

Considerations for Private Practice

Becoming credentialed for 3rd party reimbursement payers

- LCSW + 3-5 years full time practice

- Not all panels are open: certain areas/specializations needed

- EAP: CEAP or minimum 2 years experience

- Good referral source

Fee for service

- Higher compensation rate

- Competition within Allegheny County very high

 - Established reputation/specialization

- Must do your own publicity/speaking engagements to solicit referrals, build a book of business

- Practice within an affluent area

 - Counter to social work values

Solo practice versus group practice (independent contractor vs. employee)

- On call and vacation coverage

- Supervision

- Isolation/back-up

- Billing, office overhead

Lack of benefits

- No paid sick time

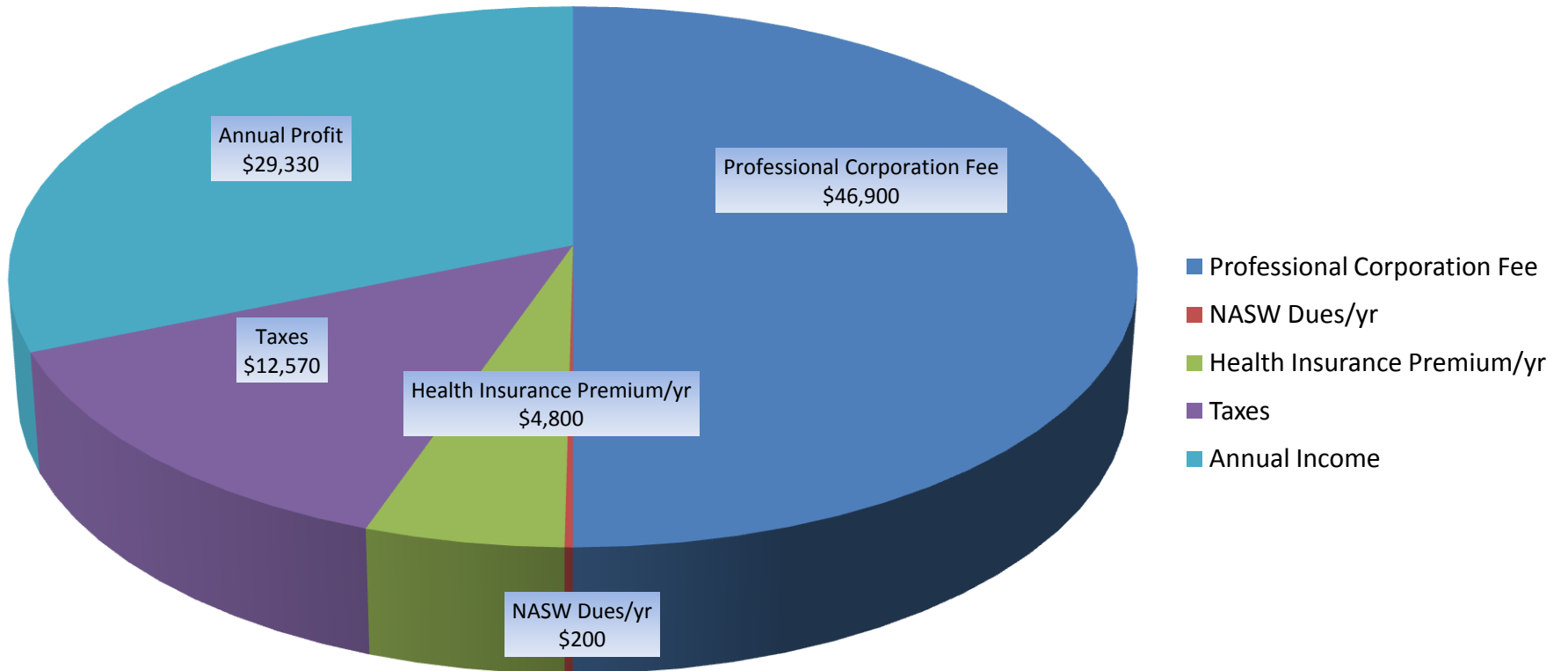
- No paid vacation

- No retirement

- No health, eye, dental, disability insurance

- On call 24/7

TOTAL GROSS INCOME FOR THE YEAR



HYPOTHETICAL WORK WEEK

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
8:30 AM	D	Admin Half Hour		Admin Half Hour	Admin Half Hour	Admin Half Hour	D
9:00 AM	A	Client Hour		Client Hour	Client Hour	Late Cancel/No Show	A
10:00 AM	Y	Late Cancel/No Show		Client Hour	Client Hour	Client Hour	Y
11:00 AM		Client Hour		Client Hour	Late Cancel/No Show	Client Hour	
12:00 PM	O	Client Hour		Late Cancel/No Show	Client Hour	Client Hour	O
1:00 PM	F	Lunch Hour		Lunch Hour	Client Hour	Client Hour	F
2:00 PM	F	Client Hour	Admin Half Hour	Client Hour	Admin Half Hour	Admin Half Hour	F
3:00 PM		Client Hour	Client Hour	Client Hour			
4:00 PM		Late Cancel/No Show	Client Hour	Client Hour			
5:00 PM		Client Hour	Late Cancel/No Show	Client Hour			
6:00 PM		Client Hour	Client Hour	Client Hour			
7:00 PM		Client Hour	Client Hour	Late Cancel/No Show			
8:00 PM		Admin Half Hour	Admin Half Hour	Admin Half Hour			

PRIVATE PRACTICE SAMPLE EXPENSES

Published Rate/hr	\$ 100		Professional Fee Covers
Third Party Reimbursement/hr	\$ 67		Supervision = \$20/hr group
Professional Corporation Fee		50%	\$50/hr individual with NASW Membership
NASW Dues/yr	\$ 200		Malpractice Premium = \$67/yr - \$225/yr
Health Insurance Premium/yr	\$ 4,800		Office Space
Tax Rate		30%	Computer/Billing services
			Answering Service
			On Call & Emergency Coverage
Total Hours Per Week		40	Website
Administrative Hours		5	Advertising/Print Media
Total Appointment Hours		35	Voicemail
Late Cancel/No Show 20%		7	Office Supplies
Kept Hours		28	
Total Gross Income/wk	\$ 1,876		
Total Gross Income/yr	\$ 93,800		
Professional Corporation Fee	\$ 46,900		
NASW Dues/yr	\$ 200		
Health Insurance Premium/yr	\$ 4,800		
Net Income (before taxes)	\$ 41,900		
Taxes	\$ 12,570		
Annual Income	\$ 29,330		
Lost Income/yr (100-67)=33/hr	\$ 32,340		