

Professional Practice Building - Part 1

Session 3: Planning Strategically for Growth: The HR Factors

Webinar Follow-up Question and Answer Session with Hope Cheeks

Question from Anonymous

I'm considering bringing other counselors into my practice, and am wondering if you can address the disadvantages and advantages of either having contracted counseling providers or full-time employed counseling staff?

Answer from Presenter

This depends on where you are in your business. What is your financial capacity? Your space capacity? Your administrative infrastructure? If you are in the early stages of your business and cannot afford to absorb the cost of a regular payroll, which includes employer paid taxes, you might want to consider utilizing independent contractors. Additionally, if you don't have the space or the staff to support employee functions, the independent contractor may be most effective. But remember, independent contractors are just that, independent. You do not have the same degree of control over them as you do an employee. According to the Internal Revenue Service "In determining whether the person providing service is an employee or an independent contractor, all information that provides evidence of the degree of control and independence must be considered. Facts that provide evidence of the degree of control and independence fall into three categories:

Behavioral: Does the company control or have the right to control what the worker does and how the worker does his or her job?

Financial: Are the business aspects of the worker's job controlled by the payer? (these include things like how worker is paid, whether expenses are reimbursed, who provides tools/supplies, etc.)

Type of Relationship: Are there written contracts or employee type benefits (i.e. pension plan, insurance, vacation pay, etc.)? Will the relationship continue and is the work performed a key aspect of the business?"

An independent contracted counselor

- Sets his/her hours and days as they see fit
- Receives no benefits from the employer
- Does not have his/her supplies covered by the employer
- Does not have taxes taken out by the employer, nor is covered by workers' compensation or other policies
- Has a set contract time period
- Is generally not protected by employment laws

An employee must:

- Typically work full or part time with set hours, though hours may change week to week
- Have some type of benefits package
- Have supplies furnished by the employer
- Have taxes taken out of his/her salary and is eligible for unemployment compensation should work stop
- Have employment protections, including workers' compensation
- Be protected by minimum wage and other labor laws
- Have cause to lose their job unless hired "at will"

All these factors should be taken into account to determine whether you hire counselors as employees or independent contracted counselors.

Question from Elizabeth Cole

As an alternative to fee splitting, aren't counseling offices leasing a private office for a flat monthly rate (like hair salons rent out chairs to stylists)?

Answer from Presenter

In situations of this nature, the primary concern is that all or any part of the rental is seen as a “kickback.” It can be considered an unacceptable business practice to charge a percentage of payment rate per client for the use of office space. A space that is leased for a flat monthly rate which is not based, in any part, on the number of patients seen or any referral based on caseload, will eliminate any ambiguity.

Question from Anonymous

What kind of questions are off-base or out-of-bounds when I’m looking to hire either administrative or clinical staff people?

Answer from Presenter

Interview questions that solicit information from job candidates that could be used to discriminate against them are illegal. Asking questions about a candidate's race, religion, or gender could result in charges of discrimination, an investigation by the Equal Employment Opportunity Commission (EEOC) or a possible lawsuit. It is illegal to ask candidates questions about their:

- Race, Color, or National Origin.
- Religion.
- Sex, Gender Identity, or Sexual Orientation.
- Pregnancy status.
- Disability.
- Age or Genetic Information.
- Citizenship.
- Marital Status or Number of Children.

Of course, these are federal law which apply to private employers with 15 or more individuals, however, adhering to these laws will be the best practices as your business grows.

Question from Anonymous

Is it better to hire a company to do my billing and coding or do it myself when I’m first starting out?

Answer from Presenter

This would depend on your experience with billing and coding. While the billing and coding process seems relatively simple, when it is done improperly, it will result in claims being denied. If you have billing and coding experience OR you are willing to take a billing and coding class, then you might be able to manage the

process. Keep in mind that the hardest part for a provider is the variety of requirements from each insurance company. Time management becomes a major issue when you are trying to see patients and simultaneously file insurance claims. It takes time to learn which diagnosis codes work, and even where and how to submit each claim

Oftentimes you will find that insurance companies have multiple addresses for each department, and it is sometimes hard to know where to send claims.. If you send the claim to the wrong department, it will may be denied and by the time you discover this, you may be pushed to refile or you will be out of timely filing. If you submit a paper claim for a company who only accepts electronic claims, it will be denied. If you submit a claim to an insurance company that outsources the behavioral health services to another company, the claim will be denied. Billing is a detailed process and requires significant follow up. If you do decide to do it yourself, invest in professional billing and coding books and organizations which will provide some guidance to billing and coding. Become familiar with the Centers for Medicare and Medicaid Services website and read their MLN Matters updates <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Index.html>. Do not be afraid to talk to more experienced counselors. They can save you precious time AND money!

If you do decide to use a billing company, do your research. Talk to some of their other clients and DO NOT PAY A FLAT RATE! Negotiate for a percentage of what is collected from what THEY (the billing company) bill. Any payments that you collect and are not billed by the insurance company should NOT be included in their fee!

Question from Arona Roshal

Part of assessing KSA is to also find out what skills an employee wants to use. Just because someone has a specific skill or ability doesn't necessarily mean the person wants to use those skills at your work setting.

Answer from Presenter

Agreed. Assessing KSAs will identify the employee's skills, but if the skills are not a requirement of the job, then the employee has no obligation to use those skills in their work setting. However, identifying those skills can sometimes open new opportunities for the employee and the employer. For instance, it could lead to new job description with monetary gain, a paid project etc. Sometimes, employees may be reticent to share their KSAs, for fear of being taken advantage of, but if the KSA is outside the scope of their current position it may be a way to make additional money.

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