies for less stress*. New York: W. W. Norton & Company.

Nickels, W., McHugh, J., & McHugh, S. (2005). *Understanding Business* (7th ed.). Boston: McGraw-Hill Irwin.

Pope, K. & Vasquez, M. (2005). *How to Survive & Thrive as a Therapist: Information, ideas, & resources for psychologists*. Washington, D.C.: American Psychological Association.

Stout, C., & Grand, L. (2005). *Getting Started in Private Practice: The Complete Guide to Building Your Mental Health Practice*. Hoboken: John Wiley & Sons, Inc.

Walfish, S. & Barnett, J. (2008). *Financial Success in Mental Health Practice: Essential Tools and Strategies for Practitioners*. Washington, D.C. American Psychological Association.

Zuckerman, E. L. (2008). *The Paper Office: Forms, guidelines and resources to make your practice work ethically, legally, and profitably (4th ed.)*. New York: Guilford Press.

Required and/or Supplemental Readings: * see above comments

Allen, K. & Economy, P. (2000). All you ever wanted to know about accounting. In *The Complete MBA*(pp. 155-172). Hoboken, NJ: Wiley Publishing.

Allen, K. & Economy, P. (2000). Working your way through financial statements. In *The Complete MBA* (pp. 173-185). Hoboken, NJ: Wiley Publishing.

Allen, K. & Economy, P. (2000). Deciphering the mysteries of financial planning and analysis. In *The Complete MBA* (pp. 185-202). Hoboken, NJ: Wiley Publishing.

Allen, K. & Economy, P. (2000). Focusing your efforts with a marketing plan. In *The Complete MBA* (pp. 257-276). Hoboken, NJ: Wiley Publishing.

American Psychological Association Practice Organization (Winter, 2007). *Good Practice Topical Edition: Putting HIPAA into practice*.

American Psychological Association Practice Organization (2008). *Practice Management*. Retrieved October 7, 2008 from <http://www.apapractice.org/content/apo/insider/practice.html>

Bailey, D. S. (2003). Building an independent practice [Electronic version]. *APA Monitor on Psychology*, 34(9).
<http://www.apa.org/monitor/sep00/independent.html>.

Barnett, JE & Galardo, M. (2005). *Handbook for Success in Independent Practice*.

Coulter, M. (2003). Entrepreneurs and entrepreneurship. In *Entrepreneurship in action, Second edition* (pp. 2 – 39). New Jersey: Pearson Education, Inc.

- Coulter, M. (2003). Organizing the venture. In *Entrepreneurship in action, Second edition* (pp. 160-195). New Jersey: Pearson Education, Inc.
- Gallardo, M. (2001). Graduate students contemplating starting an independent practice: Reality or fantasy [Electronic version] *APAGS Newsletter, 13*(2).
<http://www.apa.org/apags/profdev/firstbiz.html>.
- Grodzki, L. (2000). *Building Your Ideal Private Practice: A guide for therapists and other healing professionals*. New York: W. W. Norton & Company.
- Hall, J. E., & Boucher, A. P. (2003). Professional mobility for psychologists: Multiple choices, multiple opportunities. *Professional Psychology: Research and Practice, 34*(5), 463-467.
- Kainz, K. (2002). Barriers and enhancements to physician-psychologist collaboration. *Professional Psychology: Research and Practice, 33*(2), 169-175.
- Kim, E., & VandeCreek, L. (2003). Facilitating mobility for psychologists: Comparisons with and lessons from other health care professionals. *Professional Psychology: Research and Practice, 34*(5), 480-488.
- Klingender, D. (2006-current). Notes from a newbie. *Independent Practitioner*.
- Levant, R. F., Reed, G. M., Ragusea, S. A., DiCowden, M., Murphy, M. J., Sullivan, F., Craig, P.L., & Stout, C. E. (2001). Envisioning and accessing new roles for professional psychology. *Professional Psychology: Research and Practice, 32*(1), 79-87.
- Lopez, S. J. (2000). Employment, success, and professional adaptiveness: Hopes for the future of professional psychologists [Electronic version]. *APAGS Newsletter*.
<http://www.apa.org/apags/profdev/empsucc.html>.
- McCardell Long, C. (Fall 2004). A financial plan for starting an independent practice. *The Register Report, 30*. The National Register of Health Service Providers in Psychology, pages 25 – 34.
- Norcross, John. C. (2000). Psychotherapist self-care: practitioner-tested, research-informed strategies. *Professional Psychology: Research and Practice, 31* (6), 710-713.
- Pepping, M. (2003). *Successful Private Practice in Neuropsychology*. San Diego, CA: Academic Press.
- Rabasca, L. (2000). Marketplace matters: It's a whole new ballgame. [Electronic version]. *APA Monitor on Psychology, 31*(1).
<http://www.apa.org/monitor/jan00/pr3.html>.

- Rabasca, L. (2000). Marketplace matters: Proving psychologists' value [Electronic version]. *APA Monitor on Psychology*, 31(2). Retrieved January 24, 2005, from <http://www.apa.org/monitor/feb00/marketplace.html>.
- Shead, N. W., & Dobson, K. S. (2004). Towards more assertive advertising practices: An evolutionary, not revolutionary, step forward [Electronic version]. *Canadian Psychology*, 45(2), 139-140.
- Shead, N. W., & Dobson, K. S. (2004). Psychology for sale: The ethics of advertising professional services [Electronic version]. *Canadian Psychology*, 45(2), 125-136.
- Sternberg, R. J. (Ed.). (1997). *Career paths in psychology: Where your degree can take you*. Washington, DC: American Psychological Association.
- Sullivan, M. (2007). Practice directorate helps to promote mechanisms for mobility. <http://www.apa.org/apags/profdev/mechanisms.html>.
- Van Horne, B. (April, 2004). Psychology licensing board disciplinary actions: The realities. *Professional Psychology: Research and Practice*, 35 (2), 170 – 178.
- Welch, B. (2004). After five years: Fresh insight. *Insight: Safeguarding psychologists against liability risks*. New York: American Professional Agency, Inc. www.americanprofessional.com
- Wiger, D.E. (2007). *Well-managed mental health practice: Your guide to building and managing a successful practice, group or clinic*. New Jersey, Wiley.
- Zlotlow, S., & Patterson, M. (2000). What students should know about APA accreditation [Electronic version]. *APAGS Newsletter*, 12(2). <http://www.apa.org/apags/profdev/firstbiz.html>.

Web Resources:

www.apapractice.org

www.apait.org

www.apa.org

www.division42.org

www.kspope.com

www.assessmentpsychology.com

www.aspbb.com

www.nationalregister.com

www.psyfin.com - *Psychotherapy Finances*, newsletter published monthly for mental health providers

www.nolo.com – features many free articles on legal issues related to practice